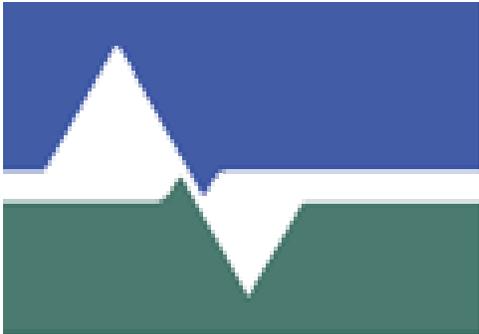


# ADOPTED BUDGET BOOK 2007



City  
of  
Loveland,  
Colorado

The Parks & Recreation Department offers many activities throughout our community and the pictures included in this document are a representation of some of these amenities.



Information provided by the Finance Department, Budget Division.

Finance would like to thank the Parks & Recreation staff for providing all the wonderful pictures used in this document.



**CITY OF LOVELAND**  
CITY MANAGER'S OFFICE

Civic Center • 500 East Third • Loveland, Colorado 80537  
(970) 962-2303 • FAX (970) 962-2900 • TDD (970) 962-2620

## **BUDGET MESSAGE FROM THE CITY MANAGER**

To the honorable Mayor and Members of City Council:

I present to you my recommended budget for 2007. This budget proposes, as required by the Home Rule Charter for the City of Loveland, a complete financial plan for the 2007 calendar year. As always priority is given to City Council goals and direction. The total net budget is \$151,029,910, which is down by \$20,519,490 from 2006.

<b>Budget Category</b>	<b>2007 Budget</b>	<b>% Change from 2006</b>
Operations	116,366,280	8.0%
Capital Improvements	34,663,630	(45.7%)
<b>Total</b>	<b>151,029,910</b>	<b>(12.0%)</b>

### **General Overview**

The local Loveland economy has continued to be strong in 2006. Revenues did come in slightly under projections, largely due to a predictable slowdown in residential construction. Strong performance in sales tax though contributed much to offset the effects of a sluggish housing market. The City is in good condition financially moving into 2007 and beyond. Additions to the budget are for the most part limited to maintaining existing service levels in a growing community. As the community grows it is increasingly more important to preserve the quality of life and to continue to provide great service.

### **Budget Highlights**

Below are the significant highlights and policy issues contained in the recommended budget:

#### **Revenue**

- ☞ A continuation of the annual 1% increase in Water rates to provide funding for future storage;
- ☞ The second year of a three year program of 8% annual increases in wastewater rates to fund operations and necessary capital improvements;
- ☞ A 10% increase across all categories to the Street Maintenance fee to keep up with cost increases. The fee increase will generate approximately \$174,000.

## **Expenses**

- ☞ Maintains current service levels in all departments;
- ☞ Continue the General Fund commitment to the Transportation Program;
- ☞ Continue funding the Building Maintenance program;
- ☞ Continued commitments to the Economic Gardening and Engaging Loveland Programs;
- ☞ Additional Police Patrol Officers and a Detective to keep up with growth and help address the methamphetamine problem within the City;
- ☞ Additional dispatchers due to growth in number of calls;
- ☞ Funding to begin planning for the next phase in Downtown redevelopment;
- ☞ Additional firefighters to improve staffing at a fire call, or provide backup to areas of the city during a call;
- ☞ Increase safety in training fire crews with construction of a burn building;
- ☞ Technological improvements to improve the development process;
- ☞ Replacement necessary large equipment; and
- ☞ Complete funding for Fairgrounds Park.

Our Ten Year Financial Plan indicates that while the City of Loveland is in great shape for now, we need to continue with our conservative budgeting approach. Current projections show that shortly, voter approved revenues in excess of the TABOR limits will not be available. Service enhancements should only be considered when sustainable funding sources are available. Economic conditions need to be closely monitored to plan ahead for cyclical turns in revenues and stabilization of services. With careful consideration of financial conditions Loveland will continue to be the premier city of choice in Northern Colorado.

## **Acknowledgements**

I extend my appreciation to all who contributed to the development of the 2007 Recommended Budget. It begins with you, the City Council, being willing and able to make priorities clear and providing adequate policy direction. From there, many hard working staff members put in countless hours to insure we can deliver on the promises made to the community.

Respectfully,



Don F Williams  
City Manager



**A vibrant community...  
Surrounded by natural beauty...  
Where you belong.**

**Loveland is a community -**

that is characterized by welcoming neighborhoods and a sense of individual belonging;

that embraces the heritage and natural beauty of the region and values its strategic location;

that is well planned and environmentally sensitive, where all citizens are safe and secure and have equal access to services and amenities, including plentiful recreational and cultural activities;

with an integrated system of technology, utility and transportation networks that supports a vital economy and coordinates with regional plans;

that is a continuously developing partnership of citizens, business and educational communities, with a stable and diverse economic base that offers ample employment and business opportunities to all;

that encourages active public involvement and is responsive to the needs of its citizens.

# AWARD FOR DISTINGUISHED BUDGET PRESENTATION

The Government Finance Officers Association (GFOA) of the United States and Canada presented an award of Distinguished Presentation to the City of Loveland for its annual budget for the fiscal year beginning January 1, 2006.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



# BUDGET STAFF

John Hartman, Budget Officer  
Mona Brooks, Financial Analyst  
Dawn Wirth, Business Services Coordinator

City of Loveland, Budget Division  
500 East Third Street  
Loveland, Colorado 80537  
970-962-2329  
[www.cityofloveland.org](http://www.cityofloveland.org)

# CITIZENS' FINANCE ADVISORY COMMISSION

Jennifer Kersten, Chair  
Tony Adams  
Elton Bingham  
Gene Culbertson  
Leonard Kopec  
Amy Parsons  
Susan Sutherland  
*-Vacant-*  
*-Vacant-*  
Dave Clark (Council Liaison)  
Walt Skowron (Council Liaison)

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# USING THE BUDGET DOCUMENT

The City of Loveland Budget provides City residents and the City Council with a funding plan for the year 2007. The Department Summaries Section is organized by function (i.e. Development Services) which mirrors the City's departmental organization chart, and is further separated by divisions, which represent discrete activities within a department.

The department and division summaries provide historical cost information along with the current and recommended budget. Revenues that are attributed to a department are also presented. Included in this section are concise explanations of changes that have occurred from the 2006 Budget. "**Budget Variances**" are increases or decreases to the base budget due to operational changes or other known factors. "**Normal Increases/Decreases**" represent the increase or decrease due to the pay plan, inflation factors, or transfers between categories (i.e. from supplies to purchased services). "**Supplements**" are increases which are required to maintain existing services levels (noted as workload), provide new services (noted as improvement), or as required by state or federal law (noted as mandated). "**Cost Reductions**" are reductions to the budget due to decisions to decrease services and/or improve the efficiency and effectiveness of providing the service.

Included with the cost information is the department's mission statement, descriptions of the program objectives for the coming year, along with measures which show the effectiveness or "outcome" of the programs.

References are made in the Department Summaries to the Capital Program, which is included in a separate section of the budget document. Appropriations in the Capital Program for 2007, with the exception of General Fund agencies, are included within a department's budget. The future years are approved by the City Council in concept only. The Capital Program is updated annually based on Council priorities and goals.

The City of Loveland Budget is a comprehensive decision-making document, designed to present an accurate description of how the City operates, its policies, goals and services provided.

For the answer to questions regarding the budget or for additional information, please call the Budget Division at (970) 962-2329.

# BUDGET GUIDE

This budget guide is a summary of the information contained in each section of the budget document. There are seven main sections: Introduction, Budget Overview, Financial Master Plan, Fund Summaries, Department Summaries, Capital Program and Appendix.

## **Introduction**

This section provides general information about the City. It includes:

- a City organizational chart;
- a list of the City officials;
- demographic and economic information;
- a summary of the budget process;
- the underlying policies and rules that guide and shape the budget; and
- a brief description of each fund type.

## **Budget Overview**

The City's total proposed budget and summaries of each fund type are presented in this section. It shows the City's total proposed budget summary in both gross and net form and a discussion of the major revenues and expenses, and major factors that will impact both revenues and expenses and a debt service summary.

The Financial Master Plan forecast revenues and expenditures for the General Fund for the next five years, with discussion on the forecast assumptions and projected impacts.

The Fund Summaries Section displays the four fund major types compiled in gross amount form showing the primary services provided and the major sources of revenue. This section also includes:

- a list of full time equivalent positions by department/division;
- a summary of all fund balances by fund; and
- the impact of Amendment 1 (TABOR) restrictions on the City's budget.

## **Department Summaries**

This section details revenues and operating expenditures for all departments. Descriptions of each department, its mission and goals, measurements to quantify the effectiveness or "outcome" of the program, a summary of authorized positions, revenue attributable to the departments, and any significant changes in departmental budgets are included.

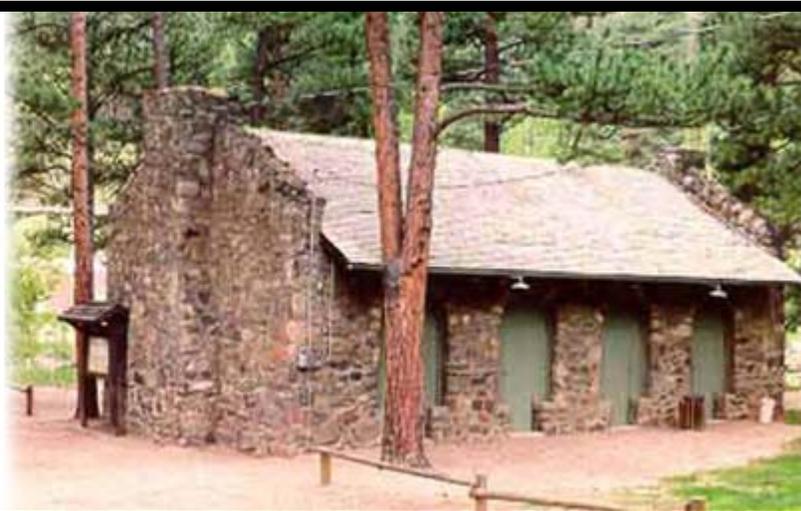
## **Capital Program**

This section contains the 5-Year Capital Program for the City. It describes the major 2007 projects and their financial impact on the operating budget.

## **Appendix**

This section contains a list of specialized words used within this document with their definitions.

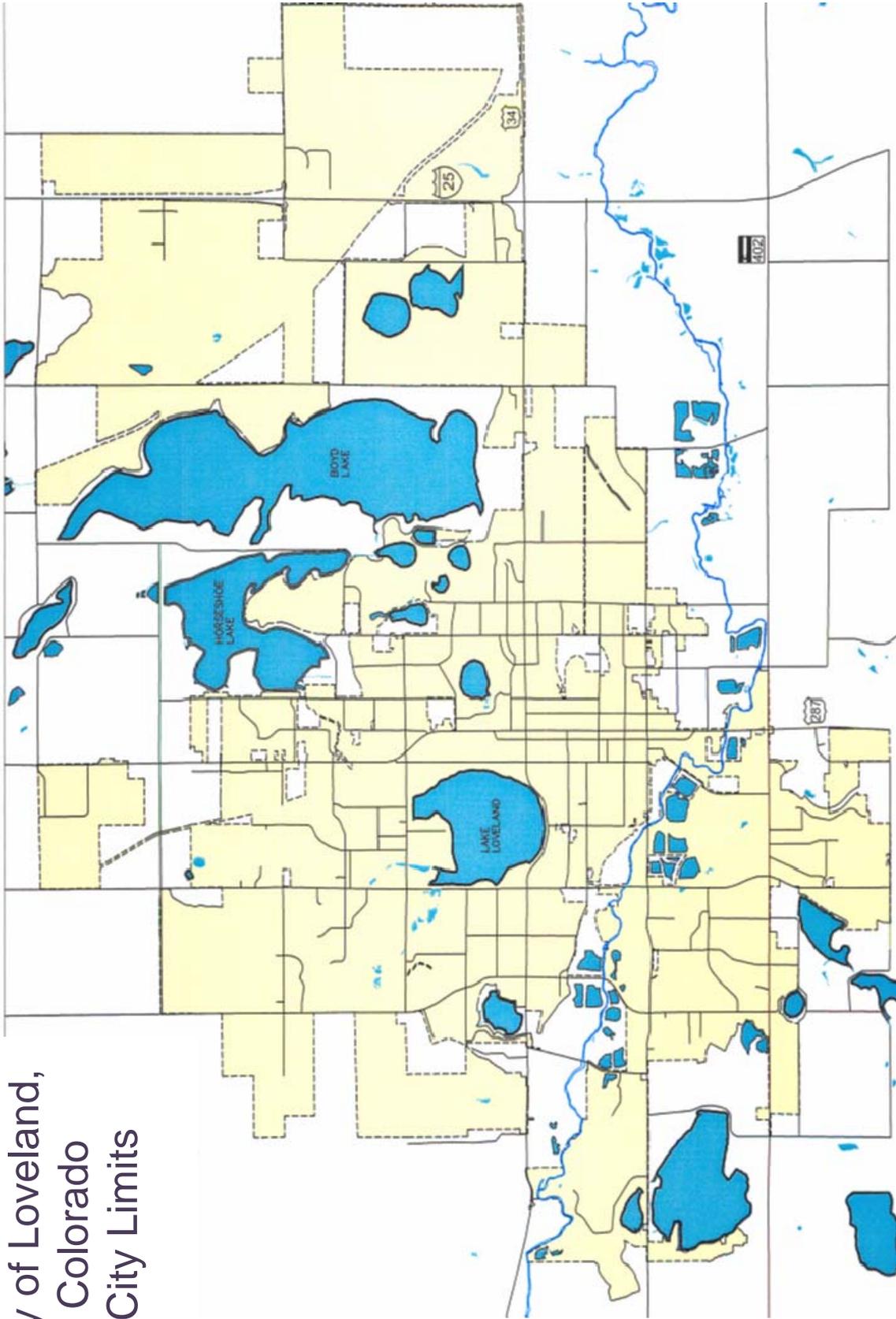
# INTRODUCTION



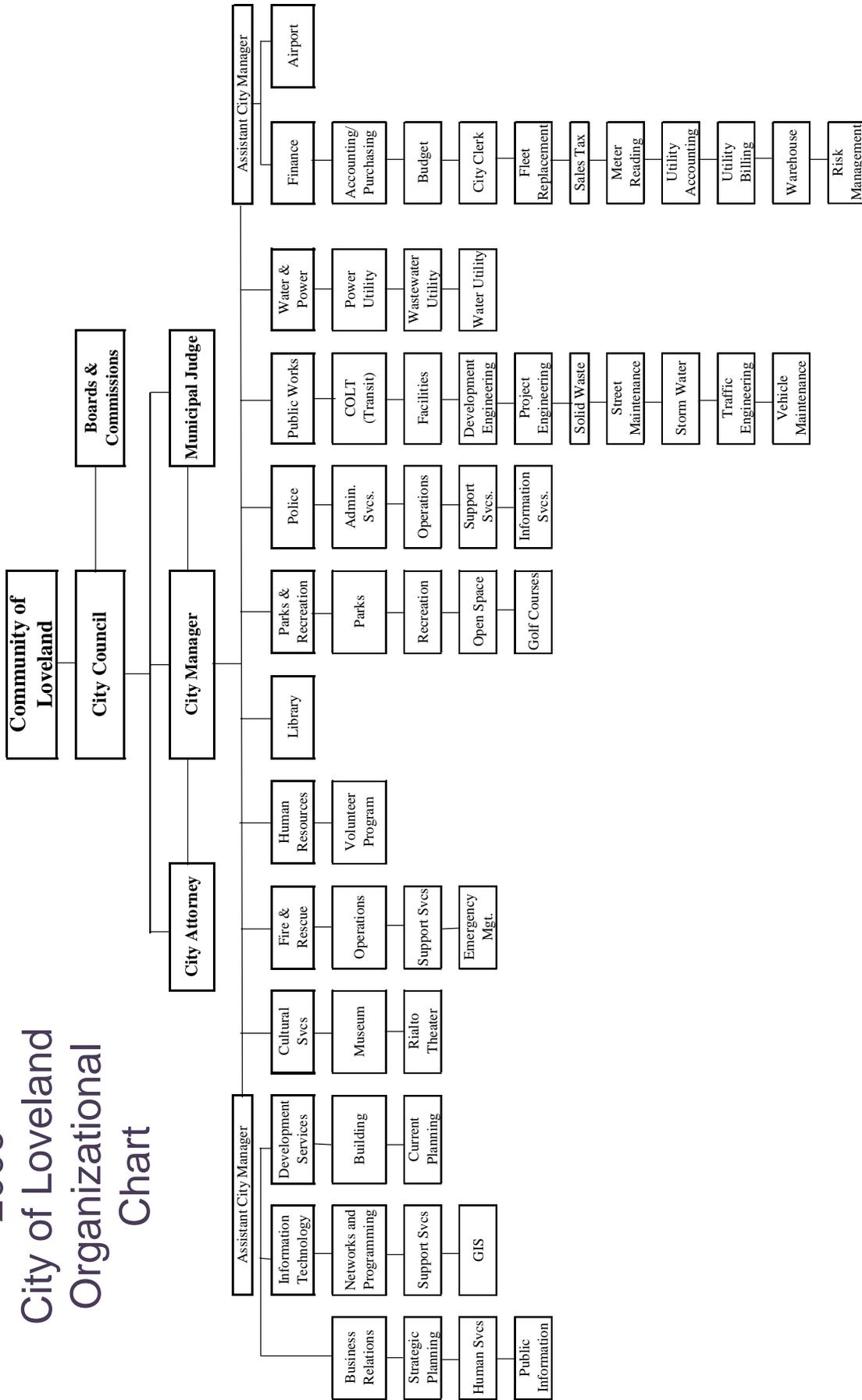
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- a City organizational chart;
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- demographic and economic information;
- a summary of the budget process;
- the underlying policies and the rules that guide and shape the budget; and,
- a brief description of each fund type.

2006  
City of Loveland,  
Colorado  
City Limits



# 2006 City of Loveland Organizational Chart



# OFFICIALS OF THE CITY OF LOVELAND

## City Council

Larry Walsh, Mayor  
Gene Pielin, Mayor Pro-Tem  
*Vacant*, Councilor, Ward I  
Jan Brown, Councilor, Ward I  
Dave Clark, Councilor, Ward IV  
Steven Dozier, Councilor, Ward III  
Larry Heckel, Councilor, Ward IV  
Glenn Rousey, Councilor, Ward II  
Walt Skowron, Councilor, Ward III

## Executive Staff

Don Williams, City Manager  
Renee Wheeler, Assistant City Manager  
Dave Gordon, Airport Director  
Susan Ison, Cultural Services Director  
Greg George, Development Services Director  
Alan Krcmarik, Finance Manager  
Mike Chard, Fire Chief  
John Van Eden, Human Resources Director  
Bill Westbrook, Information Technology Director  
Ted Schmidt, Library Director  
Gary Havener, Parks & Recreation Director  
Luke Hecker, Police Chief  
Keith Reester, Public Works Director  
Ralph Mullinix, Water & Power Director

## Municipal Court

Bill Starks, Municipal Judge

## Legal Staff

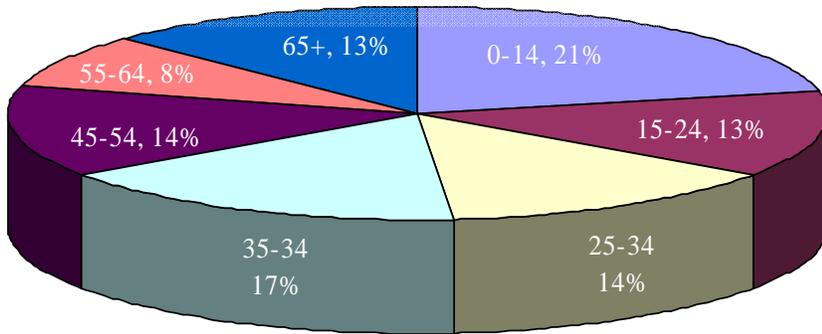
John Duval, City Attorney  
Caroline Blackwell-Schmiedt, Assistant City Attorney  
Sharon Citino, Assistant City Attorney  
Moses Garcia, Assistant City Attorney  
Robert Fink, City Prosecutor

# GENERAL INFORMATION

## History and Location

The City of Loveland, Colorado, is located approximately 50 miles north of Denver, directly east of the Big Thompson River's emergence from the Front Range of the Rocky Mountains. Situated in southeastern Larimer County, the City limits encompass 30.83 square miles and an estimated current population of 64,123. Loveland is the thirteenth largest city in the state of Colorado.

### **Age Population Distribution**

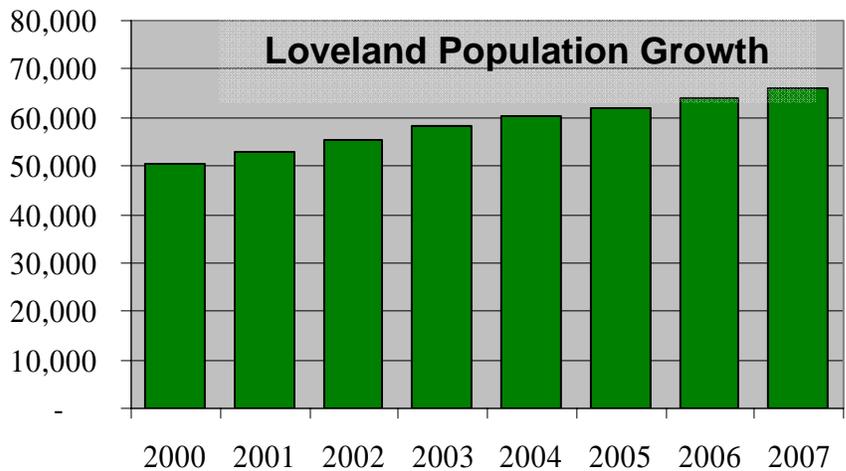


### Demographics

Loveland's population is older, with a median age of 36 in 2000, than Larimer County, the State, and the national averages at 33.2, 34.3, and 35.3 respectively. People 65 years of age or older represented 12.5% of Loveland's total population in 2000. By comparison, the percentage of persons 65 years or older in Larimer County, the State, and the

nation were 12.4%, 9.7%, and 9.3% respectively. However, there is an indication that this trend may change. Persons under 18 years of age represented 26.9% of Loveland's total population in 2000. By comparison, the percentage of persons under 18 years of age in Larimer County, the State, and the nation were 23.4%, 25.6%, and 25.7% respectively.

The City's population is 20.1% of Larimer County's total population. The City has experienced an annual population growth rate of 2.64% since 1990. However, the number of persons per household has declined since 1990. In 2000, the average number of persons per household was 2.55, compared to 2.62 in 1990.



## Economics

Unemployment Rate for July 2006 (Not seasonally adjusted):

Loveland	3.6%	Larimer County	4.1%
Colorado	4.7%	United States	4.6%

<b>Major Employers in Loveland (2006)</b>	<b>Employees</b>
Thompson School District	1,888
Wal-Mart Distribution Center	1,000
McKee Medical Center	950
City of Loveland	710
Wal-Mart SuperCenter	700
Agilent Technologies	650
Hach Company	550
Group Publishing	300
Quebecor	242
Woodward Governor	238

### **Family Income (2005 Estimate)\***

Median family income (includes all earners in household) \$69,200

### **Larimer County Income (2005 Estimate)\*\***

Average annually wages (all occupations) \$30,077

### **Housing Costs in Loveland (1<sup>st</sup> Quarter 2006)**

Average sale price for a detached single family home \*\*\* \$268,090

Average apartment rental rates \*\*\*\* \$797.00/month

#### **Sources:**

\* U.S. Department of Housing and Urban Development

\*\* Colorado Department of Labor and Employment ES202 Wage Data

\*\*\* The Group Inc., Real Estate Insider

\*\*\*\* Colorado Department of Local Affairs, Division of Housing

### **Taxes**

City property tax levy for 2006 9.564 mills

City of Loveland sales tax levy 3.0%

Larimer County sales tax levy 0.8%

State of Colorado sales tax levy 2.9%

### **Governing Body**

Loveland operates as a home rule city according to a city charter and ordinances, under a city council-city manager form of government.

Voters select members of the City Council in elections on the first Tuesday in November of odd-numbered years. The Council has a total of nine members. Each of four city wards elects two councilors to serve staggered four-year terms. The mayor is elected at large to serve a two-year term. The mayor pro-tem is chosen by the Council from its membership.

# SCOPE OF SERVICES

Loveland is a full service municipality. The major services provided by the City include:

- Building
- Cemetery
- Community Planning
- Engineering
- Fire & Rescue
- Fort Collins–Loveland Airport
- Loveland Museum & Gallery
- Loveland Public Library
- Municipal Court
- Mosquito Control
- Parks & Recreation
- Police
- Power Utility
- Public Transportation
- Rialto Theater
- Solid Waste & Recycled Materials Collection
- Storm Water Utility
- Streets Maintenance
- Wastewater Utility
- Water Utility

## **Employees and Benefits**

The City currently has 709.9 authorized regular full-time and part-time positions on a full-time equivalent basis. In addition, a varying number are employed on a temporary and seasonal basis as needed. Loveland neither recognizes nor bargains with any employee union.

The City determines employee compensation by performance within a market-based pay plan. Using market pay established through an independent survey as the mid-point, the salary range for each level is set at 12.5-20.0% above and below the mid-point.

Benefits include medical, dental, disability and life insurance, as well as a pension plan for all full-time regular employees. Part-time employees who work at least 20 hours per week are eligible to participate in benefit plans under a pro-rated cost-sharing arrangement.

# BUDGET PROCESS

## Budget Administration

This budget has been structured and prepared using the guidelines of the Government Finance Officers Association (GFOA). Two publications, Governmental Accounting, Auditing and Financial Reporting (GAAFR) and the Governmental Accounting and Financial Reporting Standards as adopted by the Governmental Accounting Standards Board (GASB) guide the budget process. The City of Loveland prepares its budget on a calendar-year basis as required by the City Charter. The budget must be balanced or show a revenue surplus.

## Basis of Accounting

The budget parallels the City’s accounting system. A modified accrual basis is used for general government operations. Significant revenues are recorded when measurable and available. Expenditures are recorded when incurred. Records for the City’s enterprise funds, proprietary funds, and non-expendable trust and pension funds are maintained on a full accrual basis. For budgetary purposes depreciation, accrued liabilities for accumulated leave balances, and market value adjustments to City investments are not included in calculating fund balances. Building and equipment repair and maintenance are budgeted for annually. Payments for accrued leave are paid within the existing budget as employees leave. Investments are held to maturity so market value during the term of the investment is not an issue to allocating resources.

## Citizens’ Finance Advisory Commission

A Citizens’ Finance Advisory Commission (CFAC) is appointed by City Council to participate in a review of the budget, evaluate all financial policies and report its findings to the Council. The commission consists of nine members who serve staggered terms of three years each. Its members are involved in the budget process and provide input to the Council during the adoption process.

## 2007 Budget Preparation Schedule

JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
	City Council establishes priorities											
			Budget Division prepares core data and distributes									
					Departments prepare budgets							
			Reviews and conferences									
		Balance and prepare recommended budget										
					Budget approval							
								Adopted Budget distributed				

The budget process begins in January with the annual council retreat. At the retreat, City Council establishes the goals and objectives for the coming year, and direction on where future budgets should go.

Beginning in April, the Budget Division prepares core data, such as salary information, health insurance rates, rates for vehicle maintenance and rental, workers' compensation and general liability rates. Along with this data, forecasts of current year revenue and preliminary revenue forecasts for the next year are completed. In late May, the core data is distributed, along with budget instructions for the upcoming year to the Departments.

Departments meet internally and with their respective advisory commissions to develop their budget requests. The requests are due back to the Budget Division the first week in July. The Budget Division compiles all the submissions in preparation for the budget conferences with the City Manager and the departments. The conferences are held late in July, with final decisions on what will be included in the Recommended Budget completed by early August. Through August, the Budget Division balances and prepares the Recommended Budget. The document is submitted to City Council in early September, with a study session on the Recommended Budget with Council in late September. The budget is approved on First Reading, after a public hearing early in October, with Second Reading and final approval occurring in late October or early November.

# FINANCIAL POLICIES

The City of Loveland financial policies, compiled below, set forth the basic framework for the overall financial management of the City. These policies assist the City Council's decision-making process and provide guidelines for evaluating both current activities and proposals for future programs. These policies are reviewed annually and presented to Council for approval.

## General Policies

### *City of Loveland will:*

- Annually prepare a budget, submit it to Council for approval and publicly issue a budget document.
- Identify costs and funding sources before recommending approval of capital and operating budgets.
- Provide for sound financial planning, the best possible bond rating, funding of depreciation and adequate working capital in all funds.
- Take measures to protect against catastrophic losses through a combination of insurance, funded self insurance, and cash reserves.
- Provide for recommended maintenance and replacement of facilities and equipment. Each department will prepare and annually update a maintenance and replacement plan.
- Follow the City of Loveland Charter when preparing the City's budget.
- View the budget as a dynamic rather than static plan which requires periodic adjustment as circumstances change. Approval of City Council is required for increases in total fund budgets and shifts in appropriations among departments in excess of \$25,000.
- Encourage citizen involvement in the budget process by having a Citizens' Finance Advisory Commission, public hearings and informal meetings.

## Operating Budget Policies

### *City of Loveland will:*

- Pay for all current year operating expenses with current year revenues and/or available fund balances.
- Provide for the adequate funding of all pension plans.
- Update operating expenditure projections for the budget year plus four years. Projections will include increased operating costs associated with future capital improvements.
- Establish and monitor performance indicators and productivity indicators associated with operating expenses.
- Maintain a positive cash balance in each operating fund at the end of each fiscal year.
- Attempt to maintain present service levels for all priority and essential services within existing Amendment 1 revenue limitations.

## Capital Budget Policies

### *City of Loveland will:*

- Update capital program projections for the budget year plus four years.
- Evaluate the relative merit of each capital project according to Council's goals and priorities.
- Give priority to capital projects that are mandated by federal or state legislation.

## Revenue Management Policies

### *City of Loveland will:*

- Impose taxes, fees and rates at appropriate levels to fund their intended purposes. Maintain a balance to provide for a diversified and stable revenue system.
- Estimate annual revenues using an objective, analytical process.

- Update revenue projections for the budget year plus four years.
- Annually review costs of activities supported by taxes, rates, user fees, plant investment fees and capital expansion fees.
- Set fees and user charges for each enterprise fund that maintains the enterprise status pursuant to TABOR.
- Review new sources of revenue to fund operating and capital costs consistent with Council's goals and priorities.
- Allocate revenues from restricted funds in accordance with municipal code provisions.

## **Reserve Management Policies**

### ***City of Loveland will:***

- Establish reserves from restricted cash accounts for growth-related development. The reserve balance will be equal to the unexpended balance of cash less current liabilities in each restricted account.
- Establish bond reserves based on requirements of individual bond ordinances.
- Establish capital reserves which accumulate funds for the planned construction or replacement of City infrastructure or for the acquisition of capital equipment not funded through growth-related fees. These amounts will be determined by five-year or longer capital programs.
- Establish other reserves related to special items as approved by City Council. This would include accumulating reserves to retire debt at an accelerated schedule.
- Maintain the General Fund unrestricted balance at 6% of General Fund revenue.

## **Definitions of Reserve Terms**

**Operating** - Reserves to cover unanticipated expenditures of a nonrecurring nature or to meet unexpected small increases in service delivery costs. These also cover operating carryover balances associated with cash flow needs and to provide an orderly adjustment to changes resulting from termination of revenue sources through actions of other governmental bodies. Reserve amounts are based on a percentage of the operating budget within each appropriate fund.

**Emergency** - Reserves to cover costs associated with natural disasters or other unforeseen and declared emergency situations. Reserve amounts are based on a percentage of the operating budget in the general fund. This reserve satisfies the requirements of Amendment 1.

**Liability** - Reserves to cover accrued liabilities from items such as vacation, sick leave or compensation time. Reserve amounts are based on a percentage of fund liabilities.

**Equipment Replacement** - Provide for the replacement of fund assets such as office equipment and furniture, computers, vehicles, and tools and equipment used in operating the program. Items not included are City infrastructure, utility infrastructure and equipment covered under capital reserves, and the replacement of City buildings.

**Designated** - Reserves for planned capital projects which will be appropriated in future years based on the capital plan or for known debt payments in the future.

**Restricted** - Reserves for funds restricted by ordinance or law. An example is impact fee reserves which may only be spent on capital projects that are the result of growth.

## **Transfers Policies**

### ***City of Loveland will:***

- Classify the following City of Loveland activities as enterprises:

Golf	Power	Solid Waste
Storm Water	Water	Wastewater
- Require that all City enterprises make payments to the City in lieu of taxes that are reasonable and proportionate to taxes paid to the City by private businesses unless the City Council grants exceptions. Transfer payments are based on percentage of certain revenues received by the fund. Specific transfers to the City from the affected funds are done on a monthly basis per the rates established as follows: Water, Wastewater, Storm Water, Power, and Solid Waste at 6% and Golf at 3%.
- Require that all departments furnish to other department such services, labor and materials as needed by the director of such department. Any labor or material shall be charged to the using department according to accounting procedures established by the City Manager. These charges are direct reimbursements for services provided and shall be calculated annually utilizing a cost of service analysis.

## **Investment Management Policies**

### ***City of Loveland will:***

- Deposit funds only in financial institutions which are insured by the Federal Deposit Insurance Corporation (FDIC) or are approved for full collateralization by the public deposit protection act or other state statutes.
- Pool cash from all legally permitted funds for investment purposes.
- Maximize the investment rate of return. Adhere to lawful investment options. Safety of the principal shall be the dominant requirement, followed by sufficient liquidity to meet operating requirements, and then yield.
- Place custody of the City's investment securities with a third-party financial institution for the purpose of safekeeping of securities.
- Provide monthly investment reports.

## **Debt Management Policies**

### ***City of Loveland will:***

- Confine long-term borrowing to major capital improvements that cannot be financed from current revenues.
- Repay debt within the expected useful life of the project or sooner.
- Prohibit the use of long-term debt for operating expenses.
- Issue debt which is relative to payback ability. Borrowing must not overburden future tax payers. When applicable, state law is the controlling policy.
- When practical, borrow from other funds. Monies borrowed must be repaid with interest before needed for their intended purpose(s). Repayment schedules and reserve sources for repayment shall be validated before borrowing from any fund.
- Review debt at least annually for repayment or refinance opportunities. A repayment strategy shall be a part of all recommended bond issues.

## **Accounting, Auditing and Reporting Policies**

### ***City of Loveland will:***

- Provide regular information concerning cash position and investment performance through its accounting system.
- Establish and maintain a high degree of accounting competency. Financial accounting and reporting will be done in accordance with methods prescribed by the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA), or their equivalents.
- Present monthly and annual reports to the City Council summarizing financial activity delineated by fund.
- Present a quarterly report on the status of major capital projects.
- Maintain financial systems to monitor expenditures, revenues and performance of all municipal programs on an ongoing basis.
- Provide full disclosure in annual financial statements and bond representations.
- Use an independent certified public accounting firm to perform an annual audit.
- Publicly issue a Comprehensive Annual Financial Report (CAFR).
- Comply with all required reporting requirements related to bond issuance terms.

# FINANCIAL INFORMATION

## Fund Accounting

Fund accounting is used throughout the City, both for budgeting and accounting. Under this system, money is divided into separate accounts, rather than being held in one central account. The City has 29 funds and each fund has been established for a specific purpose which is financially independent of other governmental activities.

For funds established for operations, maintenance and other ongoing activities, revenues flowing into the fund are spent during the same year. Unless there is a change in service levels, spending is similar year to year.

In capital funds, revenues accumulate for periodic capital needs, such as construction of a new park or an electric substation. The balance in those funds grows until an expenditure is made. Spending can vary greatly from year to year.

## Appropriation and Expenditure

The total appropriation includes internal transfers and internal service charges, which are counted both as revenues and expenditures twice, and occasionally three times across the various funds. For these reasons the total appropriated amount in a fund can be significantly higher than actual spending. *The net City budget excludes internal service charges and internal transfers. It represents a close approximation of projected spending.*

### **Fund Types:**

The City classifies funds into several types: General Fund, Internal Service Funds, Enterprise Funds, Special Revenue Funds and Fiduciary Funds.

The **General Fund** includes the majority of City services. City Council, City Manager, City Attorney, City Clerk, Sales and Use Tax Administration, Municipal Court, Community and Business Relations, Development Services, Police, Public Works, Fire and Rescue, Parks and Recreation, and Cultural Services are included. General Fund revenues include sales tax, use tax, property tax, user fees, fines, permits, licenses, internal transfers and intergovernmental revenue.

The **Internal Services Fund** provides support services to other City departments. It is financed by transfers from other funds or internal service charges. Included in this fund are Public Grounds Maintenance, City Fleet, Vehicle Maintenance, Information Technology, Finance Administration, Accounting, Purchasing, Budget, Human Resources, Facilities Management, Risk Management and Employee Benefits.

**Enterprise Funds** are self-supporting through user fees. They include Water, Wastewater, Storm Water, Power, Solid Waste and Golf.

**Special Revenue Funds** are established by federal/state law, or by municipal ordinance/resolution. Included are Capital Projects, Library, Local Improvements, Capital Expansion Fees, Park Improvement, Conservation Trust, Open Space, Community Development Block Grant, Art in Public Places, the General Improvement District # 1 (GID), the Loveland Special Improvement District #1 (SID), and the Loveland Urban Renewal Authority. Each has its own specific revenue source.

**Fiduciary Funds** are used to account for assets held by the City in a trustee capacity. Each fund is established by state law, municipal ordinance or resolution. They include Fire Pension and Cemetery Perpetual Care. *These funds are not included in the City's total budget summary table.*

The **Airport Fund** and the **Loveland Larimer Building Authority Fund (LLBA)** do not belong to any fund type, but are included in this document for informational purposes. The Airport is a separate entity established by the cities of Fort Collins and Loveland. The City of Loveland does not have absolute authority to control this fund. However, per the Intergovernmental Agreement between the cities, it is Loveland's responsibility to legally appropriate the budget for the Airport as part of the administrative responsibilities. The LLBA was established by Larimer County and the City of Loveland to construct and operate the new combined Police and Courts facility. *Neither of these funds is included in the City's total budget summary.*

### **Transfers**

Because money is budgeted and accounted for in separate funds rather than being pooled in one account, transfers occur among funds. Transfers take three primary forms: payment in lieu of tax (PILT), direct charges and operating transfers.

**Payment in Lieu of Tax (PILT)** - Payment in lieu of tax, which is transferred from the Enterprise Funds to the General Fund, approximates property taxes a private enterprise would pay. The services supported by PILT are the same as those supported by property taxes. Police, fire and street maintenance services are examples. These charges are based on certain revenues received by the Enterprise Funds. The transfers are done on a monthly basis per the rates established by the intra-city transfers policies.

**Direct Charges** - Direct charges represent payments for support services provided by one City department to another City department. These charges are direct reimbursements for services provided and are calculated annually utilizing a cost of service analysis. Examples of support for which direct charges apply include Accounting, Human Resources and Information Technology.

**Operating Transfers** - This represents the transfer from one fund to another fund for operational purposes or for capital outlays without the expectation of any support services in return. One example is the transfer from the General Fund to the Library Fund. The majority of the Library's funding comes from the General Fund, though the Library does not provide support services to the General Fund. These transfers also include the transfer from one fund to another for the purpose of capital outlays. One example is the transfer from the Capital Expansion Fees Fund to the Capital Projects Fund for the construction of new streets.

# BUDGET OVERVIEW



This section shows the City's total proposed budget summary in both gross and net form and includes a discussion of the major revenues and expenses, and major factors that will impact both revenues and expenses. This section also includes a debt service summary.

# TOTAL CITY BUDGET

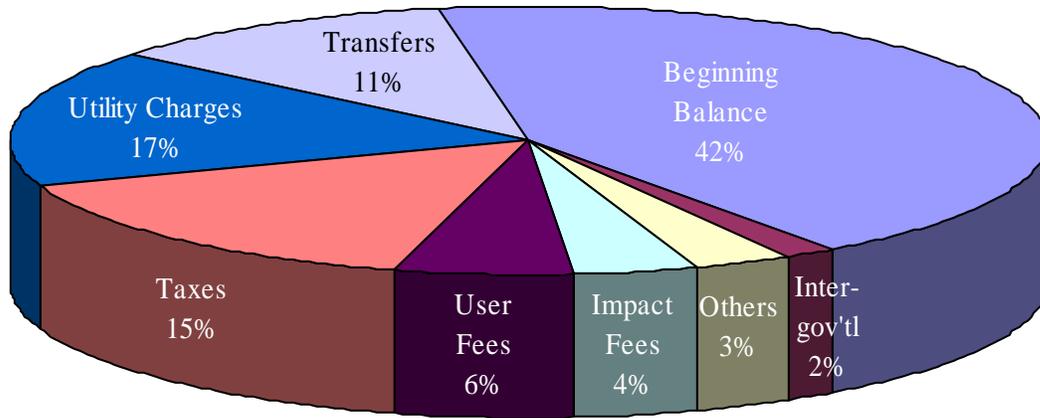
The 2007 budget is balanced in accordance with the City Charter. This budget is in compliance with the provisions of Colorado's TABOR restrictions, and existing service levels are maintained.

The total City budget as shown below is the combined budgets of all parts of the organization except for the Airport Fund, the Loveland–Larimer Building Authority, and Fiduciary Funds. The table below shows the gross City budget, as well as the net City budget, which excludes transfers and internal service charges, and represents projected actual expenditures.

	<b>2005 Actual</b>	<b>2006 Budget</b>	<b>2007 Budget</b>	<b>% Change 2006-07</b>
<b>REVENUE</b>				
<b>Beginning Balance</b>	<b>142,565,131</b>	<b>158,748,200</b>	<b>134,147,470</b>	
Taxes	41,404,961	45,650,110	47,749,210	4.6%
Intergovernmental	5,470,450	5,527,980	5,510,890	(0.3%)
Impact Fees	19,783,337	18,664,370	12,036,590	(35.5%)
User Fees	17,194,884	18,484,290	17,732,600	(4.1%)
Interest	4,630,242	3,531,340	4,832,820	36.9%
Others	2,845,992	1,495,590	1,753,160	17.2%
Utility Fees	48,597,574	49,760,690	52,396,480	5.3%
Utility Other	2,029,319	3,834,300	3,248,800	(15.3%)
<b>Total Net Revenue</b>	<b>141,956,759</b>	<b>146,948,670</b>	<b>145,260,550</b>	<b>(1.1%)</b>
Transfers	28,165,220	38,632,060	23,236,450	(39.9%)
Internal Service Charges	10,048,539	11,451,840	11,985,780	4.7%
<b>Total Revenue</b>	<b>180,170,518</b>	<b>197,032,570</b>	<b>180,482,780</b>	<b>(8.4%)</b>
<b>Total Resources</b>	<b>322,735,649</b>	<b>355,780,770</b>	<b>314,630,250</b>	
<b>APPROPRIATIONS</b>				
General Fund	52,447,875	62,723,230	58,318,040	(7.0%)
Enterprise	69,096,851	84,972,690	80,743,320	(5.0%)
Internal Service	19,175,221	23,440,910	23,865,750	1.8%
Special Revenue	23,267,470	50,496,470	23,492,130	(53.5%)
<b>Total</b>	<b>163,987,417</b>	<b>221,633,300</b>	<b>186,419,240</b>	<b>(15.9%)</b>
Less Transfers	28,165,220	38,632,060	23,236,450	(39.9%)
Less Internal Service Charges	10,048,539	11,451,840	11,985,780	4.7%
<b>Total Net Appropriations</b>	<b>125,773,658</b>	<b>171,549,400</b>	<b>151,197,010</b>	<b>(11.9%)</b>
<b>Ending Balance</b>	<b>158,748,232</b>	<b>134,147,470</b>	<b>128,211,010</b>	

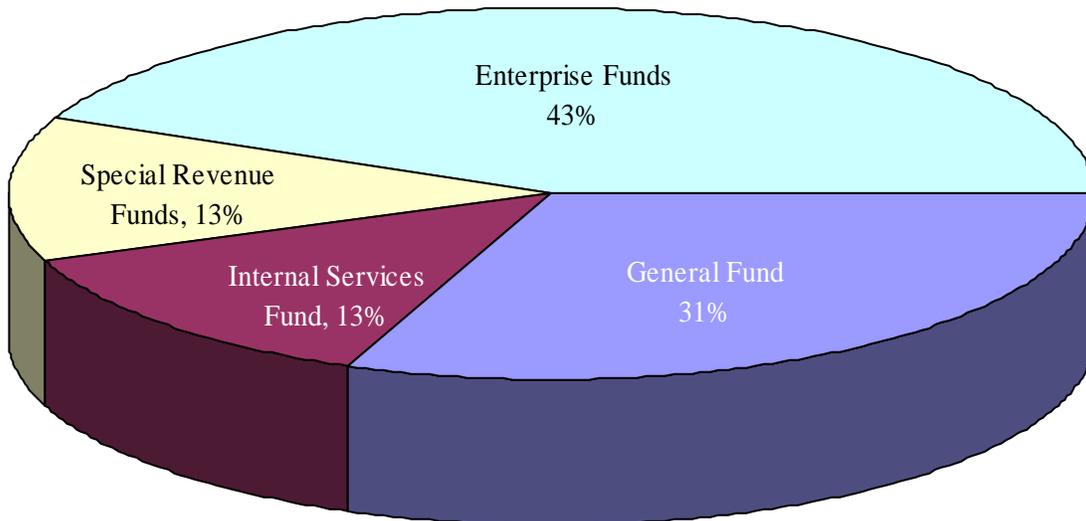
# 2007 TOTAL SOURCES OF FUNDS

**\$314,630,250**



# 2007 TOTAL USES OF FUNDS

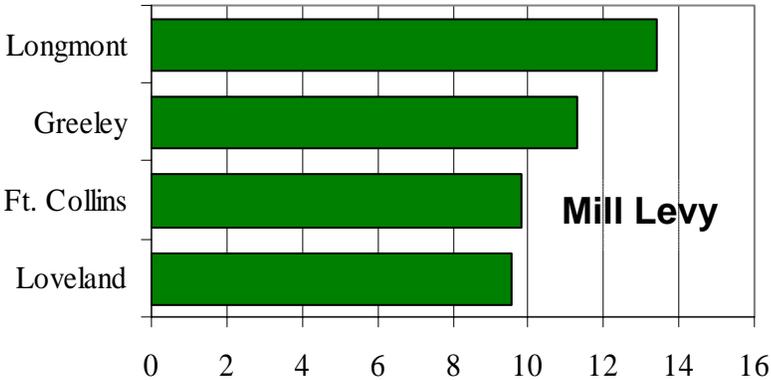
**\$186,419,240**



# REVENUE OVERVIEW

## Property Tax

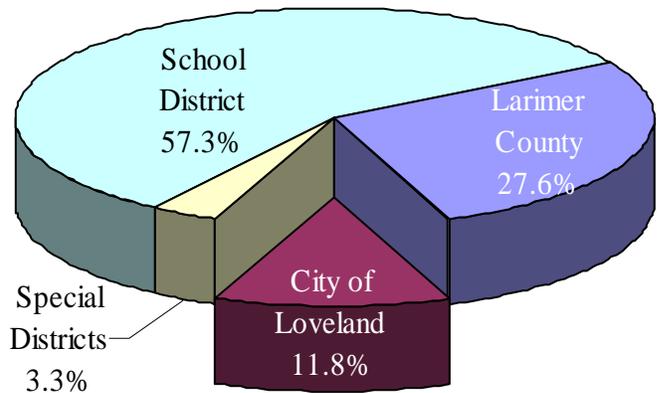
Loveland must comply with the TABOR limitation on property tax revenue (inflation plus local growth). In 1998, voters approved an allowance for the City to keep and spend all property tax revenue over the TABOR limit for the years 1998–2002 for street construction and youth services. In 2001, voters approved an allowance for the City to keep and spend all property tax revenue from 2003 through 2012 for police, fire, street construction and maintenance, and parks construction and maintenance.



The 2006 mill levy rate will remain at the 2005 level which is 9.564 mills. A mill is one-tenth of one cent. In other words,

one mill represents \$1 for every \$1,000 of assessed property value. The mill levy is multiplied by the assessed valuation of a property to calculate the property tax. The City’s levy has been 9.564 since 1992 and Loveland continues to have one of the lowest city government property tax levies in Northern Colorado. On average, the City collects 97.5% of the total value.

An amendment to the Colorado State Constitution requires that a constant relationship between residential and business property tax revenues be maintained on a statewide basis. Commercial and industrial properties are assessed at 29.00% and residential properties at 7.96% of their market value. The result is for properties of equal value, a business pays over three times as much property tax as a residence.

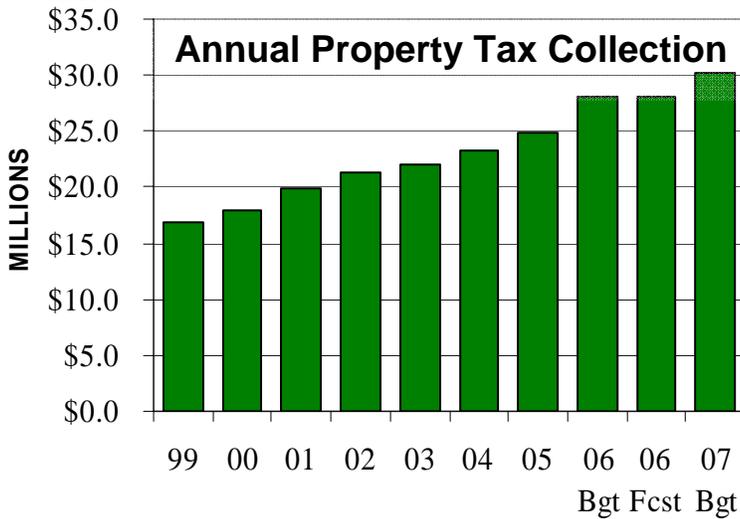


A number of special districts also overlap portions of the City’s boundaries and affect some properties. Loveland’s City government sets only the City mill levy and has no control over mill levies set by other entities. The City of Loveland receives less than 12% of a homeowner’s property tax dollars as shown in the pie chart above.

### Property Tax Levy for the General Fund

	2004	2005	2006
<b>Mill Levy</b>	9.564	9.564	9.564
<b>Net Valuation</b>	\$ 634,601,287	\$ 700,960,076	\$ 725,327,831
<b>Net Tax Revenue</b>	\$ 5,947,940	\$ 6,569,900	\$ 6,798,290

(98% of Total - County Collection fee is 2%)

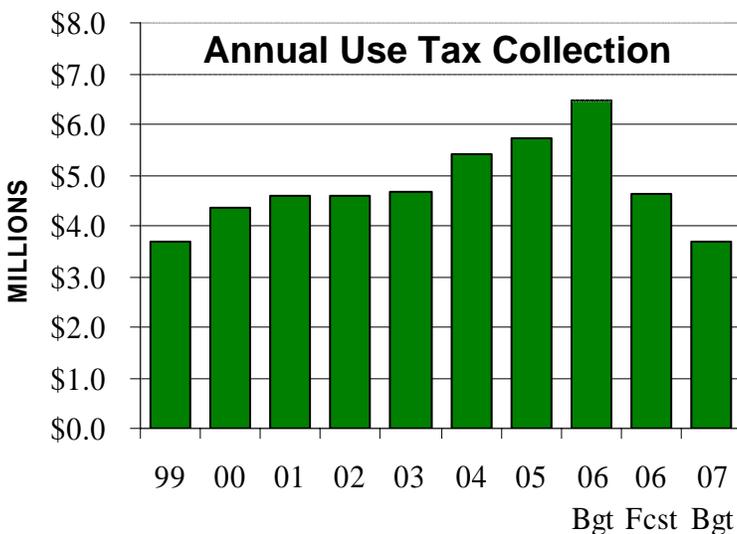
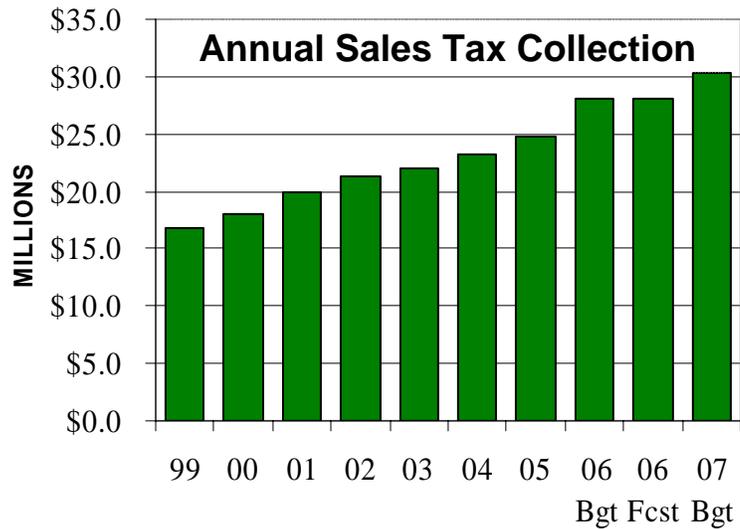


Beginning in 2007, the City’s growth in property tax revenue will grow at slower rate, due to the creation of three Urban Renewal Authority (URA) project areas. The URA is funded with Tax Incremental Revenues (TIF). Increased property values and the associated tax revenue from new growth stays within the URA. In 2007, the City’s revenues are 5% lower than would otherwise be anticipated due to the TIF.

**Sales and Use Tax**

Sales tax is the largest revenue source in the taxes category. Beginning on January 1, 1998, the City began collecting its sales tax in-house instead of using the services provided by the State of Colorado.

Loveland’s current city sales tax rate is 3.0%. Through July 2006, sales tax collections were 11.7% higher than one year ago, due to the first full year of operation of the Lifestyle Center. The 2007 sales tax collections are projected to increase by 7.8% over the 2006 budgeted revenue. The increase is due to a combination of an increase in existing business sales of 3.0% and an additional \$1.4 million or 5.0% is projected from the continued build-out and operation of the Lifestyle Center, and the Centerra Project area west of the Interstate Highway.



Use tax is also 3.0%, but only applies to building materials and motor vehicles. Use tax collections on building materials are projected to decrease by over 40.0% from 2006 forecasts. The decrease is based on the continuation of the current decline in residential and commercial building permits we are experiencing in 2006. The major factor is the reduction in building permits for residential units. Collections on motor vehicles are projected to be flat, compared to the 2006 forecast. This revenue source has experienced declining growth in collections for the past three years, and with current oil prices this trend is expected to continue.

**Other Taxes**

**Liquor occupational tax** - The projection is based on the number of businesses that sell liquor in the City; the revenues are very consistent from year to year.

**Specific ownership tax** - A tax paid by owners of motor vehicles in lieu of personal property tax. For 2007, the revenues are projected to be flat compared to the 2006 budget.

**Cigarette tax** - A tax levied on the wholesaling of cigarettes. This source of revenues varies to a small degree from year to year.

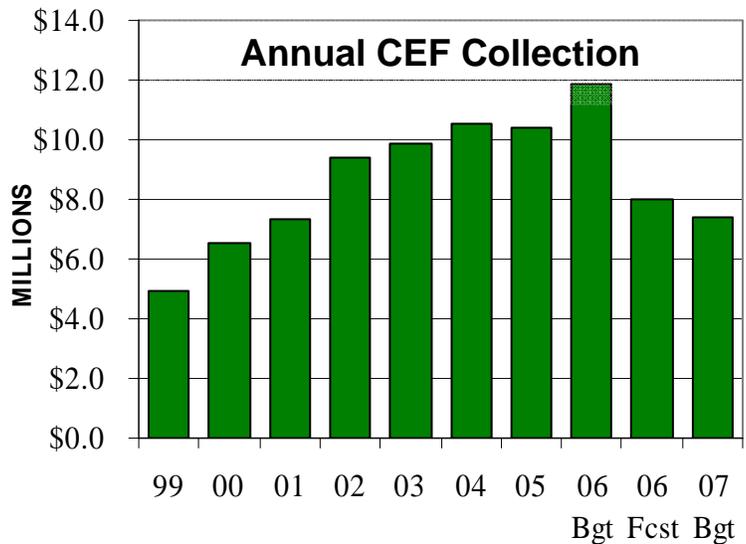
**Gas franchise tax** - A tax levied on the Public Service Company in granting the company the privilege to construct, purchase and operate within the City. The current tax levy is 3.0% of gross gas revenue.

**Telephone franchise tax** - A tax levied on the telephone company to operate within the City. The levy is adjusted annually based on changes in the Consumer Price Index (CPI).

**Cable television franchise tax** - A franchise fee levied on the cable company to operate within the City. The current fee is 5.0% of the company’s annual gross revenue.

**Impact Fees**

Capital Expansion Fees (CEF) are imposed on every additional residential dwelling unit, square foot of retail, office, and institutional construction, as well as every acre of industrial development. These fees are intended to cover growth-related capital costs. The City also imposes System Impact Fees (SIF) on customers who increase utility demands that require future facilities expansion, such as new water lines, additional treatment plant capacity, or a new substation. The forecast revenue decline mirrors the reduction in building construction, which impacted use collections discussed above.



**User Fees**

One of the sources of this revenue is from the Hatfield Chilson Recreation/Senior Center. Through user fees, a substantial part of the cost of operating programs and facilities is borne by those who use them. There are modest fee increases for most Parks and Recreation fees. Other sources of this revenue include golf fees, solid waste fees, and the street maintenance fee.

**Interest**

The cash balances in all funds are invested in interest-bearing investments of maturities appropriate to the projected cash requirements of the funds. In 2007, the projected interest rate is 4.0%.

**Intergovernmental Revenues**

These revenues are received from federal, state and county sources. The largest item is the Highway Users Tax Fund, which is derived from gasoline taxes. Distributions are made to cities based on the number of registered vehicles and number of miles of maintained streets. Legislation requires the City to establish a minimum annual contribution for street maintenance to remain eligible for tax proceeds. The 2007 budget includes an amount that exceeds the minimum requirement, and the tax proceeds are projected to remain steady. Other sources include: road and bridge taxes from Larimer County for road

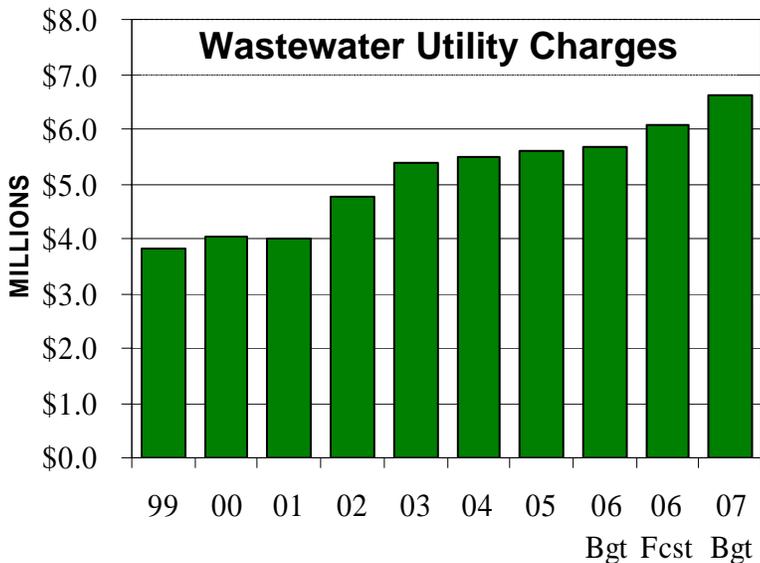
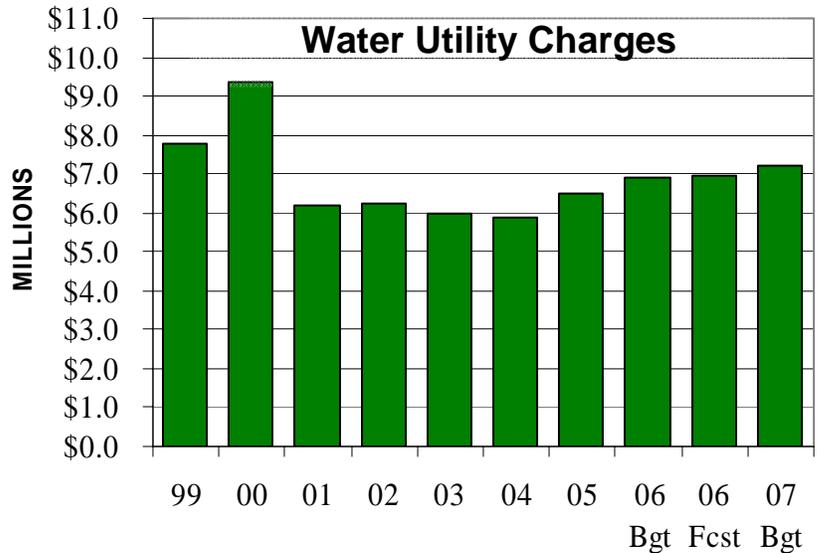
and bridge construction, maintenance and administration; ambulance dispatch service revenues from the Thompson Valley Hospital District; fire dispatch services for the City of Berthoud; the State Highway Maintenance Contract and Traffic Signal Maintenance Contract budgeted according to the stated amount of the contracts; and federal grants for mass transportation.

**Utility Charges**

These are revenues generated from the provision of basic utility services. The City provides four utility services: water, wastewater, storm water and power.

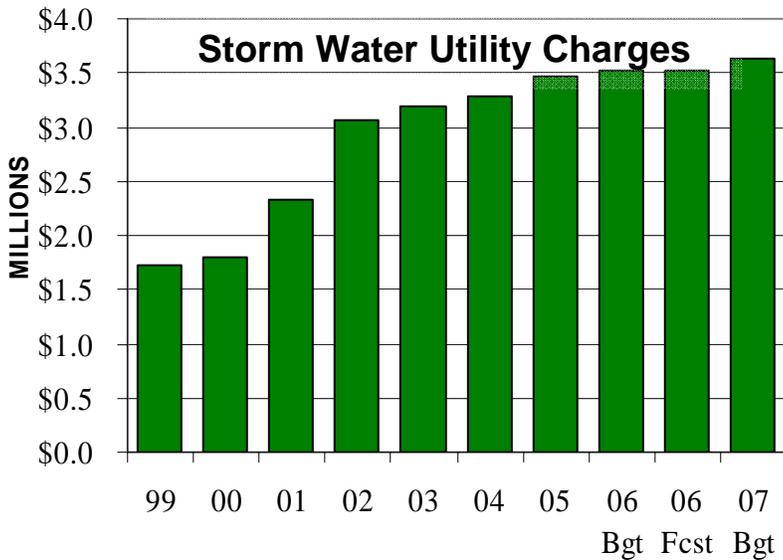
**Water Utility Charges**

In 2001, water fees were reduced 33%, due to the early debt repayment and restructuring the Windy Gap liability, in effect defeasing this liability by reserving fund balance for the repayment. Revenues stabilized in 2004 after the severe drought the region experienced in 2003, and a small increase in usage was projected in 2005. The 2006 revenue increase is projected due to the growth in the number of new users. A 1.0% fee increase was approved in 2006 as part of a 30-year annual program to fund the construction of a new reservoir. The program is recommended to continue in 2007.



**Wastewater Utility Charges**

The wastewater revenues included an 18.0% increase in the 2002 budget and another 15.0% increase in 2003 due to new EPA mandates that effectively reduce the treatment plant capacity. Revenues have begun to taper off due to conservation measures such as low-flow toilets in new construction. To meet the future operational needs and Capital Program an 8.0% increase was included in the 2006 budget as the first of a three-year program. Increases in fees of 8.0% are recommended for 2007, and projected for 2008 to complete the program.

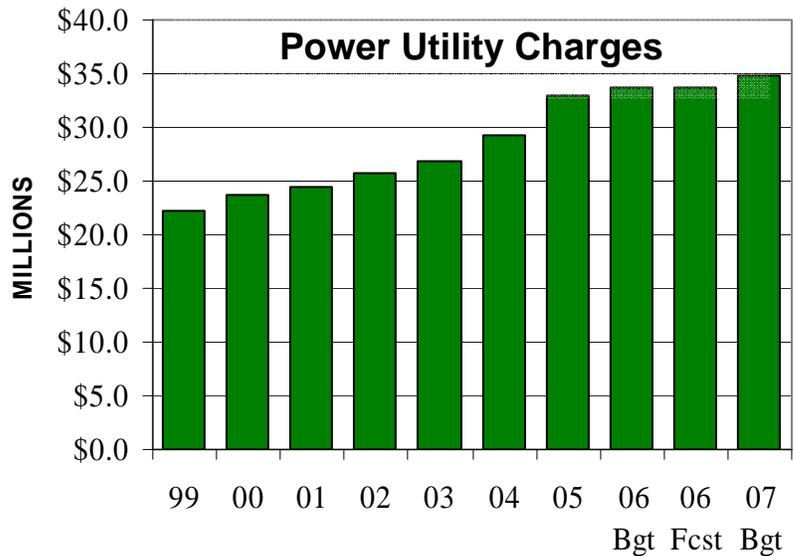


**Storm Water Utility Charges**

The storm water revenues included rate increases of 25.0% in 2001, and another 25.0% in 2002, to pay for federal discharge quality mandates and an accelerated capital program. No fee increases are included in the 2007 budget. The revenue increase projected in 2007 is due to residential and commercial growth.

**Power Utility Charges**

The utility implemented a power rate reduction in 1999 resulting in a 6.0% reduction in revenues. Due to increased wholesale costs, a 4.4% average retail rate increase was included in the 2005 budget. No rate increases are included in the 2007 budget.



**Utility Others**

These are revenues generated from sources other than regular utility charges. Some of the examples are wheeling power fees, wholesale water sales and sale of water meters. These revenues are projected based on historical averages.

**Other Revenues**

These are miscellaneous revenues that do not belong to any of the above revenue categories. Revenues such as donations, proceeds on the sale of assets, employees' contributions to the health and dental plans, and rents are included here.

**Transfers**

Transfers occur between funds to pay for services provided by other departments, for payments in lieu of taxes (PILT) which are charged to all Enterprise Funds based on a percentage of revenue received, or to combine funds received from different revenue sources within one fund to budget for a capital project.

**Fund Balance**

The beginning fund balance, while not a true “revenue”, is a major source of funding for the 2007 budget. Fund balance is created from monies saved in previous years for specific capital projects or operating contingencies, and revenue received above the amounts appropriated for expenditure. Fund balance will decrease in the 2007 budget due to the use of impact fees for growth related projects. The fund balance will continue to decline over the next five years as major capital projects, which are included in the Capital Program, are completed.

The 2006 Budget includes capital projects, which were budgeted in prior years but not completed before 2005 and assumes these, as well as new 2006 projects, will be completed by year end. After the year ends, a supplemental budget will be presented to City Council to re-appropriate the ending balances of capital projects remaining incomplete.

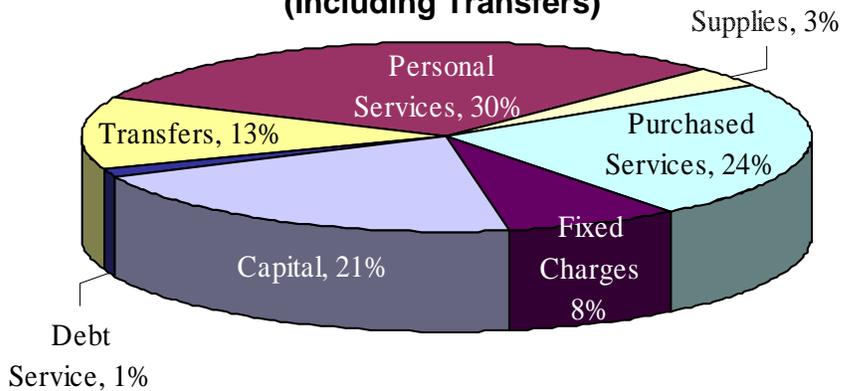
# EXPENDITURE OVERVIEW

## Total City Expenses

The City divides expenditures into account groups to describe how it is spending its funds. The account groups are Personal Services, Supplies, Purchased Services, Fixed Costs, Debt Service, Transfers, and Capital. The Personal Services group includes all salaries, the City's contribution towards FICA and retirement accounts, the City's share of insurance benefits, workers' compensation costs, and other

costs related to compensation and benefit packages. The Supplies group includes all office supplies, parts and materials necessary to provide the services funded in the budget. The Purchased Services group includes all services provided to the City by outside sources. The Fixed Charges group includes insurance premium payments, vehicle rental and maintenance costs and other rental costs. The Debt Service group includes principal and interest costs associated with any approved debt issues. The Transfers group is for any transfer between City funds. The Capital group is for the purchase of items that cost more than \$2,500 and have a useful life of more than one year and all infrastructure and vertical construction projects.

**Total Expenses  
(Including Transfers)**

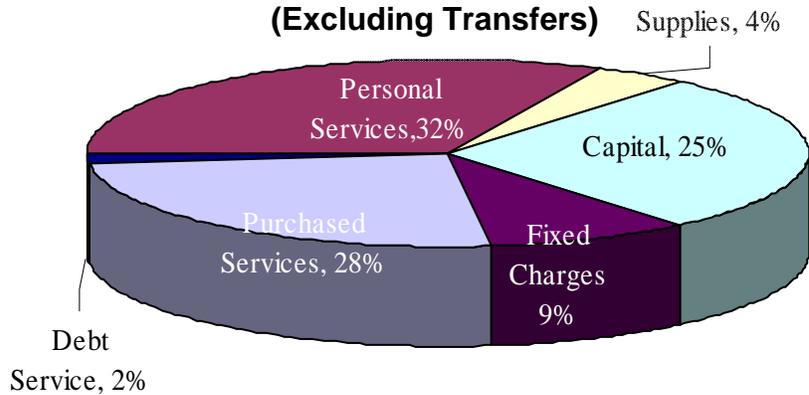


Of the City's total budget of \$186.1 million, the percentage attributed to each account group is shown above.

## Net Total City Budget (Excluding Transfers)

For the Total City Budget, the net budget is a more accurate indicator of actual City spending. The net budget does not include transfers between funds or internal service charges. This is necessary since using transfers and internal service charges double counts some revenues and expenses two or three times.

**Total Expenses  
(Excluding Transfers)**

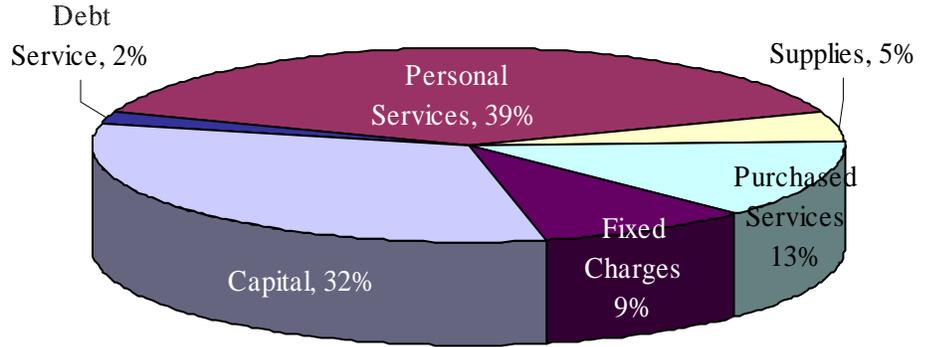


Of the Total Net City Budget of \$151.0 million, the percentage attributed to each account group is as shown.

**Total City Expenses (Less Transfers and Purchased Power)**

The Purchased Services percentage in the chart on the previous page, for analytical purposes, is overstated. The total Purchased Services cost includes the cost of purchased power of approximately \$25.8 million. This is the cost of electricity that is purchased from the Platte River Power Authority (PRPA) and then distributed and resold to the customers of the Power Utility. With purchased power excluded from the net City budget, the percentages attributed to each account group are as shown.

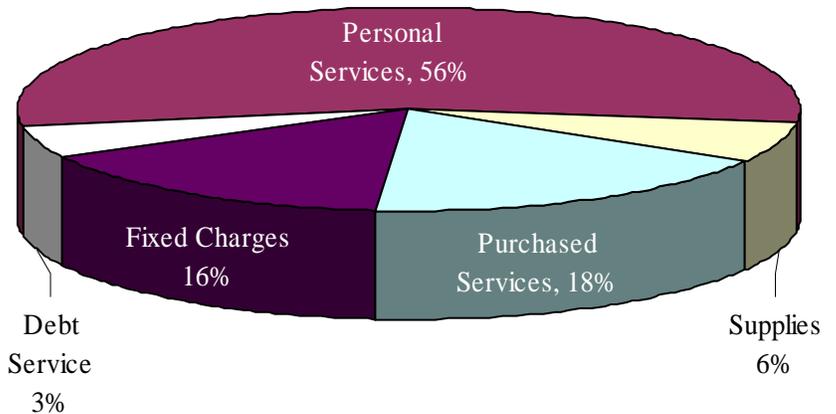
**Total Expenses (Less Transfers & Purchased Power)**



**Operating Expenses**

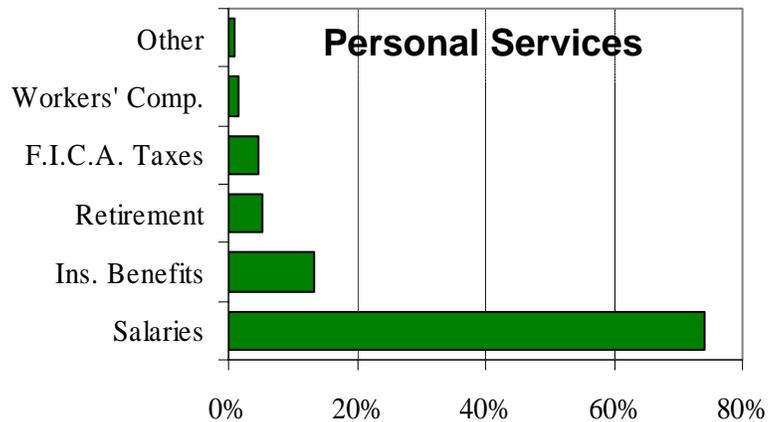
Operating costs make up 57.0% of the City's budget and require on-going resources to fund these costs. The total operating costs are shown in the following chart. A discussion of each of the operating expense groups follows.

**Operating Expenses (Less Capital, Transfers & Purchased Power)**



**Personal Services**

As can be seen by the above chart, personal services are the largest expense for City operations. The City offers a comprehensive compensation package that includes salary, retirement contributions, and insurance benefits. Of these costs, salary is the largest component, at 74.0% of the total personal services costs. Insurance benefit costs are 13.4% of the personal service costs.



### **Salary Costs**

The City's pay system can be described as a market based pay plan with budgetary constraints. The pay plan is based upon comparing City of Loveland salaries to other public and private employer salaries in the Northern Colorado area, using data from the Mountain States Employers Council Northern Colorado Survey and Colorado Municipal League General and Executive Survey. Positions are grouped into pay levels based upon comparative factors of skill, effort, and responsibility. Each pay level has a pay range. The midpoint of each pay range is the average of all salaries paid in other organizations included in salary surveys completed each year. However, an employee's salary is not automatically raised to reflect range movement. The change in an employee's salary is determined by a merit evaluation of their work performance. As a guideline, employees who are consistently meeting job standards would be paid a salary within the market level of performance. For 2007, an amount equal to 3.5% of salary costs has been budgeted for merit increases.

### **Retirement Costs**

For general employees the City offers a pension plan based on the 401(a) provisions. The City contributes to an employee's plan on a graduated scale based on length of service. After six months of employment, the City contributes 5% of the employee's monthly base salary. This percentage is capped at 9% beginning with 21 years of services. The employee is required to contribute 3% of their base salary. An employee, after three years of service, will be vested in the City contribution. The City has separate pension plans for certified Fire employees and Police officers. In both plans, the City contributes 11% of the base monthly salary. In the Fire plan, the employee is required to contribute 9% and Police officers are required to contribute 7%. Fire employees vest in the City contribution after six years of service, and Police officers after five years of service. Employees are also offered a 457 Deferred Compensation Plan, to which they may contribute.

### **Insurance Benefit Costs**

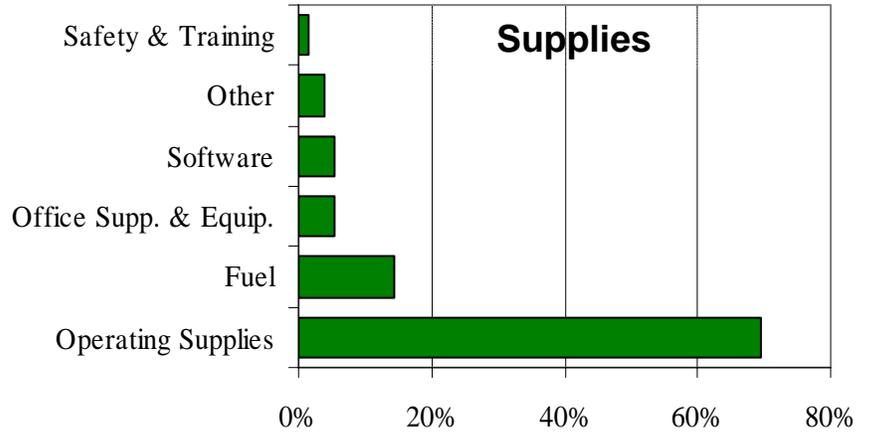
The City has self-insured medical coverage with three medical plan options, a Health Maintenance Organization (HMO), a Preferred Provider Organization (PPO) and a Health Reimbursement Account (HRA) Plan. All employees working 20 hours or more per week are eligible for medical benefits. Full-time employees receive full coverage and part-time employees receive coverage pro-rated depending on the number of hours worked. Due to the significant increases in medical costs, the City is shifting more of the cost to the employee in 2006. The City will contribute 80% of the premium cost for health care coverage and dental benefits to employees. Other benefit costs to the City include coverage for short-term and long-term disability, life insurance, and wellness costs.

### **Workers' Compensation**

Workers' compensation premium costs and claims are managed by the Risk Management Division, and budgeted in the Risk and Insurance Internal Service Fund. Workers' compensation costs are then charged to each department based on the department's claims history and forecast liability costs. In part, due to a strong safety program, the total cost for the City is anticipated to decrease 5.6% from 2006.

**Supplies**

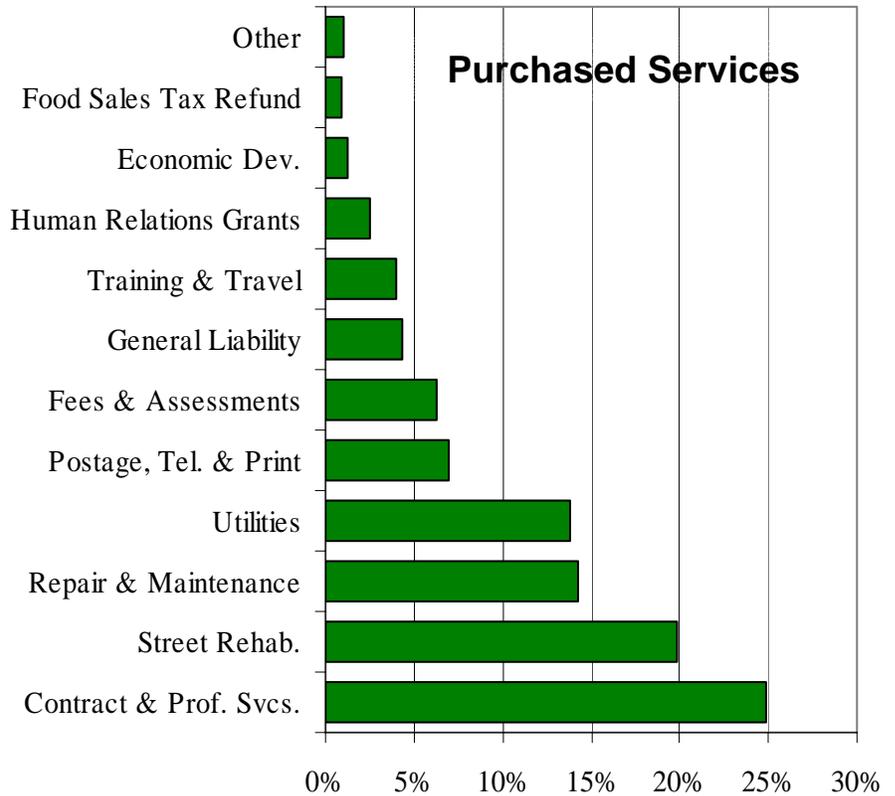
Seven percent (7%) of the operating budget is for supplies. Operating supplies such as parts, tools and equipment, paint, landscaping material, and street materials are 69% of this cost. Fuel is increasing from 10% in 2006 to 14% of the total cost in 2007, office supplies and equipment are 5%, computer software is 5%, with the remainder in, training and safety supplies, and other miscellaneous supplies.



**Purchased Services**

This account group is for services provided by sources outside the City and is 18% of the operating budget. The two largest categories within this account group are contract and professional services and street rehabilitation. Contract and professional services is 25% of the total purchased services and includes payments for custodial services, engineering services, attorney services, and other contractual services.

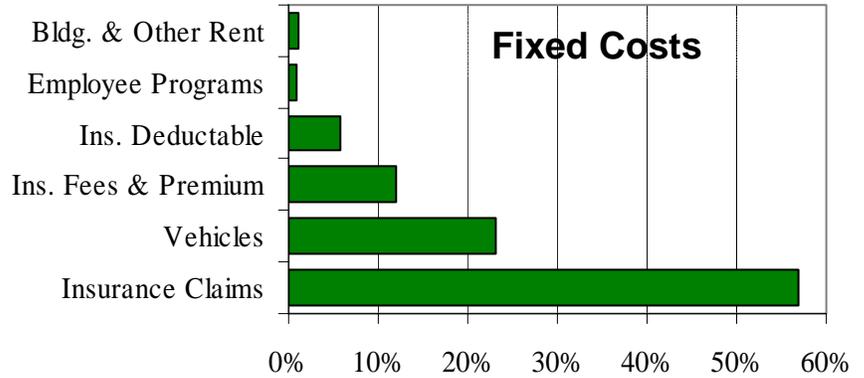
Street rehabilitation is 20% of the total for this category. The Street Rehabilitation Program is for resurfacing or the reconstruction of existing streets. Streets are scheduled for resurfacing every 10 years.



Other significant components of this account group are the charges for repair and maintenance (14%), electric, water, sewer, gas and landfill charges (14%), postage, telephone and printing (7%), and general liability costs (4%).

**Fixed Costs**

Fixed charges are 16% of the operating budget and are comprised primarily of health and dental claims costs, and vehicle maintenance and rental charges. Seventy-eight percent (75%) of the fixed costs are for insurance fees and premiums, insurance deductibles, and insurance claims, which are managed through the Employee Benefit Internal Service Fund and the Risk and Insurance Fund. Twenty percent (23%) of the Fixed Cost group is for vehicle maintenance and rental charges. The remainder of the cost is for employee programs and building and equipment rentals.



**Debt Service**

This account group is for repayment on all bonded debt or any lease-purchase agreements and is 2% of the operating budget. All bonded debt is in the Golf Enterprise Funds. In 2001, the City paid the Water Enterprise general obligation bond debt off early with existing fund balance. A fund balance reserve with the full amount of the revenue bond debt in Water has been established to pay the raw water bonds for the Windy Gap Project. These bonds are not City debt, but a debt of the Northern Colorado Water Conservancy District. The City incurred a liability for a share of the debt payments. If the Enterprise were to not make the payments, the District could impose a mill levy on City residents to retire the debt. A reserve has been established to defease this obligation.

The Golf debt will be retired in 2010.

# DEBT SERVICE & FINANCIAL OBLIGATIONS

Payments on all of the City of Loveland’s long-term obligations are included in debt service. This includes revenue bonds and lease purchase agreements. Also included are the City’s obligations for debt issued by other entities for the Windy Gap project.

Outstanding bonds as of December 31, 2005, totaled \$1,014,680 for golf course construction. All bonds are considered to be self-supporting with revenues providing for adequate debt service coverage.

Currently, the City’s revenue bonds are rated as follows:

<i>Moody’s Investors Service</i>	<i>A1</i>
<i>Standard and Poor</i>	<i>A+</i>

The City also has a number of lease-purchase agreements for equipment or facilities. Payments are made as part of operating budgets. Because of our financial planning practices and because the amounts are small, they do not adversely affect other parts of the operating budgets.

## Legal Debt Limit

The City of Loveland is a home rule city. The Colorado Revised Statutes provides that general obligation indebtedness for all purposes shall not at any time exceed 3% of actual value, as determined by the County Assessor, of the taxable property in the City. The exception is debt that may be incurred in supplying water. The City’s debt is within the legal debt limit as demonstrated by the table below:

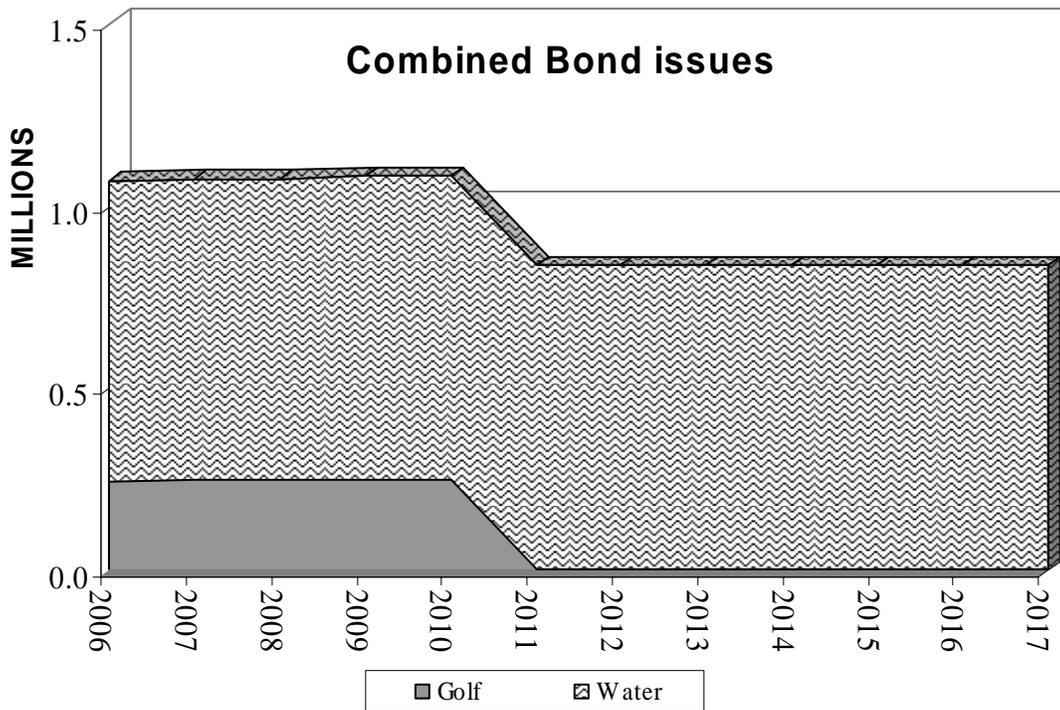
<u>Computation of Legal Debt Limit</u>	
2006 actual value	6,175,415,866
Debt limit: 3% of actual value	185,262,475
Amount of bonded debt applicable to debt limit	-0-

## Bond Issues

	Balance	Payments Due			Maturity	
	12/31/05	2006	2007	2008	2009	Date
<b>Revenue Bonds:</b>						
Raw Water (1)	—	826,155	827,124	826,856	826,251	2017
Golf Course (2)	1,014,680	244,987	247,832	248,095	247,771	2010
<b>Bond Total</b>	<b>1,014,680</b>	<b>1,071,142</b>	<b>1,074,956</b>	<b>1,074,951</b>	<b>1,074,026</b>	

*Notes:*

- 1 *The Municipal Subdistrict of the Northern Colorado Water Conservancy District holds the debt for the Windy Gap project. Loveland is responsible for 1/12 of the payments and has established a reserve to fund these payments.*
- 2 *The City of Loveland refunded the original Golf Course C.O.P.s with revenue bonds on Sept. 15, 1998.*



Lease Purchases				
	-----Payment Due-----		Total Max	Last
	2006	2007	Payment	Payment
			Liability (1)	Date
<b>Lease Purchases:</b>				
Library computer system	55,143	55,143	238,609	2010
Police Radios	104,605	104,605	192,374	2007
Golf GPS System	71,460	71,460	379,805	2012
<b>Total</b>	<b>231,208</b>	<b>231,208</b>	<b>810,788</b>	

*Note: (1) This is the total payment liability from 2006 to the end of the payments.*

# FINANCIAL MASTER PLAN



This section summarizes the Financial Master Plan. For the complete document, please refer to the link listed on the Finance website at [www.ci.loveland.co.us/Finance/FinanceMain.htm](http://www.ci.loveland.co.us/Finance/FinanceMain.htm) or contact the Finance Department.

# FINANCIAL MASTER PLAN SUMMARY

The City of Loveland Charter requires, as a part of the budget submission, a 5-Year Capital Program. The Capital Program Chapter of this document satisfies this requirement. As policy, staff has expanded this requirement to include operations expense and has developed the City of Loveland Financial Master Plan.

This long-range Financial Plan is updated annually in conjunction with the budget process, or as needed during the year. There are considerations in the Plan that attempt to integrate elements of the City's Comprehensive Master Plan and the individual department's master plans. The Plan is used for discussions with Council on policy priorities at the beginning of the budget process, and provides a long term planning tool for the City departments for service development. It also forecasts the resources that will be available for service increases or improvements. The Plan is designed to insure that operating revenues for new services, or new capital expansions, will be available in future years to maintain the new buildings or equipment or operate the expanded service after they have come online.

## **What is a Financial Master Plan?**

- It is a multi-year planning instrument that enables the City to forecast the financial implications of emerging issues and trends and direct our resources to meet specific and achievable goals.
- It encompasses the policy direction and priorities of Council.
- It projects resources for the next five years and forecasts compliance with the Amendment 1, also known as TABOR (Taxpayers' Bill of Rights), restrictions.
- It is a living document that enables management and Council to make funding decisions for service delivery and capital requests in a more predictable manner.
- It is a flexible guide to the future revenues and expenditures in the City.
- It is the basis for the development of future budgets.
- It notifies Council when projected revenues are insufficient to cover the projected expenses for priority projects. In order to balance the budgets, Council can make decisions based on a combination of the following options:
  - Cut projected operating or capital expenses by a critical review of departmental budgets.
  - Move projects or services funded in the plan to later years.
  - Increase revenue by increasing or enacting new fees or by proposing new taxes to voters.
  - Reduce the amount of required reserve.
  - Adjust the assumptions used in the forecast model.

The Special Revenue Funds are primarily capital in nature and have dedicated funding sources with the exception of the Library Fund. The Library Fund is funded primarily by a transfer from the General Fund. Increases to Library funding are accounted for in the Transfers line of the General Fund Forecast.

The Internal Service Funds are funded in a similar fashion, but include transfers from the Enterprise Funds, as well as the General Fund. The General Fund portion of the increase to these funds appears in the Transfers line. Due to the fact that the Enterprise Funds utilize their own funding sources and are balanced, only the General Fund portion is discussed in this chapter.

The Plan may change significantly from year to year, due to changes in the local economy that will impact the revenue stream, changes in Council policies or goals, or legislative changes at the state and federal level that impact service provisions or available revenues.

# GENERAL FUND OVERVIEW

## Forecast Assumptions

The forecast of the Consumer Price Index (CPI) and Local Growth Factor used for the TABOR limit are based on the historical average the City has experienced. Actual amounts are not known until the month of March following the end of an individual fiscal year. The forecasted rate for the CPI is 2.5% for 2006, 3.5% for 2007 through 2008, and 3.0% for the remaining years. The Local Growth Factor is 4.5% in 2006 based on the property valuations from the County Assessor, 5.2% based on preliminary property valuations from the County Assessor, and forecasted to be 4.1% for the remaining years, which is the City's historical average.

## Revenue Assumptions

- By State law, the Property Assessor is required to reassess all property values every two years to meet the requirements of the Gallagher Amendment to the State Constitution. Historically, the City has experienced growth in assessments of 5.8% in non-reassessment years and 13.6% in reassessment (Gallagher) years. The property tax revenues assume the millage rate will remain the same throughout the Plan and revenues will increase by the same amount as the property assessments.
- The City's sales tax base for 2008-2011 increases at a rate of 4.8% in 2008 declining to 4.5% in 2011.
- The sales tax projections for the Lifestyle Center and the Centerra developments are based on the sales per square foot shown in the Master Financing Agreement between the City and the developer.
- Use taxes increase at a rate of 3.5% for 2008-2011.
- All other taxes increase 3.0% for 2007-2010.
- Intergovernmental revenue increases at a rate of 2.5% in 2008-2011.
- User fees increase by 3.5% each year of the Plan.
- PILT increases are projected at 3.0% for most years in the Plan.
- Interest is calculated at 4.0% of the beginning balance adjusted to assume that the combined TABOR and Council reserves will not exceed \$10 million for 2007-2011 based on the current investment instruments held by the City.
- The TABOR excess projections are preliminary and will vary depending on the CPI and local growth percentage for each year and actual revenues.

## Expense Assumptions

- 2007 is the Adopted Budget for the departments.
- Department base budgets are increased 4.5% from the 2007 adopted amount.
- Included in the 2007 operating expense line is a transfer to the CEF Fund for \$299,220 to complete the reimbursement to the fund for incentives given in the Mirasol project.
- The street construction General Fund portion is funded at \$2 million in each year using TABOR revenues or General Fund revenues when TABOR reserves are not available. General Fund revenues will be required beginning in 2008.
- A portion of the Street Rehabilitation expenses are funded using TABOR revenues through 2007.
- All five years of the Capital Program and operating increases associated with these projects are included in the appropriate year.

## Required Reserve Assumptions

- The required balance includes the TABOR 3% emergency operating reserve; a Council Contingency reserve of \$100,000; an unfunded liability reserve of \$125,000; and an equipment replacement reserve of \$250,000; projected revenues which are above the TABOR cap and not currently

designated toward specific projects; and the amount of Council Capital Reserve not currently designated for specific projects. The ability to keep and spend TABOR excess revenue and use this revenue for police, fire, street construction and maintenance, and parks construction and maintenance was approved by the voters in the November 2001 election. This approval expires at the end of the 2012 budget year.

- The TABOR 3% operating reserve is a requirement of Article X, Section 20 of the State Constitution, which mandates government reserve 3% of the current year operating costs, excluding bonded debt, to be used for declared emergencies only.
- The Contingency Reserve is established to provide a funding source for small one-time projects, which could not have been anticipated during the development of the annual budget.
- The unfunded liability reserve provides resources in the event payouts for accrued leave or other unfunded liabilities exceed budgeted resources in any one year.
- The Council Capital Reserve was established by ordinance in 2005. The ordinance requires setting aside 5% of all tax revenue under the TABOR revenue cap for capital projects. The ordinance will sunset in 2009.
- In the forecast, the City is projected to go under the TABOR limit beginning 2009 and in all remaining years of the Plan. However, the projections are only under the limitation by a maximum of 2% in any one year. Changes in the economy or a small return to the building growth experienced in prior years will result in the City being over the limitation.

### **Analysis**

The Plan as presented shows there is little funding available for operating increases other than to operate new facilities included in the Capital Program. The policy of having the unreserved balance equal 6% of revenue is substantially met in all years. Based on supplemental requests that were included in the 10-year planning process done earlier this year and the 2007 Capital Program there will be difficult decisions staff and City Council will have to make in the near term. Policy issues outside of the Capital Program that are being discussed by staff are:

- Increasing the Fire Department staffing so that three paid firefighters are on all apparatus on every shift. To do this would require the addition of approximately 14 new firefighters;
- Increasing Police Department staffing due to growth in the City; and
- Increased staffing in all departments to maintain current service levels due to growth in the community.

There is not enough revenue in the Plan to fully fund all of these policy objectives. The decisions to balance this diverse set of requests will need to be made within the available dollars shown in the Plan to ensure the financial stability of the organization. As mentioned earlier, Council and staff can change the scenario presented in this plan by:

- Increased revenue as compared to the current assumptions;
- Increase the spacing between new capital projects, to reduce new operating costs over the short-term;
- A reduction in current programs; and/or;
- Reduce the scope of the Capital Program.

Financial Master Plan Summary

<b>Finance Master Plan</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>
<b>Beginning Fund Balance</b>	<b>\$14,832,420</b>	<b>\$18,234,310</b>	<b>\$14,711,120</b>
<b>REVENUES</b>			
Property Tax	5,924,101	6,264,600	6,760,000
Current Sales Tax Base	24,840,431	26,427,950	27,225,350
Sales Tax Lifestyle Center		1,270,500	2,117,500
Sales Tax Centerra West		338,580	892,800
Sales Tax Centerra East	-	-	-
Use Tax	5,714,096	6,484,260	3,700,000
Other Tax	2,337,232	2,245,450	2,507,890
Intergovernmental	4,498,251	3,972,650	4,254,870
Licenses & Permits	3,742,977	3,120,500	1,809,200
User Fees	2,708,183	3,194,340	3,037,480
Fines & Forfeits	840,956	691,200	909,500
Interest	364,767	398,850	586,020
Others	644,574	340,740	421,950
Interfund Transfers	3,171,160	3,326,710	3,524,820
Transportation Fee	1,063,040	1,123,710	1,297,890
<b>TOTAL REVENUE</b>	<b>\$55,849,768</b>	<b>\$59,200,040</b>	<b>\$59,045,270</b>
<b>TOTAL REVENUE &amp; SOURCES</b>	<b>\$70,682,188</b>	<b>\$77,434,350</b>	<b>\$73,756,390</b>
<b>EXPENSES</b>			
Legislative	85,812	118,820	123,340
Executive & Legal	1,345,509	1,531,550	1,703,820
Community & Business Relations	701,963	1,254,240	1,130,870
Cultural Services	1,048,613	1,077,310	1,107,670
Development Services	1,771,213	2,142,810	2,129,170
Finance	434,434	715,300	804,040
Fire & Rescue	6,336,178	7,140,390	7,391,800
Parks & Recreation	5,661,137	6,526,130	6,562,410
Police	12,219,920	13,268,720	13,979,610
Public Works	7,220,801	8,351,250	8,607,660
Non-Departmental	960,057	1,222,430	1,231,480
Transfers	8,026,011	8,419,520	8,981,170
Commercial Incentive Program	-	977,220	250,000
Mirasol Fee Waiver	-	200,000	299,220
Available inflated out	-	-	-
Available funds	-	-	-
<b>TOTAL OPERATING</b>	<b>\$46,926,306</b>	<b>\$52,945,690</b>	<b>\$54,302,260</b>
<b>CAPITAL</b>			
Net Capital Expense	2,429,290	4,715,520	500,000
Street Construction projects	1,457,282	3,277,810	2,000,000
Payment to Wastewater for Development Incentives	750,000	341,500	-
Equipment Replacement	884,997	1,442,710	1,515,780
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$5,521,569</b>	<b>\$9,777,540</b>	<b>\$4,015,780</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$3,401,893</b>	<b>(\$3,523,190)</b>	<b>\$727,230</b>
Ending Fund Balance	18,234,313	14,711,120	15,438,350
Required Balance	12,175,740	10,824,068	10,099,340
<b>NET SURPLUS (DEFICIT)</b>	<b>\$6,058,573</b>	<b>\$3,887,052</b>	<b>\$5,339,010</b>
Reserve policy requirement (6% of revenue)	\$3,350,986	\$3,552,002	\$3,542,716
amount above (under) policy	\$2,707,587	\$335,050	\$1,796,294

Financial Master Plan Summary

<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
<b>\$15,438,350</b>	<b>\$16,912,120</b>	<b>\$18,086,230</b>	<b>\$20,847,670</b>
7,679,360	8,124,760	9,229,730	9,765,050
28,532,170	29,873,180	31,247,350	32,653,480
2,618,200	2,618,200	2,618,200	2,539,650
1,445,300	1,929,700	2,235,200	2,430,000
-	234,400	733,200	1,336,500
3,701,950	3,440,080	3,666,780	3,645,530
2,583,130	2,660,620	2,740,440	2,822,650
4,361,242	4,470,273	4,582,030	4,696,580
1,872,522	1,938,060	2,005,892	2,076,099
3,293,790	3,409,070	3,663,390	5,291,610
914,048	918,618	923,211	927,827
617,530	676,480	723,450	833,910
358,060	370,590	383,560	396,980
3,660,600	3,771,063	3,884,810	4,001,860
1,343,320	1,390,340	1,439,000	1,489,370
<b>62,981,221</b>	<b>65,825,434</b>	<b>70,076,243</b>	<b>74,907,096</b>
<b>\$78,419,571</b>	<b>\$82,737,554</b>	<b>\$88,162,473</b>	<b>\$95,754,766</b>
129,160	129,160	129,160	129,160
1,770,972	1,850,666	1,933,946	2,020,973
1,078,624	1,127,162	1,177,885	1,230,889
1,137,660	1,188,855	1,242,353	1,298,259
2,207,218	2,306,542	2,410,337	2,518,802
828,936	866,238	905,219	945,953
7,713,099	8,060,188	8,422,896	8,851,927
7,207,718	7,532,066	7,871,009	8,625,204
14,412,713	15,069,285	15,747,403	18,356,036
9,247,475	9,604,260	9,881,320	10,325,979
1,286,897	1,344,807	1,405,323	1,468,563
9,385,323	9,807,662	10,499,007	11,021,462
350,000	350,000	350,000	350,000
-	-	-	-
-	146,300	152,884	473,263
140,000		300,000	
<b>\$56,895,794</b>	<b>\$59,383,191</b>	<b>\$62,428,741</b>	<b>\$67,616,472</b>
967,370	1,362,000	1,100,000	1,015,300
2,000,000	2,000,000	2,000,000	2,000,000
-	-	-	-
1,644,290	1,906,130	1,786,058	1,244,258
<b>\$4,611,660</b>	<b>\$5,268,130</b>	<b>\$4,886,058</b>	<b>\$4,259,558</b>
<b>\$1,473,768</b>	<b>\$1,174,113</b>	<b>\$2,761,444</b>	<b>\$3,031,066</b>
16,912,118	18,086,233	20,847,674	23,878,736
11,708,233	14,100,699	16,676,482	19,434,373
<b>\$5,203,884</b>	<b>\$3,985,533</b>	<b>\$4,171,192</b>	<b>\$4,444,363</b>
<b>\$3,778,873</b>	<b>\$3,949,526</b>	<b>\$4,204,575</b>	<b>\$4,494,426</b>
<b>\$1,425,011</b>	<b>\$36,007</b>	<b>(\$33,383)</b>	<b>(\$50,063)</b>

Financial Master Plan Summary

<b>Finance Master Plan</b>	<b>2005 Actual</b>	<b>2006 Budget</b>	<b>2007 Projected</b>
<b>CALCULATION OF REQUIRED BALANCE</b>			
TABOR Excess Reserves Beginning Balance 2003-2012	3,757,782	6,594,571	3,455,667
Projected Tabor Annual Excess	6,841,751	7,626,666	727,662
Street Construction	(536,607)	(3,277,810)	(2,000,000)
Transportation Fee	(1,063,040)	(1,123,710)	(1,297,890)
Fire Apparatus Replacement	-	(275,000)	-
Fairgrounds renovation	(27,325)	(72,680)	-
Barnes Expansion/Fairgrounds	-	(3,000,000)	-
Youth Sports Operating	-	(384,000)	-
Winona Pool Bath House Renovation	-	(112,500)	-
Public Works Operating (subsidy to Street Rehab)	(1,888,500)	(1,490,000)	-
Public Works Prj/Dev Engineering Operating	(489,490)	-	-
Public Works Paint truck	-	(240,000)	-
New Fire Fighters and equip for vol	-	(424,140)	-
New Police Officers	-	(365,730)	-
Streets-Freightliner	-	-	(105,000)
Traffic- Sign Truck & Equipment	-	-	(50,000)
Police Vehicles	-	-	(67,500)
<b>TABOR Excess Reserve Ending Balance 2003-2012</b>	<b>6,594,571</b>	<b>3,455,667</b>	<b>662,939</b>
Projected Tabor Annual Excess	-	-	-
<b>TABOR Excess Reserve 2013</b>	<b>-</b>	<b>-</b>	<b>-</b>
TABOR 3% Emergency	1,474,810	1,631,650	1,673,680
Council Contingency	100,000	72,430	100,000
Unfunded Liability	125,000	125,000	125,000
Equipment Replacement	250,000	250,000	250,000
<b>Required Reserves</b>	<b>1,949,810</b>	<b>2,079,080</b>	<b>2,148,680</b>
Council Reserve Beginning Balance	4,060,764	3,631,360	5,289,321
Annual Council Set-Aside (5% Tax Revenue)	1,481,844	1,657,961	1,998,399
Police/Court Payment	-	-	-
Funding for Youth Sports Center -Construction	(1,911,248)	-	-
<b>Council Reserve Ending Balance</b>	<b>3,631,360</b>	<b>5,289,321</b>	<b>7,287,721</b>
<b>REQUIRED BALANCE</b>	<b>12,175,740</b>	<b>10,824,068</b>	<b>10,099,340</b>



# FUND SUMMARIES



This section provides summaries of the City's four fund types compiled in gross amount form showing the primary services provided and the major sources of revenue.

This section also includes:

- A list of the full time equivalent positions by department or division;
- The impact of Amendment I (TABOR) restrictions on the City's budget.

# FUND SUMMARIES

The following tables present revenue and expenditure summaries by department for the four main fund types: the General Fund, Enterprise Funds, the Internal Services Fund, and Special Revenue Funds. These summaries are in gross budget form. Explanations for expenditure variances and detailed information regarding each department/division can be found in the Department Summary section.

The Fund Summary Schedule provides a view of the City finances across all funds included in the City's Total Budget. It is followed by four tables, one for each of the four major fund groups, along with additional detail of functions and services provide within the fund group.

The General Fund is where most services to the public provided by the City are budgeted. This includes Police and Fire Services, parks, recreation and leisure services, services to the development community, Public Works functions that maintain the existing street system.

Enterprise Funds by law must be self-supporting. Included in this group are the City Utilities providing water, wastewater, storm water and electric service, the solid waste and recycling operations, and three City-owned golf courses.

The Internal Service funds provide services primarily to City departments. These include general administrative services, facility and fleet maintenance.

The Special Revenue Fund group is for programs that by Council policy have dedicated revenue sources to achieve specific purposes.

Fund Summaries

**Fund Summary Schedule**

<b>Gross Budget</b>	<b>General Fund</b>	<b>Internal Services Fund</b>	<b>Enterprise Funds</b>	<b>Capital Projects Fund</b>	<b>Library Fund</b>	<b>Local Imp. Fund</b>	<b>CEF Fund</b>
<b>Beginning Balance</b>	<b>14,711,120</b>	<b>11,405,740</b>	<b>58,964,000</b>	<b>798,970</b>	<b>333,180</b>	<b>306,090</b>	<b>37,080,380</b>
<b>Revenues</b>							
Legislative							
Executive/Legal	922,000						
Comm. & Bus. Relations	-						
Cultural Services	229,550						357,480
Development Services	1,601,200						
Finance	214,610	1,716,870					
Fire & Rescue	930,000						651,900
Human Resources		9,152,040					
Information Technology							
Library					2,370,780		459,400
Parks & Recreation	2,546,480		3,939,270				2,951,870
Police	340,900						433,550
Public Works	6,885,870	3,053,390	9,287,770	370,000			2,891,060
Water & Power			58,551,930				
Non-Departmental	45,374,660	10,010,740		7,765,000		12,240	1,438,030
<b>Total Revenue</b>	<b>59,045,270</b>	<b>23,933,040</b>	<b>71,778,970</b>	<b>8,135,000</b>	<b>2,370,780</b>	<b>12,240</b>	<b>9,183,290</b>
<b>Total Resources</b>	<b>73,756,390</b>	<b>35,338,780</b>	<b>130,742,970</b>	<b>8,933,970</b>	<b>2,703,960</b>	<b>318,330</b>	<b>46,263,670</b>
<b>Appropriations</b>							
Legislative	123,340						
Executive/Legal	1,709,820						
Comm. & Bus. Relations	1,130,870						
Cultural Services	1,117,470			150,000			210,000
Development Services	2,130,920						
Finance	804,040	3,988,350	2,712,810				
Fire & Rescue	7,595,640						510,000
Human Resources		10,458,240					
Information Technology		3,028,760		215,000			124,430
Library					2,370,780		
Parks & Recreation	7,436,540	391,400	3,702,590	2,900,000			2,344,680
Police	14,084,270						196,000
Public Works	8,894,660	5,784,000	10,881,150	4,870,000			2,201,210
Water & Power			63,446,770				
Non-Departmental	1,260,080	215,000					
Transfers	12,030,390						
<b>Total</b>	<b>58,318,040</b>	<b>23,865,750</b>	<b>80,743,320</b>	<b>8,135,000</b>	<b>2,370,780</b>	<b>-</b>	<b>5,586,320</b>
<b>Ending Balance</b>	<b>15,438,350</b>	<b>11,473,030</b>	<b>49,999,650</b>	<b>798,970</b>	<b>333,180</b>	<b>318,330</b>	<b>40,677,350</b>

Fund Summaries

**Special Revenue Funds**

Park Imp. Fund	GID #1 Fund	Con. Trust Fund	Comm. Dev. Blk. Gnt. Fund	Cnty. Open Sp. Fund	Art in Pub. Places Fund	Loveland SID #1	Loveland URA	Total
1,146,830	37,390	2,372,680	-	4,616,220	320,250	2,034,730	19,890	134,147,470
								-
								922,000
					171,480			758,510
			299,020					1,900,220
								1,931,480
								1,581,900
								9,152,040
								-
								2,830,180
194,130		625,000		1,562,100				11,818,850
								774,450
								22,488,090
								58,551,930
	36,330					1,220,160	1,915,970	67,773,130
<b>194,130</b>	<b>36,330</b>	<b>625,000</b>	<b>299,020</b>	<b>1,562,100</b>	<b>171,480</b>	<b>1,220,160</b>	<b>1,915,970</b>	<b>180,482,780</b>
<b>1,340,960</b>	<b>73,720</b>	<b>2,997,680</b>	<b>299,020</b>	<b>6,178,320</b>	<b>491,730</b>	<b>3,254,890</b>	<b>1,935,860</b>	<b>314,630,250</b>
								123,340
								1,709,820
								1,130,870
					487,970			1,965,440
			299,020					2,429,940
								7,505,200
								8,105,640
								10,458,240
								3,368,190
								2,370,780
400,100		1,258,490		1,677,690				20,111,490
								14,280,270
	24,500							32,655,520
								63,446,770
						1,354,500	1,897,760	4,727,340
								12,030,390
<b>400,100</b>	<b>24,500</b>	<b>1,258,490</b>	<b>299,020</b>	<b>1,677,690</b>	<b>487,970</b>	<b>1,354,500</b>	<b>1,897,760</b>	<b>186,419,240</b>
<b>940,860</b>	<b>49,220</b>	<b>1,739,190</b>	<b>-</b>	<b>4,500,630</b>	<b>3,760</b>	<b>1,900,390</b>	<b>38,100</b>	<b>128,211,010</b>

Fund Summaries

**General Fund**

	<b>2005 Actual</b>	<b>2006 Forecast</b>	<b>2007 Budget</b>	<b>% Change 2006-07</b>
<b>REVENUE</b>				
<b>Beginning Balance</b>	<b>14,832,420</b>	<b>18,234,310</b>	<b>14,711,120</b>	
Taxes	38,815,860	43,031,340	43,203,540	0.4%
Licenses & Permits	3,742,977	3,120,500	1,809,200	(42.0%)
Intergovernmental	4,498,251	3,972,650	4,254,870	7.1%
Charges for Service	3,771,223	4,318,050	4,335,370	0.4%
Fines & Penalties	840,956	691,200	909,500	31.6%
Interest	364,767	398,850	586,020	46.9%
Miscellaneous	644,574	340,740	421,950	23.8%
Transfers	3,171,160	3,326,710	3,524,820	6.0%
<b>Total Revenue</b>	<b>55,849,768</b>	<b>59,200,040</b>	<b>59,045,270</b>	<b>(0.3%)</b>
<b>Total Resources</b>	<b>70,682,188</b>	<b>77,434,350</b>	<b>73,756,390</b>	
<b>APPROPRIATIONS</b>				
Legislative	85,812	118,820	123,340	3.8%
Executive/Legal	1,345,509	1,531,550	1,703,820	11.2%
Community & Business Relations	701,963	1,254,240	1,130,870	(9.8%)
Cultural Services	1,048,613	1,077,310	1,107,670	2.8%
Development Services	1,771,213	2,142,810	2,129,170	(0.6%)
Finance	434,434	715,300	804,040	12.4%
Fire & Rescue	6,336,178	7,140,390	7,391,800	3.5%
Parks & Recreation	5,661,137	6,526,130	6,562,410	0.6%
Police	12,219,920	13,268,720	13,979,610	5.4%
Public Works	7,220,801	8,351,250	8,607,660	3.1%
Non-Departmental	960,057	1,222,430	1,231,480	0.7%
Transfers	13,777,241	17,931,570	12,030,390	(32.9%)
Equipment Replacement	884,997	1,442,710	1,515,780	5.1%
<b>Total</b>	<b>52,447,875</b>	<b>62,723,230</b>	<b>58,318,040</b>	<b>(7.0%)</b>
<b>Ending Balance</b>	<b>18,234,313</b>	<b>14,711,120</b>	<b>15,438,350</b>	
<b>EXPENSE BY CATEGORY</b>				
Personal Services	27,501,197	30,640,100	32,337,730	5.5%
Supplies	2,033,370	1,924,850	1,924,150	(0.0%)
Purchased Services	6,611,581	9,097,550	8,478,190	(6.8%)
Fixed Charges	1,748,920	1,655,310	1,967,300	18.8%
Transfers	13,777,241	17,931,570	12,030,390	(32.9%)
Capital	775,566	1,473,850	1,580,280	7.2%
<b>Total</b>	<b>52,447,875</b>	<b>62,723,230</b>	<b>58,318,040</b>	<b>(7.0%)</b>

# GENERAL FUND

The General Fund is where most City services to the public are budgeted. These services include City administration and legal services, police and fire protection, parks, recreation, cultural activities, street maintenance and repair, mass transportation, and development review and regulation. By transferring revenues to other funds, the General Fund is also the primary funding source for the Loveland Public Library, and the Internal Support Services Fund. Funding is also transferred to the Capital Projects Fund. The Internal Support Services Fund provides administrative services and facility maintenance for the General Fund Departments and the Capital Projects Fund provides vertical construction, large building maintenance projects, road projects, major equipment purchases, and information technology improvements.

Nearly three quarters of the funding for these services is through taxes, primarily sales and use taxes. The other funding sources are State revenue sharing through motor vehicle fees and road and bridge taxes, federal grants, user fees, various licenses and permits, fines, and payments from all Enterprise Funds as payment in lieu of taxes that would have been collected if these enterprises were private operations.

General Fund revenues are anticipated to be nearly flat, with a decline of \$155,000 from the 2006 Budget. The decline is due to the slowing in residential construction and the near completion of a major retail development east of town, significantly reducing building permit fee and building use tax revenues. This decline will be offset by moderate growth in retail sales; base sales tax revenues are projected to increase by 3% reflecting the slowing of the economy, however the operation of the new Lifestyle Center for a full year and the continued build out of the Center is projected to bring increased revenue of over \$3 million resulting in combined sales tax revenues increasing by nearly 8% over the 2006 Budget.

The services provided by the General Fund are labor intensive. When transfers are excluded, personal services account for 70% of General Fund expenditures. Another 18% is in purchased services, primarily for outsourcing the Street Rehabilitation Program. The remaining expenses are for supplies, vehicle maintenance and replacement and other equipment replacement.

Transfers account for 20% of the General Fund expenses. Seventy three percent (73%) of the transfer expense is to the Library Fund and the Internal Service Fund, both of which are also labor-intensive services. Twenty one percent (21%) of the transfer expense is for capital projects with the remaining expenses for transfers to the Capital Expansion Fee (CEF) fund as part of the Council's Economic Incentive Program and for payments to the Water and Power enterprises for the expense of billing the Street Maintenance Fee.

Within the projected ending balance are several reserves, some of which are restricted. The reserves include the Emergency Reserve required by the TABOR amendment to the State Constitution; the balance of revenues which are over the TABOR revenue limitations, the Council Capital Reserve; a contingency reserve; an equipment replacement reserve; and an unfunded liability reserve. The amount of each reserve is listed below. The remainder of the ending fund balance is unrestricted, to be used for future operating costs and/or as a hedge against a sudden, unexpected decline in the economy and exceeds the policy of having the unrestricted balance equal 6% of revenue, by \$1.8 million.

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Fund Summaries

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TABOR Emergency Reserve	1,673,680
TABOR Revenue Over Revenue Cap	662,940
Council Capital Reserve	7,287,720
Council Contingency Reserve	100,000
Equipment Replacement Reserve	250,000
Unfunded Liability Reserve	125,000
Unrestricted Balance	5,339,010

The TABOR Emergency Reserve is one of the requirements included in the TABOR Amendment to the State Constitution. Three percent (3%) of the total operating expenses must be reserved, and can only be appropriated by an ordinance declaring an emergency.

The TABOR Revenue Reserve is for revenues over the TABOR revenue limitations. The \$1,237,520 is the balance of revenues over the limitation that has not yet been appropriated by Council. The reserve is limited, by the ballot language, to Police and Fire, Street Construction and Maintenance, and Parks Construction and Maintenance.

The Council Capital Reserve, originally established by ordinance, required 10% of all tax revenue below the TABOR revenue limitations be set aside for capital projects. In 2005, Council passed an ordinance reestablishing the reserve for another five years, changing the set aside requirement to 5% of all tax revenue below the TABOR revenue limitations, and continuing the restriction requiring funds be used for capital projects.

The Council Contingency Reserve is included each year for small projects that could not be foreseen in the budget development process. The Equipment Replacement Reserve is a contingency against a significant equipment failure. The Unfunded Liability Reserve is a contingency against a significant increase in staff turnover. As policy, employees are paid for vacation time and in some cases a portion of sick leave time that is unused at the time they leave City employment.

**Enterprise Funds**

	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>% Change</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>2006-07</b>
<b>REVENUE</b>				
<b>Beginning Balance</b>	<b>71,004,846</b>	<b>73,231,530</b>	<b>58,964,000</b>	
Impact Fees	9,406,044	6,765,810	4,642,010	(31.4%)
User Fees	7,789,865	8,155,850	8,985,260	10.2%
Interest	2,227,614	1,460,750	2,130,210	45.8%
Others	262,668	52,240	182,040	248.5%
Transfers	1,010,450	675,520	194,170	(71.3%)
Utility Charges	48,597,574	49,760,690	52,396,480	5.3%
Utility Other	2,029,319	3,834,300	3,248,800	(15.3%)
<b>Total Revenue</b>	<b>71,323,534</b>	<b>70,705,160</b>	<b>71,778,970</b>	<b>1.5%</b>
<b>Total Resources</b>	<b>142,328,380</b>	<b>143,936,690</b>	<b>130,742,970</b>	
<b>APPROPRIATIONS</b>				
Golf	3,452,752	3,491,550	3,702,590	6.0%
Power	38,581,140	39,333,940	41,061,730	4.4%
Solid Waste	4,275,617	4,087,260	5,903,520	44.4%
Storm Water	5,865,467	4,131,330	4,977,630	20.5%
Wastewater	5,863,034	11,404,010	7,985,810	(30.0%)
Water	11,058,842	22,524,600	17,112,040	(24.0%)
<b>Total</b>	<b>69,096,851</b>	<b>84,972,690</b>	<b>80,743,320</b>	<b>(5.0%)</b>
<b>Ending Balance</b>	<b>73,231,529</b>	<b>58,964,000</b>	<b>49,999,650</b>	
<b>EXPENSE BY CATEGORY</b>				
Personal Services	13,355,722	13,613,910	14,459,780	6.2%
Supplies	1,782,889	2,136,460	2,160,270	1.1%
Purchased Services	28,399,019	29,923,110	32,049,720	7.1%
Fixed Charges	1,176,119	631,840	1,021,500	61.7%
Debt	1,158,354	1,152,360	1,179,600	2.4%
Transfers	5,703,756	5,646,190	5,851,610	3.6%
Capital	17,520,993	31,868,820	24,020,840	(24.6%)
<b>Total</b>	<b>69,096,851</b>	<b>84,972,690</b>	<b>80,743,320</b>	<b>(5.0%)</b>

# ENTERPRISE FUNDS

Enterprise Funds by law are required to be self-supporting. The TABOR Amendment limits the amount of tax subsidy to 10% of the total operating cost. The City of Loveland Enterprise Funds are not subsidized, and are funded entirely by user fees. Details of the operating costs for each fund are in the Enterprise Fund Chapter. The capital projects for each fund are included in the Capital Program Chapter.

The Golf Enterprise Fund manages the three City-owned golf courses. The main source of revenues is from user fees paid by patrons of the golf courses. The fee schedule is set to recover all operating and capital costs involved in the operation of the three courses.

The Power Enterprise Fund includes all costs, operating, purchased power, and capital, associated with distributing electricity to City residents and businesses. The City of Loveland has the fourth lowest rate for electricity of all providers within Colorado.

The Solid Waste Fund includes all costs, operating and capital, associated with the collection and disposal or recycling of the City's solid wastes and manages a contract for mosquito control services. The fund is administered by the Public Works Department. The City of Loveland has been nationally recognized for the success of the "Pay As You Throw" Program and the high rate of materials recycled and removed from the waste stream.

The Water Enterprise Fund includes all costs, operating and capital, associated with providing the City with an adequate supply of water. The City of Loveland has the third lowest rate of all providers in our surrounding region.

The Storm Water Enterprise Fund includes all costs, operating, and capital, associated with treating the City's storm water runoff and returning clean usable water to downstream users. The Fund is administered by the Public Works Department to more closely align the storm water management with street construction and maintenance.

The Wastewater Enterprise Fund includes all costs, operating and capital, associated with treating the City's wastewater and returning clean usable water to downstream users.

The Water and Power Department administers the Water Enterprise Fund, the Wastewater Enterprise Fund, and the Power Enterprise Fund. The consolidation of these three enterprises under one department results in administrative savings for each enterprise.

## Internal Service Fund

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07
<b>REVENUE</b>				
<b>Beginning Balance</b>	<b>9,573,303</b>	<b>11,500,740</b>	<b>11,405,740</b>	-
Charges for Service	1,629,244	2,752,160	2,457,690	(10.7%)
Interest	330,827	355,550	431,160	21.3%
Miscellaneous	(419)	20,000	20,000	-
Transfers	9,094,470	8,766,360	9,038,410	3.1%
Internal Service Charges	10,048,539	11,451,840	11,985,780	4.7%
<b>Total Revenue</b>	<b>21,102,661</b>	<b>23,345,910</b>	<b>23,933,040</b>	<b>2.5%</b>
<b>Total Resources</b>	<b>30,675,964</b>	<b>34,846,650</b>	<b>35,338,780</b>	
<b>APPROPRIATIONS</b>				
Employee Benefits	7,039,553	9,092,210	9,259,580	1.8%
Internal Support Services	7,660,058	8,499,510	9,031,250	6.3%
Fleet Services	2,762,128	3,944,940	3,600,110	(8.7%)
Risk & Insurance	1,713,482	1,904,250	1,974,810	3.7%
<b>Total</b>	<b>19,175,221</b>	<b>23,440,910</b>	<b>23,865,750</b>	<b>1.8%</b>
<b>Ending Balance</b>	<b>11,500,743</b>	<b>11,405,740</b>	<b>11,473,030</b>	
<b>EXPENSE BY CATEGORY</b>				
Personal Services	5,858,392	6,548,640	6,653,500	1.6%
Supplies	1,717,471	1,594,020	1,877,480	17.8%
Purchased Services	2,236,790	2,466,650	2,667,280	8.1%
Fixed Charges	8,579,217	10,768,960	11,007,010	2.2%
Transfers	166,670	337,400	322,020	(4.6%)
Capital	616,681	1,725,240	1,338,460	(22.4%)
<b>Total</b>	<b>19,175,221</b>	<b>23,440,910</b>	<b>23,865,750</b>	<b>1.8%</b>

# INTERNAL SERVICE FUNDS

The Internal Service Funds provide general administrative services, benefits and risk administration, and fleet maintenance and replacement. Funding for these funds is from transfers from the General Fund and Enterprise Funds, internal service charges, and, in Fleet Services, payments from the Thompson Valley School District R2-J for maintenance for the School District's fleet. Detailed expenses for the divisions in these funds are in the Department Summaries Section under the Finance, Human Resources and Public Works departments.

The Employee Benefits Fund, administered by the Human Resources Department, is for management of the City's self-insured benefit program. Revenues for the fund are from internal service charges in each department's budget, which covers 80% of the health benefit cost, 60% of the dental benefit cost, life insurance, disability costs, and wellness program costs. Employees will pay 20% of the health benefit costs and 40% of the dental benefit costs. Expenses are for medical and dental claims, purchased insurance for protection beyond a certain limit for individual cases and total claims, disability insurance costs, and administration costs.

The Internal Support Services Fund provides general administrative services, information technology services, and facility and grounds maintenance. A summary of the Internal Support Services Fund is in the Other Funds Chapter on page 21-11.

The Fleet Services Fund provides vehicle maintenance and replacement of the City fleet. Revenues for the Fund are from internal service charges in each department's budget based on the amortization of existing vehicles, forecasted maintenance costs, and a payment from the Thompson Valley School District for maintenance of the District's fleet. Reserves are carried within the fund for future vehicle replacement. The City does not use a fully funded replacement plan, but a revolving fund philosophy. The reserves are established to ensure the solvency of the fund over a 10-year period. The Finance Department manages the Fleet Replacement Fund and the Public Works Department manages Vehicle Maintenance.

The Risk & Insurance Fund is administered by the Finance Department. The City is self-insured for general liability and workers' compensation insurance, with purchased insurance for coverage over certain limits. Revenues for the fund are from internal service charges within each department's budget, based on the individual department's rolling five-year claims history, and the forecast insurance costs. The Risk Management Division also administers the City's Safety Program, to reduce workers' compensation liability, and provides assistance for environmental issues and federal compliance to the departments.

## Special Revenue Funds

	2005 Actual	2006 Budget	2007 Budget	% Change 2007-06
<b>REVENUE</b>				
<b>Beginning Balance</b>	<b>47,154,562</b>	<b>55,781,620</b>	<b>49,066,610</b>	
Property Tax	31,490	50,880	1,949,200	3,731.0%
Other Tax	2,557,611	2,567,890	2,596,470	1.1%
Intergovernmental	972,199	1,555,330	1,256,020	(19.2%)
Impact Fees	10,377,293	11,898,560	7,394,580	(37.9%)
User Fees	261,575	137,730	145,080	5.3%
Interest	1,707,034	1,316,190	1,685,430	28.1%
Others	1,098,213	391,410	219,670	(43.9%)
Transfers	14,889,140	25,863,470	10,479,050	(59.5%)
<b>Total Revenue</b>	<b>31,894,555</b>	<b>43,781,460</b>	<b>25,725,500</b>	<b>(41.2%)</b>
<b>Total Resources</b>	<b>79,049,117</b>	<b>99,563,080</b>	<b>74,792,110</b>	
<b>APPROPRIATIONS</b>				
Art in Public Places	296,870	716,310	487,970	(31.9%)
Capital Expansion Fees	5,273,326	16,529,150	5,586,320	(66.2%)
Capital Projects	13,323,539	23,828,970	8,135,000	(65.9%)
Community Dev. Block Grant	344,476	330,520	299,020	(9.5%)
Conservation Trust	100,936	2,797,610	1,258,490	(55.0%)
County Open Space	138,269	1,746,320	1,677,690	(3.9%)
Library	2,032,848	2,280,000	2,370,780	4.0%
Loveland GID #1	17,740	24,500	24,500	-
Park Improvement	388,941	993,590	400,100	(59.7%)
Loveland SID #1	1,350,525	1,249,500	1,354,500	8.4%
Loveland Urban Renewal Authority	-	-	1,897,760	-
<b>Total</b>	<b>23,267,470</b>	<b>50,496,470</b>	<b>23,492,130</b>	<b>(53.5%)</b>
<b>Ending Balance</b>	<b>55,781,647</b>	<b>49,066,610</b>	<b>51,299,980</b>	
<b>EXPENSE BY CATEGORY</b>				
Personal Services	2,179,000	2,320,210	2,557,070	10.2%
Supplies	411,430	285,670	203,100	(28.9%)
Purchased Services	569,429	516,670	512,590	(0.8%)
Fixed Charges	14,664	16,530	15,860	(4.1%)
Debt Service	1,132,807	1,167,010	3,064,770	162.6%
Transfers	3,743,166	15,347,850	5,132,430	(66.6%)
Capital	15,216,974	30,842,530	12,006,310	(61.1%)
<b>Total</b>	<b>23,267,470</b>	<b>50,496,470</b>	<b>23,492,130</b>	<b>(53.5%)</b>

## SPECIAL REVENUE FUNDS

The Special Revenue Funds are for programs that, by Council policy, have dedicated revenue sources, and with the exception of the Library Fund and Community Development Block Grant (CDBG) Fund, are primarily capital in nature. For detail on the projects within these funds, see the Capital Program Chapter. For details on the Library, see the Library Department in the Department Summaries Section. The Other Funds Chapter contains detailed explanations of the expenses in the other special revenue funds.

The Art in Public Places Fund is to budget for art acquisition and maintenance. By City ordinance, 1% of the cost of all construction projects over \$50,000 is deposited into the fund.

The Capital Expansion Fee Fund (CEF) is where all impact fees are budgeted. Only capital projects that are fully funded by CEFs are budgeted as expenses in the fund. Projects that are partially funded by CEFs are budgeted in the Capital Projects Fund by transferring funds to the Capital Projects Fund. This method allows for a full accounting of all impact fees collected and their use, while at the same time showing the total cost of the capital projects.

The Capital Projects Fund is where all vertical construction, non-enterprise infrastructure, major building maintenance projects, and major equipment purchases for General Fund agencies are budgeted. The funding sources for the fund are primarily transfers from the General Fund and the Capital Expansion Fee Fund. This allows for the full cost of a project to be budgeted, when the funding for the project is from different sources.

The Community Development Block Grant Fund is for federal funds the City receives from the U.S. Department of Housing and Urban Development. Loveland is an entitlement city, which allows the City to receive funds each year without reapplication. Currently, the funding is directed towards affordable housing needs in the community.

The Conservation Trust Fund is for park and recreation projects funded by Colorado Lottery funds. Expenses are for the construction and maintenance of the recreational trail, which on completion, will circle the City. Lottery funds previously provided a portion of the funding for construction of the Hatfield Chilson Recreation Center and are used as one funding source for the construction of the new Youth Sports Complex.

The County Open Space Fund is for the City's share of revenue from the County Open Space Sales Tax. The funding is for the purchase and maintenance of open land for the City.

The Library Fund is for all operational and capital costs incurred by the City of Loveland Public Library. Ninety-three percent (93%) of the revenue for the fund is from a transfer from the General Fund. Eighty-two percent (82%) of the expenses in the fund are for personal services, with the remaining percent being operating costs at the Library.

The Loveland General Improvement District (GID) #1 is a special district established with its own mill levy to maintain downtown public parking lots and street amenities.

The Park Improvement Fund is for the replacement of park amenities and infrastructure, such as shelters, pump stations, or other similar amenities or equipment. Revenue sources for the fund are park

Fund Summaries

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shelter use fees, ball field and tennis court rentals, and county fees collected within the Urban Growth Area.

## Fund Balance Summary

	<b>2006</b>	<b>2007</b>
	<b>Ending Balance</b>	<b>Ending Balance</b>
<b>General Fund</b>	<b>14,711,120</b>	<b>15,438,350</b>
<b>Internal Services</b>		
Employee Benefits	1,495,630	1,388,090
Internal Support Services	965,540	791,870
Fleet Services	4,713,790	5,320,230
Risk & Insurance	4,230,780	3,972,840
<b>Total</b>	<b>11,405,740</b>	<b>11,473,030</b>
<b>Special Revenue</b>		
Capital Projects	798,970	798,970
Library	333,180	333,180
Capital Expansion Fees	37,080,380	40,677,350
Local Improvement	306,090	318,330
Parks Improvement	1,146,830	940,860
Loveland GID #1	37,390	49,220
Conservation Trust	2,372,680	1,739,190
Open Space Sales Tax	4,616,220	4,500,630
Art in Public Places	320,250	3,760
Loveland SID #1	2,034,730	1,900,390
Loveland URA	19,890	38,100
<b>Total</b>	<b>49,066,610</b>	<b>51,299,980</b>
<b>Enterprise</b>		
Golf	1,736,990	1,973,670
Water	33,897,130	28,733,810
Wastewater	5,937,290	5,751,440
Storm Water	2,124,790	1,474,240
Power	12,594,240	10,335,760
Solid Waste	2,673,560	1,730,730
<b>Total</b>	<b>58,964,000</b>	<b>49,999,650</b>
<b>Total All Funds</b>	<b>134,147,470</b>	<b>128,211,010</b>

# STAFFING LEVELS

This table represents a comparison of positions that are authorized in the budget for all funds from 2005 to 2007. The summary includes all full-time and part-time benefited positions, but does not include temporary or non-benefited positions.

<b>Department</b>	<b>FTE 2005</b>	<b>Budget FTE 2006</b>	<b>Budget FTE 2007</b>	<b>Change 2006-07</b>
Executive & Legal	18.3	13.4	14.6	1.2
Community & Business Relations	-	4.9	7.9	3.0
Cultural Services	11.3	11.4	11.6	0.2
Development Services	25.5	25.8	25.2	(0.6)
Finance	7.0	7.0	8.0	1.0
Fire & Rescue	61.8	66.8	68.8	2.0
Parks & Recreation	59.0	63.0	60.0	(3.0)
Police	124.0	128.0	134.0	6.0
Public Works	49.4	49.4	50.4	1.0
<b>Total General Fund</b>	<b>356.3</b>	<b>369.7</b>	<b>380.5</b>	<b>10.8</b>
Finance	17.6	17.9	16.9	(1.0)
Public Works/Facilities Mgt.	20.8	20.8	20.8	-
Human Resources	10.6	10.6	10.6	-
Information Technology	22.7	23.7	23.7	-
Parks/Public Ground Maint.	2.2	2.2	2.2	-
Public Works/Vehicle Maint.	15.2	15.2	15.2	-
<b>Total Internal Service Funds</b>	<b>89.1</b>	<b>90.4</b>	<b>89.4</b>	<b>(1.0)</b>
Parks & Recreation/Golf	16.5	18.5	18.5	-
Public Works/Solid Waste	23.7	23.7	24.7	1.0
Public Works/Storm Water	12.1	12.1	12.1	-
Water & Power	122.0	122.0	119.0	(3.0)
Finance	34.0	34.0	34.0	-
<b>Total Enterprise Funds</b>	<b>208.3</b>	<b>210.3</b>	<b>208.3</b>	<b>(2.0)</b>
Parks/Conservation Trust	1.0	1.0	0.9	(0.1)
Community Dev. Block Grant	0.7	0.7	0.5	(0.2)
Library	28.5	28.5	28.5	-
Parks/Open Space Sales Tax Fund	2.0	2.0	1.8	(0.2)
Art in Public Places	-	-	0.8	0.8
<b>Total Other Funds</b>	<b>32.2</b>	<b>32.2</b>	<b>31.7</b>	<b>(0.5)</b>
<b>Total City Employees (FTE)</b>	<b>685.9</b>	<b>702.6</b>	<b>709.9</b>	<b>7.3</b>

# TABOR REVENUE

In 1992, Colorado passed a State Constitutional Amendment, known as TABOR, which imposed tax and spending limitations on governmental entities. Since the passage of TABOR, Loveland citizens have approved three ballot issues allowing the City to keep and spend for certain purposes, thus waiving the limits of TABOR. The first in 1994 authorized the City to receive and expend all revenues generated from 1993 through 1997. In the 1999 election, the voters again authorized the City to receive and expend all revenues generated from 1998 through 2002. The 1999 ballot issue stipulated that these monies be spent on street construction and youth services.

In 2002, voters once again authorized the City to receive and expend all revenues generated from 2003 through 2012. This ballot issue stipulated that these monies be spent on Police and Fire, street maintenance and construction, and park maintenance and construction. On the following page are the revenues that qualify under the ballot issue and the projects that have been funded with these revenues. These revenues have provided the General Fund contribution to the 2020 Transportation Plan, allowed for increased maintenance of existing streets, provided a portion of the funding to construct the new Fairgrounds Park, and provided funds for the replacement of fire apparatus and other large equipment purchases. Strong revenue between 2004-2006 was the result of the strong growth experienced during this time frame, with building permit revenues and building use tax revenues higher than average. With the slow down in residential construction, and a significant portion of the new retail in the Centerra development completed, these revenues are projected to return to normal levels in the coming years, reducing the amount that will be available for projects from this source.

**Projects Funded from Revenues above TABOR Limit**

<b>Year:</b>	<b>Amount</b>
2003 actual revenues above TABOR limit	1,307,281
2004 actual revenues above TABOR limit	4,370,851
2005 actual revenues above TABOR limit	6,841,751
2006 projected revenues above TABOR limit	7,626,666
2007 projected revenues above TABOR limit	727,663
<b>Total</b>	<b>\$20,874,212</b>

<b>Projects:</b>	<b>Amount</b>
Street Rehabilitation and Maintenance (2004 Budget)	975,180
Street Rehabilitation and Maintenance (2005 Budget)	2,909,800
Fire Apparatus Replacement (2005 Budget)	275,000
Fairgrounds Renovation (2005 Budget)	100,000
Street Construction (2005 Budget)	2,801,333
In-house Street Construction Engineering (2005 Budget)	489,490
Street Construction (2006 Budget)	2,000,000
Street Rehabilitation and Maintenance (2006 Budget)	2,613,710
Youth Sports Complex Operating Costs (2006 Budget)	384,000
Replace Street Paint Truck (2006 Budget)	240,000
Four New Firefighters and Volunteer Equipment (2006 Budget)	424,140
Four New Police Officers (2006 Budget)	365,730
Winona Pool Bathhouse Renovation (2006 Budget)	112,500
Fairgrounds/Barnes Park Expansion	3,000,000
Street Construction (2007 Budget)	2,000,000
Street Rehabilitation and Maintenance (2007 Budget)	1,297,890
Police Vehicle Upgrades (2007 Budget)	67,500
New Sign Service Truck (2007 Budget)	50,000
Replace 1986 Freightliner (2007 Budget)	105,000
<b>Subtotal</b>	<b>\$20,211,273</b>

**Balance** **\$662,939**

# DEPARTMENT SUMMARIES



This section details revenues and operating expenditures for all departments. Descriptions of each department, its mission and goals, measurements to quantify the effectiveness or “outcome” of the program, a summary of authorized positions, revenue attributable to the departments, and any significant changes in departmental budgets are included.

The department and division summaries provide historical cost information along with the current and recommended budget. Revenues that are attributed to a department are also presented. Included in this section are concise explanations of changes that have occurred from the 2007 Budget.

# LEGISLATIVE



The City's vision statement:

***“A vibrant community... Surrounded by natural beauty... Where you belong.”***

## Legislative Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>General Fund</b>						
<b>City Council</b>	85,812	118,820	123,340	3.8%	-	-
<b>EXPENSE BY CATEGORY</b>						
Personal Services	53,868	67,170	77,190	14.9%		
Supplies	378	600	600	-		
Purchased Services	31,566	51,050	45,550	(10.8%)		
<b>Total</b>	<b>85,812</b>	<b>118,820</b>	<b>123,340</b>	<b>3.8%</b>		

### BUDGET VARIANCES

- 10,020 Increase in personal services due to salary increases approved for new members of Council in 2004.
- (5,500) Decrease in purchased services for the Council Retreat costs based on historical experience.
- 4,520 Total Increase**

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## CITY COUNCIL

### Overview

The City Council is the legislative and policy-making body of the city government. The Mayor and the Council members, working together as a single body, are entrusted with representing and interpreting the needs of Loveland citizens by balancing diverse public interests, establishing policies, and providing leadership and vision for the community. The Council appoints a City Manager to implement policies and manage the day-to-day operations of the Loveland municipal government. In addition, the Council appoints a City Attorney and a Municipal Judge. The Council also oversees the City's 21 citizen boards and commissions.

In elections, held the first Tuesday in November of odd-numbered years, voters select the Mayor and members of the City Council. The Council has a total of nine members. Each of four city wards elects two council members to serve staggered four-year terms. The Mayor, elected from the city at large, serves a two-year term. The Mayor Pro Tem is chosen by the affirmative vote of a majority of the entire Council. As compensation for their work on behalf of the citizens, Council members are paid \$400 per month; the Mayor Pro Tem, \$500 per month; and the Mayor, \$600 per month. In 2004, Council adopted an ordinance changing the compensation schedule. The new schedule will take effect for new members beginning with the election in 2005. The new schedule is Council members \$600 per month; the Mayor Pro Tem, \$800 per month; and the Mayor, \$1,000 per month. Existing members do not receive the increased amount unless they are voted back on Council after their current term expires. All members will be under the new pay schedule in 2008.

## EXECUTIVE & LEGAL



The mission of the City Attorney's Office is to provide high-quality, prompt and cost-effective legal services to the City Council, City boards and commissions, and City staff and, in so doing, to benefit Loveland's citizens by protecting the City's legal and financial interest and by supporting the City's provision of municipal services; and, within the bounds of justice and professional responsibility, to vigorously prosecute in Loveland Municipal Court violations of the City Charter and Code.

The mission of the Municipal Court, created by the City Charter, is to provide due process and justice in an impartial, fair and efficient manner to its residents, visitors, and employees.

## Department of Executive & Legal Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>General Fund</b>						
City Manager	483,908	566,960	596,160	5.2%	3.8	4.0
City Attorney	601,691	631,890	766,810	21.4%	5.6	6.6
Municipal Court	259,910	332,700	340,850	2.4%	4.0	4.0
<b>Total</b>	<b>1,345,509</b>	<b>1,531,550</b>	<b>1,703,820</b>	<b>11.2%</b>	<b>13.4</b>	<b>14.6</b>
<b>REVENUE</b>						
Municipal Court	857,565	701,700	922,000	31.4%		
<b>Total</b>	<b>857,565</b>	<b>701,700</b>	<b>922,000</b>	<b>31.4%</b>		
<b>EXPENSE BY CATEGORY</b>						
Personal Services	1,250,285	1,337,170	1,568,290	17.3%		
Supplies	12,367	23,850	33,110	38.8%		
Purchased Services	82,857	170,530	102,420	(39.9%)		
<b>Total</b>	<b>1,345,509</b>	<b>1,531,550</b>	<b>1,703,820</b>	<b>11.2%</b>		

**DIVISION**  
City Manager

**DEPARTMENT**  
Executive & Legal

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
<b>City Manager</b>	<b>483,908</b>	<b>566,960</b>	<b>596,160</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	456,910	465,810	567,880
Supplies	4,793	6,600	6,600
Purchased Services	22,205	94,550	21,680
<b>Total</b>	<b>483,908</b>	<b>566,960</b>	<b>596,160</b>
<b>FTE</b>	<b>3.8</b>	<b>3.8</b>	<b>4.0</b>

**BUDGET VARIANCES**

- 820 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- (73,170) Decrease in personal services for the transfer of one 30 hour position to the Public Information Division in the Community and Business Relations Department.
- 142,820 Increase in personal services for one Assistant City Manager position formerly budgeted in the Finance Administration Division.
- 1,060 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- (73,930) Decrease in purchased services for the one-time cost of the Cable Franchise negotiations.
- 31,600 Normal Increases  
31,600 Personal Services
- 29,200 Total Increase**

# CITY MANAGER'S OFFICE

## Overview

The City Manager is the chief executive officer of the City of Loveland. This position is appointed by the City Council and is responsible for the execution of City Council policies, directives, and legislative action. Leadership in this capacity involves coordinating departmental functions and relationships with many external organizations to achieve alignment with City Council priorities for the community. This alignment effort is communicated in the annual budget and the 10-Year Financial Plan.

All City staff report to the City Manager, except the Municipal Court and the City Attorney's Office. It is the City Manager's responsibility to integrate the talents of all department heads within a common vision that enables the organization to deliver service based on City Council direction. This management team works together to create an environment that encourages innovation, creativity, and growth. The City Manager's Office encourages management and every employee to hold each other accountable for achieving excellence. A performance measurement system has been established to create a means of communication that will align expectations for service delivery and the actual service delivery using resources available. The elements of this system serve as a tool to assess the efficiency and effectiveness of resource allocation.

Many organizations external to the organization help to shape the community and set the path for the future. The City Manager is responsible for coordinating relationships with:

- other agencies, such as federal, state, county and other municipalities;
- other non-profit organizations;
- the City of Loveland's 21 boards and commissions; and
- businesses and other private agencies.

It is critical to manage those relationships in a way that the citizens receive the most benefit today and in the future. It must pave the way to an efficient, results oriented government, which partners with all segments of the community to face the challenges of the future.

## Objectives

- Articulate City Council goals and communicate initiatives intended to achieve those goals.
- Develop quality of life measures and guidelines to assist in establishing departmental goals.
- Develop citywide strategic plans to achieve City goals.

**DIVISION**

City Attorney

**DEPARTMENT**

Executive &amp; Legal

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
City Attorney	<b>601,691</b>	<b>631,890</b>	<b>766,810</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	564,285	582,830	701,550
Supplies	1,703	6,300	15,560
Purchased Services	35,703	42,760	49,700
<b>Total</b>	<b>601,691</b>	<b>631,890</b>	<b>766,810</b>
<b>FTE</b>	<b>5.6</b>	<b>5.6</b>	<b>6.6</b>

**BUDGET VARIANCES**

- 1,850 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- 970 Increase in purchased services for subscriptions due to an increased rate for the Westlaw service used for legal research.
- 1,120 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- 5,000 Increase in purchased services for professional services due to increased demand for outside attorney services.
- 16,630 Normal Increases/Decreases  
16,630 Personal Services  
150 Supplies  
(150) Purchased Services

**SUPPLEMENTS**

- 109,350 **Workload** - Increase in personal services (\$100,240), and supplies (\$9,110) for one new Assistant City Attorney position due to increased legal services required by the departments.

**134,920 Total Increase**

# CITY ATTORNEY'S OFFICE

## Overview

The Loveland Home Rule Charter sets out the duties of the City Attorney as follows: “The City Attorney shall serve as the chief legal adviser for the City, shall advise the Council and other City officials in matters relating to their official powers and duties, and shall perform such other duties as may be designated by Council.”

The Loveland Municipal Code also requires the City Attorney to appear for the City in all actions or suits in which the City is a party and s/he is authorized to make any and all affidavits or instruments in writing for the proper conduct in any suit in which, in her/his opinion, the City's interests require. The City Attorney must attend all meetings of the Council and draw all ordinances, contracts and other instruments when requested by the Council to do so. The City Attorney may appoint assistants as necessary and as authorized in the budget to serve under the direction and control of the City Attorney.

The City Attorney's Office handles all prosecution in the Loveland Municipal Court. When matters are appealed from the Loveland Municipal Court to the District Court, this office handles the appeals. A vital part of handling Municipal Court matters is consultation with defendants in Municipal Court on their particular cases, which includes an education effort about law enforcement in general.

The City Attorney's Office handles most legal matters for the City. Occasionally, certain areas that require specialized expertise are handled by outside counsel. When lawsuits are filed against the City on matters for which the City has liability insurance coverage, the insurance company retains an attorney to represent the City at the insurance company's expense. In these matters, the City Attorney assists the attorney retained by the insurance company with the defense of the lawsuits.

The City Attorney's Office consults frequently with the City Manager's Office regarding various matters which have legal implications for the City.

## Objectives

- 90% of clients answer satisfied or very satisfied on customer survey.
- To contain direct costs for legal services.

<u>Performance Measures</u>	<u>2005 Actual</u>	<u>2006 Budgeted</u>	<u>2007 Projected</u>
% of answers to survey with satisfied/very satisfied response.	NA	90%	90%
Cost per hour.	\$75.02	\$68.00	\$65.83

**DIVISION**

Municipal Court

**DEPARTMENT**

Executive &amp; Legal

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
<b>Municipal Court</b>	<b>259,910</b>	<b>332,700</b>	<b>340,850</b>
<b>REVENUE</b>			
Court Costs	42,620	42,000	45,800
Court Administration Fees	4,085	2,500	2,500
Court Summons Surcharge	70,125	67,000	60,000
Traffic Fines	630,460	500,000	700,000
Municipal Ordinance Fines	44,076	34,000	50,000
Parking Fines	44,171	38,000	44,000
Other Fines	5,418	7,700	7,200
Other Service Charges	16,610	10,500	12,500
<b>Total</b>	<b>857,565</b>	<b>701,700</b>	<b>922,000</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	229,090	288,530	298,860
Supplies	5,871	10,950	10,950
Purchased Services	24,949	33,220	31,040
<b>Total</b>	<b>259,910</b>	<b>332,700</b>	<b>340,850</b>
<b>FTE</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>

**BUDGET VARIANCES**

490	Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
(2,180)	Decrease in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
9,840	Normal Increases
	9,840 Personal Services
<b>8,150</b>	<b>Total Increase</b>

# MUNICIPAL COURT

## Overview

The Municipal Court’s authority and responsibility is established by the Home Rule Charter and State law. It functions to adjudicate and process Municipal Code and Charter violations.

The Court will process approximately 12,000 cases in 2006 with the following attendant responsibilities: maintain Traffic Violations Bureau for “decriminalized” traffic infractions; formal arraignment on all other charges with advisement of legal rights and procedures; provision of a trial by judge or jury for disputed violations; sentencing of convicted violators; keep records and report convictions as required; maintain administrative record keeping; issue and account for warrants for the arrest of non-compliant offenders; collect fines and costs; and set minimum fines and costs except as otherwise established by local or State law.

## Objectives

- Process payments within one (1) business day.
- Conduct 100% further proceeding settings within 72 hours of receipt.
- Process all court events within 24 hours of court.

<u>Performance Measures</u>	<u>2005 Actual</u>	<u>2006 Budgeted</u>	<u>2007 Projected</u>
% payments processed within 1 day.	98%	95%	95%
% of proceeding settings within 72 hours of receipt.	95%	90%	90%
% of court events processed within 24 hours.	95%	90%	90%

**UNFUNDED SUPPLEMENTS**

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42,540 **Improvement** - City Attorney - Addition of one part-time paralegal position for document review of right-of-way and easement dedications.

**42,540 Total Unfunded Supplements**

# COMMUNITY & BUSINESS RELATIONS



Facilitate proactive, inclusive participation in planning and implementation efforts to generate community-wide partnerships that result in an environment of opportunity and sustainability of individual and business interests throughout Loveland and Northern Colorado.

## Department of Community & Business Relations Summary

	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>% Change</b>	<b>2006</b>	<b>2007</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>2006-07</b>	<b>FTE</b>	<b>FTE</b>
<b>General Fund</b>						
Business Relations	33,705	90,820	131,940	45.3%	1.0	1.5
Community & Strategic Planning	293,713	497,740	354,420	(28.8%)	3.0	4.1
Human Services	374,545	665,680	500,970	(24.7%)	0.9	1.5
Public Information	-	-	143,540	-	0.0	0.8
<b>Total</b>	<b>701,963</b>	<b>1,254,240</b>	<b>1,130,870</b>	<b>(9.8%)</b>	<b>4.9</b>	<b>7.9</b>
<b>REVENUE</b>						
Community & Strategic Planning	75,000	199,880	-	(100.0%)		
<b>Total</b>	<b>75,000</b>	<b>199,880</b>	<b>-</b>	<b>(100.0%)</b>		
<b>EXPENSE BY CATEGORY</b>						
Personal Services	308,973	366,170	568,090	55.1%		
Supplies	8,662	13,070	35,110	168.6%		
Purchased Services	384,328	875,000	527,670	(39.7%)		
<b>Total</b>	<b>701,963</b>	<b>1,254,240</b>	<b>1,130,870</b>	<b>(9.8%)</b>		

**DIVISION**

Business Relations

**DEPARTMENT**

Community & Business Relations

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
<b>Business Relations</b>	<b>33,705</b>	<b>90,820</b>	<b>131,940</b>
 <b>EXPENSE BY CATEGORY</b>			
Personal Services	400	53,510	80,750
Supplies	5,845	9,150	9,150
Purchased Services	27,460	28,160	42,040
<b>Total</b>	<b>33,705</b>	<b>90,820</b>	<b>131,940</b>
 <b>FTE</b>	 <b>1.0</b>	 <b>1.0</b>	 <b>1.5</b>

**BUDGET VARIANCES**

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- (180) Decrease in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- 28,620 Increase in personal services due to allocating 50% of an Administrative Technician's time that was previously fully budgeted in the Development Services Administration Division.
- (2,100) Decrease in personal services for car allowance.
- (170) Decrease in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- 2,100 Increase in purchased services for mileage reimbursement costs.
- 2,850 Normal Increases
  - 900 Personal Services
  - 1,950 Purchased Services

**SUPPLEMENTS**

- 10,000 **Improvement** - Increase in purchased services to increase the City's contribution to the Northern Colorado Economic Development Corporation (NCEDC).
- 41,120 Total Increase**

# BUSINESS RELATIONS

## Overview

The mission of the Business Relations Office is to assist citizens, community groups and economic development organizations with the creation and retention of sustainable employment which contributes to the long term economic diversity of our community.

We accomplish this by:

- Promoting collaboration with our economic development partners at local, regional and state levels.
- Fostering an environment supportive of entrepreneurial endeavors.
- Supporting recruitment of primary jobs to the region.
- Marketing Loveland, Colorado and it's strengths as a community with a proactive business climate and highly educated and trained workforce.

## Objectives

- Establish effective and productive partnerships with the Downtown Loveland Association, Northern Colorado Economic Development Corporation, Loveland Center for Business Development, Loveland Chamber of Commerce, Fort Collins, Larimer County and the State of Colorado Office of Economic Development and International Trade.
- Establish effective and productive relationships within the City of Loveland.
- Establish a set of incentive criteria which guides and assists City Council and staff in formulating customized business assistance packages for new and existing entrepreneurs.
- Establish a brand identity for Loveland and utilize it in the re-creation of the business development brochure, website, and the business appreciation luncheon.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
% prospect requests responded to within 24 hours.	100%	100%	100%
% satisfaction of clients assisted.	NA	95%	95%
# of clients assisted.	86	80	80
% of top 25 businesses satisfied with Business Relations assistance.	NA	95%	95%
# of primary jobs created due to Business Relations assistance.	140	150	150
# of non-primary jobs created due to Business Relations assistance.	2,258	300	300

**DIVISION**

Community & Strategic Planning

**DEPARTMENT**

Community & Business Relations

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
<b>Strategic Planning</b>	<b>293,713</b>	<b>497,740</b>	<b>354,420</b>
<b>REVENUE</b>			
Intergovernmental	75,000	199,880	-
<b>Total</b>	<b>75,000</b>	<b>199,880</b>	<b>-</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	259,581	266,090	308,680
Supplies	2,467	3,090	21,710
Purchased Services	31,665	228,560	24,030
<b>Total</b>	<b>293,713</b>	<b>497,740</b>	<b>354,420</b>
<b>FTE</b>	<b>3.0</b>	<b>3.0</b>	<b>4.1</b>

**BUDGET VARIANCES**

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- 830 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- 4,750 Increase in personal services due to allocating 10% of an Administrative Technician's time that was previously fully budgeted in Development Services Administration.
- 500 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- (8,280) Decrease in purchased service for one-time professional services costs for Title 18 revisions.
- (199,880) Decrease in purchased services for the Union Block/Lincoln Hotel Restoration funded by State Historic Preservation Grant.
- (19,380) Normal Decreases
  - (18,410) Personal Services
  - (970) Purchased Services

**SUPPLEMENTS**

78,140 **Improvement** - Increase in personal services (\$55,420), supplies (\$18,620), and purchased services (\$4,100) for the addition of one position for the City's contribution to continue the partnership for the Economic Gardening Program. A portion of this cost, \$35,000 is transferred from the Community Support Division, where the initial funding for the program was budgeted in 2006.

**(143,320) Total Decrease**

# COMMUNITY & STRATEGIC PLANNING

## Overview

The Community & Strategic Planning Division manages a proactive community-wide planning program, which defines long-term strategies for maintaining and enhancing the quality of life in Loveland. The Community Vision is accomplished through the development of key planning documents and various City programs in collaboration with citizens, elected officials, and other City departments. Staff participates in regional planning projects involving multi-jurisdictions in Northern Colorado to identify opportunities to jointly address land use and growth issues on a regional scale. The Division's goal is to provide the Community with services that balance existing resources with the public interest, encouraging quality planning for Loveland's future.

## Objectives

- Increase level of effective communication.
- Keep Comprehensive Master Plan current.
- Implement redevelopment programs for the downtown in a timely fashion.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
% respondents to survey indicating effective communication of planning initiatives.	94%	80%	80%
% of projects in yearly work program advanced to decision point by Management / Council / or other decision maker.	93%	85%	85%
% of downtown initiatives and projects in yearly work program advanced to decision point by Management / Council / or other decision maker.	100%	85%	85%
% of referral review comments completed by established due date.	100%	95%	95%
% of Historic Preservation Commission packets sent to Commissioners 5 days or more in advance of meeting.	100%	95%	95%

**DIVISION**

Human Services

**DEPARTMENT**

Community & Business Relations

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
<b>Human Services</b>	<b>374,545</b>	<b>665,680</b>	<b>500,970</b>
 <b>EXPENSE BY CATEGORY</b>			
Personal Services	48,992	46,570	96,260
Supplies	350	830	600
Purchased Services	325,203	618,280	404,110
<b>Total</b>	<b>374,545</b>	<b>665,680</b>	<b>500,970</b>
 <b>FTE</b>	 <b>0.9</b>	 <b>0.9</b>	 <b>1.5</b>

**BUDGET VARIANCES**

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- 30 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- 6,270 Increase in personal services due to an increase in General Fund allocation resulting from decreasing CDBG grant revenues.
- (214,400) Decrease in purchased services for the Human Relations Commission grant program due to the reappropriation of past year grants.
- 3,540 Normal Increases/Decreases
  - 3,540 Personal Services
  - (230) Supplies
  - 230 Purchased Services

**SUPPLEMENTS**

- 39,850 **Workload** - Increase in personal services to upgrade a 20-hour position to full time, and reclassify the position one pay grade higher due to increased grant requests and for staff support required for advisory commissions.

**(164,710) Total Decrease**

# HUMAN SERVICES

## Overview

The City of Loveland provides funds for human service needs in the Community through the Human Relations Commission Grant Program. The Human Relations Commission prepares an annual recommendation for allocation of the grant funds for City Council. The grant funds are allocated to a variety of non-profit human service agencies in Loveland that meet the annual goals set by the Human Relations Commission.

The Human Services Office cultivates a community of opportunity for people with lower incomes by: professionally providing effective grant programs; facilitating proactive dialog re: human services and housing; and offering creative solutions and extraordinary service.

## Objectives

- Increase number of respondents that indicate satisfaction with City’s grant process and administration.
- Increase number of affordable housing units within the City at the same rate as there is growth in total housing.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
% of agencies responding to a survey indicating “Satisfaction” with the City’s grant process and administration.	92%	90%	90%
% increase in affordable housing units.	1.3%	3.0%	2.0%
% increase in total housing units.	3.96%	3.00%	2.00%
# of affordable housing units produced under City incentives.	6	10	25
# of housing units produced.	807	890	890
# of grant applications processed.	47	46	50

**DIVISION**

Public Information

**DEPARTMENT**

Community & Business Relations

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
<b>Public Information</b>	-	-	<b>143,540</b>
 <b>EXPENSE BY CATEGORY</b>			
Personal Services	-	-	82,400
Supplies	-	-	3,650
Purchased Services	-	-	57,490
<b>Total</b>	-	-	<b>143,540</b>
 <b>FTE</b>	 -	 -	 <b>0.8</b>

**BUDGET VARIANCES**

---

143,540 Normal Increases  
                   82,400 Personal Services  
                   3,650 Supplies  
                   57,490 Purchased Services

**143,540 Total Increase**

**NOTE:** This function has previously been budgeted within the City Manager Division budget and the Non-Departmental/City Services Division budget, with the FTE shown in the City Manager budget. The new division has been created to better account for the costs of this function.



# PUBLIC INFORMATION

**Overview**

The Public Information Office provides the community and employees with accurate and timely information related to issues and activities of City government in a manner that facilitates participation.

**Objectives**

- Promote City programs, events and services.
- Ensure that employees have the opportunity to learn about City issues and activities.
- Provide effective information from the audience perspective.

**UNFUNDED SUPPLEMENTS**

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200,000 **Improvement** - Human Services - Increase in the Non-Profit Grant Program.

18,300 **Improvement** - Public Information - Addition of two part-time Cable Broadcast Technicians.

18,300 **Workload** - Public Information - Addition of a 20-hour Administrative Assistant position.

100,000 **Improvement** - Community & Strategic Planning - Consulting services to prepare a downtown area plan.

**336,600 Total Unfunded Supplements**

# CULTURAL SERVICES



The mission of the Cultural Services Department is to promote and enrich quality of life by providing diverse cultural experiences through history, all forms of artistic expression and in community celebration.

## Department of Cultural Services Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>General Fund</b>						
Museum	776,472	792,700	789,990	(0.3%)	8.6	8.3
Rialto	272,141	284,610	317,680	11.6%	2.8	3.3
<b>Total</b>	<b>1,048,613</b>	<b>1,077,310</b>	<b>1,107,670</b>	<b>2.8%</b>	<b>11.4</b>	<b>11.6</b>
<b>REVENUE</b>						
Museum	47,683	45,000	61,000	35.6%		
Rialto	114,750	106,550	168,550	58.2%		
<b>Total</b>	<b>162,433</b>	<b>151,550</b>	<b>229,550</b>	<b>51.5%</b>		
<b>EXPENSE BY CATEGORY</b>						
Personal Services	736,266	775,350	802,450	3.5%		
Supplies	102,166	93,400	112,870	20.8%		
Purchased Services	194,552	194,390	178,680	(8.1%)		
Fixed Charges	15,629	14,170	13,670	(3.5%)		
<b>Total</b>	<b>1,048,613</b>	<b>1,077,310</b>	<b>1,107,670</b>	<b>2.8%</b>		

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## CULTURAL SERVICES

### Overview

The Cultural Services Department presents diverse cultural programs to enrich the community, and visitors of all ages and backgrounds, through high quality and affordable performing arts, exhibits and events. The Department includes the Loveland Museum/Gallery, the Rialto Theater and the Art in Public Places Program. The Museum/Gallery serves as a regional cultural center by collecting Loveland's history and by presenting art and history exhibits and events. The historic Rialto Theater presents live theater, dance, concerts, films, lectures and children's programs. The Art in Public Places Program commissions work for public spaces and buildings and cares for the 200+ interior and exterior pieces in the City's collection.

Two citizen advisory boards, the Cultural Services Board and the Visual Arts Commission, assist the Department.

**DIVISION**

Museum

**DEPARTMENT**

Cultural Services

**Section Summary:****05 Actual****06 Budget****07 Budget****General Fund****Museum****776,472****792,700****789,990****REVENUE**

Donations

17,672

15,000

31,000

Gallery Sales

3,085

2,000

2,000

Museum Store Sales

8,848

11,000

11,000

Program Revenue

18,048

17,000

17,000

Other Revenue

30

-

-

**Total****47,683****45,000****61,000****EXPENSE BY CATEGORY**

Personal Services

579,434

609,130

602,520

Supplies

87,312

78,040

92,810

Purchased Services

109,726

105,330

94,460

Fixed Charges

-

200

200

**Total****776,472****792,700****789,990****FTE****8.6****8.6****8.3**

**BUDGET VARIANCES**

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- 1,770 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- (24,100) Decrease in personal services due to the transfer of .3 FTE of a Business Services Coordinator position to the Art in Public Places Fund.
- (9,500) Decrease in supplies (\$5,540) and purchased services (\$3,960) due to a one-time reappropriation for the Foote and Stoddard Livery Stable Mural.
- 260 Increase in purchased services for general liability costs based on the Division's historical experiences and forecasted liability costs.
- (8,810) Decrease in purchased services due to a one-time appropriation for grants received in 2006.
- 600 Increase in purchased services for payment of the Lone Tree School Program instructor.
- 15,870 Normal Increases/Decreases
  - 15,720 Personal Services
  - 4,310 Supplies
  - (4,160) Purchased Services

**SUPPLEMENTS**

- 16,000 **Revenue Generating** - Increase in supplies for a performance by Poet Laureate Ted Kooser, to be offset by donations and charges.
  - 1,200 **Improvement** - Increase in purchased services for postage to expand circulation of the Museum newsletter.
  - 2,000 **Workload** - Increase in purchased services for youth and family programming at the Museum to offset loss of grant funds.
  - 2,000 **Workload** - Increase in purchased services for the cost of producing the Foote Lagoon concerts.
- (2,710) Total Decrease**

# MUSEUM/GALLERY

## Overview

**Museum/Gallery:** The mission of the Museum/Gallery is to serve as a regional cultural center by collecting, preserving and interpreting Loveland’s history; and by presenting exemplary art and history exhibits, programs and events for the enrichment of visitors of all ages and backgrounds.

## Objectives

- Offer exhibits which may be described as diverse, educational and/or make an aesthetic impact, encouraging return visits from patronage. A 10% increase in attendance due to return visits is desired.
- 5% increase in “out of town” visitors.
- Increase youth and teen class participation.
- Increase the number of classes offered.
- Offer events that are diverse, well attended, entertaining, and community-oriented at no cost to the public.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
% increase in the number of return visits per year.	20%	5%	10%
% increase in the number of “out of town” visitors.	14%	5%	5%
% increase in event attendance.	33%	5%	5%
% increase in youth and teen program participation.	6%	5%	5%

**DIVISION**

Rialto

**DEPARTMENT**

Cultural Services

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
<b>Rialto</b>	<b>272,141</b>	<b>284,610</b>	<b>317,680</b>
<b>REVENUE</b>			
Ticket Sales	39,451	37,000	38,500
Restoration Fee	17,737	15,000	15,000
Rental	20,880	17,500	17,500
Concessions	20,599	15,800	15,800
Donations	7,529	11,000	71,000
Other	8,554	10,250	10,750
<b>Total</b>	<b>114,750</b>	<b>106,550</b>	<b>168,550</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	156,832	166,220	199,930
Supplies	14,854	15,360	20,060
Purchased Services	84,826	89,060	84,220
Fixed Charges	15,629	13,970	13,470
<b>Total</b>	<b>272,141</b>	<b>284,610</b>	<b>317,680</b>
<b>FTE</b>	<b>2.7</b>	<b>2.8</b>	<b>3.3</b>

**BUDGET VARIANCES**

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- 760 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- 290 Increase in purchased services for general liability costs based on the Division's historical experiences and forecasted liability costs.
- (3,930) Decrease in purchased services due to a one-time appropriation for grants received in 2006.
  
- 5,690 Normal Increases/Decreases
  - 5,690 Personal Services
  - 1,700 Supplies
  - (1,200) Purchased Services
  - (500) Fixed Charges

**SUPPLEMENTS**

- 30,260 **Workload** - Increase in personal services (\$27,260) and supplies (\$3,000) for the addition of a .5 FTE Technical Assistant position at the Rialto to staff increased rentals of the theater.

**33,070 Total Increase**

# RIALTO THEATER

## Overview

Since the renovation and reopening in February 1996, the historic theater has become a popular venue for theater, dance, concerts, movies, lectures, and children’s programming. Rental use of the theater continues to grow as well, and several community performing arts groups have adopted the Rialto as their home theater.

## Objectives

- Increase in the actual number of events each year by 2%.
- Increase attendance by 5% per year.
- Diverse program is perceived as balancing a number of different genres/styles each year.

<u>Performance Measures</u>	<u>2005 Actual</u>	<u>2006 Budgeted</u>	<u>2007 Projected</u>
% increase in events.	-16%	2%	2%
% increase in attendance.	7%	5%	5%
% cost recovered from Rialto revenue.	40.3%	37.0%	37.0%

**UNFUNDED SUPPLEMENTS**

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22,530 **Improvement** - Rialto - Addition of one .5 FTE Administrative Assistant position.

2,000 **Improvement** - Museum - Increase in advertising costs.

3,000 **Improvement** - Museum - Increase for new poetry/writing workshops.

**27,530 Total Unfunded Supplements**

# DEVELOPMENT SERVICES



The mission of the Development Services Department is to improve the community livability in the City of Loveland. This is accomplished through comprehensive community planning that preserves and enhances the City's quality of life and natural environment, quality plan reviews and inspections that ensure safety.

## Department of Development Services Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>General Fund</b>						
Administration	225,400	233,390	205,670	(11.9%)	2.5	1.9
Building	903,611	1,106,810	1,115,060	0.7%	13.0	13.0
Current Planning	642,202	802,610	808,440	0.7%	10.3	10.3
<b>Total</b>	<b>1,771,213</b>	<b>2,142,810</b>	<b>2,129,170</b>	<b>(0.6%)</b>	<b>25.8</b>	<b>25.2</b>
<b>REVENUE</b>						
Building	3,497,282	2,836,700	1,541,200	(45.7%)		
Current Planning	69,178	100,500	60,000	(40.3%)		
<b>Total</b>	<b>3,566,460</b>	<b>2,937,200</b>	<b>1,601,200</b>	<b>(45.5%)</b>		
<b>EXPENSE BY CATEGORY</b>						
Personal Services	1,605,756	1,862,070	1,854,180	(0.4%)		
Supplies	27,825	24,120	25,920	7.5%		
Purchased Services	107,098	225,900	189,380	(16.2%)		
Fixed Charges	30,534	30,720	42,690	39.0%		
Capital	-	-	17,000	-		
<b>Total</b>	<b>1,771,213</b>	<b>2,142,810</b>	<b>2,129,170</b>	<b>(0.6%)</b>		

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# DEVELOPMENT SERVICES

### Overview

The Development Services Department provides management of growth management and development issues. The services provided include development application coordination and plan review, building inspection, and code enforcement.

**DIVISION**

Administration

**DEPARTMENT**

Development Services

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
<b>Administration</b>	<b>225,400</b>	<b>233,390</b>	<b>205,670</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	218,306	220,240	193,450
Supplies	3,372	3,650	4,650
Purchased Services	3,722	9,500	7,570
<b>Total</b>	<b>225,400</b>	<b>233,390</b>	<b>205,670</b>
<b>FTE</b>	<b>3.0</b>	<b>2.5</b>	<b>1.9</b>

**BUDGET VARIANCES**

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- 830 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- (34,730) Decrease in personal services due to the transfer of .5 FTE to Business Relations and .1 FTE to Community & Strategic Planning.
- (2,280) Decrease in purchased services for the one-time cost of advertising and pre-employment screening for new position.
- 550 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- 7,910 Normal Increases/Decreases
  - 7,110 Personal Services
  - 1,000 Supplies
  - (200) Purchased Services
- (27,720) Total Decrease**

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## ADMINISTRATION

**Overview**

The Administration Division, through the Department Director, provides leadership and management, determines staffing and budgetary needs, and establishes program guidelines for the Department.

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Building	Development Services		
<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
<b>Building</b>	<b>903,611</b>	<b>1,106,810</b>	<b>1,115,060</b>
<b>REVENUE</b>			
Building Permits	3,455,582	2,800,000	1,500,000
Contractor License Fee	34,800	31,000	30,000
Other Fees	6,900	5,700	5,200
Weed Mowing	-	-	6,000
<b>Total</b>	<b>3,497,282</b>	<b>2,836,700</b>	<b>1,541,200</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	803,229	928,950	920,320
Supplies	13,408	9,220	11,020
Purchased Services	61,948	143,120	128,500
Fixed Charges	25,026	25,520	38,220
Capital	-	-	17,000
<b>Total</b>	<b>903,611</b>	<b>1,106,810</b>	<b>1,115,060</b>
<b>FTE</b>	<b>13.0</b>	<b>13.0</b>	<b>13.0</b>

**BUDGET VARIANCES**

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- (36,160) Decrease in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- (4,620) Decrease in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- 25,000 Increase in purchased services due to a one-time transfer to the Current Planning Division for consultant services.
- (35,000) Decrease in purchased services due to funding being transferred to the Fire Prevention Division for permit review outsourcing.
- 8,200 Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.
  
- 27,530 Normal Increases
  - 27,530 Personal Services

**SUPPLEMENTS**

- 21,500 **Workload** - Increase in capital (\$17,000) and fixed costs (\$4,500) for purchase of a truck to be used by a Code Administrator.
- 1,800 **Improvement** - Increase in supplies to purchase uniform shirts for Building staff.
  
- 8,250 Total Increase**

# BUILDING

## Overview

The Building Division coordinates and performs various administrative services related to development and construction activities. These include permit application, review, inspection, issuance of Certificates of Occupancy process, as well as monitoring construction activity. This administration is to protect the public health, safety, and welfare of the community.

In addition to these functions, information on zoning and building codes regulations are provided, as well as coordinating code enforcement activities. The Building Division works closely with the Construction Advisory Board, who serves as the Board of Appeals, in conjunction with contractor licensing and business practices of the licensed contracting community.

## Objective

- Process building permit applications in a timely and consistent manner.
- Provide a proactive approach to code enforcement.
- Provide timely and efficient site inspections.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
% of average turn-around time for plans in 3 weeks (commercial).	83%	85%	90%
% of code enforcement cases settled without court action.	99%	85%	90%
# of building sites inspected per day per FTE inspector.	12.3	10.0	11.0
% of code complaints/inquiries responded to within 24 hours.	NA	85%	95%

**DIVISION**

Current Planning

**DEPARTMENT**

Development Services

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
<b>Current Planning</b>	<b>642,202</b>	<b>802,610</b>	<b>808,440</b>
<b>REVENUE</b>			
Annexation Filing Fee	20,445	11,000	10,000
Planning Filing Fee	48,733	89,500	50,000
<b>Total</b>	<b>69,178</b>	<b>100,500</b>	<b>60,000</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	584,221	712,880	740,410
Supplies	11,045	11,250	10,250
Purchased Services	41,428	73,280	53,310
Fixed Charges	5,508	5,200	4,470
<b>Total</b>	<b>642,202</b>	<b>802,610</b>	<b>808,440</b>
<b>FTE</b>	<b>9.4</b>	<b>10.3</b>	<b>10.3</b>

**BUDGET VARIANCES**

- 10,150 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- (25,000) Decrease in purchased services due to a one-time transfer from the Building Division for consultant services.
- 4,300 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- (2,970) Decrease in purchased services due to charges for recording being moved to fixed charges.
- (3,700) Decrease in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.
- 2,970 Increase in fixed costs due to recording fees being moved from purchased services.
- 20,080 Normal Increases/Decreases
  - 17,380 Personal Services
  - (1,000) Supplies
  - 3,700 Purchased Services
- 5,830 Total Increase**

# CURRENT PLANNING

## Overview

Current Planning provides review services and coordinates the City’s development review process. The goals of the Current Planning Division are: create and administer an efficient development review process; to preserve and enhance the Community quality of life and the natural environment; promote the development of economic vitality and diversity; and promote the cost-effective delivery of public services. The Division facilitates public meetings to gather input related to development proposals. Public input, staff comments, and other relevant information are compiled by Current Planning into reports for Planning Commission and City Council consideration.

## Objectives

- Implement the Comprehensive Master Plan (CMP) Land Use Map through zoning review process.
- Provide review comments to development applicants in timely manner.
- Improve understanding of neighborhood concerns and assist developers in designing projects that are compatible with existing neighborhoods.

<b><u>Performance Measures</u></b>	<b><u>2005 Actual</u></b>	<b><u>2006 Budgeted</u></b>	<b><u>2007 Projected</u></b>
% of development applications where City Council takes action in accordance with City staff recommendation.	96%	90%	95%
% of times applicant received written comments from DRT within 3 weeks of application submittal date.	NA	90%	90%
% of development applications where neighborhood issues are resolved as indicated by no filing of an appeal.	95%	95%	95%

# FINANCE DEPARTMENT



The mission of the Finance Department is to ensure that the City government is a financially sound organization and to enhance the decision-making process by providing timely and accurate forecasts and reports to City management, City Council, and the general public, and to provide effective and efficient services to the citizens and City departments.

## Department of Finance Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>General Fund</b>						
City Clerk	275,064	330,240	326,270	(1.2%)	4.0	4.0
Sales Tax Administration	159,370	385,060	477,770	24.1%	3.0	4.0
<b>Subtotal</b>	<b>434,434</b>	<b>715,300</b>	<b>804,040</b>	<b>12.4%</b>	<b>7.0</b>	<b>8.0</b>
<b>Internal Service Fund</b>						
Administration	446,524	598,000	470,380	(21.3%)	6.1	5.1
Accounting/Purchasing	544,634	553,010	574,420	3.9%	7.0	7.0
Budget	110,047	111,040	116,470	4.9%	1.0	1.0
Fleet Management	350,490	1,584,920	852,270	(46.2%)	-	-
Risk & Insurance	1,713,482	1,904,250	1,974,810	3.7%	3.8	3.8
<b>Subtotal</b>	<b>3,165,177</b>	<b>4,751,220</b>	<b>3,988,350</b>	<b>(16.1%)</b>	<b>17.9</b>	<b>16.9</b>
<b>Enterprise Fund</b>						
Utility Accounting	654,113	502,210	502,360	-	5.2	5.2
Utility Billing	1,079,485	1,197,170	1,291,440	7.9%	16.3	16.3
Meter Reading	498,377	525,150	614,340	17.0%	8.5	8.5
Warehouse	264,522	291,170	304,670	4.6%	4.0	4.0
<b>Subtotal</b>	<b>2,496,497</b>	<b>2,515,700</b>	<b>2,712,810</b>	<b>7.8%</b>	<b>34.0</b>	<b>34.0</b>
<b>Total</b>	<b>6,096,108</b>	<b>7,982,220</b>	<b>7,505,200</b>	<b>(6.0%)</b>	<b>58.9</b>	<b>58.9</b>
<b>REVENUE</b>						
<b>General Fund</b>						
Sales Tax Collection Fee	133,290	154,850	184,610	19.2%		
PIF/RSF Fees	30,594	30,000	30,000	-		
<b>Subtotal</b>	<b>163,884</b>	<b>184,850</b>	<b>214,610</b>	<b>16.1%</b>		
<b>Internal Service Fund</b>						
Fleet Management	833,071	1,174,810	1,153,160	(1.8%)		
Risk & Insurance	1,518,650	1,961,090	1,716,870	(12.5%)		
<b>Subtotal</b>	<b>2,351,721</b>	<b>3,135,900</b>	<b>2,870,030</b>	<b>(8.5%)</b>		
<b>Total</b>	<b>2,515,605</b>	<b>3,320,750</b>	<b>3,084,640</b>	<b>(7.1%)</b>		
<b>EXPENSE BY CATEGORY</b>						
Personal Services	3,551,915	3,892,580	3,917,920	0.7%		
Supplies	43,095	85,250	81,700	(4.2%)		
Purchased Services	576,432	881,120	999,680	13.5%		
Fixed Charges	1,556,626	1,529,700	1,584,630	3.6%		
Transfers	76,550	150,120	10,270	(93.2%)		
Capital	291,490	1,443,450	911,000	(36.9%)		
<b>Total</b>	<b>6,096,108</b>	<b>7,982,220</b>	<b>7,505,200</b>	<b>(6.0%)</b>		

# FINANCE DEPARTMENT

## Overview

The Finance Department is comprised of the following divisions: Administration, Accounting & Purchasing, Risk Management, Internal Audit, Sales & Use Tax Administration, Utility Accounting, Utility Billing, Meter Reading, and Warehouse.

The Department's primary functions include financial operations and reporting, purchasing, sales tax licensing, sales, use, and retail fee collection, meter reading and customer service billing operations, accounts payable, financial policy and procedure development, risk management, internal and performance auditing, lease and debt financing, long-range financial planning, government and enterprise accounting, investment management and reporting, rate and fee setting, and managing the warehouse inventory.

The Department produces the Comprehensive Annual Financial Report (CAFR), long-range financial plans, monthly financial reports, and quarterly summary reports. The CAFR is the official statement of the City's financial position containing detailed accounting of revenues, expenditures, and financial condition. The Department provides financial data for the development of the annual budget.

**DIVISION**

Administration

**DEPARTMENT**

Finance

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Internal Service Fund</b>			
<b>Administration</b>	<b>446,524</b>	<b>598,000</b>	<b>470,380</b>
 <b>EXPENSE BY CATEGORY</b>			
Personal Services	405,973	541,350	412,210
Supplies	10,065	10,450	12,200
Purchased Services	26,632	46,200	45,970
Capital	3,854	-	-
<b>Total</b>	<b>446,524</b>	<b>598,000</b>	<b>470,380</b>
 <b>FTE</b>	 <b>5.8</b>	 <b>6.1</b>	 <b>5.1</b>

**BUDGET VARIANCES**

- 2,290 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- 1,520 Increase in purchased services for general liability costs based on the Division's historical experiences and forecasted liability costs.
- (161,150) Decrease in personal services due to moving the position of Deputy City Manager to the Executive Department, City Manager Division.
- 29,720 Normal Increases/Decreases
  - 29,720 Personal Services
  - 1,750 Supplies
  - (1,750) Purchased Services
- (127,620) Total Decrease**

## ADMINISTRATION

The Finance Administration Division coordinates the financial support services provided by the Finance Department, manages the City's investment portfolio, manages the fleet replacement fund and the warehouse operations, and develops financial planning tools to guide resource allocation decisions.

**DIVISION**

City Clerk

**DEPARTMENT**

Finance

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
<b>City Clerk</b>	<b>275,064</b>	<b>330,240</b>	<b>326,270</b>
 <b>EXPENSE BY CATEGORY</b>			
Personal Services	240,875	258,490	247,880
Supplies	4,343	2,850	2,820
Purchased Services	29,846	68,900	70,570
Capital	-	-	5,000
<b>Total</b>	<b>275,064</b>	<b>330,240</b>	<b>326,270</b>
 <b>FTE</b>	 <b>4.0</b>	 <b>4.0</b>	 <b>4.0</b>

**BUDGET VARIANCES**

(2,640) Decrease in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

440 Increase in purchased services for general liability based on the Division's historical experience and forecasted liability costs.

(7,970) Normal Increases/Decreases  
     (7,970) Personal Services  
     (30) Supplies  
     30 Purchased Services

**SUPPLEMENTS**

5,000 **Workload** - Increase in capital to retrofit the vault area with a larger capacity filing system.

1,200 **Workload** - Increase in purchased services for travel associated with staff training.

**(3,970) Total Decrease**

# CITY CLERK

## Overview

The City Clerk’s Division maintains current files on all minutes, ordinances, resolutions, contracts, agreements, easements, titles and deeds for the City Council and management. The City Clerk attends and records all Council meetings, conducts municipal elections, receives and deposits all revenue other than utility payments and City Sales Tax revenue, issues licenses and permits, and operates the central switchboard. The City Clerk is also responsible for retaining e-mail documents sent to City Councilors deemed to be public record as well as scanning public records into the imaging system for citizen and employee access. Facilities reservations for the Foote Lagoon, Gertrude Scott Room (Library MPR), the Pulliam Building, as well as the Council Chambers and the Conference room on the main floor of the Municipal Building are made through this Division.

## Objectives

- Accurate and prompt retention and retrieval of records.
- Direction of citizen and staff calls to proper entity.
- To ensure that all employees involved have accurate training in order to comply with State Statutes relating to Municipal Elections.
- Provide licensees with accurate and timely processing of license applications and compliance with State of Colorado regulations relating to liquor/beer licensing.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
% of permanent records available electronically.	90%	90%	90%
% of permanent records imaged within 30 days.	NA	80%	85%
% of citizen and staff requests responded to within 24 hours.	98%	95%	95%
% of liquor license applications processed within 1 week of approval by local authority.	100%	100%	100%

**DIVISION**

Sales and Use Tax Administration

**DEPARTMENT**

Finance

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
Sales Tax Collection	149,978	355,410	460,170
Fee Collection	9,392	29,650	17,600
<b>Total</b>	<b>159,370</b>	<b>385,060</b>	<b>477,770</b>
 <b>REVENUE</b>			
Sales Tax Collection Fee	133,290	154,850	184,610
PIF/RSF Fees	30,594	30,000	30,000
<b>Total</b>	<b>163,884</b>	<b>184,850</b>	<b>214,610</b>
 <b>EXPENSE BY CATEGORY</b>			
Personal Services	136,377	184,240	279,050
Supplies	8,787	12,360	25,210
Purchased Services	14,206	188,460	173,510
<b>Total</b>	<b>159,370</b>	<b>385,060</b>	<b>477,770</b>
 <b>FTE</b>	 <b>2.0</b>	 <b>3.0</b>	 <b>4.0</b>

**BUDGET VARIANCES**

- 500 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- 3,500 Increase in personal services to reimburse the Utility Billing Division for their handling of sales tax deposits.
- 330 Increase in purchased services for general liability based on the Division's historical experience and forecasted liability costs.
- (13,800) Decrease in purchased services based upon the Division's historical experience.
- 21,310 Normal Increases/Decreases
  - 20,740 Personal Services
  - 2,050 Supplies
  - (1,480) Purchased Services

**SUPPLEMENTS**

80,870 **Workload** - Increase in personal services (\$70,070) and supplies (\$10,800) for the addition of a Sales Tax Auditor position in accordance with and partially funded by the Centerra Collection Agreement.

**92,710 Total Increase**

# SALES & USE TAX ADMINISTRATION

## Overview

The Sales & Use Tax Administration Division processes receipts from sales and use tax returns, monitors compliance with the City’s sales and use tax ordinances, and performs audits to enforce the ordinances when necessary. The Division strives to educate and assist businesses in voluntary compliance with the requirements of the Sales and Use Tax Ordinance.

In 2005, the City began collecting the Public Improvement Fees (PIF) and Retail Sales Fees (RSF) that are associated with the Centerra Project. According to the collection agreement, the City will be reimbursed for costs associated with fee collection and enforcement that correspond to the retail establishments in the Project. The Division will audit all of the new businesses in the Project over the next three years for compliance with the City Sales and Use Tax Ordinance and other tax and fee requirements of the development agreement.

## Objectives

- Enter sales tax returns for the month no later than the 1st business day of the next month.
- Issue sales tax licenses within a week of receiving the application.
- Respond to audits resulting in vendor assessments made by contract auditors by deadline due dates.
- Contact delinquent vendors within a week of notification of delinquency.

<u>Performance Measures</u>	<u>2005 Actual</u>	<u>2006 Budgeted</u>	<u>2007 Projected</u>
% of months all sales tax returns processed by 1st business day of the next month.	100%	92%	92%
% of sales tax licenses issued within a week of receiving application.	60%	95%	95%
% of delinquent vendors contacted within 1 week of notification.	NA	90%	90%

**DIVISION**

Accounting/Purchasing

**DEPARTMENT**

Finance

**Section Summary:**

**Internal Service Fund**

	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
Accounting	436,544	476,550	496,360
Purchasing	108,090	76,460	78,060
<b>Total</b>	<b>544,634</b>	<b>553,010</b>	<b>574,420</b>

**EXPENSE BY CATEGORY**

Personal Services	471,932	467,740	488,330
Supplies	9,084	10,550	9,450
Purchased Services	63,618	74,720	76,640
<b>Total</b>	<b>544,634</b>	<b>553,010</b>	<b>574,420</b>

<b>FTE</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>
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**BUDGET VARIANCES**

- 1,380 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- 2,070 Increase in personal services for overtime, due to the FLSA reclassification of two exempt positions as non-exempt in mid-2005.
- 820 Increase in purchased services for general liability based on the Division's historical experience and forecasted liability costs.
- 17,140 Normal Increases/Decreases
  - 17,140 Personal Services
  - (1,100) Supplies
  - 1,100 Purchased Services
- 21,410 Total Increase**

# ACCOUNTING / PURCHASING

## Overview

Accounting is responsible for the disbursement of City funds and for providing accurate, timely and informative financial information to a variety of users. This Division prepares the Comprehensive Annual Financial Report (CAFR) and has been awarded the “Certificate of Achievement for Excellence in Financial Reporting” by the Government Finance Officers Association every year since 1980.

Purchasing uses professional, effective, efficient, and flexible practices to manage the City’s procurement of goods and services and ensure compliance with City and state laws.

## Objective

- Pay vendors in an accurate and timely manner.

<u>Performance Measures</u>	<u>2005 Actual</u>	<u>2006 Budgeted</u>	<u>2007 Projected</u>
% of bills paid within 1 week of receipt.	98%	98%	98%
% of checks reissued due to error.	0.5%	0.5%	0.5%
# of account payable transactions per FTE.	16,000	18,000	18,000

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Budget	Finance		
<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Internal Service Fund</b>			
<b>Budget</b>	<b>110,047</b>	<b>111,040</b>	<b>116,470</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	90,415	89,760	95,250
Supplies	932	1,100	1,100
Purchased Services	18,700	20,180	20,120
<b>Total</b>	<b>110,047</b>	<b>111,040</b>	<b>116,470</b>
<b>FTE</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

**BUDGET VARIANCES**

30 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

(60) Decrease in purchased services for general liability based on the Division's historical experience and forecasted liability costs.

5,460 Normal Increases  
           5,460 Personal Services

**5,430 Total Increase**

# BUDGET

## Overview

The Budget Division prepares and administers the City’s annual operating budget and capital plan; forecasts and monitors the City’s expenditures and revenues; forecasts the five–year operating and capital plans; and provides financial data, support and analysis to other City departments. In addition, this Division participates in policy analysis and formation and ensures City compliance with federal and state legislation that affect the budget. The Division has received the “Distinguished Budget Presentation Award” from the Government Finance Officers Association every year since 1985.

## Objective

- Collection and dissemination of data in timely and accurate manner.
- Accurate revenue projection.
- Accurate forecasting of current year expenses to reduce the number of year-end supplemental budgets.

<b><u>Performance Measures</u></b>	<b><u>2005 Actual</u></b>	<b><u>2006 Budgeted</u></b>	<b><u>2007 Projected</u></b>
% of adopted budget revenues to actual.	96%	95%	95%
% of current year revenue forecast to actual with 4 months of data.	99%	95%	95%
% of General Fund expenses forecast to actual with 4 months of data.	108%	105%	105%
% of General Fund unrestricted fund balance to total General Fund revenue.	9.4%	6.0%	6.0%

**DIVISION**

Fleet Management

**DEPARTMENT**

Finance

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Internal Service Fund</b>			
<b>Fleet Management</b>	<b>350,490</b>	<b>1,584,920</b>	<b>852,270</b>
<b>REVENUE</b>			
<b>Beginning Balance</b>	<b>4,014,614</b>	<b>4,497,200</b>	<b>4,087,090</b>
Interest	134,660	160,120	163,480
Vehicle rent	685,227	679,690	701,180
Transfers	-	315,000	268,500
Sale of Assets	13,184	20,000	20,000
<b>Subtotal</b>	<b>833,071</b>	<b>1,174,810</b>	<b>1,153,160</b>
<b>Total</b>	<b>4,847,685</b>	<b>5,672,010</b>	<b>5,240,250</b>
<b>EXPENSE BY CATEGORY</b>			
Supplies	(9,995)	-	-
Transfers	76,550	150,120	10,270
Capital	283,935	1,434,800	842,000
<b>Total</b>	<b>350,490</b>	<b>1,584,920</b>	<b>852,270</b>
<b>Ending Balance</b>	<b>4,497,195</b>	<b>4,087,090</b>	<b>4,387,980</b>

**BUDGET VARIANCES**

(139,850) Decrease in transfers due to the transfer schedule to the Enterprise Funds for the purchase of equipment.

(861,300) Decrease in capital for replacement vehicle purchases.

**SUPPLEMENTS**

96,000 **Improvement** - Increase in capital to buy and equip three new police cars for three new officers. Funding is transferred from the CEF fund.

67,500 **Workload** - Increase in capital to upgrade four patrol cars to non-pursuit rated Chevrolet Tahoes for SWAT members to have storage room for required equipment, and the upgrade of one patrol car to a pursuit rated Tahoe based on need.

105,000 **Workload** - Replacement of a 20-year old Freightliner used to pull equipment to job sites in the Street Maintenance Division.

**(732,650) Total Decrease**

# CITY FLEET

## Overview

The City Fleet Fund finances vehicle operating costs and future replacement of vehicles and equipment. Annually, funds are set aside for future replacement of all City vehicles.

## Objectives

- Evaluate and develop recommendations on the use and funding for cost-plus vehicles within the fleet.

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Risk & Insurance	Finance		
<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Internal Service Fund</b>			
<b>Risk &amp; Insurance</b>	<b>1,713,482</b>	<b>1,904,250</b>	<b>1,974,810</b>
<b>REVENUE</b>			
<b>Beginning Balance</b>	<b>4,368,769</b>	<b>4,173,940</b>	<b>4,230,780</b>
Interest	142,840	174,510	169,230
Workers' Compensation	707,420	916,680	868,070
General Liability Charges	668,390	856,450	679,570
Transfer from the General Fund	-	13,450	-
<b>Subtotal</b>	<b>1,518,650</b>	<b>1,961,090</b>	<b>1,716,870</b>
<b>Total</b>	<b>5,887,419</b>	<b>6,135,030</b>	<b>5,947,650</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	264,568	279,840	300,060
Supplies	2,380	22,290	5,630
Purchased Services	78,033	101,680	118,340
Fixed Charges	1,368,501	1,500,440	1,550,780
<b>Total</b>	<b>1,713,482</b>	<b>1,904,250</b>	<b>1,974,810</b>
<b>Ending Balance</b>	<b>4,173,937</b>	<b>4,230,780</b>	<b>3,972,840</b>
<b>FTE</b>	<b>3.8</b>	<b>3.8</b>	<b>3.8</b>

**BUDGET VARIANCES**

(36,920) Decrease in fixed costs for liability insurance based on the forecasted claims costs.

87,260 Increase in fixed costs for worker's' compensation due to increased premium costs and forecasted increase in claims costs.

20,220 Normal Increases/Decreases  
     20,220 Personal Services  
    (16,660) Supplies  
     16,660 Purchased Services

**70,560 Total Increase**

# RISK MANAGEMENT

## Overview

The Risk Management Division is responsible for protecting the operating effectiveness of the City by minimizing the costs associated with the City's property, liability, workers' compensation and environmental exposures. This is accomplished through identification and evaluation of the City's risks, implementation of appropriate safety, environmental and loss control programs, risk financing measures and claims management.

## Objectives

- Reduce cost of claims as a percentage of payroll.
- Improve claim efficiency and processing by assuring claims are reported within 1 business day of receipt.
- Contact employees within 2 business days after receiving notification of lost time due to a work-related injury.
- Workers' compensation claims are closed within 90 days.
- Meet applicable local, state, and federal regulations for environmental compliance and reduce the potential of fines.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
Workers' compensation claims per FTE.	0.11	0.22	0.15
% of insurance carrier loss control requirements complied.	NA	96%	96%
Workers' compensation losses as % of total City payroll.	1.22%	0.75%	0.75%
# of major federal or state environmental inspection violations.	0	0	0
# of minor federal or state environmental inspection violations.	4	3	3
% of the cost for environmental remediation recovered where available.	NA	50%	50%

<b>DIVISION</b>	<b>DEPARTMENT</b>
Utility Accounting	Finance

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Enterprise Fund</b>			
<b>Utility Accounting</b>	<b>654,113</b>	<b>502,210</b>	<b>502,360</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	421,318	441,010	401,060
Supplies	1,925	3,300	2,400
Purchased Services	75,401	57,900	98,900
Fixed Charges	155,469	-	-
<b>Total Operating</b>	<b>654,113</b>	<b>502,210</b>	<b>502,360</b>
 <b>Total Utility Accounting</b>	 <b>654,113</b>	 <b>502,210</b>	 <b>502,360</b>
 <b>FTE</b>	 <b>5.2</b>	 <b>5.2</b>	 <b>5.2</b>

**BUDGET VARIANCES**

40,000 Increase in purchased services due to the one-time cost of a rate study for the Water & Wastewater Utilities.

(39,850) Normal Increases/Decreases  
           (39,950) Personal Services  
               (900) Supplies  
               1,000 Purchased Services

**150 Total Increase**

# UTILITY ACCOUNTING

## Overview

The Utility Accounting Division is responsible for the annual budget, monthly financial reports, year-end financial processing, daily process of source documents, payroll processing, and tracking projects costs for the Water and Power Utilities. In addition, the Division is responsible for providing accounting and long-range financial planning services for the Public Works and Police Departments. This Division will have ongoing interactions with the Loveland Utilities Commission, City Council, and the Citizens' Finance Advisory Committee.

## Objective

- Bill or refund 85% of all Power Aid-To-Construction work orders within 45 days of completion of project.
- Complete preparation of all monthly financial statements within 5 business days of month-end close 90% of the time, and with a 90% accuracy rate.
- Process 90% of all accounts payable source documents received by the end of business on Friday, and paperwork to the Accounting Division for processing.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
% of Aid-To-Construction work orders billed or refunded within 45 days of completion of project.	3%	85%	85%
% of monthly financial statement preparation completed within 5 business days of the month-end close and accuracy rate.	89%	90%	90%
% of accounts payable source documents received by the end of business on Friday, processed and to the Accounting Division for processing.	99%	90%	90%

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Utility Billing	Finance		
<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Enterprise Fund</b>			
<b>Utility Billing</b>	<b>1,079,485</b>	<b>1,197,170</b>	<b>1,291,440</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	837,008	896,220	926,590
Supplies	7,193	9,650	10,340
Purchased Services	230,609	281,450	353,280
Fixed Charges	974	1,200	1,230
<b>Total Operating</b>	<b>1,075,784</b>	<b>1,188,520</b>	<b>1,291,440</b>
Capital	3,701	8,650	-
<b>Total Capital</b>	<b>3,701</b>	<b>8,650</b>	<b>-</b>
<b>Total Utility Billing</b>	<b>1,079,485</b>	<b>1,197,170</b>	<b>1,291,440</b>
<b>FTE</b>	<b>15.3</b>	<b>16.3</b>	<b>16.3</b>

**BUDGET VARIANCES**

- 
- 42,600 Increase in purchased services for postage costs.
  - 23,000 Increase in purchased services for bad debt and collection costs.
  - 37,320 Normal Increases
    - 30,370 Personal Services
    - 690 Supplies
    - 6,230 Purchased Services
    - 30 Fixed Charges

**102,920 Total Increase**

# UTILITY BILLING

## Overview

Utility Billing is responsible for providing customer service and processing monthly statements and payments for all electric, water, wastewater, storm drainage, solid waste, and street maintenance consumers.

## Objective

- Process and mail monthly bills, process payments daily, respond to customer and City inquiries, collect account receivables, provide financial and consumptive data to customers and departments.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
% of bills mailed within 4 days of meter reading.	99%	98%	98%
% of payments processed on day of receipt.	100%	100%	100%
% of telephone responses in less than 15 seconds.	100%	100%	100%
% of bad debt write off to electric revenue billed.	0.148%	0.200%	0.650%

<b>DIVISION</b>	<b>DEPARTMENT</b>
Meter Reading	Finance

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Enterprise Fund</b>			
<b>Meter Reading</b>	<b>498,377</b>	<b>525,150</b>	<b>614,340</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	457,020	484,490	504,700
Supplies	4,860	6,300	6,150
Purchased Services	8,197	10,030	11,050
Fixed Charges	28,300	24,330	28,440
<b>Total Operating</b>	<b>498,377</b>	<b>525,150</b>	<b>550,340</b>
Capital	-	-	64,000
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>64,000</b>
<b>Total Meter Reading</b>	<b>498,377</b>	<b>525,150</b>	<b>614,340</b>
<b>FTE</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>

**BUDGET VARIANCES**

	4,110	Increase in fixed costs for vehicle maintenance based on projected fuel costs and maintenance costs.	
	21,080	Normal Increases/Decreases	
		20,210 Personal Services	
		(150) Supplies	
		1,020 Purchased Services	
	<b>25,190</b>	<b>Total Increase</b>	

# METER READING

## Overview

Meter Reading is responsible for reading all electric and water meters monthly, and connecting and disconnecting services daily, as well as monitoring for meter divisions.

## Objective

- Produce accurate and timely meter readings and trouble reports, and provide minor meter property service orders in a timely, efficient and customer friendly manner.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
Cost to read meter.	\$0.50	\$0.52	\$0.53
% of accurate meter reads.	99.9%	99.9%	99.9%
% of porchlight service orders completed within 5 days.	98%	90%	90%

**DIVISION**

Warehouse

**DEPARTMENT**

Finance

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Enterprise Fund</b>			
<b>Warehouse</b>	<b>264,522</b>	<b>291,170</b>	<b>304,670</b>
 <b>EXPENSE BY CATEGORY</b>			
Personal Services	226,429	249,440	262,790
Supplies	3,521	6,400	6,400
Purchased Services	31,190	31,600	31,300
Fixed Charges	3,382	3,730	4,180
<b>Total Operating</b>	<b>264,522</b>	<b>291,170</b>	<b>304,670</b>
 <b>Total Warehouse</b>	 <b>264,522</b>	 <b>291,170</b>	 <b>304,670</b>
 <b>FTE</b>	 <b>4.0</b>	 <b>4.0</b>	 <b>4.0</b>

**BUDGET VARIANCES**

13,500 Normal Increases/Decreases  
           13,350 Personal Services  
           (300) Purchased Services  
           450 Fixed Charges

**13,500 Total Increase**



# WAREHOUSE

**Overview**

Warehouse responsibilities include inventory items used by all departments in the City, disposal of obsolete items, overseeing yard materials, maintaining an inventory of department tools and delivering trash tags and bags to City merchants, as well as materials and office supplies to other City employees. This section will also coordinate fleet replacement and scheduled maintenance for the Water and Power utility vehicles.

**Objectives**

- Provide timely and accurate availability of materials while maintaining the lowest achievable inventory.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
% of transactions entered on the iSeries correctly.	98%	98%	98%

**UNFUNDED SUPPLEMENTS**

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82,180 **Workload** - Accounting - Addition of one Accountant position for grant/contract monitoring and compliance.

52,410 **Workload** - Purchasing - Addition of a 20-hour Administrative Support position.

**134,590 Total Unfunded Supplements**

# FIRE & RESCUE



Through commitment, compassion and courage, the mission of the Loveland Fire & Rescue Department is to protect and save life and property.

## Fire & Rescue Department Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>General Fund</b>						
Operations	5,652,748	6,243,000	6,385,830	2.3%	59.8	60.8
Prevention Bureau	672,628	877,350	867,230	(1.2%)	7.0	7.0
Emergency Management	10,802	20,040	138,740	592.3%	-	1.0
<b>Total</b>	<b>6,336,178</b>	<b>7,140,390</b>	<b>7,391,800</b>	<b>3.5%</b>	<b>66.8</b>	<b>68.8</b>
<b>REVENUE</b>						
Operations	905,723	815,650	836,000	2.5%		
Support Services	84,236	100,800	94,000	(6.7%)		
<b>Total</b>	<b>989,959</b>	<b>916,450</b>	<b>930,000</b>	<b>1.5%</b>		
<b>EXPENSE BY CATEGORY</b>						
Personal Services	5,526,656	6,232,520	6,522,690	4.7%		
Supplies	207,356	320,640	237,010	(26.1%)		
Purchased Services	354,228	381,420	427,770	12.2%		
Fixed Charges	210,994	178,850	200,830	12.3%		
Capital	36,944	26,960	3,500	(87.0%)		
<b>Total</b>	<b>6,336,178</b>	<b>7,140,390</b>	<b>7,391,800</b>	<b>3.5%</b>		

# FIRE & RESCUE

### Overview

The Loveland Fire and Rescue Department is a combination department consisting of paid and volunteer staff members. The members of the department are committed fire prevention and public education officers, highly trained administrative personnel and the best-trained firefighters responsible for staffing the Engines, Rescue and Truck Companies. The Department delivers a wide range of emergency services including fire suppression, fire prevention, emergency medical services, technical rescue, hazardous materials mitigation and public education. Loveland Fire & Rescue also coordinates the City's Emergency Management Program. The Department provides these services through the resources of 62 paid personnel and approximately 80 volunteers working as a team. The Department also provides services to the Loveland Rural Fire Protection District, with the District paying its proportional cost of the Loveland Fire and Rescue Department's staffing and operating costs.

### Objectives

- Have a minimum of 3 personnel on each Engine Company and Truck Company 24/7.
- Increase minimum number of firefighters on all significant incidents so critical tasks can be performed safely.

Fire & Rescue Department

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Fire Rescue	Fire & Rescue		
<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
Operations	5,652,748	6,243,000	6,375,300
Special Operations	-	-	10,530
<b>Total</b>	<b>5,652,748</b>	<b>6,243,000</b>	<b>6,385,830</b>
<b>REVENUE</b>			
Charges for Services	21,113	15,000	15,000
Rural Fire District	751,000	730,650	751,000
Rural Fire - Pension	122,824	50,000	50,000
Rural Fire - Special Payment	10,351	20,000	20,000
Other Intergovernmental	435	-	-
<b>Total</b>	<b>905,723</b>	<b>815,650</b>	<b>836,000</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	4,957,468	5,507,420	5,710,750
Supplies	186,363	277,490	200,940
Purchased Services	290,109	309,510	318,830
Fixed Charges	181,864	148,580	155,310
Capital	36,944	-	-
<b>Total</b>	<b>5,652,748</b>	<b>6,243,000</b>	<b>6,385,830</b>
<b>FTE</b>	<b>55.8</b>	<b>59.8</b>	<b>60.8</b>

**BUDGET VARIANCES**

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- 27,120 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- 17,500 Increase in personal services costs for FLSA premium pay costs.
- (108,590) Decrease in personal services due to the transfer of one position to the Emergency Management Division.
- (100,750) Decrease in supplies for one-time equipment and bunker gear for four new paid positions and to new volunteer positions approved in 2006.
- 10,120 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- 6,730 Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.
  
- 120,150 Normal Increases/Decreases
  - 123,250 Personal Services
  - (1,500) Supplies
  - (1,600) Purchased Services

**SUPPLEMENTS**

- 8,000 **Improvement** - Increase in supplies for the operating costs for a new burn building training facility.
- 8,500 **Improvement** - Increase in supplies to upgrade the alerting system at Fire Station 2.
- 154,050 **Improvement** - Increase in personal services (\$144,050), supplies (\$9,200), and purchased services (\$800) for the addition of two firefighter positions with equipment, physicals and vaccinations.
  
- 142,830 Total Increase**

# FIRE RESCUE

## Overview

The Fire & Rescue Division provides primary fire attack and rescue efforts, including dive rescue, rope rescue, wildland firefighting, aircraft rescue/firefighting, emergency medical services, hazardous materials and newly acquired technical rescue expertise. In addition, the Division supports the Prevention Division with public education and inspection programs. The Department continues to see an increase in emergency medical calls, structure fires and hazardous materials calls. The nature of emergency calls within the City is changing as it develops. The Department is now responding occasionally to trench cave-in, confined space rescue and building collapse calls.

## Objectives

- Respond to 90% of the emergency incidents within the city limits, in 5 minutes or less, from time of notification.
- Staff all Engine and Truck Companies with a minimum of three personnel 24/7.
- Control fire within 15 minutes of arrival 95% of the time on single-family residents.
- Develop system capable of controlling commercial/business occupancy fires within 30 minutes.
- All firefighters and officers certified at the level required for their rank by January 2007.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
% of Fire and EMS responses in 5 minutes or less.*	76%	75%	75%
% of single family home fires contained in 15 minutes within city limits.	NA	95%	95%
% of single-family home fires contained in 15 minutes. (Rural/City combined)	72%	70%	70%
% of firefighters and officers certified to LFR qualifications program.**	100%	100%	100%

*\*Note: The 5 minute response time does not include dispatch time.*

*\*\*Note: The certification standard was increased for 2006.*

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Fire Prevention	Fire & Rescue		
<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
<b>Prevention Bureau</b>	<b>672,628</b>	<b>877,350</b>	<b>867,230</b>
<b>REVENUE</b>			
Fire Works Permits	18,450	17,500	14,000
Fire Permit & Inspection Fees	31,188	19,000	28,000
Rural Fire Inspection Fees	3,510	2,500	5,000
Special Event Fees	28,708	60,000	45,000
Contractor Licenses	2,380	1,800	2,000
<b>Total</b>	<b>84,236</b>	<b>100,800</b>	<b>94,000</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	569,188	725,100	701,240
Supplies	20,993	36,310	29,070
Purchased Services	53,317	60,710	98,400
Fixed Charges	29,130	28,270	38,520
Capital	-	26,960	-
<b>Total</b>	<b>672,628</b>	<b>877,350</b>	<b>867,230</b>
<b>FTE</b>	<b>6.0</b>	<b>7.0</b>	<b>7.0</b>

**BUDGET VARIANCES**

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- (10,840) Decrease in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
  
- (15,000) Decrease in personal services for Special Event Pay based on historical experience.
  
- (5,000) Net decrease in supplies for tools and equipment based on historical experience. \$3,500 of these funds are transferred to the Emergency Management Division for supplies and office furniture.
  
- 1,990 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
  
- 35,000 Increase in purchased services to outsource fire permit reviews to eliminate backlogs and meet development review timelines. The funding is transferred from the Development Services Department/Building Division.
  
- 10,250 Net increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs. \$4,200 is transferred to the Emergency Management Division due to the transfer of one vehicle for the Emergency Manager.
  
- (26,960) Decrease in one-time capital costs.
  - 440 Normal Increases/Decreases
    - 1,980 Personal Services
    - (2,240) Supplies
    - 700 Purchased Services
  
- (10,120) Total Decrease**

# FIRE PREVENTION

## Overview

The Fire Prevention Division’s focus is primarily to safeguard citizen’s lives and property through inspection of buildings as part of code enforcement effort, and implementation of business occupancy risk reduction efforts. This is accomplished through the plan review processes, code compliance inspections, follow-up of citizen complaints, and the regulation of storage and handling of hazardous materials. The Division also initiates fire cause and origin investigations, and where arson is suspected, provides evidence to the district attorney in prosecutions.

The Fire Prevention Bureau strives to provide high quality customer service and fire safety public education to the community through presentations, and demonstrations of fire safety. Our public education programs span the entire age-range with something for all ages.

2006 has been a busy year of change and progress. The Division has been restructured to better reflect the mission. Two inspectors are in the office this year which one is a new position. All positions are now permanent assignments. Staff will no longer rotate every three years. This change will enable us to provide consistent levels of service. Training and experience will be kept in the Division. With this new opportunity, we will have all members certified in their positions.

## Objectives

- Conduct effective inspections of commercial buildings and business occupancy risk reduction efforts of 60% of businesses annually.
- Conduct inspections and public education in 100% of commercial daycares, preschools, and R2-J School District.
- Complete all plan reviews within 15 working days.
- Conduct timely and thorough fire investigations to determine cause and origin of every fire within the jurisdiction.

<u>Performance Measures</u>	<u>2005 Actual</u>	<u>2006 Budgeted</u>	<u>2007 Projected</u>
% of commercial properties inspected and cleared of violations annually.	8%	25%	45%
% of schools and commercial daycares visited each year.	100%	100%	100%
% of plan reviews completed within 15 working days.	87%	90%	95%
% of fires where cause of origin was determined.	89%	90%	95%
% of fires started by juveniles.	5%	4%	3%

<b>DIVISION</b>	<b>DEPARTMENT</b>
Emergency Management	Fire & Rescue

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
<b>Emergency Management</b>	<b>10,802</b>	<b>20,040</b>	<b>138,740</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	-	-	110,700
Supplies	-	6,840	7,000
Purchased Services	10,802	11,200	10,540
Fixed Costs	-	2,000	7,000
Capital	-	-	3,500
<b>Total</b>	<b>10,802</b>	<b>20,040</b>	<b>138,740</b>
<b>FTE</b>	<b>-</b>	<b>-</b>	<b>1.0</b>

**BUDGET VARIANCES**

108,590	Increase in personal services due to the transfer of one position from the Fire Suppression Division.
4,200	Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs, for a vehicle transferred from the Fire Prevention Division mid-year in 2006.
3,500	Increase in capital costs for office furniture and equipment from funding transferred from the Fire Prevention Division.
2,410	Normal Increases/Decreases
2,110	Personal Services
160	Supplies
(660)	Purchased Services
800	Fixed Costs
<b>118,700</b>	<b>Total Increase</b>

# EMERGENCY MANAGEMENT

## Overview

This Division is responsible for the Loveland Emergency Response Plan, training department directors and senior managers, developing and equipping the Emergency Operations Center (EOC), and providing training exercises that assess the emergency management capabilities of the City. This function includes developing plans for public notification capabilities and coordinating emergency management activities with county, state and federal agencies.

## Objectives

- Develop Comprehensive Emergency Response Plan and Emergency Operations Center for the City that is not only local but also regional.
- Continue training for City employees for local and regional preparedness in the event of a major incident and compliance with Homeland Security guidelines.
- Maintain continuity of operations with surrounding communities and regional affiliates.
- Develop a Public Education Program that will deliver essential information to all areas of the community. This includes businesses, faith-based and public & private school sectors, and the general public of all ages.

**UNFUNDED SUPPLEMENTS**

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- 27,000 **Improvement** - Replacement of a cost plus vehicle for the Emergency Manager.
- 23,000 **Improvement** - Equipment for the Emergency Operations Center.
- 14,850 **Improvement** - Furniture replacement at Fire Station 3.
- 5,000 **Improvement** - Opticom installation.
- 114,000 **Improvement** - Install mobile data terminals in Fire Apparatus.
- 6,200 **Improvement** - Purchase treadmills for Stations 4 & 5, so all stations are equipped the same.

**190,050 Total Unfunded Supplements**

# HUMAN RESOURCES



We in Human Resources seek new and better ways to help recruit, develop, support and retain individuals who provide quality services for the City's customers.

**Department of Human Resources**

	<b>2005 Actual</b>	<b>2006 Budget</b>	<b>2007 Budget</b>	<b>% Change 2006-07</b>	<b>2006 FTE</b>	<b>2007 FTE</b>
<b>Internal Service Fund</b>						
Human Resources	964,758	1,165,070	1,198,660	2.9%	10.6	10.6
Employee Benefits	7,039,553	9,092,210	9,259,580	1.8%	-	-
<b>Total</b>	<b>8,004,311</b>	<b>10,257,280</b>	<b>10,458,240</b>	<b>2.0%</b>	<b>10.6</b>	<b>10.6</b>
<b>REVENUE</b>						
<b>Internal Service Fund</b>						
Employee Benefits	8,138,219	9,092,210	9,152,040	0.7%		
<b>Total</b>	<b>8,138,219</b>	<b>9,092,210</b>	<b>9,152,040</b>	<b>0.7%</b>		
<b>EXPENSE BY CATEGORY</b>						
Personal Services	719,613	787,530	842,630	7.0%		
Supplies	32,192	30,650	30,650	-		
Purchased Services	176,892	286,890	275,380	(4.0%)		
Fixed Charges	7,075,614	9,142,210	9,309,580	1.8%		
Capital	-	10,000	-	(100.0%)		
<b>Total</b>	<b>8,004,311</b>	<b>10,257,280</b>	<b>10,458,240</b>	<b>2.0%</b>		

Human Resources Department

**DIVISION**

Human Resources

**DEPARTMENT**

Human Resources

**Section Summary:**

**Internal Service Fund**

**Human Resources**

**05 Actual**

**06 Budget**

**07 Budget**

	<b>964,758</b>	<b>1,165,070</b>	<b>1,198,660</b>
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**EXPENSE BY CATEGORY**

Personal Services	712,113	787,530	842,630
Supplies	32,192	30,650	30,650
Purchased Services	151,892	216,890	205,380
Fixed Charges	68,561	120,000	120,000
Capital	-	10,000	-
<b>Total</b>	<b>964,758</b>	<b>1,165,070</b>	<b>1,198,660</b>

**FTE**

**10.6**

**10.6**

**10.6**

**BUDGET VARIANCES**

- 2,290 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Department's experience rating and forecasted liability costs.
- (13,000) Decrease in purchased services due to a one-time reappropriation for a staffing data management system.
- 1,490 Increase in purchased services for general liability costs based on the Department's historical experiences and forecasted liability costs.
- (10,000) Decrease in capital due to the one-time purchase of equipment.
- 52,810 Normal Increases
  - 52,810 Personal Services
- 33,590 Total Increase**

# HUMAN RESOURCES

## Overview

The Human Resources Department provides the following services to the City and its employees and volunteers: recruitment, selection and orientation; compensation plan development; benefits development and administration; counseling and discipline; policy development; payroll and record keeping; training and employee development; Employee Recognition Program; and the Community Volunteer Program.

## Objectives

### Recruitment and Retention

- Improve recruitment efforts targeting highly qualified applicants (e.g. complete implementation of applicant tracking software).
- Improve retention rate for benefited employees with more than 4 years of service.
- Increase participation in the Volunteer Program, including the retention of long term volunteers.
- Reduce voluntary resignations.

### Training and Performance Management

- Resolve Open Doors appeals more efficiently and effectively.
- 100% participation in compliance training.
- Design and implement enhanced supervisory training.
- Recognize exceptional performance and address marginal/ineffective performance.

### Classification and Compensation

- Review 33% of positions for 2007 Compensation Plan.
- Review executive level total compensation and alignment with market.

### Payroll

- Implement appropriate recommendations from the 2006 payroll audit.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
% of voluntary resignations compared to total # of benefit-eligible employees.	5.4%	4.0%	4.0%
% of new employees retained after 6 months.	78%	95%	95%
% of new employees retained after 4 years.	NA	NA	95%
% of managers using applicant tracking system.	NA	NA	90%
% participation in compliance training.	NA	NA	100%
% of corrective actions and involuntary terminations compared to total # of benefit-eligible employees.	NA	NA	5%
% of increased participation in Volunteer Program.	NA	5%	5%

**DIVISION**

Employee Benefits

**DEPARTMENT**

Human Resources

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Internal Service Fund</b>			
<b>Employee Benefits</b>	<b>7,039,553</b>	<b>9,092,210</b>	<b>9,259,580</b>
<b>REVENUE</b>			
<b>Beginning Balance</b>	<b>396,961</b>	<b>1,495,630</b>	<b>1,495,630</b>
Interest	21,668	-	59,830
City Contribution - Health Insurance	5,303,462	6,147,230	6,239,050
City Contribution - Life Insurance	201,289	229,410	229,410
City Contribution - Dental Insurance	278,275	301,110	301,110
City Contribution - Disability	158,826	180,000	180,000
City Contribution - Wellness	-	214,000	214,000
Employee Contribution - Health Ins.	918,171	1,831,860	1,740,040
Employee Contribution - Dental Ins.	170,380	177,400	177,400
COBRA Health	10,978	10,000	10,000
COBRA Dental	990	1,200	1,200
Miscellaneous Revenue	370	-	-
Transfer from Other Funds	1,073,810	-	-
<b>Total</b>	<b>8,138,219</b>	<b>9,092,210</b>	<b>9,152,040</b>
<b>Total Resource</b>	<b>8,535,180</b>	<b>10,587,840</b>	<b>10,647,670</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	7,500	-	-
Purchased Services	25,000	70,000	70,000
Fixed Charges	7,007,053	9,022,210	9,189,580
<b>Total</b>	<b>7,039,553</b>	<b>9,092,210</b>	<b>9,259,580</b>
<b>Ending Balance</b>	<b>1,495,627</b>	<b>1,495,630</b>	<b>1,388,090</b>

**BUDGET VARIANCES**

- 45,000 Increase in fixed costs for disability insurance premiums based on forecasted liability costs.
- 45,710 Increase in fixed costs for health and dental plan administration fees.
- 42,250 Increase in fixed costs for stop-loss premiums and fees.
- 34,410 Increase in life insurance premiums based on forecasted liability costs.
- 167,370 Total Increase**

# EMPLOYEE BENEFIT FUND

## Overview

The Human Resources Department is responsible for the administration of the Employee Benefit Fund. This Fund provides a competitive benefit package to employees. For medical and dental insurance, the City is self-insured, with insurance protection beyond a certain limit for individual cases and total claims. The City subsidizes the medical and dental portion of this fund at 80%.

The City's overall benefit liability has continued to grow at above industry trend over the last few years, especially in the area of catastrophic claims (individual medical claims above \$25,000). Specifically, claims costs have been increasing at an average rate of 20% since 2000. As of July 2006, the City experienced a slight reprieve in medical claims, but seasonal trend data demonstrates that claims cost typically increase during the second half of the year. Because the claims portion of medical benefits represent approximately 80% of the total benefits expense (excluding pension and paid time off), there is continued concern about the sustainability of the medical portion of our benefits package.

The benefits focus for 2007 will be on educating employees on consumer driven health care, as well as introducing wellness initiatives. These two components will assist in managing the increase in health care costs. The consumer driven health care approach increases the responsibility of the employee to understand the rationale behind specific treatments and services, as well as educate them on the true cost of those services. The long term benefit of this nationwide trend is that health care providers will be required to provide easy access to cost of care data to consumers, which will allow employees to make educated, cost-conscious decisions relative to their health care spending. The City will continue to research and implement changes to the medical benefits plan in an effort ensure sustainable, quality programs that are competitive in the marketplace.

## Objectives

- Introduce the concept of consumer driven health care through education and possible plan implementation.
- Maintain an adequate health care plan financial reserve.
- Enhance wellness program to track and increase participation.
- Manage the increase in aggregate claim cost and claim cost per employee.
- Evaluate strategies related to retiree medical benefits.

<u>Performance Measures</u>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
% participation in educational open enrollment activities.	NA	NA	90%
% participation in City-sponsored wellness activities.	NA	NA	35%

# INFORMATION TECHNOLOGY



The mission of the Information Technology Department is to provide interactive government services using effective communication and technology-savvy employees throughout the organization who align technology initiatives with the City's service delivery objectives using a collaborative approach to building a roadmap for future success.

## Department of Information Technology Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>Internal Service Fund</b>						
Administration	237,585	171,130	183,390	7.2%	1.0	1.0
Geographic Information Svcs.	271,672	327,040	327,700	0.2%	3.7	3.7
Networks & Programming	985,690	964,230	982,380	1.9%	11.0	11.0
Support Services	930,598	1,202,040	1,535,290	27.7%	8.0	8.0
<b>Total</b>	<b>2,425,545</b>	<b>2,664,440</b>	<b>3,028,760</b>	<b>13.7%</b>	<b>23.7</b>	<b>23.7</b>

### EXPENSE BY CATEGORY

Personal Services	1,519,294	1,793,280	1,860,710	3.8%
Supplies	78,411	81,000	72,230	(10.8%)
Purchased Services	548,130	539,720	641,360	18.8%
Capital	279,710	250,440	454,460	81.5%
<b>Total</b>	<b>2,425,545</b>	<b>2,664,440</b>	<b>3,028,760</b>	<b>13.7%</b>

# INFORMATION TECHNOLOGY

## Overview

The Information Technology (IT) Department is comprised of the divisions of Administration, Geographic Information Services, Networks and Programming, and Support Services. The Department is responsible for organization-wide strategic and operational technical planning, providing customer service to City staff and citizens to enable efficient use of technical resources, and to lead the effort of using the organization's technical resources, both equipment and personnel, in the most effective manner possible. IT provides a technology training lab that is equipped and ready to provide training opportunities for City staff and City partners, such as Loveland's Business Development Center.

**DIVISION**

Administration

**DEPARTMENT**

Information Technology

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Internal Service Fund</b>			
<b>Administration</b>	<b>237,585</b>	<b>171,130</b>	<b>183,390</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	146,787	127,150	135,550
Supplies	19,386	29,640	29,640
Purchased Services	71,412	14,340	18,200
<b>Total</b>	<b>237,585</b>	<b>171,130</b>	<b>183,390</b>
<b>FTE</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

**BUDGET VARIANCES**

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- 4,640 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Department's experience rating and forecasted liability costs.
- 3,860 Increase in purchased services for general liability costs based on the Department's historical experiences and forecasted liability costs.
- 3,760 Normal Increases
  - 3,760 Personal Services
- 12,260 Total Increase**

# ADMINISTRATION

## Overview

The Administration Division, through the Department Director, provides leadership, determines budgetary needs including staffing, and establishes program guidelines for the Department. Administration guides the annual development of the IT work plan using strategic and procedural objectives and guidelines.

## Objectives

- Ensure monthly Department team meetings are held with other departments focusing on customer service, project updates, and service concerns.
- Ensure annual work plan is developed, agreed to, published, and accomplished.
- Enlist IT Department internal coordination and cooperation to meet customer satisfaction goal of at least 80% satisfaction with services provided.

<u>Performance Measures</u>	<u>2005 Actual</u>	<u>2006 Budgeted</u>	<u>2007 Projected</u>
% of projects completed on time and within budget.	NA	90%	90%
% of customer satisfaction.	NA	80%	80%

**DIVISION**

Geographic Information Services

**DEPARTMENT**

Information Technology

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Internal Service Fund</b>			
<b>Geographic Information Services</b>	<b>271,672</b>	<b>327,040</b>	<b>327,700</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	213,081	266,200	276,860
Supplies	14,075	17,640	14,540
Purchased Services	44,516	33,200	36,300
Capital	-	10,000	-
<b>Total</b>	<b>271,672</b>	<b>327,040</b>	<b>327,700</b>
<b>FTE</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>

**BUDGET VARIANCES**

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(10,000) Decrease in capital due to a one-time appropriation for a Global Positioning Unit.

- 10,660 Normal Increases/Decreases
  - 10,660 Personal Services
  - (3,100) Supplies
  - 3,100 Purchased Services

**660 Total Increase**

# GEOGRAPHIC INFORMATION SERVICES

## Overview

The Geographic Information Services Division is responsible for the maintenance of the City's centralized land-based information and geographic information services. With this information, the Division provides City mapping and data products for many areas within the City. The Division also creates custom computer programs for use by City staff to assist in analyzing geographic information and other land related data. The Division assists with the support of computers and related technical issues for the Department, and maintains some data fields in the land based applications on the City's mainframe computer. Addressing for property within the City is done in the Division.

## Objectives

- Ensure timely access to newly created lots via the City's geographic information system (GIS) and the iSeries.
- Ensure that GIS is available to all users at all times.
- Provide a GIS and mapping service to City departments that do not have their own GIS capabilities.
- Maintain frequency of delivery of street and address data for the City's 911/computer aided dispatch system on a monthly basis.

<u>Performance Measures</u>	<u>2005 Actual</u>	<u>2006 Budgeted</u>	<u>2007 Projected</u>
% of lots entered into the GIS within 5 weeks of approval.	100%	90%	90%
% of time the GIS is available to users.	99.9%	99.0%	99.0%
% of special projects completed within the timeframe given.	98.7%	90.0%	90.0%
% of updates submitted on a bi-weekly basis for new street and address information compiled for 911 computer-aided dispatch database.	NA	NA	90%

**DIVISION**

Networks and Programming

**DEPARTMENT**

Information Technology

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Internal Service Fund</b>			
<b>Networks and Programming</b>	<b>985,690</b>	<b>964,230</b>	<b>982,380</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	809,825	925,650	943,370
Supplies	20,028	16,750	14,350
Purchased Services	148,167	21,830	24,660
Capital	7,670	-	-
<b>Total</b>	<b>985,690</b>	<b>964,230</b>	<b>982,380</b>
<b>FTE</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>

**BUDGET VARIANCES**

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18,150 Normal Increases/Decreases  
     17,720 Personal Services  
     (2,400) Supplies  
     2,830 Purchased Services

**18,150 Total Increase**

# NETWORKS AND PROGRAMMING

## Overview

The Networks and Programming Division provides server hardware and server, desktop, laptop, and core business application software support to City departments. The Division assists in the areas of networking, computers (servers, desktops, laptops, PDAs), email, web services, security, and other technology issues. The City's networking infrastructure, including the PRPA fiber backbone, is managed and maintained by this Division. Application support is provided to Utility Billing, Public Safety, Accounting, Payroll, the Public Library, Development Services, Parks and Recreation, Public Works, and the Utility functions of the City.

## Objectives

- Ensure that systems are available 7 days a week from 6:00 a.m. to 10:00 p.m. with 1% or less unscheduled downtime.
- Ensure that network data backups are completed 100% of the time.
- Ensure file restoration is accomplished as needed 100% of the time.
- Use server refresh plans to make sure the network servers do not become technically obsolete by replacing one-third of the server inventory annually.

<u>Performance Measures</u>	<u>2005 Actual</u>	<u>2006 Budgeted</u>	<u>2007 Projected</u>
% of time network is up and available.	99%	99%	99%
% of time data recovery is successful.	NA	100%	100%

**DIVISION**

Support Services

**DEPARTMENT**

Information Technology

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Internal Service Fund</b>			
<b>Support Services</b>	<b>930,598</b>	<b>1,202,040</b>	<b>1,535,290</b>
 <b>EXPENSE BY CATEGORY</b>			
Personal Services	349,601	474,280	504,930
Supplies	24,922	16,970	13,700
Purchased Services	284,035	470,350	562,200
Capital	272,040	240,440	454,460
<b>Total</b>	<b>930,598</b>	<b>1,202,040</b>	<b>1,535,290</b>
 <b>FTE</b>	 <b>7.0</b>	 <b>8.0</b>	 <b>8.0</b>

**BUDGET VARIANCES**

- (28,330) Decrease in purchased services due to the review and realignment of the switch maintenance contract.
- 10,460 Increase in purchased services based on projected telephone usage.
- 11,000 Increase in capital due to growth in city-wide personal computer inventory added to the replacement schedule.
- 72,980 Increase in capital due to the addition of Police Department laptops to the replacement schedule with funding transferred from the Police Department.
- 11,050 Increase in capital due to the increased cost of Microsoft software licensing.
- (5,440) Decrease in capital due to a one-time appropriation for office furniture.
- 16,240 Normal Increases/Decreases
  - 14,010 Personal Services
  - (3,270) Supplies
  - 5,500 Purchased Services

**SUPPLEMENTS**

- 16,640 **Workload** - Increase in personal services to add a non-benefited position for help desk backup.
- 228,650 **Improvement** - Increase in purchased services (\$104,220) and capital (\$124,430) for applications, software and training to enhance the Development Services Department's processes on the HTE system.

**333,250 Total Increase**

# SUPPORT SERVICES

## Overview

Support Services is responsible for providing voice telecommunications, document management, help desk, and computer and peripheral hardware support for City customers. The Division supports and maintains the City's phone switches, Phone Mail, a customer focused help desk, and support and annual replacement of desktop and laptop computers.

## Objectives

- Ensure that urgent and high priority help desk calls are resolved in 1 working day by using help desk procedures for follow-up.
- Ensure that standard calls are resolved in 3 working days or less by using help desk procedures for follow-up.
- Use the City technology refresh plan to replace one-fourth of the desktop and one-third of the laptop inventory annually.

<u>Performance Measures</u>	<u>2005 Actual</u>	<u>2006 Budgeted</u>	<u>2007 Projected</u>
% of initial response within 24 hours.	80%	95%	95%
% of high priority calls resolved in 1 day.	76.4%	80.0%	95.0%
% standard calls resolved in 3 working days or less.	72.4%	70.0%	95.0%

**UNFUNDED SUPPLEMENTS**

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627,320 **Improvement** - Network & Programming Division - For a new Asset Management/Workorder System by Cityworks which would enable the Public Works Department to create an inventory of infrastructure assets and enhance management/tracking of customer contacts.

117,360 **Improvement** - Networking & Programming Division - For a new Automated Time Entry system by Echelon3 that would be used city-wide to replace paper timesheets and enhance reporting.

**744,680 Total Unfunded Supplements**

# LOVELAND PUBLIC LIBRARY



The mission of the Loveland Public Library is to serve as the information center of the community, to be accessible and active in outreach to the people of all ages and background, information, educating, entertaining, and culturally enriching them and bridging the past to the future and connecting one community resource with another with a diverse collection of resources and services. The Library seeks to fulfill this mission by emphasizing excellent customer service in a welcoming environment.

## Loveland Public Library

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>Special Revenue Fund</b>						
<b>Library</b>	2,032,848	2,280,000	2,370,780	4.0%	28.5	28.5
<b>REVENUE</b>						
<b>Beginning Balance</b>	226,000	352,470	333,180			
Library	2,159,317	2,260,710	2,370,780	4.9%		
<b>Subtotal</b>	2,159,317	2,260,710	2,370,780	4.9%		
<b>Total</b>	2,385,317	2,613,180	2,703,960			
<b>EXPENSE BY CATEGORY</b>						
Personal Services	1,703,032	1,880,220	1,961,610	4.3%		
Supplies	234,597	252,880	172,050	(32.0%)		
Purchased Services	80,312	72,140	157,980	119.0%		
Fixed Charges	1,156	1,700	2,330	37.1%		
Debt Service/Lease Payments	13,751	57,510	57,510	-		
Capital	-	15,550	19,300	24.1%		
<b>Total</b>	2,032,848	2,280,000	2,370,780	4.0%		
<b>Ending Balance</b>	352,469	333,180	333,180			

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Library	Library		
<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Special Revenue Fund</b>			
<b>Library</b>	<b>2,032,848</b>	<b>2,280,000</b>	<b>2,370,780</b>
<b>REVENUE</b>			
Charges for Service	9,526	12,000	13,000
Fines	82,659	81,000	89,950
Interest	6,989	8,000	8,000
Donations	30,613	25,000	25,000
Transfer from General Fund	2,029,530	2,134,710	2,234,830
<b>Total</b>	<b>2,159,317</b>	<b>2,260,710</b>	<b>2,370,780</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	1,703,032	1,880,220	1,961,610
Supplies	234,597	252,880	172,050
Purchased Services	80,312	72,140	157,980
Fixed Charges	1,156	1,700	2,330
Debt Service/Lease Payments	13,751	57,510	57,510
Capital	-	15,550	19,300
<b>Total</b>	<b>2,032,848</b>	<b>2,280,000</b>	<b>2,370,780</b>
<b>FTE</b>	<b>28.5</b>	<b>28.5</b>	<b>28.5</b>

**BUDGET VARIANCES**

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- 3,210 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Department's experience rating and forecasted liability costs.
- 3,250 Increase in purchased services for general liability costs based on the Department's historical experiences and forecasted liability costs.
- (53,680) Decrease in supplies (\$52,680) and purchased services (\$1,000) due to the one-time re-appropriation of gifts and donations received in 2005.
- 12,930 Increase in purchased services for a computer software maintenance contract, necessary for software on the new computer system purchased in 2005.
- 1,360 Increase in purchased services for a computer software maintenance contract, for State mandated filtering software.
- 630 Increase in fixed costs for vehicle maintenance and rental based on projected maintenance costs.
  
- 86,380 Normal Increases/Decreases
  - 64,180 Personal Services
  - (28,150) Supplies
  - 50,350 Purchased Services

**SUPPLEMENTS**

- 10,000 **Improvement** - Increase in purchased services for subscriptions to online, licensed databases for public use.
- 14,000 **Improvement** - Increase in personal services for two part-time, temporary Library Page positions to reduce the reshelving backlog.
- 3,750 **Improvement** - Increase in capital for purchase of a color printer which will be networked to the public computers and generate some offsetting revenue.
- 8,950 **Improvement** - Increase in purchased services to hire a national collection agency that can network to the Library's computer. The cost will be offset by a new fee charged on accounts sent to the collection agency.
  
- 90,780 Total Increase**

# LIBRARY

## Overview

The Loveland Public Library offers a wide array of materials, programs and services to the residents of Loveland and the area through its 19-year old, 32,000-square foot building and outreach services minivan. Many of the measures of public library service indicate the Library to be a very busy and well-used City service.

The Colorado State Library’s “2005 Statistics from Public Libraries Located in Metropolitan Areas Serving Populations Between 25,000 and 99,999” reports Loveland’s rank among the 11 reporting libraries as follows:

### Inputs (Resources available to provide service)

- FTE staff per 1,000 served: 9 of 11, or 24% below the median or middle city.
- Materials expenditure per capita: 7 of 11, or 13% below the median.
- Volumes per capita: 9 of 11, or 27% below the median.
- FTE staff per 1,000 items circulated: 10 of 11, or 47% below the median.

### Outputs (Measures of Library activity)

- Circulation/borrowing per capita: 2 of 11, or 63% above median.
- Reference questions answered per capita: 3 of 11, or 23% above median.
- Turnover, or how many times each item owned is borrowed: 1 of 11, or 70% above the median.
- Visits per capita: 2 of 11, or 15% above median.

This information is found at <http://www.lrs.org/asp%5Fpublic/stats05/> and can be compared with previous year’s information.

## Objectives

- Add more customer service-oriented content to the Library web page and keep information on the web page current and relevant.
- Increase visits to online services by residents.
- Maintain pre-school literacy experiences of the target population. (Birth-5).
- Maintain Library circulation of materials per capita.
- Increase teen attendance in Library programs by 5% over 2006 base number.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Projected</b>	<b>2007 Projected</b>
Library-wide materials borrowing per capita.	10.86	11.75	11.80
% increase in number of web page hits.	52.7%	3.5%	15.0%
% increase in Library visits.	0.2%	2.0%	2.0%
% increase in public use of Library database.	15.3%	5.0%	25.0%

**UNFUNDED SUPPLEMENTS**

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82,000 **Improvement** - Addition of four benefited Library Aide positions to begin opening the Library one hour earlier.

5,000 **Improvement** - Increase to travel and training budget to help staff keep pace with their profession.

**87,000 Total Unfunded Supplements**

# PARKS & RECREATION



OLD COUNTY FAIR GROUNDS  
CONCEPTUAL MASTER PLAN - SKETCH

The mission of the Loveland Parks & Recreation Department is to provide leisure facilities, programs, activities and opportunities for the citizens of the community.

## Department of Parks & Recreation Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>General Fund</b>						
Administration	513,117	520,550	527,220	1.3%	3.3	3.3
Parks	2,322,350	2,807,890	2,903,360	3.4%	28.8	28.8
Recreation	2,825,670	3,197,690	3,131,830	(2.1%)	30.9	27.9
<b>Subtotal</b>	<b>5,661,137</b>	<b>6,526,130</b>	<b>6,562,410</b>	<b>0.6%</b>	<b>63.0</b>	<b>60.0</b>
<b>Internal Service Fund</b>						
Public Grounds	373,595	394,660	391,400	(0.8%)	2.2	2.2
<b>Subtotal</b>	<b>373,595</b>	<b>394,660</b>	<b>391,400</b>	<b>(0.8%)</b>	<b>2.2</b>	<b>2.2</b>
<b>Total</b>	<b>6,034,732</b>	<b>6,920,790</b>	<b>6,953,810</b>	<b>0.5%</b>	<b>65.2</b>	<b>62.2</b>
<b>REVENUE</b>						
<b>General Fund</b>						
Parks	152,951	191,720	216,040	12.7%		
Recreation	2,151,093	2,446,680	2,330,440	(4.8%)		
<b>Total</b>	<b>2,304,044</b>	<b>2,638,400</b>	<b>2,546,480</b>	<b>(3.5%)</b>		
<b>EXPENSE BY CATEGORY</b>						
Personal Services	4,695,605	5,476,740	5,495,650	0.3%		
Supplies	529,209	516,000	521,180	1.0%		
Purchased Services	611,750	696,510	701,910	0.8%		
Fixed Charges	198,168	231,540	235,070	1.5%		
<b>Total</b>	<b>6,034,732</b>	<b>6,920,790</b>	<b>6,953,810</b>	<b>0.5%</b>		

# PARKS & RECREATION

## Overview

The Parks and Recreation Department is responsible for all the public recreational and parks areas including development, programming and operations. The Department operates the Hatfield Chilson Recreation/Senior Center, Winona Pool, a mountain park, one 9-hole and two 18-hole public golf courses, batting cages, and Lake Loveland Swim Beach. This Department also provides maintenance at the City's public facilities, the Civic Center and Service Center grounds. The citywide natural areas program for open space needs, as well as the off-road recreational trail system, is managed through the Department.

The Department offers both competitive and recreational athletic programs including adult volleyball, basketball, softball and soccer. Organized youth sports are available in softball, football, basketball, baseball, volleyball, in-line hockey, lacrosse and soccer. An extensive number of recreational classes and instructional programs are provided for all ages in arts and crafts, as well as hobby and cultural activities. The Hatfield Chilson Recreation Center offers both athletic and fitness facilities, in addition to recreational activities.

During 2007, the Department estimates generating in excess of \$2.5 million in user fees and revenues from recreational programs, athletic events, activities and uses of the Hatfield Chilson Recreation Center and Winona Pool is estimated to generate a 75% Recreation Division cost recovery. An additional \$3.8 million is estimated to generate from user fees to the Golf Enterprise Fund. The Department operates on a modified "user pay" philosophy and recovers expenditures with revenues where possible and within market conditions. Cost recovery policies are used to assist in department fee and budget decisions.

## Objectives

- Construction of Barnes/Fairgrounds Park.
- Planning and design of new recreation.
- Construction of recreational trail underpass on north Highway 287.
- Planning and design of MeHaffey Park.

**DIVISION**

Administration

**DEPARTMENT**

Parks & Recreation

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
<b>Administration</b>	<b>513,117</b>	<b>520,550</b>	<b>527,220</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	408,266	404,270	431,540
Supplies	15,668	18,200	21,200
Purchased Services	89,183	98,080	74,480
<b>Total</b>	<b>513,117</b>	<b>520,550</b>	<b>527,220</b>
<b>FTE</b>	<b>3.3</b>	<b>3.3</b>	<b>3.3</b>

**BUDGET VARIANCES**

- 15,580 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Department's experience rating and forecasted liability costs.
- 3,000 Increase in supplies for office supplies, based on the Division's historical experiences. The funding is transferred from the Hatfield Chilson Recreation Center Division.
- (37,600) Decrease in purchased services for general liability costs based on the Department's historical experiences and forecasted liability costs.
- 4,000 Increase in purchased services for pre-employment screening, based upon the Division's historical experiences. The funding is transferred from the Hatfield Chilson Recreation Center Division.
- 10,000 Increase in purchased services for employee incentives. The funding is transferred from the Hatfield Chilson Recreation Division.
- 11,690 Normal Increases
  - 11,690 Personal Services
- 6,670 Total Increase**

**ADMINISTRATION**

**Objectives**

This Division is responsible for the planning, design and construction, and operation and maintenance of the City's parks, natural areas and open spaces, the Loveland Cemetery, recreational trails, recreation facilities and programs, and the special use and public ground areas.

**DIVISION**

Parks

**DEPARTMENT**

Parks & Recreation

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
Cemetery	253,554	261,790	267,270
Grounds	686,281	822,500	733,030
Mountain Parks	137,085	142,060	157,490
Operations	579,862	785,490	653,010
Projects/Fleet Maintenance	500,377	581,180	350,950
Planning	165,191	214,870	225,270
Sports Field Maintenance	-	-	516,340
<b>Total</b>	<b>2,322,350</b>	<b>2,807,890</b>	<b>2,903,360</b>
<b>REVENUE</b>			
Cemetery	152,951	191,720	191,540
Operations	-	-	8,500
Sports Field Maintenance	-	-	16,000
<b>Total</b>	<b>152,951</b>	<b>191,720</b>	<b>216,040</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	1,680,816	2,087,090	2,160,190
Supplies	286,527	288,270	289,330
Purchased Services	192,576	240,180	261,180
Fixed Charges	162,431	192,350	192,660
<b>Total</b>	<b>2,322,350</b>	<b>2,807,890</b>	<b>2,903,360</b>
<b>FTE</b>	<b>25.6</b>	<b>28.8</b>	<b>28.8</b>

**BUDGET VARIANCES**

- 20,000 Increase in purchased services for tree maintenance due to the elimination of the tree trimming program in the Power Utility.
- 310 Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.
- 70,200 Normal Increases
  - 70,200 Personal Services

**SUPPLEMENTS**

- 4,960 **Improvement** - Increase in personal services (\$2,900), supplies (\$1,060) and purchased services (\$1,000) for maintenance and operating cost for a new restroom facility at Benson Park. Construction of the facility will be funded by the High Plains Art Council.

**95,470 Total Increase**

# PARKS

## Overview

**Cemetery** - Manages and maintains the 46-acre City of Loveland Cemetery, which is comprised of Lakeside Cemetery and Loveland Burial Park.

**Mountain Park** – Performs resource management and maintenance functions at the 420 acre Viestenz-Smith Mountain Park.

**Parks Maintenance** - Loveland maintains 28 developed parks, covering 318 acres. Site amenities include 22 softball fields, 24 playgrounds, 14 reservable picnic shelters, 4 racquetball courts and 21 tennis courts. Maintenance of these parks is divided into the Operations, Grounds and Sports Turf sections for management purposes.

**Parks Planning** - Performs planning and construction management of parks, recreation areas, and trails projects.

**Projects/Fleet Maintenance** - Performs in-house park construction and repair services and maintains turf and construction equipment used in the parks system.

	<b>2006 FTE</b>	<b>2007 FTE</b>
Cemetery	3.6	3.6
Grounds	7.5	6.5
Mountain Park	2.0	2.0
Sports Turf	-	4.5
Operations/Fleet	7.4	7.2
Fleet Maintenance	5.3	2.0
Planning	3.0	3.0
<b>Total</b>	<b>28.8</b>	<b>28.8</b>

## Objectives

- Increase youth sport facilities and opportunities.
- Extend useful life of cemetery by increasing lots available for burials.
- Maintain existing service levels and provide high quality park facilities for public use.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
Developed park acreage maintained.	263	318	318
Operating cost / developed park acre.	\$6,760	\$6,820	\$7,200
Cemetery operation cost recovery.	60%	70%	70%

**DIVISION**

Recreation

**DEPARTMENT**

Parks &amp; Recreation

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
Adult Athletics	271,284	306,010	319,810
Concessions/Batting Cages	148,980	155,270	156,150
Hatfield Chilson Recreation Center	1,391,107	1,623,970	1,489,020
Outdoor Aquatics	115,122	130,080	133,740
Recreation Programs	440,903	473,280	497,990
Special Recreation Services	211,528	229,890	245,540
Youth Athletics	246,746	279,190	289,580
<b>Total</b>	<b>2,825,670</b>	<b>3,197,690</b>	<b>3,131,830</b>
<b>REVENUE</b>			
Outdoor Aquatics	100,557	132,000	134,500
Youth Athletics	192,313	199,350	221,000
Recreation Programs	250,879	252,000	257,000
Hatfield Chilson Recreation Center	1,071,806	1,279,400	1,124,400
Adult Athletics	316,074	349,930	327,540
Concessions/Batting Cages	150,362	155,000	165,500
Special Recreation Services	69,102	79,000	100,500
<b>Total</b>	<b>2,151,093</b>	<b>2,446,680</b>	<b>2,330,440</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	2,367,613	2,723,890	2,646,770
Supplies	172,049	182,870	183,990
Purchased Services	273,462	277,380	284,750
Fixed Charges	12,546	13,550	16,320
<b>Total</b>	<b>2,825,670</b>	<b>3,197,690</b>	<b>3,131,830</b>
<b>FTE</b>	<b>30.3</b>	<b>30.9</b>	<b>27.9</b>

**BUDGET VARIANCES**

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- (168,240) Decrease in personal services for the Hatfield Chilson Recreation/Senior Center due to the reduction of 3 FTE's and a reduction in temporary personnel based upon facility usage trends.
  
- 10,230 Increase in personal services for the Silver Sneakers Program in the Special Recreation Services Division funded by new program revenue.
  
- 4,470 Increase in purchased services for printing expense in the Recreation Program Division due to increasing costs for production of the brochure.
  
- 4,850 Increase in purchased services for ski trip expense in the Recreation Program Division funded by increased program revenue.
  
- 2,770 Increase in fixed costs for vehicle maintenance and rental based on projected maintenance costs and fuel prices.
  
  
- 80,060 Normal Increases/Decreases
  - 80,890 Personal Services
  - 1,120 Supplies
  - (1,950) Purchased Services
  
- (65,860) Total Decrease**

# RECREATION

## Overview

**Adult Athletics** - Adult Athletics is supported by user fee revenues to provide coordination and supervision for adult athletic programming. Adult programs include: competitive leagues in basketball, volleyball, in-line hockey, soccer, softball and softball tournaments.

**Batting Cages/Concessions** - This area operates seasonal food concessions at Winona Pool, Lake Loveland Beach, Centennial Park and Loveland Sports Park, as well as the concessions at Barnes Park and vending at select sites. The Barnes Park Batting Cages feature pitching machines, which are open during league and tournament play.

**Hatfield Chilson Recreation/Senior Center** – This multi-purpose facility is designed for all ages of guests for programmed instruction or drop-in use. The Recreation Center includes 2 gymnasiums, an indoor running track, an aerobics room, weight training areas, 3 racquetball courts, a steam room and whirlpool, and a 25-meter indoor pool with a water slide. The adjacent Senior Center provides a large banquet room for dances, socials, meals and meetings. A game room, billiard area, lounge and kitchen are available for the seniors as well.

**Outdoor Aquatics** - Outdoor Aquatics includes the Lake Loveland Swim Beach and Winona Swimming Pool. The City operates a supervised swimming area at Lake Loveland at no admission charge to the public. Winona is an outdoor swimming pool with a water slide and leisure pool for younger children, open for operation during the summer months.

**Recreation Programs** - Recreation Programs include outdoor recreation, general instruction and recreation activities. Outdoor recreation programs include horseback riding, canoeing, skiing, camping and rock climbing for all ages. In addition, diverse activities in crafts and cultural arts, dance, music, computers, cooking, martial arts and financial planning are offered.

**Special Recreation Services** - This program provides social, educational, recreational, and health-related programs and services to Loveland’s senior population.

**Youth Athletics** - The Youth Athletics Program offers year-round instruction in softball, football, basketball, baseball, tennis, volleyball, gymnastics, in-line hockey, lacrosse and soccer.

	<i>2006 FTE</i>	<i>2007 FTE</i>
Adult Athletics	2.6	2.6
Concessions/Batting Cages	0.4	0.4
Hatfield Chilson Recreation/Senior Center	18.4	15.4
Outdoor Aquatics	0.3	0.3
Recreation Programs	3.9	3.9
Special Recreation Services	2.8	2.8
Youth Athletics	2.5	2.5
<b>Total</b>	<b>30.9</b>	<b>27.9</b>

**Objectives**

- Maintain clean, safe and attractive facilities.
- Increase level of participation in programs.
- Meet and exceed City Council and Department cost recovery goals through effective and efficient financial management of resources.
- Increase amount of registrations processed by automated registration systems.

<b><u>Performance Measures</u></b>	<b><u>2005 Actual</u></b>	<b><u>2006 Budgeted</u></b>	<b><u>2007 Projected</u></b>
% of direct cost recovered in recreation programs/facilities.	76%	75%	75%
% cost recovery at Hatfield Chilson Recreation Center through user fees & charges.	76%	76%	78%
Average daily attendance at Hatfield Chilson Recreation Center.	1,060	1,001	1,100
% registrations processed by automated systems.	40%	42%	45%

**DIVISION**

Public Grounds

**DEPARTMENT**

Parks & Recreation

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Internal Service Fund</b>			
<b>Public Grounds</b>	<b>373,595</b>	<b>394,660</b>	<b>391,400</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	238,910	261,490	257,150
Supplies	54,965	26,660	26,660
Purchased Services	56,529	80,870	81,500
Fixed Charges	23,191	25,640	26,090
<b>Total</b>	<b>373,595</b>	<b>394,660</b>	<b>391,400</b>
<b>FTE</b>	<b>2.2</b>	<b>2.2</b>	<b>2.2</b>

**BUDGET VARIANCES**

- (12,080) Decrease in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- 2,000 Increase in purchased services for tree maintenance, due to the elimination of the tree trimming program in the Power Utility.
- (1,370) Decrease in purchased services for general liability costs based on the Division's historical experiences and forecasted liability costs.
- 450 Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.
- 7,740 Normal Increases
  - 7,740 Personal Services
- (3,260) Total Decrease**

**PUBLIC GROUNDS**

**Overview**

This Division provides grounds maintenance around public buildings, fire stations and special use areas including McWhinney-Hahn Sculpture Park, the Civic Center Complex, and the old Fairgrounds.

# POLICE DEPARTMENT



The Loveland Police Department exists for the purpose of providing an enhanced level of safety in our community, protecting the rights guaranteed to all people by the Constitution, and improving the quality of life of each citizen.

## Department of Police Services Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>General Fund</b>						
Administration	1,331,732	1,331,110	1,411,840	6.1%	6.0	6.0
Operations	6,321,535	6,944,620	7,344,580	5.8%	69.0	72.0
Information Services	2,603,243	2,903,340	2,953,680	1.7%	31.0	33.0
Support Services	1,963,410	2,089,650	2,269,510	8.6%	22.0	23.0
<b>Total</b>	<b>12,219,920</b>	<b>13,268,720</b>	<b>13,979,610</b>	<b>5.4%</b>	<b>128.0</b>	<b>134.0</b>
<b>REVENUE</b>						
<b>General Fund</b>						
Licenses & Permits	96,744	140,000	125,000	(10.7%)		
Charges for Services	14,454	12,500	16,500	32.0%		
Intergovernmental	110,786	109,000	143,400	31.6%		
Grants	58,745	76,680	49,000	(36.1%)		
Donations	2,377	1,000	-	(100.0%)		
Miscellaneous	11,937	3,000	7,000	133.3%		
<b>Total</b>	<b>295,043</b>	<b>342,180</b>	<b>340,900</b>	<b>(0.4%)</b>		
<b>EXPENSE BY CATEGORY</b>						
Personal Services	9,985,457	10,803,480	11,394,290	5.5%		
Supplies	255,190	259,350	339,070	30.7%		
Purchased Services	1,338,200	1,532,010	1,503,820	(1.8%)		
Fixed Charges	641,073	621,630	738,430	18.8%		
Capital	-	52,250	4,000	(92.3%)		
<b>Total</b>	<b>12,219,920</b>	<b>13,268,720</b>	<b>13,979,610</b>	<b>5.4%</b>		

# POLICE DEPARTMENT

## Overview

The Police Department provides services for the citizens of Loveland by enforcement of state laws, local laws and ordinances. In 2005, the Department responded to 66,300 calls for service, up from 53,873 calls for service in 2004. Calls for police service are expected to continue to increase significantly as the City grows. The Department strives to maintain peace and order throughout the community by providing education, preventing criminal activity, and responding to calls for assistance and reports of criminal violations. In 1992, out of over 17,000 law enforcement agencies nationwide, the Loveland Police Department was the 238th agency to receive the coveted status of National Law Enforcement Accreditation. The Department has maintained National Accreditation status over time and will undergo an on-site inspection by Accreditation Assessors in August of 2006. The agency is prepared to preserve the prestigious designation.

## Objectives

- Promote community-based problem solving.
- Increase the community's perception of safety within the City by reducing the fear of crime.
- Provide superior police services to the Loveland community.



# ADMINISTRATION

## Overview

This executive level unit includes the Office of the Chief of Police and the Office of Professional Standards. Our Professional Standards section handles internal and citizen complaints against police employees, oversees the personnel function, and the Department Training Sergeant and Accreditation. The unit is staffed by a Police Lieutenant and is responsible for investigation of serious complaints, tracking, assigning, and reporting on all complaints, investigations, and commendations received by the department. The Lieutenant also conducts annual staff inspections of the Department's divisions and their units. This unit administers the Department pay plan and supervises the training, accreditation, and personnel units. The Training Unit is responsible for managing, assigning, and reporting on all police employee training assignments and mandatory training classes and attendance. It also oversees the animal control services contract. The section is staffed by a Police Sergeant, who also serves as the Department Public Information Officer. The Personnel Section is responsible for handling all police employee recruitment, selection, and hiring. The section is staffed by a Police Sergeant who also conducts Department policy reviews, personnel performance system audits, and recommends policy and procedure changes when required. Our Accreditation section is responsible for administration and management of the Department's International Accreditation Program. The section is staffed by a civilian, who maintains ongoing audits of department policy and procedures, and modifies required directives to insure compliance with Accreditation Standards. The section is also the liaison to the Commission on Accreditation of Law Enforcement Agencies and manages tri-annual onsite audits by Commission assessors.

	<i>2006 FTE</i>	<i>2007 FTE</i>
Administration	6.0	6.0
<b>Total</b>	<b>6.0</b>	<b>6.0</b>

## Objectives

- To insure prompt investigation of citizen complaints.
- To increase citizen perception of safety within the community.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
% of complaints where the complainant was notified within 5 working days that the case has been assigned and the investigation begun.	84%	95%	95%
% of citizen complaint investigations completed within 30 calendar days.	88%	95%	95%
% of citizens who respond to a survey that they feel safe.	NA	100%	100%

Police Department

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Operations	Police		
<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
Operations Administration	269,077	278,310	282,010
Patrol	5,480,806	6,066,600	6,481,820
Traffic	571,652	599,710	580,750
<b>Total</b>	<b>6,321,535</b>	<b>6,944,620</b>	<b>7,344,580</b>
<b>REVENUE</b>			
Special Events	96,744	140,000	125,000
State & Federal Grants	42,496	35,000	49,000
Charges for Service	13,088	11,000	14,000
<b>Total</b>	<b>152,328</b>	<b>186,000</b>	<b>188,000</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	5,433,105	6,012,640	6,311,580
Supplies	113,245	162,730	200,680
Purchased Services	134,112	147,620	123,490
Fixed Charges	641,073	621,630	704,830
Capital	-	-	4,000
<b>Total</b>	<b>6,321,535</b>	<b>6,944,620</b>	<b>7,344,580</b>
<b>FTE</b>	<b>65.0</b>	<b>69.0</b>	<b>72.0</b>

**BUDGET VARIANCES**

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- (35,060) Decrease in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- (46,280) Decrease in supplies due to the one-time costs of equipping four new officers in 2006.
- (30,920) Decrease in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- 68,700 Increase in fixed costs for vehicle maintenance and rental based on projected maintenance costs.
  
- 123,920 Normal Increases/Decreases
  - 117,920 Personal Services
  - (790) Supplies
  - 6,790 Purchased Services

**SUPPLEMENTS**

- 301,100 **Improvement** - Increase in personal services (\$216,080) and supplies (\$85,020) to add and equip three new patrol officers. The cost for three new cars for these officers is budgeted in the Fleet Fund at a cost of \$96,000, funded by Police CEF fees.
- 14,500 **Improvement** - Increase in fixed costs for vehicle maintenance and rental due to the upgrade of four patrol cars to Tahoes.
- 4,000 **Improvement** - Increase in capital for a desktop computer for the newly created Street Crimes Unit office space.
  
- 399,960 Total Increase**

# OPERATIONS

## Overview

This Division manages the following sections: Patrol, Traffic, Chaplains and Explorer Scouting. Patrol provides front line law enforcement services to the community 24 hours per day, 365 days per year. Lieutenants command each of the three patrol shifts. Patrol officers are assigned a patrol car on a 24-hour take-home basis. This program has been successful in increasing the visibility of police and in reducing fleet costs. This Division also includes the Bicycle Program, Street Crimes Unit, Mounted Patrol Unit, K-9 Unit, SWAT, Bomb Squad, Traffic Unit and the Chaplains Program. Traffic officers are assigned to address the frequent traffic complaints coming into the City, as well as increasing traffic enforcement to lower accident rates. One sergeant is assigned to oversee the traffic unit.

	<i>2006 FTE</i>	<i>2007 FTE</i>
Operations Administration	2.0	2.0
Traffic	6.0	6.0
Patrol	61.0	64.0
<b>Total</b>	<b>69.0</b>	<b>72.0</b>

## Objectives

- To arrive on scene to emergency calls within 4 minutes of dispatch.
- Increase the number of drivers using seatbelts.
- To reduce the number of vehicles exceeding the speed limit in school zones throughout the City.

<u>Performance Measures</u>	<u>2005 Actual</u>	<u>2006 Budgeted</u>	<u>2007 Projected</u>
% of emergency calls where police arrive on scene within 4 minutes.	41%	85%	85%
% increase in seatbelt compliance.	13%	5%	5%
% reduction in vehicles exceeding the speed limit in school zones.	NA	10%	10%

Police Department

**DIVISION**

Information Services

**DEPARTMENT**

Police

**Section Summary:**

**05 Actual**

**06 Budget**

**07 Budget**

**General Fund**

Administrative Services	429,661	393,120	356,480
Communications	1,553,935	1,721,240	1,830,350
Records	619,647	788,980	766,850
<b>Total</b>	<b>2,603,243</b>	<b>2,903,340</b>	<b>2,953,680</b>

**REVENUE**

Grants	16,249	41,680	-
Dispatch Services	110,786	109,000	143,400
Records	1,366	1,500	1,500
<b>Total</b>	<b>128,401</b>	<b>152,180</b>	<b>144,900</b>

**EXPENSE BY CATEGORY**

Personal Services	1,996,361	2,175,740	2,356,680
Supplies	92,498	48,950	42,040
Purchased Services	514,384	626,400	554,960
Capital	-	52,250	-
<b>Total</b>	<b>2,603,243</b>	<b>2,903,340</b>	<b>2,953,680</b>

**FTE**

**31.0**

**31.0**

**33.0**

**BUDGET VARIANCES**

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- 6,310 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- (58,500) Decrease in supplies (\$10,810) and purchased services (\$47,690) for one-time costs associated with a one-time grant from LETA.
- 4,180 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- (77,590) Decrease in purchased services for the one-time cost associated with software changes required to accommodate mandated changes to the Colorado Traffic Accident Form by the State.
- 40,980 Increase in purchased services for the records system software maintenance contract.
- 7,600 Increase in purchased services for the maintenance contract for the computer aided dispatch and reporting system.
- (60,000) Decrease in purchased services (\$7,750) and capital (\$52,250) due to the transfer of laptop replacement funds to the Information Technology Department.
  
- 69,040 Normal Increases
  - 57,030 Personal Services
  - 3,180 Supplies
  - 8,830 Purchased Services

**SUPPLEMENTS**

118,320 **Workload** - Increase in personal services (\$117,600) and supplies (\$720) for the addition of two dispatch positions due to increasing call loads.

**50,340 Total Increase**

# INFORMATION SERVICES

## Overview

This division is responsible for 911 communications and dispatching all first responder services in southern Larimer County, covering in excess of 200 square miles, managing police records and for technology project management and crime analysis. The division handled an estimated 80,099 Police, fire and Emergency Medical Service (EMS) calls in 2005. A civilian manager and two communication supervisors manage the Center. The Records Section is responsible for typing police reports, recording summons, maintaining case reports, and dispersing criminal history information on persons; compiling statistical information; and acting as the receptionist and front desk report taker for the Police Department. The Crime Analyst provides pertinent information relative to crime patterns and trend correlation to assist operational and administrative personnel in planning the deployment of resources for the prevention and suppression of criminal activities.

	<i>2006 FTE</i>	<i>2007 FTE</i>
Administration Services	3.0	3.0
Communications	18.0	20.0
Records	10.0	10.0
<b>Total</b>	<b>31.0</b>	<b>33.0</b>

## Objectives

- To dispatch all 911 calls in a timely manner.
- To provide police reports to all customers within two business days of request.

<u>Performance Measures</u>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
% of Priority 1 911 calls dispatched within 2 minutes from the first keystroke into CAD.	71%	90%	90%
% of Priority 2 911 calls dispatched within 3 minutes from the first keystroke into CAD.	82%	90%	90%
% of time police reports are available to all customers within two business days.	46%	80%	80%

**DIVISION**

Support Services

**DEPARTMENT**

Police

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
Community Policing	76,638	96,120	115,680
Community Resources	322,841	342,280	365,960
Drug Free Grant	135,939	135,750	147,220
Investigations	809,216	884,390	878,220
Narcotics & Vice	241,427	239,850	363,230
Services Administration	192,973	193,620	195,940
Technical Support	184,376	197,640	203,260
<b>Total</b>	<b>1,963,410</b>	<b>2,089,650</b>	<b>2,269,510</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	1,863,141	1,976,800	2,096,380
Supplies	20,622	28,090	59,920
Purchased Services	79,647	84,760	79,610
Fixed Charges	-	-	33,600
<b>Total</b>	<b>1,963,410</b>	<b>2,089,650</b>	<b>2,269,510</b>
<b>FTE</b>	<b>22.0</b>	<b>22.0</b>	<b>23.0</b>

**BUDGET VARIANCES**

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- (24,740) Decrease in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- (19,010) Decrease in supplies (\$3,170) and purchased services (\$15,840) for one time costs of a Juvenile Assistance Grant.
- 17,920 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- (25,200) Decrease in purchased services for the lease costs of undercover vehicles. These costs are transferred to the fixed cost category to more accurately budget expenses.
- 10,200 Increase in purchased services for fuel and maintenance costs for undercover vehicles.
- 25,200 Increase in fixed costs for the lease of undercover vehicles transferred from the purchased service category to more accurately budget costs.
- 76,420 Normal Increases
  - 72,290 Personal Services
  - 3,080 Supplies
  - 1,050 Purchased Services

**SUPPLEMENTS**

119,070 **Improvement** - Increase in personal services (\$72,030), supplies (\$31,920), purchased services (\$6,720), and fixed costs (\$8,400) to add and equip one new detective for the Special Investigations Unit, to aid in addressing the growing methamphetamine problem in the City.

**179,860 Total Increase**

# SUPPORT SERVICES

## Overview

This Division provides department support services through the following work groups: Investigations, Special Investigations Unit, Community Resource Unit, and the Technical Support Unit. The Investigations Unit handles major crime scenes and follow-up investigations in the areas of crimes against persons and property, juvenile investigations, sexual offenses, and check fraud. The Community Resource Unit is comprised of School Resource Officers, a Crime Prevention Officer, and Senior Volunteers. The officers provide an important interface with citizens in crime prevention, enforcement and education. The Technical Support Unit is responsible for collecting, transporting, storing, and processing property and evidence for the department. The Special Investigations Unit is a part of the Larimer County Drug Task Force. We have consolidated this mission with other law enforcement agencies in the region to better coordinate drug enforcement throughout each of our jurisdictions.

	<i>2006 FTE</i>	<i>2007 FTE</i>
Crime Prevention	1.0	1.0
Drug Free Grant	2.0	2.0
Investigations	9.0	9.0
School Resources	4.0	4.0
Special Investigations Unit	2.0	3.0
Support Services Administration	2.0	2.0
Technical Support	2.0	2.0
<b>Total</b>	<b>22.0</b>	<b>23.0</b>

## Objectives

- To have 70% of total cases assigned to the Investigations Unit successfully cleared.
- Reduce the number of criminal acts of violence that occurs in Loveland's schools.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
% of total cases assigned to the Investigations Unit that are successfully investigated and cleared.	82%	72%	72%

**UNFUNDED SUPPLEMENTS**

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- 95,630 **Improvement** - Technical Support Division - Addition of one new Criminalist position for evidence analysis.
  - 71,790 **Improvement** - Administration Division - Addition of one new civilian personnel administrator position, to reassign a sworn officer back to patrol or investigation duty.
  - 22,790 **Workload** - Special Investigations Division - Increase in overtime funding for detectives.
  - 10,410 **Workload** - Investigations Division - Increase in overtime for detectives.
  - 109,580 **Improvement** - Investigations Division - Addition of one detective position.
  - 3,000 **Improvement** - Technical Support Division - Increase in funding for evidence processing equipment.
- 313,200 Total Unfunded Supplements**

# PUBLIC WORKS DEPARTMENT



The Department of Public Works' mission is to ensure Loveland remains a pleasant, safe, and economically-viable community for all its citizens and visitors by providing and maintaining reliable and cost-effective transportation systems, storm drainage, solid waste management, City facilities and equipment.

## Department of Public Works Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>General Fund</b>						
Administration	95,861	122,830	133,680	8.8%	1.0	1.0
COLT	755,203	776,060	906,700	16.8%	10.5	10.5
Development Engineering	373,987	440,360	465,980	5.8%	5.0	5.0
Project Engineering	2,920,746	3,943,390	3,807,300	(3.5%)	8.3	8.3
Street Maintenance	1,823,895	1,892,300	1,939,430	2.5%	14.6	14.6
Traffic Engineering	1,198,419	1,176,310	1,354,570	15.2%	10.0	11.0
Weed Control	52,690	-	-	-	-	-
<b>Subtotal</b>	<b>7,220,801</b>	<b>8,351,250</b>	<b>8,607,660</b>	<b>3.1%</b>	<b>49.4</b>	<b>50.4</b>
<b>Internal Service Fund</b>						
Facilities Management	2,794,955	2,919,790	3,036,160	4.0%	20.8	20.8
Vehicle Maintenance	2,411,638	2,360,020	2,747,840	16.4%	15.2	15.2
<b>Subtotal</b>	<b>5,206,593</b>	<b>5,279,810</b>	<b>5,784,000</b>	<b>9.5%</b>	<b>36.0</b>	<b>36.0</b>
<b>Total</b>	<b>12,427,394</b>	<b>13,631,060</b>	<b>14,391,660</b>	<b>5.6%</b>	<b>85.4</b>	<b>86.4</b>
<b>REVENUE</b>						
<b>General Fund</b>						
COLT	323,267	126,220	421,500	233.9%		
Project Engineering	5,910,138	6,184,090	6,250,280	1.1%		
Street Maintenance	85,555	63,890	67,390	5.5%		
Traffic Engineering	146,781	144,100	146,700	1.8%		
<b>Subtotal</b>	<b>6,465,741</b>	<b>6,518,300</b>	<b>6,885,870</b>	<b>5.6%</b>		
<b>Internal Service Fund</b>						
Vehicle Maintenance	2,557,139	2,609,920	3,053,390	17.0%		
<b>Subtotal</b>	<b>2,557,139</b>	<b>2,609,920</b>	<b>3,053,390</b>	<b>17.0%</b>		
<b>Total</b>	<b>9,022,880</b>	<b>9,128,220</b>	<b>9,939,260</b>	<b>8.9%</b>		
<b>EXPENSE BY CATEGORY</b>						
Personal Services	5,347,691	5,865,840	6,182,280	5.4%		
Supplies	2,088,453	1,950,820	2,281,120	16.9%		
Purchased Services	3,878,876	4,944,910	4,874,750	(1.4%)		
Fixed Charges	784,537	704,710	879,760	24.8%		
Transfers	90,120	93,780	96,750	3.2%		
Capital	237,717	71,000	77,000	8.5%		
<b>Total</b>	<b>12,427,394</b>	<b>13,631,060</b>	<b>14,391,660</b>	<b>5.6%</b>		

# PUBLIC WORKS

## Overview

The Department of Public Works provides planning, design, construction, and maintenance services for the general public and the City's internal operations. The use of City facilities for meetings and special events is coordinated and supported by Public Works. This Department also manages the purchasing of vehicles and equipment for the City and maintains these plus the school district vehicles.

The public services provided include: transportation system design; street construction management and inspection; pavement management; traffic signals, signs, and pavement markings installation and maintenance; storm water collection systems design and maintenance; street maintenance and repair; snow and ice removal; fixed route and paratransit bus service; solid waste management and recycling; and mosquito control.

**DIVISION**

Administration

**DEPARTMENT**

Public Works

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
<b>Administration</b>	<b>95,861</b>	<b>122,830</b>	<b>133,680</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	71,564	96,500	106,200
Supplies	7,478	5,060	5,060
Purchased Services	16,819	21,270	22,420
<b>Total</b>	<b>95,861</b>	<b>122,830</b>	<b>133,680</b>
<b>FTE</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

**BUDGET VARIANCES**

- 1,550 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- 1,150 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- 8,150 Normal Increases
  - 8,150 Personal Services
- 10,850 Total Increase**



# ADMINISTRATION

**Overview**

The Administration Division, through the Department Director, provides leadership and management, determines staffing and budgetary needs, coordinates a departmental public relations program, and coordinates project development and completion.

**DIVISION**

City of Loveland Transportation (COLT)

**DEPARTMENT**

Public Works

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
<b>COLT</b>	<b>755,203</b>	<b>776,060</b>	<b>906,700</b>
<b>REVENUE</b>			
Paratransit Fares	4,022	4,190	4,000
Fixed Route Fares	28,330	28,800	21,000
Medicaid	20,302	50,000	20,000
Advertising	15,623	17,930	18,000
Federal Grants	236,186	-	323,500
Special Events	1,245	3,500	-
Pass Fares	17,559	21,800	35,000
<b>Total</b>	<b>323,267</b>	<b>126,220</b>	<b>421,500</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	474,326	495,460	576,820
Supplies	28,576	10,350	16,650
Purchased Services	79,847	94,990	118,760
Fixed Charges	172,454	175,260	194,470
<b>Total</b>	<b>755,203</b>	<b>776,060</b>	<b>906,700</b>
<b>FTE</b>	<b>10.5</b>	<b>10.5</b>	<b>10.5</b>

**BUDGET VARIANCES**

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- 480 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- 46,580 Increase in personal services for non-benefited driver positions to serve as backups for vacation or sick leave used by regular drivers or during times when there are vacancies.
- (26,500) Decrease in personal services for temporary office personnel.
- (18,830) Decrease in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- 26,500 Increase in purchased services for the bus cleaning contract.
- 24,610 Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.
- 60,800 Normal Increases/Decreases
  - 60,800 Personal Services
  - 6,300 Supplies
  - (900) Purchased Services
  - (5,400) Fixed Charges

**SUPPLEMENT**

- 17,000 **Workload** - Increase in professional services to fund the Fox Trot route connecting Loveland to Ft. Collins, due to Larimer County withdrawing from the funding partnership.

**130,640 Total Increase**

# CITY OF LOVELAND TRANSPORTATION (COLT)

## Overview

The COLT Division operates three paratransit buses, one mid-sized bus and one low-floor heavy-duty transit bus to provide quality, low-cost transportation to Loveland residents.

## Objectives

- Arrive at fixed route transfer points and primary stops within 3 minutes of schedule.
- Increase average paratransit vehicle occupancy.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
Net General Fund cost as a percentage of total cost.	54.8%	83.4%	52.6%
Cost per service hour:			
Total Cost	\$38.05	\$30.00	\$30.00
Fixed Route	\$47.20	\$15.00	\$15.00
Paratransit	\$31.19	\$19.00	\$19.00
Cost per service mile:			
Total Cost	\$3.60	\$4.00	\$4.00
Fixed Route	\$3.03	\$3.00	\$3.00
Paratransit	\$4.56	\$5.50	\$5.50
Cost per passenger:			
Total Cost	\$8.37	\$10.00	\$10.00
Fixed Route	\$5.44	\$7.00	\$7.00
Paratransit	\$21.56	\$25.00	\$25.00
Number of passengers per service mile:			
Total	2.33	4.00	4.00
Fixed Route	1.79	7.30	7.30
Paratransit	4.73	1.60	1.60

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Development Engineering	Public Works		
<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
<b>Development Engineering</b>	<b>373,987</b>	<b>440,360</b>	<b>465,980</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	359,036	415,810	440,870
Supplies	5,498	6,400	5,300
Purchased Services	9,453	18,150	19,810
<b>Total</b>	<b>373,987</b>	<b>440,360</b>	<b>465,980</b>
<b>FTE</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>

**BUDGET VARIANCES**

1,000	Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
560	Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
24,060	Normal Increases/Decreases
24,060	Personal Services
(1,100)	Supplies
1,100	Purchased Services
<b>25,620</b>	<b>Total Increase</b>

# DEVELOPMENT ENGINEERING

## Overview

Development Engineering represents the community interests in the evaluation of anticipated traffic impacts from new land development projects. This Division updates and maintains the City’s street design and construction standards, as well as the policies regarding acceptable levels of traffic congestion to ensure that adequate transportation infrastructure is provided by new developments. The Development Engineering staff advises the Planning Commission and City Council on transportation issues at public hearings, as well as providing technical information and process assistance to citizens, developers, realtors, attorneys, and consulting engineers.

## Objectives

- Ensure that Transportation Engineering Division review of commercial building permits is completed within 15 working days.
- Ensure that Transportation Engineering Division review of planning and zoning major development applications is completed by the due date.
- Enhance communications with citizen groups and development community groups with the result being improved products and processes.
- Ensure that all phone calls are returned by the end of the next business day.

<u>Performance Measures</u>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
% of use-by-right commercial building permits reviewed within 15 business days.	97.4%	90.0%	90.0%
% of discretionary reviews that are completed by the due date established by the Development Review Schedule.	93.4%	90.0%	90.0%
% of calls returned by the end of the next business day.	99.1%	100.0%	100.0%

Public Works Department

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Project Engineering	Public Works		
<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
<b>Project Engineering</b>	<b>2,920,746</b>	<b>3,943,390</b>	<b>3,807,300</b>
<b>REVENUE</b>			
Use Tax Auto	2,248,220	2,390,300	2,200,000
Highway Users Tax	1,649,899	1,716,020	1,785,920
State Road & Bridge Tax	631,706	655,860	684,570
Motor Vehicle Fees	216,904	220,760	228,990
Transportation Fee	1,063,041	1,123,710	1,297,890
New Street Inspection Fee	70,048	77,440	52,910
Concrete Program	30,320	-	-
<b>Total</b>	<b>5,910,138</b>	<b>6,184,090</b>	<b>6,250,280</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	476,115	548,380	570,430
Supplies	22,151	16,150	16,150
Purchased Services	2,308,655	3,355,670	3,179,190
Fixed Charges	27,795	23,190	41,530
Capital	86,030	-	-
<b>Total</b>	<b>2,920,746</b>	<b>3,943,390</b>	<b>3,807,300</b>
<b>FTE</b>	<b>8.3</b>	<b>8.3</b>	<b>8.3</b>

**BUDGET VARIANCES**

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- 1,440 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- (23,240) Decrease in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- 110,050 Increase in purchased services for Street Rehabilitation based on the forecasted increase in transportation fee revenue.
- (437,470) Decrease in purchased services for Street Rehabilitation due to a one-time reappropriation of funding from the 2005 budget.
- 18,340 Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.
  
- 20,610 Normal Increases
  - 20,610 Personal Services

**SUPPLEMENTS**

- 174,180 **Workload** - Increase in purchased services for street rehabilitation. Normal growth in revenue from the Street Maintenance Fee is not keeping up with construction price increases. The increase is offset by revenue from a recommended increase in the Street Maintenance Fee of 10% on all property categories.

**(136,090) Total Decrease**

# PROJECT ENGINEERING

## Overview

The Project Engineering Division is involved with most aspects of street design, construction, safety and maintenance. This Division manages the design and construction of capital street and bridge projects. Updating and implementing the Long-Range Transportation Master Plan is one of the major responsibilities of this Division.

## Objectives

- Identify projects and estimated budgets within 15% of actual costs.
- Acquire needed right-of-way in advance to avoid construction delays.
- Improve pavement rating of arterials and collector streets to a rating of 90.
- Improve local streets to a rating of 85.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
Center line miles of City streets.	306	314	323
% of total miles of streets resurfaced by contractors.	8.2%	10.0%	10.0%
% of total miles of streets resurfaced with chipseal.	4.2%	6.0%	6.0%
% of total miles of street resurfaced by overlay/reconstruction.	2.0%	2.0%	2.0%
% of total miles of cul de sac overlays.	0.8%	1.0%	1.0%
% of total miles of streets resurfaced by a paving train rebuild.	0.9%	1.0%	1.0%
% of actual cost to construction projects budgets.	79%	90%	90%
Rating of arterial and collector streets on a yearly basis.	88.9	90.0	90.0
Rating of local streets.	91.5	85.0	85.0
Capital expenditures per capita.	\$97.78	\$100.00	\$100.00
Capital expenditure per accepted mile of street.	\$19,771	\$20,000	\$20,000

Public Works Department

**DIVISION**

Street Maintenance

**DEPARTMENT**

Public Works

**Section Summary:**

**05 Actual**

**06 Budget**

**07 Budget**

**General Fund**

Street Maintenance	1,823,895	1,892,300	1,939,430
Weed Control	52,690	-	-
<b>Total</b>	<b>1,876,585</b>	<b>1,892,300</b>	<b>1,939,430</b>

**REVENUE**

State Highway Maintenance	26,894	26,890	26,890
Recycled Asphalt	5,768	-	-
Waste Hauler License	5,900	5,500	6,500
Street Cut Permits	40,396	20,000	30,000
Weed Mowing	6,597	5,500	-
Rotomill Charges	-	3,000	2,000
Street Patch Fee	-	3,000	2,000
<b>Total</b>	<b>85,555</b>	<b>63,890</b>	<b>67,390</b>

**EXPENSE BY CATEGORY**

Personal Services	1,035,046	1,152,390	1,167,470
Supplies	275,984	282,480	284,550
Purchased Services	136,510	92,660	78,040
Fixed Charges	368,731	323,770	409,370
Capital	60,314	41,000	-
<b>Total</b>	<b>1,876,585</b>	<b>1,892,300</b>	<b>1,939,430</b>

**FTE**

**14.6**

**14.6**

**14.6**

**BUDGET VARIANCES**

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- 12,890 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- 3,000 Increase in supplies for chemicals to control weeds and for de-icing based on the Division's historical experience.
- (13,050) Decrease in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- 86,100 Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.
- (41,000) Decrease in capital for one-time equipment purchases.
- (810) Normal Increases/Decreases
  - 2,190 Personal Services
  - (930) Supplies
  - (1,570) Purchased Services
  - (500) Fixed Charges
- 47,130 Total Increase**

# STREET MAINTENANCE

## Overview

The Street Maintenance Division's activities include street patching and repair, minor asphalt overlays, asphalt milling, alley and road shoulder maintenance, roadside mowing and weed spraying. The Division provides major support for the annual Street Resurfacing Program - a citywide street reconstruction and resurfacing program planned and managed by the Projects Engineering Division. The Division is also responsible for winter roadway maintenance. Crews plow snow, apply de-icing and anti-icing chemicals, load and haul snow/ice from the downtown district and other confined areas, and clear designated sidewalks. Contractors are used for some routine sidewalk snow removal. For major storms, contractors are used to supplement City plowing efforts and assist with post-storm cleanup.

## Objectives

- Rebuild at least 15% of City alleys with recycled asphalt & X-Hesion.
- Crack-seal at least 8.5% of residential/collector streets annually.
- Improve pothole repair response time.
- Ensure arterials and highways are plowed within 8 hours of snow's end.

<b><u>Performance Measures</u></b>	<b><u>2005 Actual</u></b>	<b><u>2006 Budgeted</u></b>	<b><u>2007 Projected</u></b>
% alleys reconstructed with recycled asphalt & X-Hesion.	11.4%	15.0%	15.0%
% of City-owned streets crack-sealed by City crews.	5.4%	10.0%	8.5%
% potholes repaired within 3 business days of call.	96%	95%	95%
% Priority 1 snow routes plowed within 8 hrs. of snow's end.	100%	100%	100%

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Traffic Engineering	Public Works		
<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
<b>Traffic Engineering</b>	<b>1,198,419</b>	<b>1,176,310</b>	<b>1,354,570</b>
<b>REVENUE</b>			
Traffic Signal Maintenance	137,351	134,850	137,350
Ambulance District Payment	9,250	9,250	9,250
Recycled Materials	180	-	100
<b>Total</b>	<b>146,781</b>	<b>144,100</b>	<b>146,700</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	783,917	829,650	923,330
Supplies	209,329	219,060	233,850
Purchased Services	59,336	45,780	48,560
Fixed Charges	103,646	81,820	113,830
Capital	42,191	-	35,000
<b>Total</b>	<b>1,198,419</b>	<b>1,176,310</b>	<b>1,354,570</b>
<b>FTE</b>	<b>10.0</b>	<b>10.0</b>	<b>11.0</b>

**BUDGET VARIANCES**

1,790	Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
3,480	Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
27,010	Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.
30,480	Normal Increases/Decreases
32,890	Personal Services
(1,210)	Supplies
(1,200)	Purchased Services

**SUPPLEMENTS**

110,500	<b>Improvement</b> - Increase in personal services (\$54,000), supplies (\$16,000), purchased services (\$500), fixed costs (\$5,000) and capital (\$35,000), to add one new Traffic Technician position with a new Sign Service truck and equipment.
5,000	<b>Improvement</b> - Increase in personal services for a designation of Traffic Signal Crew Leader.

**178,260 Total Increase**

# TRAFFIC ENGINEERING

## Overview

The Traffic Engineering Division is responsible for the installation, operations, and maintenance of all traffic control devices in the public right of way in the City. Citywide programs of responsibility include the Signal System, Sign Program, and Markings Program. The Division also issues City Right-of-Way Work Permits for anything from sidewalk replacements and special events to major street detours for construction projects. The Division's main goal is the safety of workers and the people using all forms of transportation. Safety projects such as the installation of new traffic signals and school zone flashers are sometimes federally funded by various grants through the Colorado Department of Transportation (CDOT). Grant administration duties include applications, design, contract administration and construction engineering and inspection.

This Division is also responsible for promoting and planning alternative transportation services and the Traffic Calming Program for neighborhoods. This includes coordination with the regional Smart Trips Program to encourage vehicular travel reduction through carpooling and bicycling programs.

## Objectives

- Reduce injury accidents and arterial corridor delays.
- Maintain or reduce arterial corridor travel times.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
Injury accidents per million vehicle miles traveled.	0.452	0.500	0.500
<i>Afternoon peak travel time (in minutes &amp; seconds):</i>			
Eisenhower Ave. from Rocky Mtn. Blvd. to Wilson Ave.	11:13	12:00	12:10
U.S. 287 from State Hwy. 402 to 71 <sup>st</sup> Street.	10:49	11:00	11:05
Taft Ave. from State Hwy. 402 to 57 <sup>th</sup> Street.	8:41	8:20	8:20
29 <sup>th</sup> Street from Madison Ave. to Wilson Ave.	6:40	5:50	5:50
Traffic operations cost per capita.	\$19.21	\$18.57	\$18.50
Traffic operations cost per centerline street mile.	\$3,935	\$3,700	\$3,800

**DIVISION**

Facilities Management

**DEPARTMENT**

Public Works

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Internal Service Fund</b>			
Support Services	451,879	502,880	539,550
General Building Maintenance	1,889,963	1,958,490	2,037,140
Service Center	180,914	150,920	151,970
Chilson Recreation Center	207,643	209,400	209,400
Golf Courses	64,556	98,100	98,100
<b>Total</b>	<b>2,794,955</b>	<b>2,919,790</b>	<b>3,036,160</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	1,218,811	1,345,700	1,390,150
Supplies	306,414	260,500	254,800
Purchased Services	1,145,046	1,195,670	1,283,490
Fixed Charges	100,249	87,920	107,720
Capital	24,435	30,000	-
<b>Total</b>	<b>2,794,955</b>	<b>2,919,790</b>	<b>3,036,160</b>
<b>FTE</b>	<b>20.8</b>	<b>20.8</b>	<b>20.8</b>

**BUDGET VARIANCES**

1,230	Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
5,000	Increase in supplies for janitorial supplies, parts, and first aid supplies at the new Loveland Sports Park.
5,020	Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
100,000	Increase in purchased services for utility costs at City buildings based on forecasted price increases.
21,900	Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.
(30,000)	Decrease in capital for one-time equipment purchases.
13,220	Normal Increases/Decreases
43,220	Personal Services
(10,700)	Supplies
(17,200)	Purchased Services
(2,100)	Fixed Charges
<b>116,370</b>	<b>Total Increase</b>

# FACILITIES MANAGEMENT

## Overview

The Facilities Management Division (FM) manages the operation and construction of all the City's physical facilities. It coordinates and supports meetings and special events scheduled within City facilities, and provides full mail service to all City employees. Facilities Management also provides technical and specialized trade and construction support to City facilities.

## Objectives

- Extend the life cycle of the City's building systems and equipment through consistent preventive maintenance programs.
- Ensure the City's costs to support and maintain its buildings are consistent with best-in-class measures from the International Facility Management Association.
- Respond quickly and effectively to all FM customer requests.

<u>Performance Measures</u>	<u>2005 Actual</u>	<u>2006 Budgeted</u>	<u>2007 Projected</u>
% of preventive maintenance on building systems and equipment completed within the manufacturer's recommended guidelines.	84%	90%	90%
Cost per square foot to maintain each key City facility.	\$4.21	\$4.40	\$4.40
% of all priority and emergency customer requests responded to within 1 day of notification.	100%	95%	95%
% of all customer requests completed on or before the date that the project was originally scheduled for completion.	88%	90%	90%
% of weekly communication updates to customers whose projects are past their due date.	100%	100%	100%

Public Works Department

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Vehicle Maintenance	Public Works		
<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Internal Service Fund</b>			
Vehicle Maintenance	2,411,638	2,360,020	2,747,840
<b>REVENUE</b>			
<b>Beginning Balance</b>	<b>231,317</b>	<b>376,820</b>	<b>626,720</b>
School District	472,476	652,650	450,000
Rural Fire District	20,393	30,000	30,000
Transfer from General Fund	18,620	-	-
Internal Service Charges	2,045,650	1,927,270	2,573,390
<b>Total Revenue</b>	<b>2,557,139</b>	<b>2,609,920</b>	<b>3,053,390</b>
<b>Total Resources</b>	<b>2,788,456</b>	<b>2,986,740</b>	<b>3,680,110</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	928,876	981,950	1,007,010
Supplies	1,233,023	1,150,820	1,464,760
Purchased Services	123,210	120,720	124,480
Fixed Charges	11,662	12,750	12,840
Transfers	90,120	93,780	96,750
Capital	24,747	-	42,000
<b>Total</b>	<b>2,411,638</b>	<b>2,360,020</b>	<b>2,747,840</b>
<b>Ending Balance</b>	<b>376,818</b>	<b>626,720</b>	<b>932,270</b>
<b>FTE</b>	<b>15.2</b>	<b>15.2</b>	<b>15.2</b>

**BUDGET VARIANCES**

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- (3,490) Decrease in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- (41,000) Decrease in supplies due to higher than anticipated savings from the Thompson School District outsourcing vehicles to private vendors.
- 9,500 Increase in supplies for vendor parts due to increased maintenance work being work outsourced.
- 900 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- 342,240 Increase in supplies for fuel based on forecasted cost increases.
- 2,970 Increase in transfers to the Internal Support Services fund for the vehicle maintenance shop allocation of facility maintenance costs.
- 30,000 Increase in capital for replacement of shop equipment.
- 34,700 Normal Increases
  - 28,550 Personal Services
  - 3,200 Supplies
  - 2,860 Purchased Services
  - 90 Fixed Charges

**SUPPLEMENTS**

- 12,000 **Improvement** - Increase in capital to purchase swamp coolers for the maintenance shop to provide a better environment for the mechanics.
- 387,820 Total Increase**

# VEHICLE MAINTENANCE

## Overview

The Vehicle Maintenance Division performs preventive, scheduled and unscheduled maintenance of all City vehicles and the Thompson Valley School District R2-J bus fleet, whether they are owned or leased. This Division is responsible for all vehicle specifications and equipment recommendations and maintains a standard parts inventory to provide all preventive maintenance parts and some specialized parts to reduce unscheduled downtime on essential equipment.

Complete fleet management services include: vehicle specifications, formal bidding and purchasing, outfitting, planning life cycles and preventive maintenance schedules, standardized equipment selection and amortizing replacement funding, and disposing of depreciated and obsolete vehicles and equipment. This service is provided to the following departments or divisions: Police, Facility Maintenance, Parks and Recreation, Streets, Engineering, Traffic, Building Inspection and Planning.

Only maintenance and repair services are provided to the following departments or divisions: Thompson School District Transportation and Operations, Meter Readers, Water and Power, Warehouse, Technical Services, Golf, COLT, Storm Drainage, Street Sweeping, Solid Waste and Fire.

Two work shifts are staffed to provide repair and maintenance service to all vehicles 15 hours a day, five days a week. Emergency response is available 24 hours a day, seven days a week.

## Objectives

- Complete quarterly preventive maintenance within 1 working day.
- Complete annual preventive maintenance within 3 working days.
- Maximize vehicle availability.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
# of vehicles serviced.	560	631	637
% of quarterly PMs completed in 1 day.	70%	98%	98%
% of annual PMs completed in 3 days.	70%	90%	90%
% of light duty vehicle down time.	NA	5%	5%
% of street sweep and refuse trucks vehicle down time.	NA	16%	16%
Average miles/mechanic hour for light duty (excluding police cars).	201	500	500
Average miles/mechanic hour for police cars.	382	500	500
Average miles/mechanic hour for heavy duty vehicles.	73	400	400

**UNFUNDED SUPPLEMENTS**

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- 76,560 **Workload** - Administration - Addition of one Financial Analyst position.
- 42,000 **Improvement** - Street Maintenance - Purchase of one crackseal machine.
- 62,700 **Improvement** - Traffic Engineering - Addition of part-time non-benefited salaries and sign/inventory data gathering equipment to inventory signs within the City.
- 32,000 **Workload** - Traffic Engineering - Increase to the signal replacement program.
- 40,000 **Improvement** - Traffic Engineering - Funding to contract for locating services.
- 48,770 **Improvement** - Vehicle Maintenance - Purchase and installation of a fall arresting system for one-half of the stalls in the Maintenance Shop.

**302,030 Total Unfunded Supplements**

## NON-DEPARTMENTAL



This section is for costs that are not part of any City department. The majority of the expenses are for transfers to other funds for the General Fund's portion of their costs. Other expenses include funding for the Loveland Center for Business Development, the School Crossing Guard Program, and the Food Sales Tax Rebate Program.

## Non-Departmental Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>General Fund</b>						
City Services	14,405,260	18,738,000	12,761,800	(31.9%)	-	-
Community Support	332,038	416,000	500,070	20.2%	-	-
<b>Total</b>	<b>14,737,298</b>	<b>19,154,000</b>	<b>13,261,870</b>	<b>(30.8%)</b>	-	-
<b>REVENUE</b>						
Taxes	36,567,640	40,641,040	41,003,540	0.9%		
Licenses & Permits	21,773	20,000	23,500	17.5%		
Intergovernmental	54,823	10,000	40,000	300.0%		
Charges for Service	46,407	47,430	41,380	(12.8%)		
Interest	364,767	398,850	586,020	46.9%		
Miscellaneous	320,876	155,190	155,400	0.1%		
Transfers	3,171,161	3,326,710	3,524,820	6.0%		
<b>Total</b>	<b>40,547,447</b>	<b>44,599,220</b>	<b>45,374,660</b>	<b>1.7%</b>		
<b>EXPENSE BY CATEGORY</b>						
Personal Services	(15)	-	-	-		
Supplies	70,248	56,700	56,350	(0.6%)		
Purchased Services	886,737	1,165,730	1,171,630	0.5%		
Fixed Charges	3,087	-	3,500	-		
Transfers	13,777,241	17,931,570	12,030,390	(32.9%)		
<b>Total</b>	<b>14,737,298</b>	<b>19,154,000</b>	<b>13,261,870</b>	<b>(30.8%)</b>		

# NON - DEPARTMENTAL

### Overview

Non-Departmental costs are those which cannot be attributed to a specific department. Transfers to other funds are the largest contributor to this budget. The transfers are for the General Fund's portion of the costs for internal services, the subsidy to the Library, capital improvements that are generally funded, and other minor transfers. Also included in the Non-Departmental Section is the payment to the Loveland-Larimer Building Authority for the City's share of the facility maintenance costs for the Loveland-Larimer Police & Courts Building, payments to the School District for the School Crossing Guard Program, funding for the Loveland Center for Business Development, and the City's share of the partnership in the Engaging Loveland Program. Funding is also included for approved economic development incentive agreements and funding for economic development incentives that the Council budgets for annually and allocates on a case-by-case basis. The 2007 budget for this account remains at the \$350,000 established by Council policy in previous years.

**DIVISION**

City Services

**DEPARTMENT**

Non-Departmental

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
<b>City Services</b>	<b>14,405,260</b>	<b>18,738,000</b>	<b>12,761,800</b>
<b>REVENUE</b>			
Property Tax	5,924,101	6,264,600	6,760,000
Specific Ownership Tax	640,320	652,810	651,270
Sales Tax	24,840,431	28,037,030	30,235,650
Use Tax Building	3,465,877	4,093,960	1,500,000
Franchise Tax	1,468,672	1,372,140	1,621,620
Other Tax	228,239	220,500	235,000
Licenses & Permits	21,773	20,000	23,500
State Severance Tax	54,823	10,000	40,000
Charges for Service	25,840	25,620	24,270
Community Building Use	20,567	21,810	17,110
Interest	364,767	398,850	586,020
PILT - Water Fund	390,290	413,340	424,820
PILT - Wastewater Fund	335,173	339,900	397,160
PILT - Storm Water Fund	206,823	211,140	218,530
PILT - Power Fund	102,160	2,022,000	2,094,000
PILT - Golf Fund	1,914,330	97,300	105,000
PILT - Solid Waste Fund	222,385	243,030	285,310
Miscellaneous	320,876	155,190	155,400
<b>Total</b>	<b>40,547,447</b>	<b>44,599,220</b>	<b>45,374,660</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	(15)	-	-
Supplies	70,248	56,700	56,350
Purchased Services	554,699	749,730	671,560
Fixed Charges	3,087	-	3,500
Transfers	13,777,241	17,931,570	12,030,390
<b>Total</b>	<b>14,405,260</b>	<b>18,738,000</b>	<b>12,761,800</b>

**BUDGET VARIANCES**

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- 3,490 Increase in purchased services for the payment to the Loveland-Larimer Building Authority for the City's share of the maintenance costs of the Loveland-Larimer Police and Courts Building.
- (50,600) Decrease in purchased services for printing and professional services costs. These costs are transferred to the Public Information Division in the Community & Business Relations Department.
- (35,000) Decrease in purchased services for costs previously budgeted as the City's share of the Economic Gardening Program. These funds are transferred to the Community & Strategic Planning Division which will manage the City's role, to partially fund the City's share for the 2007 budget.
- 134,510 Increase in transfers to the Loveland Public Library based on the Library's budget.
- 197,290 Increase in transfers for the transfer to the Internal Services Fund based on the General Fund's allocation for these services.
- (5,343,330) Decrease in transfers for the transfer to the Capital Projects Fund based on the Capital Program.
- (341,500) Decrease in transfers for the transfer to the Wastewater Fund for the second year of a two-year payment to reimburse the fund for development incentives approved by Council.
- (36,600) Decrease in transfers for the transfer to the Water, Wastewater and Power funds for a one-time Habitat for Humanity fee waiver in 2006.
- (627,220) Decrease in transfers for the Economic Development Incentive account due to a one-time reappropriation of funds. The annual appropriation of \$350,000 is budgeted for the account.
- (200,000) Decrease in transfers to the CEF Fund for waivers associated with the Mirasol Development incentives that will occur in 2006.
- 229,220 Increase in transfers to the CEF Fund for waivers associated with the Mirasol Development incentives that will occur in 2007.
- (72,600) Decrease in transfers to the CEF fund for the first payment of deferred fees for the Lowe's and Thunder Mountain agreements.
- (13,450) Decrease in transfers for the one-time transfer to the Risk and Insurance Fund to purchase AED units for government facilities.
- 172,500 Increase in transfers for the transfer to the Fleet Fund to upgrade five police patrol cars to Chevrolet Tahoes and for the replacement of a 20-year old Freightliner for the Streets Maintenance Division.
- 7,090 Normal Increases/Decreases
  - (350) Supplies
  - 3,940 Purchased Services
  - 3,500 Fixed Charges

**(5,976,200) Total Decrease**

**DIVISION**

Community Support

**DEPARTMENT**

Non-Departmental

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>General Fund</b>			
Community Support	332,038	416,000	500,070
<b>EXPENSE BY CATEGORY</b>			
Purchased Services	332,038	416,000	500,070
<b>Total</b>	<b>332,038</b>	<b>416,000</b>	<b>500,070</b>

**BUDGET VARIANCES**

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88,070 Increase in purchased services for the second year of the City's contribution to the Engaging Loveland Project.

(4,000) Normal Decreases  
           (4,000) Purchased Services

**84,070 Total Increase**

# GENERAL FUND EQUIPMENT REPLACEMENT



This section provides a summary of equipment replacement purchases for the General Fund departments over a five-year period.

**General Fund Equipment Replacement**

<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b><u>Cultural Services</u></b>					
Lighting Instruments-Rialto	2,100	1,200	7,000	-	-
Video Monitoring System-Rialto	2,700	-	-	-	-
Copier in Office Area-Rialto	5,000	-	-	-	-
Audio Console-Rialto	-	35,000	-	-	-
Popcorn Machine-Rialto	-	-	6,000	-	-
Motorize Movie Screen-Rialto	-	-	8,000	-	-
Copier in Office Area-Museum	-	-	13,000	-	-
Upgrade Fly System-Rialto	-	-	-	15,000	-
Ice Machine-Rialto	-	-	-	-	3,000
Tile Floor in Ticket Lobby-Rialto	-	-	-	-	10,000
<b>Subtotal Cultural Services</b>	<b>9,800</b>	<b>36,200</b>	<b>34,000</b>	<b>15,000</b>	<b>13,000</b>
<b><u>Development Services</u></b>					
Printer-Current Planning	1,750	-	-	-	-
Printer-Administration	-	-	2,500	-	-
<b>Subtotal Development Services</b>	<b>1,750</b>	<b>-</b>	<b>2,500</b>	<b>-</b>	<b>-</b>
<b><u>Fire &amp; Rescue</u></b>					
Copier	14,000	-	3,600	10,800	11,110
Special Operations	22,120	26,860	10,800	28,810	29,650
Technical Rescue Team	13,000	15,000	17,000	17,000	-
Dive Rescue	6,500	7,500	7,800	8,000	-
EMS Equipment	-	5,000	-	9,500	9,780
Haz Mat Equipment	2,000	3,600	3,000	3,000	-
Hose & Nozzles	11,000	11,500	12,000	12,000	12,350
Printer/FAX	4,000	4,000	4,500	5,000	5,150
Self Contained Breathing Apparatus	13,220	11,860	12,540	15,000	15,430
Small Equipment	27,000	27,000	30,000	35,000	36,000
Communications	21,000	24,000	27,000	27,000	27,790
Extraction Tools	70,000	-	-	-	-
<b>Subtotal Fire &amp; Rescue</b>	<b>203,840</b>	<b>136,320</b>	<b>128,240</b>	<b>171,110</b>	<b>147,260</b>
<b><u>Municipal Court</u></b>					
Printer	-	-	-	1,750	-
Court Audio System	6,000	-	-	-	-
Copier	-	12,000	-	-	-
FAX	-	2,500	-	-	-
<b>Subtotal Municipal Court</b>	<b>6,000</b>	<b>14,500</b>	<b>-</b>	<b>1,750</b>	<b>-</b>
<b><u>Non-Departmental</u></b>					
Copiers	28,600	-	-	3,600	-
<b>Subtotal Non-Departmental</b>	<b>28,600</b>	<b>-</b>	<b>-</b>	<b>3,600</b>	<b>-</b>

General Fund Equipment Replacement

Description	2007	2008	2009	2010	2011
<b><u>Parks &amp; Recreation</u></b>					
Parks Maintenance Equipment	161,160	230,210	279,500	243,480	228,760
Chilson Equipment	183,160	122,260	588,330	228,280	158,290
Recreation Equipment	118,530	20,050	47,830	77,620	31,180
Irrigation Systems	219,520	215,100	130,000	205,290	95,000
Playground Equipment	146,060	159,290	110,230	89,300	116,930
Asphalt Repairs at Park Locations	22,900	32,200	33,610	17,640	28,000
Hard-Court Resurfacing	22,800	16,320	30,780	42,700	30,000
Copiers/Printers/Office Equipment	-	-	-	10,000	60,000
<b>Subtotal Parks &amp; Recreation</b>	<b>874,130</b>	<b>795,430</b>	<b>1,220,280</b>	<b>914,310</b>	<b>748,160</b>
<b><u>Police</u></b>					
Replace Horse (Mounted Patrol)	4,560	-	-	-	-
Computer Software Upgrades	45,650	47,700	49,850	52,090	54,430
CAD/RMS Hardware Upgrade	-	47,700	-	-	-
Motorola Pacset Handheld Radios	-	40,000	49,850	52,090	54,430
Motorola Mobile Radios	-	40,000	49,850	52,090	54,430
Radio Repeaters	-	-	49,850	-	-
Printer	5,700	5,960	6,230	6,510	6,800
Photocopier	-	20,000	7,500	65,000	-
Intoxilizer	-	5,960	-	-	-
SWAT Equipment	5,700	5,960	6,230	6,510	6,800
SIU Transmitter	-	-	-	3,250	-
Hostage Phone	-	11,930	-	-	-
Radar Unit	5,700	5,960	6,230	6,510	6,800
Bullet-Proof Vests	7,400	7,750	8,100	8,470	8,850
Canine	5,140	-	5,610	5,860	-
Camera	2,800	-	-	3,260	-
Taser Equipment	3,500	4,170	4,360	4,560	4,760
Varda Alarm	-	5,960	-	-	-
FAX Machine	-	2,390	2,490	2,610	-
Pacset Batteries	4,560	4,770	4,990	5,210	5,440
Handguns/Shotguns	10,950	11,450	11,960	12,500	13,060
Radio Consoles	-	90,000	-	117,200	-
Communications Chairs	-	3,580	-	3,900	-
Department Shared Laptop	3,000	3,580	-	3,900	-
In-Car Video Cameras	-	-	7,440	-	-
Video Enhancement Equipment	-	-	-	-	14,000
<b>Subtotal Police</b>	<b>104,660</b>	<b>364,820</b>	<b>270,540</b>	<b>411,520</b>	<b>229,800</b>

General Fund Equipment Replacement

Description	2007	2008	2009	2010	2011
<b>Public Works</b>					
Slide-in Asphalt Distributor-Streets	-	60,000	-	-	-
Cold Planer-Streets	-	-	-	-	502,300
Plow-Streets	17,000	-	19,000	-	-
Claw Bucket-Streets	20,000	-	-	-	-
Sander-Streets	15,000	-	-	-	-
Side/Rear Flail Mowers-Streets	18,000	-	27,000	-	-
Vibratory Roller-Streets	55,000	-	-	-	-
Trackless Tractor & Attachments-Streets	85,000	-	-	-	-
Pickup Plow-Streets	-	-	-	5,900	6,000
Pickup Plow-Streets	-	5,400	-	-	-
Plow-Streets	-	17,500	-	-	-
Asphalt Paver-Streets	-	160,000	-	-	-
Self-Propelled Mower-Streets	-	-	6,600	-	7,200
Broom-Streets	-	-	10,000	-	-
Plow-Streets	-	-	19,000	-	-
Sander-Streets	-	-	23,200	-	-
Air Compressor-Streets	25,000	-	-	-	-
Pothole Spray Patcher-Streets	-	-	-	200,000	-
Weed Sprayer System-Streets	-	-	-	3,500	-
Pickup Plow-Streets	-	-	-	5,900	-
Sander-Streets	-	-	6,000	-	-
Smoke Collector-Streets	-	-	-	6,200	-
Welder-Streets	-	3,700	-	-	-
Signal Replacement-Traffic	52,000	56,000	60,000	64,000	68,000
<b>Subtotal Public Works</b>	<b>287,000</b>	<b>302,600</b>	<b>170,800</b>	<b>285,500</b>	<b>583,500</b>
<b>Total General Fund</b>	<b>1,515,780</b>	<b>1,649,870</b>	<b>1,826,360</b>	<b>1,802,790</b>	<b>1,721,720</b>

**EQUIPMENT REPLACEMENT**

**Overview**

As a general policy, the City budgets to fund the depreciation schedule to keep equipment current and reduce maintenance costs. Included in these schedules are the planned small equipment replacements for General Fund agencies with unit costs below \$100,000. Major equipment that exceeds the \$100,000 threshold is budgeted in the Capital Program.

# ENTERPRISE FUNDS



This section contains all Enterprise Funds that are self-supporting through user fees. They include Water, Wastewater, Storm Water, Power, Solid Waste and Golf.

As in the Department Summaries section, information on goal objectives, measurements to the effectiveness of “outcome” of the services provided, authorized positions, revenues funding the Enterprise and significant changes to the Enterprise’s budget are also included.

## Golf Enterprise Fund Summary

	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>% Change</b>	<b>2006</b>	<b>2007</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>2006-07</b>	<b>FTE</b>	<b>FTE</b>
<b>Enterprise Fund</b>						
Golf Admin. & Support	1,183,263	1,230,430	1,314,640	6.8%	5.5	5.5
Olde Course/Cattail Creek	833,404	893,230	914,370	2.4%	5.0	5.0
Mariana Butte	849,899	1,153,300	1,189,130	3.1%	8.0	8.0
<b>Total</b>	<b>2,866,566</b>	<b>3,276,960</b>	<b>3,418,140</b>	<b>4.3%</b>	<b>18.5</b>	<b>18.5</b>
<b>REVENUE</b>						
<b>Beginning Balance</b>	<b>1,622,559</b>	<b>1,668,770</b>	<b>1,736,990</b>			
Olde Course	1,135,650	1,071,200	1,183,340	10.5%		
Mariana Butte	1,704,739	1,861,570	2,090,440	12.3%		
Cattail Creek	350,705	338,500	354,190	4.6%		
Interest	56,443	40,000	60,000	50.0%		
Miscellaneous	251,430	248,500	251,300	1.1%		
<b>Subtotal</b>	<b>3,498,967</b>	<b>3,559,770</b>	<b>3,939,270</b>	<b>10.7%</b>		
<b>Total</b>	<b>5,121,526</b>	<b>5,228,540</b>	<b>5,676,260</b>			
<b>EXPENSE BY CATEGORY</b>						
Personal Services	1,529,099	1,804,030	1,874,560	3.9%		
Supplies	350,961	499,660	508,630	1.8%		
Purchased Services	351,079	367,730	394,800	7.4%		
Fixed Charges	6,602	10,300	10,800	4.9%		
Debt Service/Lease Payments	332,525	326,200	352,440	8.0%		
Transfers	296,300	269,040	276,910	2.9%		
<b>Total Operating</b>	<b>2,866,566</b>	<b>3,276,960</b>	<b>3,418,140</b>	<b>4.3%</b>		
Capital	586,186	214,590	284,450	32.6%		
<b>Total Capital</b>	<b>586,186</b>	<b>214,590</b>	<b>284,450</b>	<b>32.6%</b>		
<b>Total Golf</b>	<b>3,452,752</b>	<b>3,491,550</b>	<b>3,702,590</b>	<b>6.0%</b>		
<b>Ending Balance</b>	<b>1,668,774</b>	<b>1,736,990</b>	<b>1,973,670</b>			

# GOLF

## Overview

The City operates three golf courses. The Olde Course and Mariana Butte are par 72, 18-hole golf courses and Cattail Creek is a par 3, 9-hole golf course. This Fund accounts for the operation and maintenance of all the golf courses, and supervision of golf activities through contractual golf professionals who operate the concession and pro shop areas.

The golf courses operate as an Enterprise Fund, generating operating and ongoing capital funding needs through user fees, charges and investment of funds.

## Objectives

- Recover 125% above the required mandated cost recovery number to ensure continuation of the Capital and Equipment Replacement programs.
- Maintain a consistent speed of play that provides for an efficient use of the facility and an enjoyable round for patrons.
- Increase ease of access to and user friendliness of acquiring tee times by automated systems.
- Improve and expand existing golf facilities.

<u>Performance Measures</u>	<u>2005 Actual</u>	<u>2006 Budgeted</u>	<u>2007 Projected</u>
% of revenue exceeding operating expense.	20%	20%	20%
% of rounds within predetermined speed of play.	74%	92%	90%
% automated tee times.	85%	85%	85%

Enterprise Funds

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**DIVISION**

Golf Administration/Support

**DEPARTMENT**

Parks & Recreation

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Enterprise Fund</b>			
Golf Administration	836,603	847,920	904,180
Golf Support	346,660	382,510	410,460
<b>Total</b>	<b>1,183,263</b>	<b>1,230,430</b>	<b>1,314,640</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	508,459	559,240	616,660
Supplies	59,639	74,080	80,750
Purchased Services	62,710	70,340	73,410
Fixed Charges	1,045	1,650	1,650
Debt Service/Lease Payments	255,110	256,080	265,260
Transfers	296,300	269,040	276,910
<b>Total Operating</b>	<b>1,183,263</b>	<b>1,230,430</b>	<b>1,314,640</b>
Capital	18,885	32,070	53,050
<b>Total Capital</b>	<b>18,885</b>	<b>32,070</b>	<b>53,050</b>
<b>Total Golf Administration/Support</b>	<b>1,202,148</b>	<b>1,262,500</b>	<b>1,367,690</b>
<b>FTE</b>	<b>5.5</b>	<b>5.5</b>	<b>5.5</b>

**BUDGET VARIANCES**

- 17,750 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Department's experience rating and forecasted liability costs.
- 5,070 Increase to supplies for one-time transfer to capital for a utility vehicle.
- 2,870 Increase in purchased services for general liability costs based on the Department's historical experiences and forecasted liability costs.
- 9,180 Increase in debt service and lease payments based on the debt schedule.
- 7,700 Increase in transfer for PILT payments to the General Fund based on the revenue estimates.
- 170 Increase in transfers to the Internal Service Fund based on the allocation for internal service budgets.
- 41,470 Normal Increases
  - 39,670 Personal Services
  - 1,600 Supplies
  - 200 Purchased Services
- 84,210 Total Increase**

Enterprise Funds

**DIVISION**

Olde Course/Cattail Creek

**DEPARTMENT**

Parks & Recreation

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Enterprise Fund</b>			
Olde Course/Cattail Maintenance	670,274	722,530	731,140
Olde Course Clubhouse	114,423	122,800	133,330
Cattail Creek Clubhouse	48,707	47,900	49,900
<b>Total</b>	<b>833,404</b>	<b>893,230</b>	<b>914,370</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	484,912	521,450	517,560
Supplies	137,642	154,830	156,830
Purchased Services	171,964	180,630	194,630
Fixed Charges	1,882	3,850	4,350
Debt Service/Lease Payments	37,004	32,470	41,000
<b>Total Operating</b>	<b>833,404</b>	<b>893,230</b>	<b>914,370</b>
Capital	293,729	147,520	69,100
<b>Total Capital</b>	<b>293,729</b>	<b>147,520</b>	<b>69,100</b>
<b>Total Olde Course/Cattail Creek</b>	<b>1,127,133</b>	<b>1,040,750</b>	<b>983,470</b>
<b>FTE</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>

**BUDGET VARIANCES**

- 2,000 Increase in supplies due to projected increase in cost of fuel and Department's usage.
- 4,000 Increase in purchased services due to inflation increase in the Golf Professional's contract.
- 8,530 Increase in debt service and lease payments based on the debt schedule.
- 10,000 Increase in purchased services for tree maintenance due to the elimination of the tree trimming program in the Power Utility.
- (3,390) Normal Increases/Decreases
  - (3,890) Personal Services
  - 500 Fixed Charges
- 21,140 Total Increase**

Enterprise Funds

**DIVISION**

Mariana Butte

**DEPARTMENT**

Parks & Recreation

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Enterprise Fund</b>			
Mariana Butte Maintenance	703,739	734,850	741,350
Mariana Butte Clubhouse	146,160	418,450	447,780
<b>Total</b>	<b>849,899</b>	<b>1,153,300</b>	<b>1,189,130</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	535,728	723,340	740,340
Supplies	153,680	270,750	271,050
Purchased Services	116,405	116,760	126,760
Fixed Charges	3,675	4,800	4,800
Debt Service/Lease Payments	40,411	37,650	46,180
<b>Total Operating</b>	<b>849,899</b>	<b>1,153,300</b>	<b>1,189,130</b>
Capital	273,572	35,000	162,300
<b>Total Capital</b>	<b>273,572</b>	<b>35,000</b>	<b>162,300</b>
<b>Total Mariana Butte</b>	<b>1,123,471</b>	<b>1,188,300</b>	<b>1,351,430</b>
<b>FTE</b>	<b>6.0</b>	<b>8.0</b>	<b>8.0</b>

**BUDGET VARIANCES**

- 8,530 Increase in debt service and lease payments based on the debt schedule.
- 10,000 Increase in purchased services for tree maintenance due to the elimination of the tree trimming program in the Power Utility.
- 17,300 Normal Increases
  - 17,000 Personal Services
  - 300 Supplies
- 35,830 Total Increase**

## Solid Waste Enterprise Fund Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>Enterprise Fund</b>						
Refuse	2,320,900	1,926,140	2,165,020	12.4%	11.8	12.8
Recycling	962,835	1,063,900	1,061,790	(0.2%)	8.3	8.3
Yard Waste	701,286	726,220	935,610	28.8%	3.6	3.6
Mosquito Control	160,306	191,000	199,100	4.2%	-	-
<b>Total</b>	<b>4,145,327</b>	<b>3,907,260</b>	<b>4,361,520</b>	<b>11.6%</b>	<b>23.7</b>	<b>24.7</b>
<b>REVENUE</b>						
<b>Beginning Balance</b>	<b>2,686,758</b>	<b>2,466,050</b>	<b>2,673,560</b>			
Charges for Services	3,924,818	4,238,770	4,719,990	11.4%		
Interest	65,072	56,000	105,700	88.8%		
Miscellaneous	65,021	-	135,000	-		
<b>Subtotal</b>	<b>4,054,911</b>	<b>4,294,770</b>	<b>4,960,690</b>	<b>15.5%</b>		
<b>Total</b>	<b>6,741,669</b>	<b>6,760,820</b>	<b>7,634,250</b>			
<b>EXPENSE BY CATEGORY</b>						
Personal Services	1,500,785	1,694,390	1,792,670	5.8%		
Supplies	195,547	227,350	270,930	19.2%		
Purchased Services	718,327	825,690	895,100	8.4%		
Fixed Charges	1,185,178	623,100	825,120	32.4%		
Transfers	545,490	536,730	577,700	7.6%		
<b>Total Operating</b>	<b>4,145,327</b>	<b>3,907,260</b>	<b>4,361,520</b>	<b>11.6%</b>		
Capital	130,290	180,000	1,542,000	756.7%		
<b>Total Capital</b>	<b>130,290</b>	<b>180,000</b>	<b>1,542,000</b>	<b>756.7%</b>		
<b>Total Solid Waste</b>	<b>4,275,617</b>	<b>4,087,260</b>	<b>5,903,520</b>	<b>44.4%</b>		
<b>Ending Balance</b>	<b>2,466,052</b>	<b>2,673,560</b>	<b>1,730,730</b>			

# SOLID WASTE

## Overview

The City of Loveland provides solid waste collection and curbside recycling service to nearly all single-family and to half of all multi-family dwellings within City limits. The Waste Management Program is operated as an Enterprise Fund using full cost accounting principles with all direct and indirect costs covered by user fees. A 6% payment in lieu of taxes (PILT) is made to the General Fund annually. In 2007, these PILT charges will be about \$285,000.

The Waste Management Program is popular with the community as noted by the City's annual Community Satisfaction Survey. The Program has received numerous waste management awards and honors, and was one of 18 communities selected by the United States Environmental Protection Agency for inclusion in a detailed report entitled *Cutting the Waste Stream in Half: Community Record-Setters Show How*.

## Objectives

- Reduce complaints regarding missed setouts.
- Resolve all complaints in 1 business day.
- Reduce the number of injuries to field staff.
- Reduce at-fault accidents by employees.

<u>Performance Measures</u>	<u>2005 Actual</u>	<u>2006 Budgeted</u>	<u>2007 Projected</u>
Missed setouts per 10,000 collections.	3.41	3.40	3.50
% of complaints resolved in 1 business day.	100%	95%	95%
% of field personnel with no OSHA recordable injuries.	79%	95%	95%
% of field personnel with no at-fault accidents.	72%	95%	95%

Enterprise Funds

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Refuse	Public Works		
<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Enterprise Fund</b>			
<b>Refuse</b>	<b>2,320,900</b>	<b>1,926,140</b>	<b>2,165,020</b>
<b>REVENUE</b>			
Charges for Services	1,905,880	2,159,400	2,303,300
Interest	35,139	30,000	55,000
Miscellaneous	63,964	-	97,500
<b>Total</b>	<b>2,004,983</b>	<b>2,189,400</b>	<b>2,455,800</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	753,167	822,060	890,100
Supplies	113,811	149,710	175,190
Purchased Services	314,008	369,890	397,300
Fixed Charges	840,363	295,540	398,610
Transfers	299,551	288,940	303,820
<b>Total Operating</b>	<b>2,320,900</b>	<b>1,926,140</b>	<b>2,165,020</b>
Capital	96,700	180,000	691,200
<b>Total Capital</b>	<b>96,700</b>	<b>180,000</b>	<b>691,200</b>
<b>Total Refuse</b>	<b>2,417,600</b>	<b>2,106,140</b>	<b>2,856,220</b>
<b>FTE</b>	<b>11.8</b>	<b>11.8</b>	<b>12.8</b>

**BUDGET VARIANCES**

- (25,390) Decrease in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- 21,190 Increase in supplies for cart purchases based on projected replacement and customer growth.
- 7,690 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- 15,000 Increase in disposal costs based on anticipated landfill price increases and projected volumes.
- 103,180 Increase in fixed costs for vehicle maintenance based on projected fuel costs and maintenance costs.
- 17,180 Increase in transfers for PILT based on projected revenue.
- (720) Decrease in transfers for internal services based on the allocated costs.
- (1,580) Decrease in transfers to the Power Utility for the allocation of billing costs.
- (180,000) Decrease in capital due to one-time equipment purchases.
  
- 48,040 Normal Increases/Decreases
  - 41,640 Personal Services
  - 1,790 Supplies
  - 4,720 Purchased Services
  - (110) Fixed Charges

**SUPPLEMENTS**

- 54,290 **Workload** - Increase in personal services (\$51,790) and supplies (\$2,500) for the addition of one Equipment Operator position to add an additional collection route.
- 675,000 **Workload** - Increase in capital for one-half the cost to replace six collection vehicles due to age and to create a staggered replacement cycle. The remainder of the cost is budgeted in the Yard Waste Division.
- 16,200 **Improvement** - Increase in capital for the purchase of a loader. Currently, the Division is leasing this equipment. The purchase will result in savings of \$13,000 annually based on a five-year life-cycle. The total cost is \$162,000 with the remainder budgeted in the Refuse and Yard Waste divisions.

**750,080 Total Increase**

# REFUSE

## Overview

Refuse collection by City ordinance must operate under a volume-based rate system. For City service, residents can choose among two disposal options: prepaid tags for customer trash bags, or subscription-based trash carts. City carts come in three different sizes giving customers more choice and more control over their disposal costs. City rates compare quite favorably with private waste haulers' rates within Loveland and surrounding communities.

## Objectives

- Increase tons collected per refuse collector.
- Increase number of stops per day by refuse collector.
- Decrease missed collections due to collector error.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
Tons collected per single-family refuse collector.	2,488	2,500	2,100
Single-family stops per day per refuse collector.	1,041	1,130	875
Missed collections per 10,000 due to collector error.	4.25	3.50	3.00
Operating cost per customer for refuse collection.	\$84.01	\$82.51	\$86.00

Enterprise Funds

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Recycling	Public Works		
<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Enterprise Fund</b>			
<b>Recycling</b>	<b>962,835</b>	<b>1,063,900</b>	<b>1,061,790</b>
<b>REVENUE</b>			
Charges for Services	1,110,884	1,121,770	1,425,910
Interest	20,172	17,500	35,700
Miscellaneous	891	-	10,500
<b>Total</b>	<b>1,131,947</b>	<b>1,139,270</b>	<b>1,472,110</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	518,406	621,450	522,060
Supplies	43,401	47,310	51,180
Purchased Services	42,591	50,550	63,390
Fixed Charges	197,497	181,720	244,840
Transfers	160,940	162,870	180,320
<b>Total Operating</b>	<b>962,835</b>	<b>1,063,900</b>	<b>1,061,790</b>
Capital	9,343	-	46,200
<b>Total Capital</b>	<b>9,343</b>	<b>-</b>	<b>46,200</b>
<b>Total Recycling</b>	<b>972,178</b>	<b>1,063,900</b>	<b>1,107,990</b>
<b>FTE</b>	<b>8.3</b>	<b>8.3</b>	<b>8.3</b>

**BUDGET VARIANCES**

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- (3,960) Decrease in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- 4,070 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- 63,340 Increase in fixed costs for vehicle maintenance based on projected fuel costs and maintenance costs.
- 21,020 Increase in transfers for PILT based on projected revenue.
- (420) Decrease in transfers for internal services based on the allocated costs.
- (3,150) Decrease in transfers to the Power Utility for the allocation of billing costs.
  
- (88,010) Normal Increases/Decreases
  - (100,430) Personal Services
  - 3,870 Supplies
  - 8,770 Purchased Services
  - (220) Fixed Charges

**SUPPLEMENTS**

- 30,000 **Improvement** - Increase in capital to relocate the waste motor oil collection tank from the Maintenance Operations Center downtown to the Recycling Center.
- 16,200 **Improvement** - Increase in capital for the purchase of a loader. Currently, the Division is leasing this equipment. The purchase will result in savings of \$13,000 annually based on a five-year life-cycle. The total cost is \$162,000 with the remainder budgeted in the Refuse and Yard Waste divisions.
- 5,000 **Improvement** - Increase in temporary salaries for administrative clerk duties and additional workers time at the recycling center.
  
- 44,090 Total Increase**

# RECYCLING

## Overview

Mandatory monthly environmental fees fund the City's recycling, green waste composting, household hazardous waste collection, community large item disposal program, and solid waste planning programs. Over 50% of the community's residential wastes are recycled annually, which extends the life of the Larimer County Landfill.

## Objectives

- Increase the percentage of city-collected discards recycled/composted.
- Revitalize our recycling education and promotion program.
- Increase the number of single-family customers that recycle.
- Decrease the number of missed collections due to collector error.

<b><u>Performance Measures</u></b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
% of City-collected waste recycled/composted.	56%	58%	56%
Pounds recycled per City-served customer.	618	650	630
Single-family stops per day per recyclables collector.	1,302	1,344	1,150
Missed collections per 10,000 due to collector error.	1.35	2.00	1.30
Operating cost per customer for recycling services.	\$37.97	\$40.32	\$47.00

Enterprise Funds

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Yard Waste	Public Works		
<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Enterprise Fund</b>			
<b>Yard Waste</b>	<b>701,286</b>	<b>726,220</b>	<b>935,610</b>
<b>REVENUE</b>			
Charges for Services	725,327	768,200	794,280
Interest	9,761	8,500	15,000
Miscellaneous	166	-	27,000
<b>Total</b>	<b>735,254</b>	<b>776,700</b>	<b>836,280</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	229,212	250,880	380,510
Supplies	38,335	30,330	44,560
Purchased Services	203,822	228,750	252,910
Fixed Charges	147,318	133,840	166,670
Transfers	82,599	82,420	90,960
<b>Total Operating</b>	<b>701,286</b>	<b>726,220</b>	<b>935,610</b>
Capital	24,247	-	804,600
<b>Total Capital</b>	<b>24,247</b>	<b>-</b>	<b>804,600</b>
<b>Total Yard Waste</b>	<b>725,533</b>	<b>726,220</b>	<b>1,740,210</b>
<b>FTE</b>	<b>3.6</b>	<b>3.6</b>	<b>3.6</b>

**BUDGET VARIANCES**

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- (3,960) Decrease in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- 9,840 Increase in supplies for carts and bins based on the estimated replacement needs.
- 4,390 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- 14,000 Increase in purchased services for yard waste hauling services based on projected costs.
- 32,490 Increase in fixed costs for vehicle maintenance based on projected fuel costs and maintenance costs.
- 4,080 Increase in transfers for PILT based on projected revenue.
- (270) Decrease in transfers for internal services based on the allocated costs.
- 4,730 Increase in transfers to the Power Utility for the allocation of billing costs.
  
- 144,090 Normal Increases
  - 133,590 Personal Services
  - 4,390 Supplies
  - 5,770 Purchased Services
  - 340 Fixed Charges

**SUPPLEMENTS**

- 675,000 **Workload** - Increase in capital for one-half the cost to replace six collection vehicles due to age and to create a staggered replacement cycle. The remainder of the cost is budgeted in the Refuse Division.
  
- 129,600 **Improvement** - Increase in capital for the purchase of a loader. Currently, the Division is leasing this equipment. The purchase will result in savings of \$13,000 annually based on a five-year life-cycle. The total cost is \$162,000 with the remainder budgeted in the Refuse and Recycling divisions.
  
- 1,013,990 Total Increase**

# YARD WASTE

## Overview

Yard wastes – i.e. grass clippings, leaves, garden trimmings, tree branches – comprise nearly one-third of our community’s annual residential waste stream. If properly separated for recycling, these materials are easily converted into valuable soil amendments and landscape mulches. Compost derived from green wastes contains valuable nutrients and increases the water holding capacity and “workability” of our area’s heavy clay soils. The City of Loveland is partnered with A-1 Organics, a Northern Colorado company that manufactures and markets a variety of landscaping products, including *Loveland’s Own* compost, now sold in both bags and bulk form.

## Objectives

- Increase pounds collected/composted per residential customer.
- Increase stops per day per yard waste collector.
- Decrease missed collections due to collector error.

<b><u>Performance Measures</u></b>	<b><u>2005 Actual</u></b>	<b><u>2006 Budgeted</u></b>	<b><u>2007 Projected</u></b>
Single-family stops per day per yard waste collector.	806	791	900
Pounds collected and composted per single-family customer.	1,397	1,425	1,425
Missed collections per 10,000 due to collector error.	9.31	10.00	9.00
Operating cost per customer for yard waste collection.	\$31.32	\$30.90	\$35.00

**DIVISION**

Mosquito Control

**DEPARTMENT**

Public Works

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Enterprise Fund</b>			
<b>Mosquito Control</b>	<b>160,306</b>	<b>191,000</b>	<b>199,100</b>
<b>REVENUE</b>			
Charges for Services	182,727	189,400	196,500
<b>Total</b>	<b>182,727</b>	<b>189,400</b>	<b>196,500</b>
<b>EXPENSE BY CATEGORY</b>			
Purchased Services	157,906	176,500	181,500
Fixed Charges	-	12,000	15,000
Transfers	2,400	2,500	2,600
<b>Total Operating</b>	<b>160,306</b>	<b>191,000</b>	<b>199,100</b>
<b>Total Mosquito Control</b>	<b>160,306</b>	<b>191,000</b>	<b>199,100</b>
<b>FTE</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**BUDGET VARIANCES**

- 8,100 Normal Increases
  - 5,000 Purchased Services
  - 3,000 Fixed Charges
  - 100 Transfers

**8,100 Total Increase**

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## MOSQUITO CONTROL

**Overview**

Colorado Mosquito Control, Inc., a private contractor, operates this seasonal program. The company utilizes physical, biological, and chemical methods of control to minimize mosquito nuisance. The Solid Waste Division manages the program.

## Storm Water Enterprise Fund Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>Enterprise Fund</b>						
Administration/Engineering	920,767	989,910	889,910	(10.1%)	5.0	5.0
Collections	456,501	563,210	545,720	(3.1%)	4.8	4.8
Street Sweeping	226,015	236,200	241,550	2.3%	2.3	2.3
<b>Total</b>	<b>1,603,283</b>	<b>1,789,320</b>	<b>1,677,180</b>	<b>(6.3%)</b>	<b>12.1</b>	<b>12.1</b>
<b>REVENUE</b>						
<b>Beginning Balance</b>	<b>3,451,206</b>	<b>2,014,120</b>	<b>2,124,790</b>			
Utility Charges	3,462,374	3,519,000	3,642,170	3.5%		
Utility Other	70,682	65,500	65,500	-		
Impact Fees	660,927	513,000	529,000	3.1%		
Interest	89,596	77,400	84,990	9.8%		
Transfers	6,540	66,100	4,420	(93.3%)		
Miscellaneous	138,257	1,000	1,000	-		
<b>Subtotal</b>	<b>4,428,376</b>	<b>4,242,000</b>	<b>4,327,080</b>	<b>2.0%</b>		
<b>Total</b>	<b>7,879,582</b>	<b>6,256,120</b>	<b>6,451,870</b>			
<b>EXPENSE BY CATEGORY</b>						
Personal Services	866,064	968,880	881,340	(9.0%)		
Supplies	68,309	97,000	71,310	(26.5%)		
Purchased Services	134,773	206,890	191,980	(7.2%)		
Fixed Charges	115,354	99,480	112,500	13.1%		
Transfers	418,783	417,070	420,050	0.7%		
<b>Total Operating</b>	<b>1,603,283</b>	<b>1,789,320</b>	<b>1,677,180</b>	<b>(6.3%)</b>		
Capital	4,262,184	2,342,010	3,300,450	40.9%		
<b>Total Capital</b>	<b>4,262,184</b>	<b>2,342,010</b>	<b>3,300,450</b>	<b>40.9%</b>		
<b>Total Storm Water</b>	<b>5,865,467</b>	<b>4,131,330</b>	<b>4,977,630</b>	<b>20.5%</b>		
<b>Ending Balance</b>	<b>2,014,115</b>	<b>2,124,790</b>	<b>1,474,240</b>			

# STORM WATER

## Overview

The Storm Water Utility is responsible for the design, construction, maintenance and repair of the Storm Water Collection System within the City and operates as an Enterprise Fund.

## Objectives

- Continue the drainage minor project construction and repair projects in order to solve the community's backlog of nuisance drainage problems.
- Complete the final in-house engineering design of the 1<sup>st</sup> Street and Wilson Avenue storm sewer outfall to the Big Thompson River in order to improve existing flooding problems at the intersection.
- Complete the preliminary engineering design of the South Loveland Outfall Phase 3 storm drainage improvements to improve existing flooding problems within the various subdivisions lying south of 14<sup>th</sup> Street SW and east of Taft Avenue.
- Complete the Garfield & Harrison Avenue Outfall to the Big Thompson River Drainage Master Plan Update in order to improve existing flooding problems between Garfield & Colorado Avenues and between 1<sup>st</sup> & 12<sup>th</sup> Streets.
- Complete the final engineering design of the MeHaffey Park Regional Detention Pond associated with the new MeHaffey Park project.

<b><u>Performance Measures</u></b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
# of minor construction/repair projects completed.	15	20	20
# of arterial/highway curb miles of streets.	159	164	160
# of times arterials swept.	11.57	12.00	12.00
# of collector/residential curb miles of streets.	483	490	490
# of times collector/residential streets swept.	4.81	6.00	6.00
# of times downtown district swept and/or flushed.	18	30	20
% drainage inlets vacuumed.	70%	100%	100%
% of actual project cost to budget.	111.7%	90.0%	90.0%
Total capital expenditures per capita.	\$68.61	\$111.71	\$42.15

Enterprise Funds

<b>DIVISION</b>	<b>DEPARTMENT</b>
Administration/Engineering	Public Works

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Enterprise Fund</b>			
<b>Administration/Engineering</b>	<b>920,767</b>	<b>989,910</b>	<b>889,910</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	379,262	399,420	334,180
Supplies	24,278	45,850	29,600
Purchased Services	94,552	127,570	106,080
Fixed Charges	3,892	-	-
Transfers	418,783	417,070	420,050
<b>Total Operating</b>	<b>920,767</b>	<b>989,910</b>	<b>889,910</b>
 <b>Total Administration/Engineering</b>	 <b>920,767</b>	 <b>989,910</b>	 <b>889,910</b>
 <b>FTE</b>	 <b>5.0</b>	 <b>5.0</b>	 <b>5.0</b>

**BUDGET VARIANCES**

- 810 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- (10,000) Decrease in supplies for office equipment based on historical experience.
- (12,490) Decrease in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- 7,390 Increase in transfers for PILT based on the revenue estimates.
- (4,410) Decrease in transfers to the Internal Service Fund based on the allocation for internal service budgets.
- (81,300) Normal Decreases
  - (66,050) Personal Services
  - (6,250) Supplies
  - (9,000) Purchased Services
- (100,000) Total Decrease**

Enterprise Funds

**DIVISION**

**DEPARTMENT**

Collections

Public Works

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Enterprise Fund</b>			
<b>Collections</b>	<b>456,501</b>	<b>563,210</b>	<b>545,720</b>
<b>EXPENSE BY FUND</b>			
Personal Services	364,608	433,440	405,790
Supplies	24,644	26,760	22,580
Purchased Services	31,927	71,490	77,850
Fixed Charges	35,322	31,520	39,500
<b>Total Operating</b>	<b>456,501</b>	<b>563,210</b>	<b>545,720</b>
<b>Total Collections</b>	<b>456,501</b>	<b>563,210</b>	<b>545,720</b>
<b>FTE</b>	<b>3.8</b>	<b>4.8</b>	<b>4.8</b>

**BUDGET VARIANCES**

(6,100) Decrease in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

7,660 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

(19,050) Normal Increases/Decreases  
     (21,550) Personal Services  
     (4,180) Supplies  
     (1,300) Purchased Services  
     7,980 Fixed Charges

**(17,490) Total Decrease**

Enterprise Funds

**DIVISION**

**DEPARTMENT**

Street Sweeping

Public Works

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Enterprise Fund</b>			
Street Sweeping	226,015	236,200	241,550
<b>EXPENSE BY FUND</b>			
Personal Services	122,194	136,020	141,370
Supplies	19,387	24,390	19,130
Purchased Services	8,294	7,830	8,050
Fixed Charges	76,140	67,960	73,000
<b>Total Operating</b>	<b>226,015</b>	<b>236,200</b>	<b>241,550</b>
 <b>Total Street Sweeping</b>	 <b>226,015</b>	 <b>236,200</b>	 <b>241,550</b>
 <b>FTE</b>	 <b>2.3</b>	 <b>2.3</b>	 <b>2.3</b>

**BUDGET VARIANCES**

5,040 Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.

310 Normal Increases/Decreases

5,350 Personal Services

(5,260) Supplies

220 Purchased Services

**5,350 Total Increase**

## Water Enterprise Fund Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>Enterprise Fund</b>						
Water Utility	6,080,397	6,680,380	7,263,350	8.7%	43.8	43.8
Water Finance	514,195	535,160	564,860	5.5%	7.7	7.7
<b>Total</b>	<b>6,594,592</b>	<b>7,215,540</b>	<b>7,828,210</b>	<b>8.5%</b>	<b>51.5</b>	<b>51.5</b>
<b>REVENUE</b>						
<b>Beginning Balance</b>	<b>41,143,217</b>	<b>44,399,560</b>	<b>33,897,130</b>			
Utility Charges	6,515,288	6,889,000	7,225,610	4.9%		
Utility Other	1,284,604	924,600	1,536,300	66.2%		
Impact Fees	5,229,041	3,229,310	1,826,810	(43.4%)		
Interest	1,279,573	933,820	1,354,310	45.0%		
Miscellaneous	3,943	3,840	3,840	-		
Transfers	2,740	41,600	1,850	(95.6%)		
<b>Subtotal</b>	<b>14,315,189</b>	<b>12,022,170</b>	<b>11,948,720</b>	<b>(0.6%)</b>		
<b>Total</b>	<b>55,458,406</b>	<b>56,421,730</b>	<b>45,845,850</b>			
<b>EXPENSE BY CATEGORY</b>						
Personal Services	3,071,848	3,166,350	3,255,970	2.8%		
Supplies	640,258	630,360	657,470	4.3%		
Purchased Services	1,051,157	1,608,760	2,067,900	28.5%		
Fixed Charges	124,340	138,290	161,030	16.4%		
Debt Service	825,829	826,160	827,160	0.1%		
Transfers	881,160	845,620	858,680	1.5%		
<b>Total Operating</b>	<b>6,594,592</b>	<b>7,215,540</b>	<b>7,828,210</b>	<b>8.5%</b>		
Capital	4,464,250	15,309,060	9,283,830	(39.4%)		
<b>Total Capital</b>	<b>4,464,250</b>	<b>15,309,060</b>	<b>9,283,830</b>	<b>(39.4%)</b>		
<b>Total Water</b>	<b>11,058,842</b>	<b>22,524,600</b>	<b>17,112,040</b>	<b>(24.0%)</b>		
<b>Ending Balance</b>	<b>44,399,564</b>	<b>33,897,130</b>	<b>28,733,810</b>			

Enterprise Funds

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Water Utility	Water & Power		
<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Enterprise Fund</b>			
<b>Water Utility</b>	<b>6,080,397</b>	<b>6,680,380</b>	<b>7,263,350</b>
<b>REVENUE</b>			
Utility Charges	6,515,288	6,889,000	7,225,610
Utility Other	1,284,604	924,600	1,536,300
Impact Fees	5,229,041	3,229,310	1,826,810
Interest	1,279,573	933,820	1,354,310
Miscellaneous	3,943	3,840	3,840
Transfers	2,740	41,600	1,850
<b>Total</b>	<b>14,315,189</b>	<b>12,022,170</b>	<b>11,948,720</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	2,647,688	2,714,780	2,804,700
Supplies	636,826	624,920	652,210
Purchased Services	973,299	1,537,320	1,967,320
Fixed Charges	115,595	131,580	153,280
Debt Service	825,829	826,160	827,160
Transfers	881,160	845,620	858,680
<b>Total Operating</b>	<b>6,080,397</b>	<b>6,680,380</b>	<b>7,263,350</b>
Capital	4,460,549	15,307,020	9,269,110
<b>Total Capital</b>	<b>4,460,549</b>	<b>15,307,020</b>	<b>9,269,110</b>
<b>Total Water Utility</b>	<b>10,540,946</b>	<b>21,987,400</b>	<b>16,532,460</b>
<b>FTE</b>	<b>43.3</b>	<b>43.8</b>	<b>43.8</b>

**BUDGET VARIANCES**

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- 2,880 Increase in personal services for workers' compensation costs due to the allocation of the City's cost based on the Department's experience rating and forecasted liability costs.
- 35,000 Increase in supplies for chemicals due to increasing costs to supply the Water Treatment Plant.
- (13,520) Decrease in purchased service for general liability based on the Department's historical experience and forecasted liability costs.
- 512,000 Increase in purchased services for the Windy Gap assessment due to a planned call for all 4,000 acre-feet available to the City, and the beginning of an annual operating and maintenance assessment.
- 10,000 Increase in purchased services for the CBT assessment.
- (91,000) Decrease in the CBT Facilities contract.
- 13,000 Increase in purchased services for the Ditch Water Assessment.
- 45,000 Increase in purchased services for Water Resources Legal Services.
- (17,300) Decrease in purchased services for inspecting/locating services.
- (37,000) Decrease in purchased services for street repairs.
- (30,000) Decrease in purchased services for the one-time costs associated with the Cross Connection Control Coordinator.
- 11,480 Increase in transfers for PILT based on the revenue projections.
- 1,580 Increase in the transfer to the Internal Support Services Fund based on the allocation for internal services.
- 140,850 Normal Increases/Decreases
  - 87,040 Personal Services
  - (7,710) Supplies
  - 38,820 Purchased Services
  - 21,700 Fixed Charges
  - 1,000 Debt Service
- 582,970 Total Increase**

# WATER UTILITY

## Overview

The Water Utilities Division consists of all groups and programs responsible for the day-to-day operations, engineering, and management for the Department's two water-related utilities: Water and Wastewater. Groups within the Division also provide some support services to the Power Operations Division such as utility locates, inspection, drafting, and Geographical Information Systems (GIS).

The following sections comprise the Water Utilities Division:

√ Construction and Inspection	√ Technical Services
√ Engineering	√ Treatment Operations
√ Information Technology	√ Water Resources
√ Maintenance and Operations	√ Water Metering
√ Key Accounts Program	

**Construction and Inspection** - This section is responsible for utility location and construction inspections for all water and electric construction. This section coordinates small construction projects.

**Engineering** - Engineering reviews all new development proposals with respect to water and wastewater design and construction. This section manages the capital projects for both water utilities.

**Information Technology** - This section operates the Department's computerized drafting and the GIS. The water, wastewater and electric system maps are all maintained and updated by this section. They also are responsible for the Department's information technology needs such as specialized software applications, databases, development and maintenance, survey fieldwork and computer networks.

**Maintenance and Operations** - Maintenance and Operations is comprised of equipment operators who maintain the water transmission and distribution systems and the wastewater collection system. They repair water line leaks, clean treated water tanks, flush hydrants and inspect, wash and repair sewer lines.

**Technical Services** - Technicians maintain and repair all water and wastewater treatment plant controls such as pumps, motors, valves, electrical systems, and electronic components. They also are responsible for all the wastewater lift stations and water pumping stations throughout the City.

**Treatment Operations** - Water treatment and production, wastewater treatment and reclamation, and water quality laboratories are in this section. Certified plant operators at both plants monitor treatment processes, perform process testing, and notify technicians when equipment needs to be repaired or replaced. Laboratory personnel perform various analyses of the water to insure proper treatment is accomplished.

**Water Resources** - The Water Resources Section is primarily responsible for the raw water planning and water supply activities of the Department. Responsibilities include everything from day-to-day administration of water rights to long-range planning for future water needs. This section works closely with the Loveland Utilities Commission in all matters concerning water resources.

**Water Metering** - Water Metering is responsible for repairing and maintaining water meters, assisting contractors with new water taps, inspecting new lawn irrigation systems, testing meters and providing customer service.

**Key Accounts Program** - The Water Division will provide a single-point-of-contact for larger customers on water issues through the Key Accounts Program. The Program is designed to facilitate customer service and build long-term relationships with the designated key accounts.

**Objectives**

- Have 90% of respondents on customer surveys indicate they are satisfied or very satisfied with their water service.
- Maintain or decrease number of waterline breaks per mile on the water distribution system.
- Meet or exceed all applicable local, state, and federal regulations in the treatment and distribution of water.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
# of leaks or breaks per 100 miles of distribution system.	10.5	25.0	25.0
# of major state or federal violations per year.	0	0	0
# of minor state or federal violations per year.	2	3	3
Water treatment cost per 1,000 gallons.	\$0.39	\$0.37	\$0.37
Maintenance costs per 100 miles of piping system.	\$478,949	\$580,000	\$580,000
% of unaccounted for lost treated water.	15.6%	16.0%	16.0%
# of property damage incidents that exceed \$1,000.	0	2	2
# of personal injury accidents resulting in lost work time per year.	0	0	0

Enterprise Funds

**DIVISION**

**DEPARTMENT**

Water Finance

Finance

**Section Summary:**

**05 Actual**

**06 Budget**

**07 Budget**

**Enterprise Fund**

Utility Billing	198,839	214,280	227,930
Meter Reading	114,895	120,790	126,570
Warehouse	52,903	58,240	60,940
Utility Accounting	147,558	141,850	149,420
<b>Total</b>	<b>514,195</b>	<b>535,160</b>	<b>564,860</b>

**EXPENSE BY CATEGORY**

Personal Services	424,160	451,570	451,270
Supplies	3,432	5,440	5,260
Purchased Services	77,858	71,440	100,580
Fixed Charges	8,745	6,710	7,750
<b>Total Operating</b>	<b>514,195</b>	<b>535,160</b>	<b>564,860</b>

Capital	3,701	2,040	14,720
<b>Total Capital</b>	<b>3,701</b>	<b>2,040</b>	<b>14,720</b>

<b>Total Water Finance</b>	<b>517,896</b>	<b>537,200</b>	<b>579,580</b>
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<b>FTE</b>	<b>7.6</b>	<b>7.7</b>	<b>7.7</b>
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**BUDGET VARIANCES**

- 
- 7,400 Increase in purchased services for postage costs in Utility Billing.
  - 20,000 Increase in purchased services for a Cost of Service Rate Study.
  - 2,300 Normal Increases/Decreases
    - (300) Personal Services
    - (180) Supplies
    - 1,740 Purchased Services
  - 29,700 Total Increase**

## Wastewater Enterprise Fund Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>Enterprise Fund</b>						
Wastewater Utility	4,624,351	4,539,330	4,647,010	2.4%	29.0	29.0
Wastewater Finance	220,255	215,960	239,260	10.8%	3.4	3.4
<b>Total</b>	<b>4,844,606</b>	<b>4,755,290</b>	<b>4,886,270</b>	<b>2.8%</b>	<b>32.4</b>	<b>32.4</b>
<b>REVENUE</b>						
<b>Beginning Balance</b>	<b>6,923,943</b>	<b>9,457,250</b>	<b>5,937,290</b>			
Utility Charges	5,587,855	5,665,000	6,619,300	16.8%		
Utility Other	8,758	9,500	9,500	-		
Impact Fees	1,768,361	1,723,500	936,200	(45.7%)		
Interest	253,851	122,270	233,800	91.2%		
Miscellaneous	2,551	300	300	-		
Transfers	774,960	363,480	860	(99.8%)		
<b>Subtotal</b>	<b>8,396,336</b>	<b>7,884,050</b>	<b>7,799,960</b>	<b>(1.1%)</b>		
<b>Total</b>	<b>15,320,279</b>	<b>17,341,300</b>	<b>13,737,250</b>			
<b>EXPENSE BY FUND</b>						
Personal Services	2,635,407	2,088,020	2,145,940	2.8%		
Supplies	197,560	243,030	260,780	7.3%		
Purchased Services	1,277,055	1,723,170	1,656,160	(3.9%)		
Fixed Charges	69,571	60,840	126,750	108.3%		
Transfers	665,013	640,230	696,640	8.8%		
<b>Total Operating</b>	<b>4,844,606</b>	<b>4,755,290</b>	<b>4,886,270</b>	<b>2.8%</b>		
Capital	1,018,428	6,648,720	3,099,540	(53.4%)		
<b>Total Capital</b>	<b>1,018,428</b>	<b>6,648,720</b>	<b>3,099,540</b>	<b>(53.4%)</b>		
<b>Total Wastewater</b>	<b>5,863,034</b>	<b>11,404,010</b>	<b>7,985,810</b>	<b>(30.0%)</b>		
<b>Ending Balance</b>	<b>9,457,245</b>	<b>5,937,290</b>	<b>5,751,440</b>			

Enterprise Funds

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Wastewater Utility	Water & Power		
<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Enterprise Fund</b>			
<b>Wastewater Utility</b>	<b>4,624,351</b>	<b>4,539,330</b>	<b>4,647,010</b>
<b>REVENUE</b>			
Utility Charges	5,587,855	5,665,000	6,619,300
Utility Other	8,758	9,500	9,500
Impact Fees	1,768,361	1,723,500	936,200
Interest	253,851	122,270	233,800
Miscellaneous	2,551	300	300
Transfers	774,960	363,480	860
<b>Total</b>	<b>8,396,336</b>	<b>7,884,050</b>	<b>7,799,960</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	2,457,761	1,903,310	1,965,400
Supplies	196,344	241,200	259,040
Purchased Services	1,236,956	1,694,860	1,600,470
Fixed Charges	68,277	59,730	125,460
Transfers	665,013	640,230	696,640
<b>Total Operating</b>	<b>4,624,351</b>	<b>4,539,330</b>	<b>4,647,010</b>
Capital	1,018,428	6,647,780	3,096,980
<b>Total Capital</b>	<b>1,018,428</b>	<b>6,647,780</b>	<b>3,096,980</b>
<b>Total Wastewater Utility</b>	<b>5,642,779</b>	<b>11,187,110</b>	<b>7,743,990</b>
<b>FTE</b>	<b>28.5</b>	<b>29.0</b>	<b>29.0</b>

**BUDGET VARIANCES**

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- 3,160 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Department's experience rating and forecasted liability costs.
- (113,010) Decrease in purchased services for general liability costs based on the Department's historical experience and forecasted claims costs.
- (20,000) Decrease in purchased services due to the one-time costs associated with the NPDES permit application.
- 20,000 Increase in purchased services to increase the scope of the contract sewer camera inspection program.
- 20,500 Increase in purchased services for radio frequency upgrades, contracted instrumentation and control services.
- (15,800) Decrease in purchased services for contractual locating services.
- 50,000 Increase in fixed costs for insurance deductibles for the sewer backup claims program.
- 57,260 Increase in the transfer for PILT based on the revenue estimates.
- (850) Decrease in the transfer to the Internal Support Services Fund due to the internal service allocations.
  
- 106,420 Normal Increases
  - 58,930 Personal Services
  - 17,840 Supplies
  - 13,920 Purchased Services
  - 15,730 Fixed Charges

**107,680 Total Increase**

# WASTEWATER

## Overview

The Wastewater Utilities Division consists of all groups and programs responsible for the day-to-day operations, engineering, and management for the Department's two water-related utilities: Water and Wastewater. Groups within the Division also provide some support services to the Power Operations Division such as utility locates, inspection, drafting, and GIS.

The following sections comprise the Wastewater Utilities Division:

√ Construction and Inspection	√ Technical Services
√ Engineering	√ Treatment Operations
√ Information Technology	√ Water Resources
√ Maintenance and Operations	√ Water Metering

## Objectives

- Have 90% of respondents on customer surveys indicate they are satisfied or very satisfied with their water service.
- Maintain or decrease number of sewage backups per mile on the sewage collection system.
- Meet or exceed all applicable local, state, and federal regulations in the collection and treatment of wastewater.

<u>Performance Measures</u>	<u>2005 Actual</u>	<u>2006 Budgeted</u>	<u>2007 Projected</u>
# of collection system plugs or backups per 100 miles of collection system.	6.8	8.0	8.0
# of major violations of state or federal regulations per year.	0	0	0
# of minor violations of state or federal regulations per year.	1	4	4
Wastewater treatment cost per 1,000 gallons.	\$0.92	\$0.84	\$0.84
Maintenance cost per 100 miles of piping system.	\$274,928	\$260,000	\$385,000
# of personal property damage incidents exceeding \$1,000.	7	3	3
# of personal injury accidents resulting in lost work time per year.	0	0	0

Enterprise Funds

<b>DIVISION</b>	<b>DEPARTMENT</b>
Wastewater Finance	Finance

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Enterprise Fund</b>			
Utility Billing	100,608	111,520	119,230
Meter Reading	19,982	21,000	22,020
Utility Accounting	99,665	83,440	98,010
<b>Total</b>	<b>220,255</b>	<b>215,960</b>	<b>239,260</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	177,646	184,710	180,540
Supplies	1,216	1,830	1,740
Purchased Services	40,099	28,310	55,690
Fixed Charges	1,294	1,110	1,290
<b>Total Operating</b>	<b>220,255</b>	<b>215,960</b>	<b>239,260</b>
Capital	-	940	2,560
<b>Total Capital</b>	<b>-</b>	<b>940</b>	<b>2,560</b>
<b>Total Wastewater Finance</b>	<b>220,255</b>	<b>216,900</b>	<b>241,820</b>
<b>FTE</b>	<b>3.3</b>	<b>3.4</b>	<b>3.4</b>

**BUDGET VARIANCES**

- 
- 4,500 Increase in purchased services for printing costs in Utility Billing.
  - 22,000 Increase in purchased services for a Cost of Service Rate Study.
  - (3,200) Normal Increases/Decreases
    - (4,170) Personal Services
    - (90) Supplies
    - 880 Purchased Services
    - 180 Fixed Charges
  - 23,300 Total Increase**

## Power Enterprise Fund Summary

	<b>2005 Actual</b>	<b>2006 Budget</b>	<b>2007 Budget</b>	<b>% Change 2006-07</b>	<b>2006 FTE</b>	<b>2007 FTE</b>
<b>Enterprise Fund</b>						
Power Utility	29,760,913	30,403,570	32,706,370	7.6%	49.2	46.2
Power Finance	1,760,572	1,755,930	1,844,790	5.1%	22.9	22.9
<b>Total</b>	<b>31,521,485</b>	<b>32,159,500</b>	<b>34,551,160</b>	<b>7.4%</b>	<b>72.1</b>	<b>69.1</b>
<b>REVENUE</b>						
<b>Beginning Balance</b>	<b>15,177,163</b>	<b>13,225,780</b>	<b>12,594,240</b>			
Utility Charges	33,032,057	33,687,690	34,909,400	3.6%		
Utility Other	665,275	2,834,700	1,637,500	(42.2%)		
Impact Fees	1,747,715	1,300,000	1,350,000	3.8%		
User Fees	422,523	397,310	386,000	(2.8%)		
Interest	483,079	231,260	291,410	26.0%		
Miscellaneous	52,896	47,100	41,900	(11.0%)		
Transfers	226,210	204,340	187,040	(8.5%)		
<b>Subtotal</b>	<b>36,629,755</b>	<b>38,702,400</b>	<b>38,803,250</b>	<b>0.3%</b>		
<b>Total</b>	<b>51,806,918</b>	<b>51,928,180</b>	<b>51,397,490</b>			
<b>EXPENSE BY CATEGORY</b>						
Personal Services	3,752,519	3,892,240	4,509,300	15.9%		
Supplies	330,254	439,060	391,150	(10.9%)		
Purchased Services	24,866,628	25,190,870	26,843,780	6.6%		
Fixed Charges	(324,926)	(300,170)	(214,700)	(28.5%)		
Transfers	2,897,010	2,937,500	3,021,630	2.9%		
<b>Total Operating</b>	<b>31,521,485</b>	<b>32,159,500</b>	<b>34,551,160</b>	<b>7.4%</b>		
Capital	7,059,655	7,174,440	6,510,570	(9.3%)		
<b>Total Capital</b>	<b>7,059,655</b>	<b>7,174,440</b>	<b>6,510,570</b>	<b>(9.3%)</b>		
<b>Total Power</b>	<b>38,581,140</b>	<b>39,333,940</b>	<b>41,061,730</b>			
<b>Ending Balance</b>	<b>13,225,778</b>	<b>12,594,240</b>	<b>10,335,760</b>			

Enterprise Funds

**DIVISION**

Power Utility

**DEPARTMENT**

Water & Power

<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Enterprise Fund</b>			
<b>Power Utility</b>	<b>29,760,913</b>	<b>30,403,570</b>	<b>32,706,370</b>
<b>REVENUE</b>			
Utility Charges	33,032,057	33,687,690	34,909,400
Utility Other	665,275	2,834,700	1,637,500
Impact Fees	1,747,715	1,300,000	1,350,000
User Fees	422,523	397,310	386,000
Interest	483,079	231,260	291,410
Miscellaneous	52,896	47,100	41,900
Transfers	226,210	204,340	187,040
<b>Total</b>	<b>36,629,755</b>	<b>38,702,400</b>	<b>38,803,250</b>
<b>EXPENSE BY CATEGORY</b>			
Personal Services	2,412,515	2,457,360	3,045,970
Supplies	317,403	420,680	372,760
Purchased Services	24,639,176	24,909,640	26,505,520
Fixed Charges	(505,191)	(321,610)	(239,510)
Transfers	2,897,010	2,937,500	3,021,630
<b>Total Operating</b>	<b>29,760,913</b>	<b>30,403,570</b>	<b>32,706,370</b>
Capital	7,059,655	7,168,770	6,463,850
<b>Total Capital</b>	<b>7,059,655</b>	<b>7,168,770</b>	<b>6,463,850</b>
<b>Total Power Utility</b>	<b>36,820,568</b>	<b>37,572,340</b>	<b>39,170,220</b>
<b>FTE</b>	<b>50.2</b>	<b>49.2</b>	<b>46.2</b>

**BUDGET VARIANCES**

- (14,840) Decrease in personal services for workers' compensation due to the allocation of the City's cost based on the Department's experience rating and forecasted liability costs.
- (92,100) Decrease in personal services due to contracting out electrical engineering services.
- (215,020) Decrease in personal services due to outsourcing the tree trimming program resulting in the elimination of three positions.
- (29,000) Decrease in supplies due to one-time costs for the line crews.
- 827,260 Increase in personal services for operating costs due to a decrease in the amount of labor that can be capitalized.
- (15,600) Decrease in supplies for computer supplies due to fewer computers being replaced.
- (7,180) Decrease in purchased services for general liability based on the Department's historical experience and forecasted liability costs.
- 1,350,000 Increase in purchased services for purchased power based on the projected costs and demand.
- 115,000 Increase in purchased services for professional services due to outsourcing electrical engineering services.
- (19,200) Decrease in purchased services for contract inspecting/locating services.
- 150,000 Increase in purchased services for contracted tree trimming services.
- 72,000 Increase in transfers for PILT based on the revenue projections.
- 12,130 Increase in transfers to the Internal Support Service fund based on the allocations for internal services.
  
- 169,350 Normal Increases/Decreases
  - 83,310 Personal Services
  - (3,320) Supplies
  - 7,260 Purchased Services
  - 82,100 Fixed Charges
  
- 2,302,800 Total Increase**

# POWER UTILITY

## Overview

The Power Operations Division maintains the City's electric distribution system and in 2005, the average service availability for the electrical system was 99.992%. The City is a retail distributor of electricity to over 30,000 customers in and around Loveland, as well as a wholesale distributor of electricity to Xcel Energy. Loveland owns and maintains the distribution system as well as a small hydroelectric generating plant in the Big Thompson Canyon.

Over 99% of the electricity is purchased from Platte River Power Authority (PRPA). The municipalities of Estes Park, Fort Collins, Longmont and Loveland formed PRPA in 1973. Approximately 35% of the electricity consumed by the four cities is hydroelectric.

The Power Operations Division operates and maintains the entire electric utility infrastructure. The Division plans, designs, and builds the system improvements to meet the customer's electrical needs to the highest degree possible. In 2005, the Division designed and constructed approximately \$2,000,000 in customer aid to construction projects. In 2006, the Division anticipates designing and constructing over \$3,449,167 in distribution system improvement and expansion projects.

## Objectives

- To continue our high level of reliability by; keeping the average number of sustained outages per customer per year to less than 0.70. (SAIFI) When there is an outage, keep the average time to restore service to less than 30 minutes. (CAIDI) Maintaining a high level of power quality by keeping the number of momentary interruptions per customer to less than 0.50 per year. (MAIFI) Having a service availability of 99.9930% or greater. (ASAI)
- To keep our non-purchased power expenses reasonable. This will be monitored by dividing the total operating expenses less purchased power by the number of kilowatt hours sold.
- To continue to work safely by keeping the number of incident reports that are related to worker compensation injuries to no more than 2 per year. In addition, have 2 or less incident reports per year that are related to property damage.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
System Average Interruption Frequency Index (SAIFI). <i>Note: the national average = 1.5</i>	0.75	0.60	0.70
Customer Average Interruption Duration Index (CAIDI). <i>Note: the national average = 81</i>	42.11	60.00	30.00
Average Number of momentary interruptions per customer per year (MAIFI). <i>Note: the national average = 6.6</i>	0.53	3.00	0.50
Average Service Availability Index (ASAI).	99.992	99.993	99.993
Non-purchased power expenses per kilowatt hour sold.	0.016	0.019	0.016
# of incident reports related to workers' compensation.	7	9	2
# of staff preventable personal property damage incidents.	3	5	2

Enterprise Funds

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Power Finance	Finance		
<b>Section Summary:</b>	<b>05 Actual</b>	<b>06 Budget</b>	<b>07 Budget</b>
<b>Enterprise Fund</b>			
Utility Billing	777,348	862,720	944,280
Meter Reading	364,679	383,360	401,750
Warehouse	211,619	232,930	243,730
Utility Accounting	406,926	276,920	255,030
<b>Total</b>	<b>1,760,572</b>	<b>1,755,930</b>	<b>1,844,790</b>
<b>EXPENSE BY FUND</b>			
Personal Services	1,340,004	1,434,880	1,463,330
Supplies	12,851	18,380	18,390
Purchased Services	227,452	281,230	338,260
Fixed Charges	180,265	21,440	24,810
<b>Total Operating</b>	<b>1,760,572</b>	<b>1,755,930</b>	<b>1,844,790</b>
Capital	-	5,670	46,720
<b>Total Capital</b>	<b>-</b>	<b>5,670</b>	<b>46,720</b>
<b>Total Power Finance</b>	<b>1,760,572</b>	<b>1,761,600</b>	<b>1,891,510</b>
<b>FTE</b>	<b>22.1</b>	<b>22.9</b>	<b>22.9</b>

**BUDGET VARIANCES**

- 36,900 Increase in purchased services for postage and printing services in Utility Billing.
- 23,000 Increase in purchased services for bad debt and collection costs.
- 28,960 Normal Increases/Decreases
  - 28,450 Personal Services
  - 10 Supplies
  - (2,870) Purchased Services
  - 3,370 Fixed Charges
- 88,860 Total Increase**

## OTHER FUNDS



This section contains information on the Special Revenue funds. Each has its own specific revenue source. These funds provide funding for a specific program or activity.

Two funds included here are the Airport Fund and the Loveland-Larimer Building Authority Fund (LLBA) which do not belong to any fund type, but are included in this document for informational purposes.

## Airport Fund Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>Airport Fund</b>	<b>1,604,526</b>	<b>5,888,700</b>	<b>1,680,670</b>	<b>(71.5%)</b>	<b>3.8</b>	<b>4.0</b>
<b>REVENUE</b>						
<b>Beginning Balance</b>	<b>263,115</b>	<b>593,910</b>	<b>574,900</b>			
Airport Revenue	701,516	626,760	680,760	8.6%		
Contributions from Gov'ts.	1,227,950	5,236,330	1,145,000	(78.1%)		
Interest	5,855	6,600	23,000	248.5%		
<b>Subtotal</b>	<b>1,935,321</b>	<b>5,869,690</b>	<b>1,848,760</b>	<b>(68.5%)</b>		
<b>Total</b>	<b>2,198,436</b>	<b>6,463,600</b>	<b>2,423,660</b>			
<b>EXPENSE BY FUND</b>						
Personal Services	250,863	262,340	282,480	7.7%		
Supplies	27,311	21,750	23,500	8.0%		
Purchased Services	327,731	388,690	198,040	(49.0%)		
Fixed Charges	56,121	50,920	52,700	3.5%		
Transfers	23,450	23,450	23,450	-		
Capital	919,050	5,141,550	1,100,500	(78.6%)		
<b>Total</b>	<b>1,604,526</b>	<b>5,888,700</b>	<b>1,680,670</b>	<b>(71.5%)</b>		
<b>Ending Balance</b>	<b>593,910</b>	<b>574,900</b>	<b>742,990</b>			

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**BUDGET VARIANCES**

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- (208,780) Decrease in purchased services for professional services due to one-time costs for the Airport Master Plan.
- 1,780 Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.
- (5,141,550) Decrease in capital due to one-time capital projects.
- 1,053,000 Increase in capital for taxiway improvements. \$1.0 million of this cost is funded by FAA entitlement grants.
- 6,600 Normal Increases/Decreases
  - 6,720 Personal Services
  - 1,750 Supplies
  - (1,870) Purchased Services

**SUPPLEMENTS**

- 20,000 **Workload** - Increase in purchased services for professional services to monitor and report on test results of contaminated soils from aviation fuel leaks and the clean up of these sites.
  - 7,500 **Workload** - Increase in capital to replace a copy machine.
  - 32,000 **Improvement** - Increase in capital to purchase a storage building for airport equipment used to maintain the airfield.
  - 8,000 **Improvement** - Increase in capital to rebuild directional/informational signs along the airport entrance road.
  - 13,420 **Improvement** - Increase in personal services to increase hours for an Airport Maintenance Worker position from 30 hours per week to full-time.
- (4,208,030) Total Decrease**

# AIRPORT

## Overview

The Fort Collins–Loveland Municipal Airport’s mission is to provide a safe and efficient air transportation facility for use by the aviation community and general public; to meet Federal Aviation Administration (FAA) safety standards; and to implement a plan for airport development that will continue to meet the needs of our communities.

The Fort Collins–Loveland Municipal Airport was developed by the two cities in the mid-1960s. The cities jointly oversee management of the airport. An Airport Director, who reports to both city managers, provides on–site management of the day–to–day operations. The city managers and the Airport Steering Committee are responsible for making major decisions similar to other operations of the City. An intergovernmental agreement specifies that the City of Fort Collins will provide supervision of the Airport Director and the City of Loveland will provide administrative support. Each city receives fair compensation for its services to ensure that costs are being shared equally.

Airport revenues cover operating costs and capital projects. Each city contributes equal funding of \$60,000 for airport operating and capital costs. These contributions are included in airport revenues. Airport development and improvement funds are also received, for eligible projects, from the FAA and the Colorado Department of Transportation, Division of Aeronautics.

The Airport negotiates land leases for the construction of hangars. The leases provide land rent revenues and, because they attract more aircraft to the airport, increase fuel sales which financially benefit the airport. Ownership of the hangars reverts to the Airport at the end of the lease, providing the Airport with revenue producing infrastructure.

Beginning midyear in 2003, commercial service returned to the airport with flights to Las Vegas, Nevada by Allegiant Airlines.

Because Loveland provides support services for the Airport, the City adopts the Airport budget and includes it in this document. The Airport publishes no separate budget document.

## Objective

- Become self-sufficient by 2009.
- Increase availability of Airport ground for hangar construction.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
% increase in fuel sales.	2%	5%	5%
% increase in operating revenue.	44%	10%	10%
% increase in ground rental income.	12%	5%	5%

## Art in Public Places Fund Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>Art in Public Places</b>	<b>296,870</b>	<b>716,310</b>	<b>487,970</b>	<b>(31.9%)</b>	-	<b>0.8</b>
<b>REVENUE</b>						
<b>Beginning Balance</b>	<b>506,785</b>	<b>773,250</b>	<b>320,250</b>			
Gifts/Donations	215,646	-	-	-		
Grants	-	-	70,000	-		
1% for the Arts	337,113	241,510	90,270	(62.6%)		
Interest	10,579	21,800	11,210	(48.6%)		
<b>Subtotal</b>	<b>563,338</b>	<b>263,310</b>	<b>171,480</b>	<b>(34.9%)</b>		
<b>Total</b>	<b>1,070,123</b>	<b>1,036,560</b>	<b>491,730</b>			
<b>EXPENSE BY CATEGORY</b>						
Personal Services	11,859	19,440	43,960	126.1%		
Supplies	3,614	5,900	4,000	(32.2%)		
Purchased Services	66,074	111,000	58,000	(47.7%)		
Capital	215,323	579,970	382,010	(34.1%)		
<b>Total</b>	<b>296,870</b>	<b>716,310</b>	<b>487,970</b>	<b>(31.9%)</b>		
<b>Ending Balance</b>	<b>773,253</b>	<b>320,250</b>	<b>3,760</b>			

### BUDGET VARIANCES

- 24,100 Increase in personal services due to the transfer of .4 FTE of the Business Coordinator position to Art in Public Places from the Museum.
- (12,000) Decrease in purchased services for one-time design costs.
- (26,000) Decrease in purchased services based upon expected art installations.
- (197,960) Decrease in capital requests based upon the Capital Program.
- (16,480) Normal Increases/Decreases
  - 420 Personal Services
  - (1,900) Supplies
  - (15,000) Purchased Services
- (228,340) Total Decrease**

# ART IN PUBLIC PLACES

## Overview

The Art in Public Places Fund is administered by the Cultural Services Department and the Visual Arts Commission. The Art in Public Places Program was established by ordinance in 1985. One percent (1%) of the cost of all City construction projects is deposited into the fund to be used for the acquisition of works of art, maintenance and repairs of works of art, and related administrative expenses. A construction project is defined as the construction, rehabilitation, renovation, remodeling, equipping, or improvement of any street, park, utility line, or other public improvement by or for the City.

Art purchased through the Program must be displayed in a public place, or with the owner's agreement, on private property that has substantial public exposure. The City currently owns works of art with an estimated value of \$6 million.

## Community Development Block Grant Fund Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>CDBG</b>	<b>344,476</b>	<b>330,520</b>	<b>299,020</b>	<b>(9.5%)</b>	<b>0.7</b>	<b>0.5</b>
<b>REVENUE</b>						
Grant Revenue	344,476	330,520	299,020	(9.5%)		
<b>Total</b>	<b>344,476</b>	<b>330,520</b>	<b>299,020</b>	<b>(9.5%)</b>		
<b>EXPENSE BY CATEGORY</b>						
Personal Services	58,828	59,650	51,920	(13.0%)		
Supplies	1,863	770	600	(22.1%)		
Purchased Services	283,785	270,100	246,500	(8.7%)		
<b>Total</b>	<b>344,476</b>	<b>330,520</b>	<b>299,020</b>	<b>(9.5%)</b>		

### **BUDGET VARIANCES**

(6,270) Decrease in administrative expense due to reduced grant revenue.

(25,230) Decrease in grants due to reduced grant revenue.

**(31,500) Total Decrease**

# COMMUNITY DEVELOPMENT BLOCK GRANT

## Overview

The City receives Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development. Congress limits these funds to be used primarily to address the needs of low and moderate income persons, to eliminate slum and blight, and to meet urgent community needs. Each year, the Human Services Commission advises the City Council on the allocation of funds for projects that meet goals established in the 5-Year Consolidated Plan that guides the way the City expends CDBG dollars. For the past several years, the City Council has used the majority of CDBG funds to meet affordable housing and homeless needs in the community.

## Objectives

- Provide a grant allocation process and grant fund administration program to assist non-profit agencies that satisfies HUD requirements.
- Utilize grant funds to address the three goals of the 5-Year Consolidated Plan:
  - Provide services to homeless persons through shelter, case management and permanent housing;
  - Create and maintain housing opportunities for households with low income; and
  - Provide services that provide tools for self-sufficiency.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
% of agencies responding to a survey indicating satisfaction with the City's grant process.	92%	90%	90%
# of homeless families assisted annually through CDBG-funded programs.	95	75	75
# of housing units created, purchased or rehabilitated annually through CDBG-funded projects.	65	25	20
# of households with low income assisted with tools for self-sufficiency through CDBG-funded programs.	67	75	75
# of grant applications processed.	13	8	8

## Conservation Trust Fund Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>Conservation Trust Fund</b>	<b>100,936</b>	<b>2,797,610</b>	<b>1,258,490</b>	<b>(55.0%)</b>	<b>1.0</b>	<b>0.9</b>
<b>REVENUE</b>						
<b>Beginning Balance</b>	<b>4,019,918</b>	<b>4,560,290</b>	<b>2,372,680</b>			
Lottery Proceeds	512,593	500,000	515,000	3.0%		
Interest	128,717	110,000	110,000	-		
<b>Subtotal</b>	<b>641,310</b>	<b>610,000</b>	<b>625,000</b>	<b>2.5%</b>		
<b>Total</b>	<b>4,661,228</b>	<b>5,170,290</b>	<b>2,997,680</b>			
<b>EXPENSE BY CATEGORY</b>						
Personal Services	72,787	101,690	100,850	(0.8%)		
Supplies	7,135	15,650	15,650	-		
Purchased Services	7,506	3,690	3,460	(6.2%)		
Fixed Charges	13,508	14,830	13,530	(8.8%)		
Transfers	-	1,008,970	1,000,000	(0.9%)		
Capital	-	1,652,780	125,000	(92.4%)		
<b>Total</b>	<b>100,936</b>	<b>2,797,610</b>	<b>1,258,490</b>	<b>(55.0%)</b>		
<b>Ending Balance</b>	<b>4,560,292</b>	<b>2,372,680</b>	<b>1,739,190</b>			

**BUDGET VARIANCES**

- (250) Decrease in personal services for workers' compensation due to the allocation of the City's cost based on the Department's experience rating and forecasted liability costs.
- (4,630) Decrease in personal services due to .1 FTE of a Parks Worker position being moved to the Open Space Fund from the Conservation Trust Fund in 2007.
- (230) Decrease in purchased services for general liability costs based on the Department's historical experiences and forecasted liability costs.
- (1,300) Decrease in fixed costs for vehicle maintenance and rental based on the net effect of increases in projected fuel costs and a decrease in maintenance costs.
- (1,008,970) Decrease in transfers due to one-time reappropriation of the transfer to the Capital Projects Fund for the Youth Sports Complex.
- 1,000,000 Increase in transfers to the Capital Projects Fund to complete funding for the Fairgrounds Park.
- (1,527,780) Decrease in capital due to a one-time reappropriation for construction projects.
  
- 4,040 Normal Increases
  - 4,040 Personal Services
  
- (1,539,120) Total Decrease**

# CONSERVATION TRUST

**Overview**

Revenues are derived from State Lottery and Lotto proceeds and are restricted for recreational facilities and park projects. City Council dedicated these funds in 1988 for the construction of the recreational trail system loop.

**Objective**

- Increase recreation trail miles to achieve recommended service levels in the Master Plan.
- Complete Highway 287 Underpass and adjacent trail in North Loveland.

<b>Performance Measures</b>	<b>2005 Actual</b>	<b>2006 Budgeted</b>	<b>2007 Projected</b>
Miles of developed trail.	15.50	16.50	19.25
Maintenance cost per trail mile.	\$6,600	\$8,290	\$6,800

## General Improvement District #1 Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>GID #1</b>	<b>17,740</b>	<b>24,500</b>	<b>24,500</b>	-	-	-
<b>REVENUE</b>						
<b>Beginning Balance</b>	<b>10,400</b>	<b>24,650</b>	<b>37,390</b>			
Real Property	31,490	32,860	34,830	6.0%		
Interest on Investments	503	4,380	1,500	(65.8%)		
<b>Subtotal</b>	<b>31,993</b>	<b>37,240</b>	<b>36,330</b>	<b>(2.4%)</b>		
<b>Total</b>	<b>42,393</b>	<b>61,890</b>	<b>73,720</b>			
<b>EXPENSE BY CATEGORY</b>						
Supplies	3,742	2,000	2,000	-		
Purchased Services	1,998	10,500	10,500	-		
Transfers	12,000	12,000	12,000	-		
<b>Total</b>	<b>17,740</b>	<b>24,500</b>	<b>24,500</b>	-		
<b>Ending Balance</b>	<b>24,653</b>	<b>37,390</b>	<b>49,220</b>			

# GENERAL IMPROVEMENT DISTRICT #1

## Overview

This fund is managed by the Public Works Department. Revenues are provided by an ad valorem tax on all properties within the District's boundaries. The tax provides funding for the construction of parking and pedestrian improvements within the District. The mill levy for the District will remain unchanged at 2.684 mills.

## Internal Support Services Fund Summary

	<b>2005 Actual</b>	<b>2006 Budget</b>	<b>2007 Budget</b>	<b>% Change 2006-07</b>
Accounting/Purchasing	544,634	553,010	574,420	3.9%
Budget	110,047	111,040	116,470	4.9%
Facilities Management	2,794,955	2,919,790	3,036,160	4.0%
Finance Administration	446,524	598,000	470,380	(21.3%)
Human Resources	964,758	1,165,070	1,198,660	2.9%
Information Technology	2,425,545	2,664,440	3,028,760	13.7%
Non-Departmental	-	93,500	215,000	129.9%
Public Grounds	373,595	394,660	391,400	(0.8%)
<b>Total</b>	<b>7,660,058</b>	<b>8,499,510</b>	<b>9,031,250</b>	<b>6.3%</b>
<b>REVENUE</b>				
<b>Beginning Balance</b>	<b>561,642</b>	<b>957,170</b>	<b>965,540</b>	
Charges for Service	35,856	49,050	49,050	-
Interest	31,659	20,920	38,620	84.6%
Miscellaneous	(13,973)	-	-	-
Transfers	8,002,040	8,437,910	8,769,910	3.9%
<b>Subtotal</b>	<b>8,055,582</b>	<b>8,507,880</b>	<b>8,857,580</b>	<b>4.1%</b>
<b>Total</b>	<b>8,617,224</b>	<b>9,465,050</b>	<b>9,823,120</b>	
<b>EXPENSE BY CATEGORY</b>				
Personal Services	4,657,448	5,286,850	5,346,430	1.1%
Supplies	492,063	420,910	407,090	(3.3%)
Purchased Services	2,010,547	2,174,250	2,354,460	8.3%
Fixed Charges	192,001	233,560	253,810	8.7%
Transfers	-	93,500	215,000	129.9%
Capital	307,999	290,440	454,460	56.5%
<b>Total</b>	<b>7,660,058</b>	<b>8,499,510</b>	<b>9,031,250</b>	<b>6.3%</b>
<b>Ending Balance</b>	<b>957,166</b>	<b>965,540</b>	<b>791,870</b>	

# INTERNAL SUPPORT SERVICES FUND

## Overview

Divisions included in the Internal Support Services Fund primarily provide services to the other City departments, rather than the general public. Revenues for the fund are from transfers from the General Fund and the Enterprise Funds based on an allocation of the services provided to these funds. This is one fund within the Internal Service Fund classification. The other funds are Employee Benefits (Human Resources Department), Fleet Management, Risk & Insurance (both in the Finance Department), and Vehicle Maintenance (Public Works Department). Summaries of these funds are provided in the specific department section that administers the fund. Detail for the divisions included in the Internal Support Service Fund can also be found under the Department chapter in which they reside.

The Finance Administration, Accounting, and Budget divisions provide financial assistance and reporting to the City Council, the departments and the public. The two major publications provided for the public are the annual budget document and the Comprehensive Annual Financial Report (CAFR). In addition, departments are provided advice and assistance in preparing their annual budget submissions, developing long-term financial plans, and accounting for all activities of the departments.

The Facilities Management Division, under the Public Works Department, maintains all City buildings and all parking areas.

The Human Resources Department provides assistance in all personnel matters including hiring, termination, and benefits. The Department also provides training to all departments in personnel management and policies and administers the Volunteer Program.

The Information Technology Department, maintains the City's information management systems, geographic information systems and telephone system. The Department administers the annual Computer Replacement Program to keep the City current with changes in technology. The City's internal networks have improved efficiency and productivity throughout the City.

The Public Grounds Division, administered through the Parks & Recreation Department, maintains the open areas and landscaping at the Civic Center, Service Center, and other City building sites.

## Loveland Larimer Building Authority Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
Building Operations	428,776	440,860	445,390	1.0%	2.0	2.0
Grounds Maintenance	14,161	14,250	14,250	-	-	-
<b>Total</b>	<b>442,937</b>	<b>455,110</b>	<b>459,640</b>	<b>1.0%</b>	<b>2.0</b>	<b>2.0</b>

### REVENUE

Larimer County Contribution	92,620	104,680	105,720	1.0%
Transfer from General Fund	350,317	350,430	353,920	1.0%
<b>Total</b>	<b>442,937</b>	<b>455,110</b>	<b>459,640</b>	<b>1.0%</b>

### EXPENSE BY CATEGORY

Personal Services	112,435	113,420	117,950	4.0%
Supplies	4,149	1,250	1,250	-
Purchased Services	297,837	340,440	340,440	-
Fixed Charges	28,516	-	-	-
<b>Total</b>	<b>442,937</b>	<b>455,110</b>	<b>459,640</b>	<b>1.0%</b>

### BUDGET VARIANCES

4,530 Normal Increase  
                   4,530 Personal Services

**4,530 Total Increase**

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# LOVELAND LARIMER BUILDING AUTHORITY

### Overview

The Loveland Larimer Building Authority was created to construct and operate the new Police & Courts Facility located at Monroe Avenue and 10<sup>th</sup> Street. This will be the fifth year the facility is in operation. The contribution from the City and the County is determined based on the square footage each entity occupies in the facility. The two FTEs include a building attendant and a facilities maintenance technician, which are supervised through the Public Works Department, Facility Maintenance Division. Operating costs include janitorial supplies, parts and supplies (other than janitorial), custodial costs, utilities, and repair and maintenance. Beginning in 2005, the Parks and Recreation Department began management of the grounds maintenance at the site.

## Park Improvement Fund Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>Park Improvements</b>	<b>388,941</b>	<b>993,590</b>	<b>400,100</b>	<b>(59.7%)</b>	-	-
<b>REVENUES</b>						
<b>Beginning Balance</b>	<b>1,771,564</b>	<b>1,948,920</b>	<b>1,146,830</b>			
County Fees	7,719	2,000	2,000	-		
User Fees	56,777	44,730	42,130	(5.8%)		
Interest	60,385	44,770	50,000	11.7%		
Other Revenue	441,420	100,000	100,000	-		
<b>Subtotal</b>	<b>566,301</b>	<b>191,500</b>	<b>194,130</b>	<b>1.4%</b>		
<b>Total</b>	<b>2,337,865</b>	<b>2,140,420</b>	<b>1,340,960</b>			
<b>EXPENSE BY CATEGORY</b>						
Supplies	3,412	-	100	-		
Purchased Services	3,000	-	-	-		
Transfers	382,529	800,000	400,000	(50.0%)		
Capital	-	193,590	-	(100.0%)		
<b>Total</b>	<b>388,941</b>	<b>993,590</b>	<b>400,100</b>	<b>(59.7%)</b>		
<b>Ending Balance</b>	<b>1,948,924</b>	<b>1,146,830</b>	<b>940,860</b>			

### **BUDGET VARIANCES**

(800,000) Decrease in transfers due to transfers to the Capital Projects Fund for the Youth Sports Complex.

400,000 Increase in transfers due to transfers to the Capital Projects Fund to complete the funding for the Barnes/Fairgrounds Park.

(193,590) Decrease in one-time capital for North Lake Park restroom renovation.

100 Normal Increase

100 Supplies

**(593,490) Total Decrease**

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## PARK IMPROVEMENT FUND

### Overview

The Parks & Recreation Department administers and manages the Parks and Recreation Improvement Program which is earmarked for the capital repair and replacement of existing park infrastructure.

## Open Space Sales Tax Fund Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>Open Space</b>	<b>138,269</b>	<b>1,746,320</b>	<b>1,677,690</b>	<b>(3.9%)</b>	<b>2.0</b>	<b>1.8</b>
<b>REVENUE</b>						
<b>Beginning Balance</b>	<b>3,471,169</b>	<b>4,877,820</b>	<b>4,616,220</b>			
County Open Space Taxes	1,420,812	1,429,120	1,457,700	2.0%		
Interest on Investments	121,539	30,700	100,000	225.7%		
Miscellaneous	2,571	24,900	4,400	(82.3%)		
<b>Subtotal</b>	<b>1,544,922</b>	<b>1,484,720</b>	<b>1,562,100</b>	<b>5.2%</b>		
<b>Total</b>	<b>5,016,091</b>	<b>6,362,540</b>	<b>6,178,320</b>			
<b>EXPENSE BY CATEGORY</b>						
Personal Services	122,954	157,090	152,840	(2.7%)		
Supplies	988	8,470	8,700	2.7%		
Purchased Services	14,327	35,760	36,150	1.1%		
Capital	-	1,545,000	1,480,000	(4.2%)		
<b>Total</b>	<b>138,269</b>	<b>1,746,320</b>	<b>1,677,690</b>	<b>(3.9%)</b>		
<b>Ending Balance</b>	<b>4,877,822</b>	<b>4,616,220</b>	<b>4,500,630</b>			

### BUDGET VARIANCES

630	Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Department's experience rating and forecasted liability costs.
4,630	Increase in personal services due to .1 FTE of a Parks Worker position being moved to the Open Space Fund from the Conservation Trust Fund in 2007.
(17,050)	Decrease in personal services based on .3 reduction in FTEs of a Natural Areas Technician position due to a change in status from full-time to 30 hours per week.
420	Increase in purchased services for general liability costs based on the Department's historical experiences and forecasted liability costs.
(1,545,000)	Decrease in capital due to one-time appropriation for land acquisition and projects.
1,480,000	Increase in capital due to projected costs for land acquisition and projects.
7,740	Normal Increases/Decreases
7,540	Personal Services
230	Supplies
(30)	Purchased Services
<b>(68,630)</b>	<b>Total Decrease</b>

# OPEN SPACE SALES TAX

## Overview

The Parks & Recreation Department administers and manages the Open Space Program to identify, acquire, and maintain areas in conformance with the Natural Areas Plan. Funding is from the Larimer County Open Space sales tax of .25 cents, which was approved through 2018. There are currently 1,910 acres of open lands preserved.

## Objective

- Increase amount of open lands in and surrounding Loveland.
- Increase number of management and maintenance plans.

<b><u>Performance Measures</u></b>	<b><u>2005 Actual</u></b>	<b><u>2006 Budgeted</u></b>	<b><u>2007 Projected</u></b>
# of acres of open space preserved.	1,910	1,957	1,957
Open space operational cost.	\$145,141	\$199,980	\$192,390
Open space operational cost per acre.	\$75.99	\$102.19	\$98.31

## Loveland Special Improvement District #1

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
<b>Loveland SID #1</b>	<b>1,350,525</b>	<b>1,249,500</b>	<b>1,354,500</b>	<b>8.4%</b>	-	-
<b>REVENUE</b>						
<b>Beginning Balance</b>	<b>2,288,292</b>	<b>2,135,460</b>	<b>2,034,730</b>			
Assessments	1,136,799	1,138,770	1,138,770	-		
Interest	60,896	10,000	81,390	713.9%		
<b>Subtotal</b>	<b>1,197,695</b>	<b>1,148,770</b>	<b>1,220,160</b>	<b>6.2%</b>		
<b>Total</b>	<b>3,485,987</b>	<b>3,284,230</b>	<b>3,254,890</b>			
<b>EXPENSE BY CATEGORY</b>						
Debt Service	1,119,056	1,109,500	1,109,500	-		
Capital	231,469	140,000	245,000	75.0%		
<b>Total</b>	<b>1,350,525</b>	<b>1,249,500</b>	<b>1,354,500</b>	<b>8.4%</b>		
<b>Ending Balance</b>	<b>2,135,462</b>	<b>2,034,730</b>	<b>1,900,390</b>			

### BUDGET VARIANCES

105,000 Increase in capital due to completion of approved projects.

**105,000 Total Increase**

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# LOVELAND SPECIAL IMPROVEMENT DISTRICT #1

### Overview

The City serves as the sponsoring agency for the Special Improvement District #1. The District was established to allow for the collection of assessments from property owners in the District to back bonded debt used to construct infrastructure improvements in the District. The City does not have any legal obligation towards this debt.

## Loveland Urban Renewal Authority Fund Summary

	2005 Actual	2006 Budget	2007 Budget	% Change 2006-07	2006 FTE	2007 FTE
Downtown Project Area	-	-	-	-	-	-
Finley Block Project Area	-	-	-	-	-	-
U.S. 34 Crossroads Project Area	-	-	1,897,760	-	-	-
<b>Total</b>	-	-	<b>1,897,760</b>	-	-	-
<b>REVENUE</b>						
<b>Beginning Balance</b>	<b>1,867</b>	<b>1,870</b>	<b>19,890</b>	-		
Property Tax Increment	-	18,020	1,914,370	-		
Interest	-	-	1,600	-		
<b>Subtotal</b>	-	<b>18,020</b>	<b>1,915,970</b>	-		
<b>Total</b>	<b>1,867</b>	<b>19,890</b>	<b>1,935,860</b>			
<b>EXPENSE BY CATEGORY</b>						
Debt	-	-	1,897,760	-		
<b>Total</b>	-	-	<b>1,897,760</b>	-		
<b>Ending Balance</b>	<b>1,867</b>	<b>19,890</b>	<b>38,100</b>			

# LOVELAND URBAN RENEWAL AUTHORITY

### Overview

The Loveland Urban Renewal Authority (LURA) was established to enable the use of tax increment financing to fund redevelopment and infrastructure improvements within the boundaries of the Authority. The Authority currently has three project areas; the downtown area, U.S. 34 Crossroads Renewal Area (also known as the Centerra project area) on the east side of the City, and the Lincoln Place project area located on the old Walgreens block in the downtown area. Sufficient funding is not yet available for the Downtown and Finley Block project areas. The U.S. 34 Crossroads Renewal Area is contractually bound to transfer revenues to the Centerra Metropolitan District #1. The following pages display the budgets for each project area.

**Downtown Project Area**

**Loveland Urban Renewal Authority**

	<b>2005 Actual</b>	<b>2006 Budget</b>	<b>2007 Budget</b>	<b>% Change 2006-07</b>	<b>2006 FTE</b>	<b>2007 FTE</b>
<b>Downtown</b>	-	-	-	-	-	-
<b>REVENUE</b>						
<b>Beginning Balance</b>	<b>1,867</b>	<b>1,870</b>	<b>19,890</b>			
Property Tax Increment	-	18,020	2,080	(88.5%)		
Interest	-	-	800	-		
<b>Subtotal</b>	<b>-</b>	<b>18,020</b>	<b>2,880</b>	<b>(84.0%)</b>		
<b>Total</b>	<b>1,867</b>	<b>19,890</b>	<b>22,770</b>			
<b>EXPENSE BY CATEGORY</b>						
<b>Total</b>	-	-	-	-		
<b>Ending Balance</b>	<b>1,867</b>	<b>19,890</b>	<b>22,770</b>			

**DOWNTOWN PROJECT AREA**

**Overview**

In 2002, Downtown was the first project area approved in Loveland. Revenue from the tax increment of both property taxes and sales taxes will be retained by LURA to fund revitalization improvements within this project area.

LURA has developed a Downtown Façade Improvement Program to assist in improving the condition and appearance of downtown buildings. The program provides tax increment financing, in the form of annual grant installments, for façade improvements that increase the assessed value of an existing property. The grant is intended to:

- Promote improvements to structures in the Loveland Urban Renewal Area and eliminate and prevent conditions that cause blight;
- Preserve the unique character of downtown’s historic buildings by providing leverage to private investment and historic preservation monies;
- Encourage aesthetic improvements to facades of non-historic buildings by providing leverage to private investment monies.



**U.S. 34 Crossroads Project Area**

**Loveland Urban Renewal Authority**

	<b>2005 Actual</b>	<b>2006 Budget</b>	<b>2007 Budget</b>	<b>% Change 2006-07</b>	<b>2006 FTE</b>	<b>2007 FTE</b>
<b>U.S. 34 Crossroads</b>	-	-	<b>1,897,760</b>	-	-	-
<b>REVENUE</b>						
<b>Beginning Balance</b>	-	-	-			
Property Tax Increment	-	-	1,897,760	-		
<b>Subtotal</b>	-	-	<b>1,897,760</b>	-		
<b>Total</b>	-	-	<b>1,897,760</b>			
<b>EXPENSE BY CATEGORY</b>						
Debt	-	-	1,897,760	-		
<b>Total</b>	-	-	<b>1,897,760</b>	-		
<b>Ending Balance</b>	-	-	-			

**U.S. 34 CROSSROADS PROJECT AREA**

**Overview**

In January, 2004 the LURA approved the second project area. The U.S. 34/Crossroads Corridor Renewal Plan approves property tax increment financing for partial funding of specific public improvements within the Centerra development area and regional improvements adjacent to Centerra. The tax increment financing will remain in effect for 25 years or until the financing obligations are paid in full - whichever occurs first.

Public improvements within the renewal area include:

- Roadway and utility infrastructure.
- Railroad crossings.
- Irrigation ditch relocations.
- Natural area, open space and public recreational improvements.

Regional improvements include:

- I-25 and Crossroads Boulevard interchange improvements.
- Interim I-25 and U.S. 34 interchange improvements.
- County Road 5 and U.S. 34 structure.
- County Road 3E and U.S. 34 structure.
- Final I-25 and U.S. 34 interchange improvements.

**UNFUNDED SUPPLEMENTS**

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- 7,500 **Improvement** - Airport - Design and construction of a permanent foundation under the modular terminal building.
  - 12,000 **Improvement** - Airport - Funding to replace the carpet in the modular terminal building.
  - 63,420 **Improvement** - Airport - Addition of one position, an Operations and Maintenance Supervisor.
  - 24,000 **Improvement** - Airport - Funding for an intern position.
- 106,920 Total Unfunded Supplements**

# CAPITAL PROGRAM



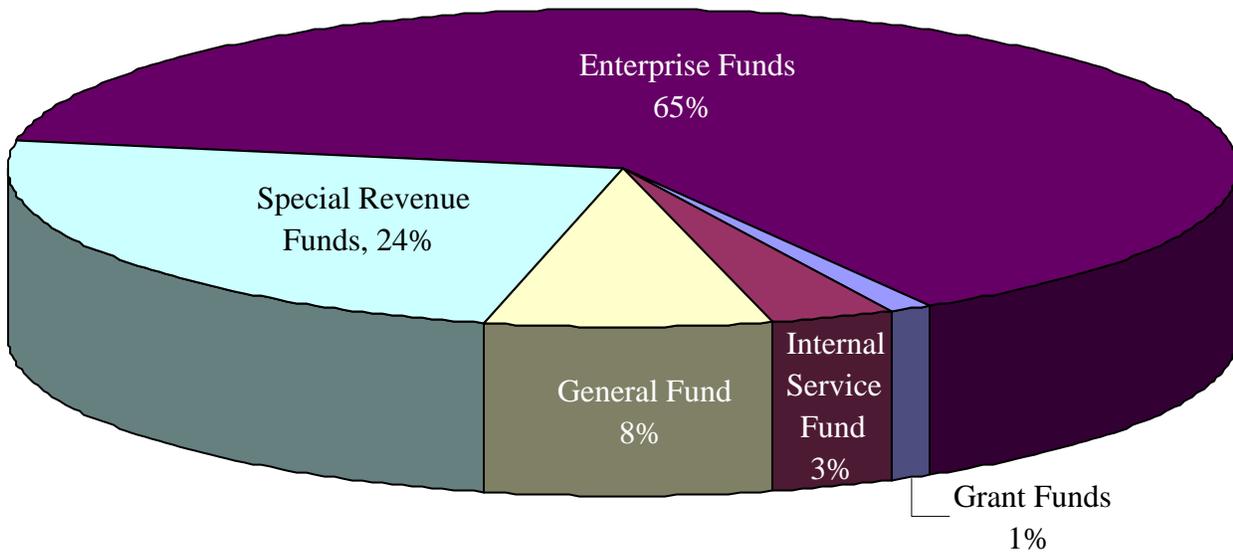
This section contains a 5-Year Capital Program for the City. It describes the major 2007 projects and their financial impact on the operating budget.

# CAPITAL PROGRAM

The City of Loveland’s 5–Year Capital Program is the financial plan for the City to maintain existing facilities and infrastructure and meet the needs for new facilities and infrastructure, which are funded through taxes, impact fees, or other special revenues. Projects have been prioritized using the Council’s major goals for the City by need and by operating impacts to the General Fund. Projects have been funded in the Program to minimize operating impacts in any one year so that operating expenditures will keep pace with revenue growth allowed under TABOR. Most of the funding for the Program is from dedicated resources, not General Fund resources as shown in the graph below.

All projects included in the first year of the Capital Program are funded in the 2007 Recommended Budget. Projects included in the “out–years” (2008–2011) will be approved by Council in concept only. The Program will be updated annually to address specific needs as they arise or as Council goals and policies change.

## 2007 Capital Budget Funding Sources



There are far more capital needs than the City has resources to fund. Growth within the City has strained both the street system and the parks system to maintain levels of service to which the community has become accustomed.

The City has developed a 20-Year Transportation Plan to widen existing and construct new streets necessary to keep traffic movement at “Level C”. The Transportation Plan is funded with CEF revenue and \$2 million of General Fund revenues in each year of the Plan. For 2007, the General Fund portion is funded by using the TABOR Revenue Reserves.

## 2007 Capital Program All Funds Summary

	2006 Budget	2007 Budget
<b>General Fund</b>		
General Capital Fund	24,097,270	8,135,000
Internal Service Fund	1,678,420	1,191,700
<b>Total General Fund</b>	<b>25,775,690</b>	<b>9,326,700</b>
<b>Special Revenue Funds</b>		
Capital Expansion Fee Fund	16,529,150	5,586,320
Parks Improvement Fund	993,590	400,000
Conservation Trust Fund	2,661,750	1,125,000
Open Space Sales Tax Fund	1,545,000	1,480,000
<b>Total Special Revenue Funds</b>	<b>21,729,490</b>	<b>8,591,320</b>
<b>Enterprise Funds</b>		
Golf Fund	214,590	284,450
Storm Water Fund	2,342,010	3,135,650
Water Fund	15,271,060	9,276,120
Wastewater Fund	6,648,720	3,092,150
Power Fund	7,174,440	6,452,940
<b>Total Enterprise Funds</b>	<b>31,650,820</b>	<b>22,241,310</b>
<b>Total City Capital Expenditures</b>	<b>79,156,000</b>	<b>40,159,330</b>
Less Transfers	(15,335,850)	(5,345,700)
<b>Net Capital Expenditures</b>	<b>63,820,150</b>	<b>34,813,630</b>

# CAPITAL PROGRAM OVERVIEW

The majority of the Capital Program resides in the Enterprise Funds and the Capital Expansion Fee (CEF) Fund. The CEF Fund is where all impact fees with the exception of Plant Investment Fees (PIF) and System Impact Fees (SIF) are budgeted. The PIFs and SIFs are included within the Utility Enterprise Funds capital programs. The following is a summary of the major projects included in the Capital Program.

## Building Projects

- **Facility Maintenance Projects** – In 2003, the City began an accelerated facility maintenance program. Many of the City facilities are now over 10 years in age and will require an increased maintenance effort. This will include roof replacements, upgrades or replacement of heating and cooling systems, carpet replacement, and general repair. The City will put \$2.5 million towards this effort over the five-year period. The funding source is General Fund revenues.
- **Service Center Addition** – Phase III of the addition to the Service Center Complex will house the Streets, Solid Waste, Traffic Engineering, Street Project Engineering and the Storm Water divisions, along with the equipment associated with these operations, and a new Development Center housing the Development Services Department, to provide one-stop shopping to the development community for all development related services. The project is estimated to cost \$12.1 million to complete, and is projected to open in 2010. The funding source is General Government impact fees, Storm Water and Solid Waste enterprise revenues.
- **Hatfield Chilson Recreation Center Expansion** – The expansion of the Center will provide additional court and exercise space. The total cost is projected to be \$11.5 million. The funding source is Recreation impact fees, and the expanded facility is projected to open in 2011.
- **Fire Training Building** – The construction of the “Burn Building” to improve the safety and improve the live training exercises is scheduled for 2007. The funding source is Fire impact fees.
- **Chair Replacement at the Rialto Theater** – In partnership with a fund raising effort by the Friends of the Rialto, funding to replace the chairs at the Theater is programmed. The City’s share is 60% of the cost with the remaining 40% from donations.

## Park Projects

- **Fairgrounds/Barnes Park** – \$2.9 million is budgeted in 2007 to complete the funding for the expansion of Barnes Park as part of the Youth Sport Complex project and the redevelopment of the old Fairgrounds area into a new park. The project is projected to open in 2008.
- **MeHaffey Park** – Development of the new 60-acre community park in the northwest side of town, with play facilities and athletic fields. The total projected cost is \$6.7 million and the facility is planned to open in 2011. The funding source is Park impact fees.
- **Parkland and Water Rights Acquisition** – \$.5 million is allocated over the five-year period to increase the amount of water in the Park’s portfolio and to acquire additional parkland. The funding source is Park impact fees.
- **Open Land Acquisition** – Over \$10.25 million is programmed over the next five years for the purchase of additional open space around the City. The funding sources are the Open Space impact fees and the County Open Space sales tax.
- **Trail Construction** – \$2.8 million is programmed over the next five years for construction of the bike/hike trail that will circle the City upon completion. The funding sources are Colorado Lottery funds and Trail impact fees.

- **Golf Course Improvements** – \$7.2 million over the five-year period for course improvements and the construction of two new clubhouses is programmed. Funding for the clubhouses of over \$5.4 million is proposed to be partially funded from a \$4 million revenue bond issue to be let in 2009.
- **Youth Sports Complex Phase II –Football Emphasis** – Design for this project is programmed for 2011 at \$300,000. The funding for the project is from Parks impact fees.
- **Kroh Park Phase II Development** – The completion of the development at Kroh Park includes the lower 15-acre undeveloped portion that is preliminarily planned for playgrounds, parking, hard surface courts including basketball and tennis as options. The cost of the project is projected at \$2.2 million and is expected to open in 2012.

### **Infrastructure Projects**

- **Street Construction** – \$25.5 million is programmed over the next five years for construction and renovation of the City streets. The funding sources are the Streets CEFs and General Fund revenues.
- **Storm Water System Improvements** – \$7.4 million is programmed over the five-year period for storm water improvements. The funding source is Storm Water Enterprise revenues.
- **Storm Water Quality** – \$250,000 is programmed over the five-year period for the new Storm Water Quality Program to meet increasing storm water quality regulations. The funding source is Storm Water Enterprise revenues.
- **Storm Water Oversizing** – \$2.9 million is programmed to reimburse development for oversizing the storm drainage system in new developments. The funding source is Storm Water impact fees.
- **Water Delivery Projects** – \$26.5 million in various water delivery projects, including main extensions and oversizing, and additional storage by firming the Windy Gap rights, is programmed over the five-year period. The funding source is Water Enterprise revenues and impact fees.
- **Water Treatment Plant Improvements** – \$850,000 is programmed over the next five-year period. Both operating revenues and SIF fees fund the projects. This is an annual program to keep the treatment plant current with demand, technology improvements and EPA/State mandated compliance with water quality regulations.
- **Wastewater Main Improvements** – \$6.7 million is programmed for wastewater main improvements. The funding source is Wastewater Enterprise revenues and impact fees.
- **Wastewater Treatment Plant Improvements** – This is an ongoing program resulting from new EPA mandates for water quality and anticipated growth. Costs for 2007 are \$2.06 million, with a total of \$4.5 million of projected costs over the next five-year period. Both operating revenues and SIF fees fund the projects.
- **Power Distribution Projects** – \$27.3 million is programmed over the five-year period for various power distribution projects. The funding source is Power Enterprise revenues and impact fees.

### **Technology Infrastructure Projects**

- **Development Services Applications** – \$274,000 is programmed in 2007 to upgrade the applications providing information related to development services and permitting. The funding source is General Government impact fees.
- **Public Works Asset Management System** – A new asset management and work-order system is programmed for 2008. The total project will include over \$200,000 in operating costs to collect data for the system and to manage the system.

**Operating Impacts**

For most of the Capital Program, particularly in the Enterprise Funds, the operating impacts are incremental due to additional miles of trails, water lines or power lines. For these projects and for the Facility Maintenance projects, the operating expenses may go down since they are replacing old lines or equipment, increasing the reliability and decreasing annual maintenance required. Due to the replacement schedule, budget savings in total may not be achieved due to the aging of infrastructure not being replaced and increased maintenance costs.

The major operating impacts are to the General Fund, due to additional staffing and maintenance of the new facilities. These impacts are shown in the chart that follows.

<b>Project</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Service Center	-	-	-	250,000	-
Hatfield Chilson Rec. Ctr. Expansion*	-	-	-	-	400,000
Fairgrounds Park	-	350,000	-	-	-
MeHaffey Park	-	-	-	-	400,000
Kroh Park Expansion**	-	-	-	-	-
Asset Management System	-	252,470	-	-	-
Development Svcs. Applications	116,850	-	-	-	-
<b>Total</b>	<b>\$116,850</b>	<b>\$602,470</b>	<b>\$-</b>	<b>\$250,000</b>	<b>\$800,000</b>

\*This is a net cost. Total operating costs are projected at \$1.9 million, offset by \$1.5 million in new revenue.

\*\*The Kroh Park operating expenses are projected at \$100,000 beginning in 2012, which is outside the current five-year window.

For more details on the capital projects, see each individual fund's Capital Program line on the pages that follow.

Capital Program

**Capital Projects Fund**

<b>REVENUE</b>					
<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Transfer from CEF - General Gov't.	-	1,213,390	6,701,390	566,000	-
Transfer from CEF - Streets	2,000,000	2,849,920	3,092,450	3,100,000	4,000,000
Transfer from CEF - Parks	1,500,000	-	-	-	-
Transfer from Con. Trust Fund	1,000,000	-	-	-	-
Transfer from Park Imp. Fund	400,000	-	-	-	-
Transfer from Internal Services	215,000	150,000	100,000	150,000	-
Transfer from Solid Waste	-	-	2,526,050	-	-
Transfer from Storm Water	-	-	1,693,100	-	-
Transfer from General Fund	2,650,000	2,875,000	3,362,000	3,100,000	3,215,300
Federal and State Grants	370,000	150,080	-	-	-
<b>Total Revenue</b>	<b>8,135,000</b>	<b>7,238,390</b>	<b>17,474,990</b>	<b>6,916,000</b>	<b>7,215,300</b>
<b>EXPENSE</b>					
<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Server Replacement	55,000	-	-	-	-
Storage Infrastructure Upgrade	10,000	-	-	-	-
iSeries Computer Upgrade	-	-	100,000	-	-
Phone Switch Replacement	-	150,000	-	-	-
Network Infrastructure Upgrade	120,000	-	-	150,000	-
Backup Device Replacement	30,000	-	-	-	-
<b>Subtotal Information Technology</b>	<b>215,000</b>	<b>150,000</b>	<b>100,000</b>	<b>150,000</b>	<b>-</b>
Replace Rialto Theater Seats	150,000	-	-	-	-
<b>Subtotal Cultural Services</b>	<b>150,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fire Training Grounds Improvements	-	275,000	-	-	-
Engine 6 Replacement	-	-	-	400,000	-
Engine 2 Replacement	-	-	610,000	-	-
<b>Subtotal Fire &amp; Rescue</b>	<b>-</b>	<b>275,000</b>	<b>610,000</b>	<b>400,000</b>	<b>-</b>
Human Resource Module	-	100,000	-	-	-
<b>Total Human Resources</b>	<b>-</b>	<b>100,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
Upgrade Library System	-	-	-	-	200,000
<b>Total Library</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200,000</b>
Service Center Phase III	-	1,213,390	10,920,540	-	-
Facility Roof Projects	105,000	80,000	-	-	40,000
Facilities Bldg. Maintenance Projects	249,000	330,000	390,000	500,000	455,000
Facility Carpet Replacement	146,000	90,000	110,000	-	-
MOC Renovation	-	-	-	566,000	-
Street Construction	4,370,000	5,000,000	5,092,450	5,100,000	6,000,000
Equipment Replacement	-	-	-	200,000	520,300
Dump Truck w/Plow/De-icer	-	-	152,000	-	-
<b>Subtotal Public Works</b>	<b>4,870,000</b>	<b>6,713,390</b>	<b>16,664,990</b>	<b>6,366,000</b>	<b>7,015,300</b>
SWAT Van	-	-	100,000	-	-
<b>Subtotal Police</b>	<b>-</b>	<b>-</b>	<b>100,000</b>	<b>-</b>	<b>-</b>
<b>Parks</b>					
Youth Sports Complex	400,000	-	-	-	-
Old Fairground Renovation	2,500,000	-	-	-	-
<b>Subtotal Parks</b>	<b>2,900,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total General Fund</b>	<b>8,135,000</b>	<b>7,238,390</b>	<b>17,474,990</b>	<b>6,916,000</b>	<b>7,215,300</b>

# CAPITAL PROJECTS FUND

## Projects for 2007 include:

- Funding for major maintenance at City facilities (\$500,000). Projects included are:
  - Replacement of the carpet at the Museum (\$125,000);
  - Replacement of the roof at the Vehicle Maintenance Building (\$90,000);
  - Furniture for anticipated projects (\$40,000);
  - Refinish the floors in the bays at Fire Station 1 (\$35,000);
  - Continuation of the Parking Lot Repair Program (\$35,000);
  - Replacement of two RTUs at the Museum (\$30,000);
  - Replacement of the restroom dividers at the Library (\$28,000);
  - Design to fireproof and enlarge the safe for the City Clerk (\$20,000);
  - Replacement of the roof at the vehicle wash (\$15,000);
  - Re-caulk the exterior walls and joints at the Hatfield Chilson Recreation Center (\$15,000);
  - Replace an RTU at the Hatfield Chilson Recreation Center small gym (\$14,000);
  - Office nameplates at the FAB, Police & Courts Building, and the MOC (\$14,000);
  - Replacement of the tables and seating at the Library meeting room (\$12,000);
  - Replace the carpet near the craft rooms in the Senior Center (\$12,000);
  - Replace the carpet at Fire Station 3 (\$9,000); and
  - Replace an RTU in the racquetball area in the Hatfield Chilson Recreation Center (\$6,000).
- Funding for replacement of computer servers and technology infrastructure (\$215,000).
- Funding for replacement of the chairs at the Rialto Theater (\$150,000). Forty percent of the cost (\$60,000) is from private sources.
- The Street Construction Program is budgeted at \$4.37 million in 2007. Major projects include:
  - Right of Way (ROW) and design for improvements to Taft Avenue from Gard Place to West 15<sup>th</sup> Street (\$1,000,000);
  - Signal improvements at U.S. 287 and 19<sup>th</sup> Street SE (\$445,000);
  - Construction of the Byrd Drive extension (\$400,000);
  - A signal at U.S. 34 and Cascade Avenue (\$350,000);
  - Improvements to the intersection at U.S. 287 and 57<sup>th</sup> Street (\$320,000);
  - Improvements to Taft Avenue from 43<sup>rd</sup> Street to 57<sup>th</sup> Street (\$300,000);
  - A signal at U.S. 287 and 19<sup>th</sup> Street SE (\$350,000);
  - ROW for Centerra Parkway (\$200,000); and
  - An annual appropriation for ROW for unplanned opportunities (\$200,000).
- Funding for completion of the Barnes Park Expansion and new Fairgrounds Park development (\$2,900,000).
- Major projects in the “out-years” include repaving the Fire Training Grounds (\$275,000); the design and construction of the Phase III addition to the Service Center to house the Streets Division, Solid Waste Division, Traffic Division, Project Engineering Division and Storm Water Division and the Development Center (\$12.1 million); replacement of two fire apparatus (\$1.1 million) and \$21.1 million for the Street Construction Program.



**Internal Support Service Fund**

<b>REVENUE</b>					
<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Fund Balance	965,540	750,540	600,540	500,540	350,540
Transfer from CEF	124,430				
<b>Total Revenue</b>	<b>1,089,970</b>	<b>750,540</b>	<b>600,540</b>	<b>500,540</b>	<b>350,540</b>
<b>EXPENSE</b>					
<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Transfer to Fund 2	215,000	150,000	100,000	150,000	-
Development Svcs. Software Upgrades	124,430				
<b>Total Internal Support Service</b>	<b>339,430</b>	<b>150,000</b>	<b>100,000</b>	<b>150,000</b>	<b>-</b>
<b>Ending Balance</b>	<b>750,540</b>	<b>600,540</b>	<b>500,540</b>	<b>350,540</b>	<b>350,540</b>

**INTERNAL SUPPORT SERVICES FUND**

Fund balance in the Internal Support Services Fund is used for the replacement of Information Technology equipment and unplanned Facility Maintenance repairs. The transfer to the Capital Projects Fund is for the replacement of computer servers to keep the information system current.

**Capital Expansion Fee Fund Summary**

<b>REVENUE</b>					
<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
CEF Fees	7,394,580	7,619,700	7,851,690	8,090,760	8,333,490
CEF Interest	1,309,490	1,429,690	1,587,640	1,402,950	896,350
Fund Balance	32,737,020	35,742,270	39,691,380	34,973,470	22,408,560
<b>Total Revenue</b>	<b>41,441,090</b>	<b>44,791,660</b>	<b>49,130,710</b>	<b>44,467,180</b>	<b>31,638,400</b>
<b>EXPENSE</b>					
<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Street Projects	2,201,210	3,058,170	3,307,990	3,323,080	4,230,890
Park Projects	2,344,680	546,240	3,247,860	17,119,540	2,891,270
Cultural Services Projects	210,000	-	-	-	-
Fire Projects	510,000	-	250,000	1,050,000	-
General Government Projects	124,430	1,495,870	7,351,390	566,000	-
Police Projects	196,000	-	-	-	-
<b>Total CEFs</b>	<b>5,586,320</b>	<b>5,100,280</b>	<b>14,157,240</b>	<b>22,058,620</b>	<b>7,122,160</b>
<b>Ending Balance</b>	<b>35,854,770</b>	<b>39,691,380</b>	<b>34,973,470</b>	<b>22,408,560</b>	<b>24,516,240</b>

**CEF FUND**

The Capital Expansion Fee (CEF) Fund is the funding source for new facilities or infrastructure that is the result of growth in the community. Revenues are from fees charged to new development and are restricted to use for new facilities and infrastructure which add to the City capacity. Projects to enhance service levels are not eligible for funding from these fees. The City currently has CEF fees for Streets, Parks, Recreation, Trails, Open Space, Fire, Law Enforcement, Library, Cultural Services, and General Government.

The Utility Enterprise Funds also include revenues from “impact” fees. These are the System Impact Fee (SIF) in the Water, Wastewater, and Storm Water funds, and the Plant Impact Fee (PIF) in the Power Fund. Projects funded by these fees are included in the Enterprise Capital Programs.

Capital Program

**CEF Fund - Streets**

<b>REVENUE</b>					
<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Street CEF Fund Balance	1,319,640	2,009,490	1,955,120	1,736,450	1,584,280
Street CEF	2,838,270	2,923,420	3,011,120	3,101,450	3,194,490
Interest	52,790	80,380	78,200	69,460	63,370
<b>Total Revenue</b>	<b>4,210,700</b>	<b>5,013,290</b>	<b>5,044,440</b>	<b>4,907,360</b>	<b>4,842,140</b>
<b>EXPENSE</b>					
<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Street Widening Projects</b>					
Transfer to Fund 2 - Street Projects	2,000,000	2,849,920	3,092,450	3,100,000	4,000,000
Engineering	201,210	208,250	215,540	223,080	230,890
<b>Subtotal Street Widening</b>	<b>2,201,210</b>	<b>3,058,170</b>	<b>3,307,990</b>	<b>3,323,080</b>	<b>4,230,890</b>
<b>Total Streets</b>	<b>2,201,210</b>	<b>3,058,170</b>	<b>3,307,990</b>	<b>3,323,080</b>	<b>4,230,890</b>
<b>Ending Street CEF Balance</b>	<b>2,009,490</b>	<b>1,955,120</b>	<b>1,736,450</b>	<b>1,584,280</b>	<b>611,250</b>

**STREET CEFs**

City Council approved the 2020 Transportation Master Plan in 2000. An updated 2030 Plan is being developed and will be recommended for approval in late December. The CEF funding for street projects is the cost of the projects attributable to growth. The CEF funds are transferred to the Capital Projects Fund, where they are combined with state and federal grants and General Fund revenue to fully fund all the projects.

Capital Program

**CEF Fund - Parks/Recreation/Trails**

**REVENUE**

<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Parks CEF Fund Balance	4,565,490	4,622,980	5,723,800	6,810,890	2,284,970
Recreation CEF Fund Balance	7,472,450	8,317,230	9,331,340	8,909,860	200
Trails CEF Fund Balance	293,220	184,320	324,940	475,190	205,570
Open Space Fund Balance	1,001,770	703,090	948,800	110,870	6,140
Parks Interest	182,620	184,920	228,950	272,440	91,400
Recreation Interest	298,900	332,690	373,250	360,390	10
Trails Interest	11,730	7,370	13,000	19,010	8,220
Open Space Interest	40,070	28,120	37,950	4,430	250
Parks CEF	1,419,550	1,462,140	1,506,000	1,551,180	1,597,720
Recreation CEF	658,380	681,420	705,270	729,950	751,850
Trails CEF	129,370	133,250	137,250	141,370	145,610
Open Space CEF	211,250	217,590	224,120	230,840	237,770
<b>Total Revenue</b>	<b>16,284,800</b>	<b>16,875,120</b>	<b>19,554,670</b>	<b>19,616,420</b>	<b>5,329,710</b>

**EXPENSE**

<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Transfer to Capital Project Fund	1,500,000	-	-	-	-
MeHaffey Park	-	-	600,000	5,850,000	250,000
Kroh Park Phase II	-	-	-	450,000	1,750,000
Park Land & Water Rights Acq.	-	500,000	-	-	-
Youth Sports Park - Football Design	-	-	-	-	300,000
Chilson Recreation Center Expansion	-	-	1,500,000	10,000,000	-
Trails	250,000	-	-	430,000	300,000
Open Lands Acq./Restoration	550,000	-	1,100,000	340,000	240,000
Project Management	44,680	46,240	47,860	49,540	51,270
<b>Total Parks</b>	<b>2,344,680</b>	<b>546,240</b>	<b>3,247,860</b>	<b>17,119,540</b>	<b>2,891,270</b>
<b>Ending Park Balance</b>	<b>4,622,980</b>	<b>5,723,800</b>	<b>6,810,890</b>	<b>2,284,970</b>	<b>1,622,820</b>
<b>Ending Recreation Balance</b>	<b>8,317,230</b>	<b>9,331,340</b>	<b>8,909,860</b>	<b>200</b>	<b>752,060</b>
<b>Ending Trails Balance</b>	<b>184,320</b>	<b>324,940</b>	<b>475,190</b>	<b>205,570</b>	<b>59,400</b>
<b>Ending Open Space Balance</b>	<b>703,090</b>	<b>948,800</b>	<b>110,870</b>	<b>6,140</b>	<b>4,160</b>

# CEF PARKS & RECREATION

The demand for additional Parks and Recreation facilities continues to grow as the City's population continues to increase. Construction of new facilities is dependent on the City's ability to fund the operations and maintenance of these facilities in the operating budget; therefore the projects are spaced accordingly within this Plan.

## **Major projects for 2007 include:**

- Completion of the Barnes Park/Fairgrounds Park. \$1.5 million of CEF funding is combined with \$1,000,000 of Conservation Trust funding and \$400,000 from the Park Improvement Fund.
- Land acquisition and construction of the trail system (\$250,000).
- Open lands acquisition (\$550,000).

## **Major projects in the "out-years" include:**

- Development of MeHaffey Park to come on line in 2011 with a projected operating impact of \$400,000.
- The expansion of the Hatfield Chilson Recreation Center to meet demand and growth in the community, funded by Recreation CEFs. Operations for the expansion are projected to begin in 2011 with a net operating impact of \$400,000.
- Significant expansion of Kroh Park to come on line in 2012 with an operating impact of \$100,000.
- Additional park land and open space as land and willing sellers become available.

Capital Program

**Other CEF Funds**

**REVENUE**

<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Fire CEF Fund Balance	3,257,730	3,399,630	4,072,860	4,539,130	4,240,660
Law Enf. CEF Fund Balance	1,919,010	2,156,560	2,610,310	3,093,230	3,606,830
Library CEF Fund Balance	3,173,080	3,632,480	4,120,230	4,637,760	5,186,570
Cultural Services CEF Fund Balance	2,901,150	3,048,630	3,419,250	3,812,150	4,228,450
General Gov't. CEF Fund Balance	6,833,480	7,667,860	7,184,730	847,940	1,064,890
Fire Interest	130,310	135,990	162,910	181,570	169,630
Law Enforcement Interest	76,760	86,260	104,410	123,730	144,270
Library Interest	126,920	145,300	164,810	185,510	207,460
Cultural Services Interest	116,050	121,950	136,770	152,490	169,140
General Government Interest	273,340	306,710	287,390	33,920	42,600
Fire CEF	521,590	537,240	553,360	569,960	587,060
Law Enforcement CEF	356,790	367,490	378,510	389,870	401,570
Library CEF	332,480	342,450	352,720	363,300	374,200
Cultural Services CEF	241,430	248,670	256,130	263,810	271,720
General Government CEF	685,470	706,030	727,210	749,030	771,500
<b>Total Revenue</b>	<b>20,945,590</b>	<b>22,903,250</b>	<b>24,531,600</b>	<b>19,943,400</b>	<b>21,466,550</b>

**EXPENSE**

<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Transfer to Capital Project Fund	-	1,213,390	6,701,390	566,000	-
Transfer to Internal Service Fund	124,430	-	-	-	-
Transfer to Fleet Fund (Police)	96,000	-	-	-	-
<b>Subtotal Transfers</b>	<b>220,430</b>	<b>1,213,390</b>	<b>6,701,390</b>	<b>566,000</b>	<b>-</b>
Rialto Expansion	210,000	-	-	-	-
<b>Subtotal Cultural Services Projects</b>	<b>210,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Burn Building	510,000	-	-	-	-
East Fire Station	-	-	250,000	1,050,000	-
<b>Subtotal Fire Projects</b>	<b>510,000</b>	<b>-</b>	<b>250,000</b>	<b>1,050,000</b>	<b>-</b>
Firing Range	100,000	-	-	-	-
<b>Subtotal Police Projects</b>	<b>100,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Asset & Work Mgmt. System	-	282,480	-	-	-
Civic Center Parking	-	-	650,000	-	-
<b>Total General Government Projects</b>	<b>-</b>	<b>282,480</b>	<b>650,000</b>	<b>-</b>	<b>-</b>
<b>Total Other CEFs</b>	<b>830,430</b>	<b>1,495,870</b>	<b>7,601,390</b>	<b>1,616,000</b>	<b>-</b>
<b>Ending Fire Balance</b>	<b>3,399,630</b>	<b>4,072,860</b>	<b>4,539,130</b>	<b>4,240,660</b>	<b>4,997,350</b>
<b>Ending Law Enforcement Balance</b>	<b>2,156,560</b>	<b>2,610,310</b>	<b>3,093,230</b>	<b>3,606,830</b>	<b>4,152,670</b>
<b>Ending Library Balance</b>	<b>3,632,480</b>	<b>4,120,230</b>	<b>4,637,760</b>	<b>5,186,570</b>	<b>5,768,230</b>
<b>Ending Cultural Services Balance</b>	<b>3,048,630</b>	<b>3,419,250</b>	<b>3,812,150</b>	<b>4,228,450</b>	<b>4,669,310</b>
<b>Ending General Gov't. Balance</b>	<b>7,667,860</b>	<b>7,184,730</b>	<b>847,940</b>	<b>1,064,890</b>	<b>1,878,990</b>

## OTHER CEF FUNDS

In 2007, \$96,000 of Law Enforcement CEFs is transferred to the Fleet Fund for the purchase of cars for the new police officers approved in the operating budget and an additional \$100,000 is programmed for improvements to the training facilities at the outdoor range. \$124,430 of General Government CEFs is transferred to the Internal Support Services Fund for the upgrade to the Development Services Software applications. \$510,000 is programmed from Fire CEFs for the new “Burn Building” training facility.

Major “out-year” projects include design costs for Phase III of the Service Center addition programmed in 2008 with construction in 2009. The addition will house the personnel and equipment for the Solid Waste Utility, the Storm Water Utility, Traffic, Project Engineering, Street Maintenance Division, and a new Development Center. Funding for the project will be provided by the Solid Waste Enterprise and the Storm Water Enterprise, with the balance of \$8.5 million from General Government CEFs. The operational impact in 2009 is projected at \$250,000.

**Park Improvement Fund**

**REVENUE**

<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Fund Balance	1,146,830	935,730	559,340	572,200	535,490
User Fees	44,130	45,540	46,080	46,120	46,660
Interest	44,770	28,070	16,780	17,170	16,060
Donations	100,000	100,000	-	-	-
<b>Total Revenue</b>	<b>1,335,730</b>	<b>1,109,340</b>	<b>622,200</b>	<b>635,490</b>	<b>598,210</b>

**EXPENSE**

<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Facility Improvements/Repair	-	150,000	50,000	100,000	-
Youth Sports Complex	400,000	400,000	-	-	-
<b>Total Park Improvements</b>	<b>400,000</b>	<b>550,000</b>	<b>50,000</b>	<b>100,000</b>	<b>-</b>
<b>Ending Balance</b>	<b>935,730</b>	<b>559,340</b>	<b>572,200</b>	<b>535,490</b>	<b>598,210</b>



**PARKS IMPROVEMENT FUND**

This Fund’s revenues come from interest earnings on the fund balance and proceeds from park shelter reservations. These funds are used to improve and renovate facilities in parks constructed prior to 1989.

**Major projects for 2006 include:**

- Funding for the Barnes Park expansion (a transfer to the Capital Projects Fund for \$400,000).

**Conservation Trust Fund**

**REVENUE**

<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Fund Balance	2,372,680	1,738,330	1,801,170	1,635,550	1,490,010
Lottery Proceeds	490,650	364,140	359,380	354,460	349,360
<b>Total Revenue</b>	<b>2,863,330</b>	<b>2,102,470</b>	<b>2,160,550</b>	<b>1,990,010</b>	<b>1,839,370</b>

**EXPENSE**

<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Trail Design and Construction	125,000	301,300	525,000	500,000	350,000
Fairgrounds	1,000,000	-	-	-	-
<b>Total Conservation Trust</b>	<b>1,125,000</b>	<b>301,300</b>	<b>525,000</b>	<b>500,000</b>	<b>350,000</b>

<b>Ending Balance</b>	<b>1,738,330</b>	<b>1,801,170</b>	<b>1,635,550</b>	<b>1,490,010</b>	<b>1,489,370</b>
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# CONSERVATION TRUST FUND

Revenues for the Conservation Trust Fund are from Colorado Lottery proceeds. The revenues are used to fund land purchases and construction costs of the hike/bike trail that will circle the City upon completion, with connections to the Fort Collins and Berthoud trail systems. Interest generated by the lottery proceeds is used to fund maintenance of the trails that have been built to date. In 2007, \$1,000,000 is transferred to the Capital Projects Fund for completion of the new Fairgrounds Park.

**Open Space Sales Tax Fund**

**REVENUE**

<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Fund Balance	4,616,220	4,500,630	5,305,970	3,253,470	3,544,400
Sales Tax Proceeds	1,364,410	1,405,340	1,447,500	1,490,930	1,535,660
<b>Total Revenue</b>	<b>5,980,630</b>	<b>5,905,970</b>	<b>6,753,470</b>	<b>4,744,400</b>	<b>5,080,060</b>

**EXPENSE**

<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Land Acquisition	1,480,000	600,000	3,500,000	1,200,000	1,200,000
<b>Total Open Space</b>	<b>1,480,000</b>	<b>600,000</b>	<b>3,500,000</b>	<b>1,200,000</b>	<b>1,200,000</b>

<b>Ending Balance</b>	<b>4,500,630</b>	<b>5,305,970</b>	<b>3,253,470</b>	<b>3,544,400</b>	<b>3,880,060</b>
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**OPEN SPACE**

The Open Space Fund revenues are from the City’s share of a .25 cent County sales tax levied for the purpose of purchasing land for open space. The City actively pursues the acquisition of open space under a “willing seller–willing buyer” philosophy.

**Golf Enterprise Fund**

**REVENUE**

<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Golf Revenues	521,130	593,000	373,850	593,100	609,360
Fund Balance	1,736,990	1,973,670	1,969,620	5,301,120	3,194,720
Bond Proceeds	-	-	4,000,000	-	-
<b>Total Revenue</b>	<b>2,258,120</b>	<b>2,566,670</b>	<b>6,343,470</b>	<b>5,894,220</b>	<b>3,804,080</b>

**EXPENSE**

<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Golf Administration &amp; Support</b>					
Equipment Replacement	53,050	88,500	54,500	26,500	16,000
<b>Subtotal Golf Admin. &amp; Support</b>	<b>53,050</b>	<b>88,500</b>	<b>54,500</b>	<b>26,500</b>	<b>16,000</b>
<b>Olde Course</b>					
Equipment Replacement	69,100	104,550	120,350	137,800	101,300
Club House & Shop Building Imp.	-	200,000	200,000	850,000	2,150,000
Course Improvements	-	50,000	-	-	50,000
<b>Subtotal Olde Course</b>	<b>69,100</b>	<b>354,550</b>	<b>320,350</b>	<b>987,800</b>	<b>2,301,300</b>
<b>Mariana Butte</b>					
Equipment Replacement	17,800	54,000	167,500	185,200	184,800
Course Improvements	130,000	100,000	-	-	100,000
Maintenance Bldg. & Clubhouse Imp.	14,500	-	500,000	1,500,000	-
<b>Subtotal Mariana Butte</b>	<b>162,300</b>	<b>154,000</b>	<b>667,500</b>	<b>1,685,200</b>	<b>284,800</b>
<b>Cattail Creek</b>					
Course Improvements	-	-	-	-	20,000
<b>Subtotal Cattail Creek</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,000</b>
<b>Total Golf</b>	<b>284,450</b>	<b>597,050</b>	<b>1,042,350</b>	<b>2,699,500</b>	<b>2,622,100</b>
<b>Ending Balance</b>	<b>1,973,670</b>	<b>1,969,620</b>	<b>5,301,120</b>	<b>3,194,720</b>	<b>1,181,980</b>

**GOLF ENTERPRISE FUND**

Lower revenues due to weather and increased competition have constrained the Capital Program. In 2007, \$130,000 in course improvements at the Mariana Butte course and equipment replacement at both courses is programmed for 2007.

In 2009, the Enterprise is proposing to issue \$4 million in revenue bonds to help fund construction of new clubhouses at both the Mariana Butte Course and the Olde Course. The cost of the two clubhouses is over \$5.4 million. Funding will be completed by growth in revenues and by increased rates.

**Storm Water Enterprise Fund**

<b>REVENUE</b>					
<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Fund Balance	2,124,790	1,588,220	2,099,460	2,914,500	1,381,540
Operating Revenues	2,046,350	2,487,970	2,093,140	2,058,190	2,138,860
SIF Fees	529,000	546,000	562,000	580,000	597,000
SIF Interest	23,730	21,880	10,900	10,950	11,870
<b>Total Revenue</b>	<b>4,723,870</b>	<b>4,644,070</b>	<b>4,765,500</b>	<b>5,563,640</b>	<b>4,129,270</b>
<b>EXPENSE</b>					
<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Engineering Design	262,500	250,000	245,000	125,000	275,000
Construction Projects	1,560,000	1,350,000	850,000	1,600,000	970,000
Equipment Replacement	515,000	197,000	206,000	214,000	-
Storm Water Quality	50,000	50,000	50,000	50,000	50,000
Transfer to Capital Projects Fund	-	-	-	1,693,100	-
<b>Total General Projects</b>	<b>2,387,500</b>	<b>1,847,000</b>	<b>1,351,000</b>	<b>3,682,100</b>	<b>1,295,000</b>
Oversizing	748,150	697,610	500,000	500,000	500,000
<b>Total SIF Projects</b>	<b>748,150</b>	<b>697,610</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>
<b>Total Storm Water</b>	<b>3,135,650</b>	<b>2,544,610</b>	<b>1,851,000</b>	<b>4,182,100</b>	<b>1,795,000</b>
<b>Ending Balance</b>	<b>1,588,220</b>	<b>2,099,460</b>	<b>2,914,500</b>	<b>1,381,540</b>	<b>2,334,270</b>

**STORM WATER ENTERPRISE FUND**

**Major projects for 2007 include:**

- Construction of the Weirmont Detention Pond (\$1.3 million).
- Funding for oversizing and main extensions (\$748,000).
- Funding for equipment replacement (\$515,500).
- Funding for the Storm Water Quality Program (\$50,000).

Capital Program

**Water Enterprise Fund**

**REVENUE**

<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Fund Balance	28,839,980	29,956,630	30,343,360	19,100,240	21,741,550
Operating Revenues	8,824,570	2,914,710	3,177,730	2,848,530	3,087,080
SIF Fees	1,363,310	1,405,230	1,448,470	1,493,060	1,539,040
SIF Interest	204,890	132,420	75,170	116,770	141,623
<b>Total Revenue</b>	<b>39,232,750</b>	<b>34,408,990</b>	<b>35,044,730</b>	<b>23,558,600</b>	<b>26,509,293</b>

**EXPENSE**

<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Water Meter Purchase & Installation	38,000	39,140	40,310	41,520	42,770
Right-of-Way Relocation	30,000	30,900	31,830	32,780	33,770
Emergency Water Line Repair	50,000	51,500	53,050	54,640	56,280
Water Modeling Assistance	-	25,750	-	-	28,140
S. 22nd & Colo. Water Line Repl.	-	-	498,620	-	-
Jill Drive Water Line Replacement	185,000	-	-	-	-
Greeley Drive Water Line Repl.	-	-	-	103,810	-
4 MG Tank at Water Treatment Plant	3,225,000	-	-	-	-
29th St. Steel Tank Interior Painting	180,000	-	-	-	-
Downtown Water Line Replacement	-	-	-	65,560	590,890
Water Line Replacement Program	-	437,090	-	-	-
Transmission & Distribution Projects	110,280	140,000	117,000	273,500	523,690
Phase I Treatment Imp. Construction	66,000	-	-	-	-
Misc. Water Treatment Plant Imp.	240,500	38,630	7,960	8,200	96,240
Equipment Replacement	68,660	83,170	85,120	133,770	142,640
<b>Total General Projects</b>	<b>4,193,440</b>	<b>846,180</b>	<b>833,890</b>	<b>713,780</b>	<b>1,514,420</b>
Windy Gap Firming Project	1,121,640	-	14,469,120	-	-
Water Court/Exchange/Legal Fees	345,000	100,000	20,000	50,000	30,000
Private Water Rights Usage	-	75,000	75,000	-	-
City Domestic Water Rights	50,000	-	-	-	-
Potential Plains Storage Evaluation	70,000	-	-	-	-
C-BT Excess Capacity Rights	116,200	75,590	62,720	64,770	67,480
4 MG Tank at Water Treatment Plant	1,075,000	-	-	-	-
Boyd Lake/Rocky Mtn. 24" WL	964,000	-	-	-	-
Crossroads Tank 16" WL	536,000	-	-	-	-
Morning Dr. to Hwy. 34 30" WL	-	2,472,000	-	-	-
Water Main Extensions & Oversizing	591,340	427,330	412,150	641,560	940,670
<b>Subtotal Water Resource SIF</b>	<b>4,869,180</b>	<b>3,149,920</b>	<b>15,038,990</b>	<b>756,330</b>	<b>1,038,150</b>
Phase I Treatment Imp. Construction	134,000	-	-	-	-
Water Treatment Plant Improvements	19,500	7,730	7,960	281,380	8,450
<b>Subtotal Water Trtmt. Plant SIF</b>	<b>153,500</b>	<b>7,730</b>	<b>7,960</b>	<b>281,380</b>	<b>8,450</b>
<b>Contractor Meter Purchases SIF</b>	<b>60,000</b>	<b>61,800</b>	<b>63,650</b>	<b>65,560</b>	<b>67,530</b>
<b>Total SIF Projects</b>	<b>5,082,680</b>	<b>3,219,450</b>	<b>15,110,600</b>	<b>1,103,270</b>	<b>1,114,130</b>
<b>Total Water</b>	<b>9,276,120</b>	<b>4,065,630</b>	<b>15,944,490</b>	<b>1,817,050</b>	<b>2,628,550</b>
<b>Ending Balance</b>	<b>29,956,630</b>	<b>30,343,360</b>	<b>19,100,240</b>	<b>21,741,550</b>	<b>23,880,743</b>

# WATER ENTERPRISE FUND

## Major projects for 2007 include:

- Funding to begin firming the Windy Gap water rights (\$1.12 million).
- Continued funding for rehabilitation/replacement of aging water infrastructure.
- Funding for a four million-gallon storage tank at the Water Treatment Plant (\$4.3 million).

Major projects in the “out-years” are storage to complete the firming of the Windy Gap water (\$14.5 million) and installation of a 30” water line from Morning Drive to U.S. Highway 34 (\$2.5 million).

Capital Program

**Wastewater Enterprise Fund**

**REVENUE**

<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Fund Balance	5,937,290	5,783,410	5,003,060	5,063,760	6,238,860
Operating Revenues	1,858,830	2,403,300	2,043,400	2,191,280	2,261,260
SIF Fees	963,200	1,021,900	1,055,640	1,090,660	1,127,080
SIF Interest	116,240	95,470	72,210	42,090	66,200
<b>Total Revenue</b>	<b>8,875,560</b>	<b>9,304,080</b>	<b>8,174,310</b>	<b>8,387,790</b>	<b>9,693,400</b>

**EXPENSE**

<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Project C WAS Thickening	-	-	-	-	241,890
Odor Control	364,700	300,660	-	-	-
Project E Headworks Facility	835,200	1,352,180	-	-	-
Treatment Plant Improvement	12,500	18,030	149,690	486,760	8,450
Equipment Replacement	30,900	75,040	97,850	99,280	117,450
<b>Subtotal Treatment Plant</b>	<b>1,243,300</b>	<b>1,745,910</b>	<b>247,540</b>	<b>586,040</b>	<b>367,790</b>
Right-of-Way Utility Relocate	50,000	51,500	53,050	54,640	56,280
Barberry Place Lift Station Abdn.	-	-	-	273,180	-
Fairgrounds/Namaqua Interceptor	-	-	53,050	404,300	-
Boyd Lake Interceptor Rehab.	-	72,100	562,280	76,490	596,520
CMOM Sanitary Sewer System Imp.	11,000	-	96,070	-	-
Madison Avenue Sewer O/S	49,000	382,130	-	-	-
Wastewater Main Improvements	140,260	350,470	217,760	224,290	377,340
<b>Subtotal Main Improvements</b>	<b>250,260</b>	<b>856,200</b>	<b>982,210</b>	<b>1,032,900</b>	<b>1,030,140</b>
<b>Total General Projects</b>	<b>1,493,560</b>	<b>2,602,110</b>	<b>1,229,750</b>	<b>1,618,940</b>	<b>1,397,930</b>
Project C WAS Thickening	-	-	-	-	161,260
Project E Headworks Improvement	556,800	901,460	-	-	-
Odor Control	156,300	128,850	-	-	-
Boyd SL Interceptor Relief	-	103,000	790,370	76,490	596,520
Carlisle Phase 4	370,000	-	-	-	-
Wastewater Master Model	-	-	546,360	-	-
Wastewater Main Improvement	407,990	557,870	425,350	408,970	416,740
Treatment Plant Improvement	107,500	7,730	118,720	44,530	8,450
<b>Total SIF Projects</b>	<b>1,598,590</b>	<b>1,698,910</b>	<b>1,880,800</b>	<b>529,990</b>	<b>1,182,970</b>
<b>Total Wastewater</b>	<b>3,092,150</b>	<b>4,301,020</b>	<b>3,110,550</b>	<b>2,148,930</b>	<b>2,580,900</b>
<b>Ending Balance</b>	<b>5,783,410</b>	<b>5,003,060</b>	<b>5,063,760</b>	<b>6,238,860</b>	<b>7,112,500</b>

# WASTEWATER ENTERPRISE FUND

## Major projects for 2007 include:

- Funding for improvements and expansion of the Wastewater Treatment Plant. This is an ongoing program that ensures the Plant keeps pace with anticipated growth while complying with EPA/State mandated water quality/treatment regulations. Continued funding for infrastructure on the east side of town to meet development demand.
- Continued funding for design and construction of Wastewater Treatment Plant odor control projects.
- Continued funding for rehabilitation/replacement of aging wastewater infrastructure.
- Increased funding for maintenance of existing wastewater system.

Capital Program

**Power Enterprise Fund**

**REVENUE**

<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Fund Balance	12,594,240	10,191,860	6,537,940	2,716,980	908,020
Operating Revenues	2,608,150	-	-	2,030,450	2,785,760
PIF Fees	1,350,000	1,390,500	1,432,220	1,475,190	1,519,450
PIF Interest	92,410	95,110	88,530	82,370	75,110
<b>Total Revenue</b>	<b>16,644,800</b>	<b>11,677,470</b>	<b>8,058,690</b>	<b>6,304,990</b>	<b>5,288,340</b>

**EXPENSE**

<b>Description</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Hydro Generation	5,000	5,150	5,300	5,460	5,620
Overhead Distribution Lines	50,000	51,500	53,050	54,640	56,280
Underground Distribution Lines	86,000	88,580	91,240	93,980	96,800
Meter Purchase/Install/Upgrade	150,000	154,500	159,140	163,910	168,830
Distribution Transformer	50,000	51,500	53,050	54,640	56,280
Substation	15,000	15,450	15,910	16,390	16,880
Overhead Service Install/Upgrade	15,000	15,450	15,910	16,390	16,880
Underground Service Install/Upgrade	187,500	193,130	198,920	204,890	211,040
Temporary Service Install	37,500	38,630	39,790	40,980	42,210
URD Sections	50,000	51,500	53,050	54,640	56,280
Street Lights/Cust. Req./Misc. Proj.	40,000	41,200	42,440	43,710	45,020
Street Lights/Development Driven	300,000	309,000	318,270	327,820	337,650
Hydro Generation Improvements	30,000	30,900	31,830	32,780	33,760
Other Substation Improvements	45,000	-	-	-	-
Valley Substation to 1st St./Wilson	560,000	-	-	-	-
Generator at Wastewater Plant	1,200,000	-	-	-	-
AC Cycling Program	300,000	300,000	300,000	-	-
Other System Improvements	712,000	733,360	755,360	778,020	801,370
Customer Aid-to-Construction	1,000,000	1,030,000	1,060,900	1,092,730	1,125,510
Equipment	144,940	276,690	366,650	217,670	186,030
Public Works Projects	100,000	103,000	106,090	459,270	112,550
<b>Subtotal General Projects</b>	<b>5,077,940</b>	<b>3,489,540</b>	<b>3,666,900</b>	<b>3,657,920</b>	<b>3,368,990</b>
Crossroads Substation	-	-	655,620	-	-
East Substation	100,000	-	-	-	-
Valley Substation	-	-	-	675,300	-
Horseshoe Substation	200,000	636,540	472,830	-	-
Valley Sub. Feeder to 1st St./Wilson	560,000	-	-	-	-
West Sub. to Horseshoe Sub. Feeder	-	483,000	-	501,000	1,120,000
Other Feeder PIF Projects	515,000	530,450	546,360	562,750	579,630
<b>Subtotal PIF Projects</b>	<b>1,375,000</b>	<b>1,649,990</b>	<b>1,674,810</b>	<b>1,739,050</b>	<b>1,699,630</b>
<b>Total Power</b>	<b>6,452,940</b>	<b>5,139,530</b>	<b>5,341,710</b>	<b>5,396,970</b>	<b>5,068,620</b>
<b>Ending Balance</b>	<b>10,191,860</b>	<b>6,537,940</b>	<b>2,716,980</b>	<b>908,020</b>	<b>219,720</b>

# POWER ENTERPRISE FUND

## Major projects for 2007 include:

- Construct a new generator at the Wastewater Treatment Plant (\$1.2 million).
- Continuation of the annual maintenance and upgrade projects.
- Continuation of the Underground Service Installation Program.
- Construction of the Valley Feeder to 1<sup>st</sup> Street (\$560,000).

# APPENDIX



This section provides definitions of terms and acronyms used within this document.

# GLOSSARY OF TERMS

**Accrual Basis of Accounting:** The method of accounting under which debits and credits are recorded at the time they are incurred as opposed to when cash is actually received or spent. For example, in accrual accounting, revenue which was earned in December, but not collected until January, is recorded as revenue in December.

**ADA:** Americans with Disabilities Act.

**Adjudication:** The act or process of reaching settlement judicially.

**Amendment 1 (TABOR):** An amendment to the Colorado State Constitution that limits revenues and expenditures to the inflation rate, measured by the Denver–Boulder Consumer Price Index, Urban Area (CPI–U), and growth (defined as new construction) of the jurisdiction in the prior year. All new or increased taxes must be voted on by the public. Also, it establishes mandatory emergency reserves.

**Appropriation:** A legal authorization made by the City Council to make expenditures and incur obligations for specific purposes.

**Appropriation Ordinance:** An ordinance by means of which appropriations are given legal effect. It is the method by which the expenditure side of the annual budget is enacted into law by the City Council.

**Assessed Valuation:** A valuation set upon real estate or other property by the county assessor to establish a basis for levying taxes. It is equal to 7.96% of market value for residential property and 29% for commercial and industrial property.

**Bond:** A form of borrowing money for major capital projects, such as buildings and streets. The City obligates itself to repay the principal at a stated rate of interest over a stated period of time.

**Budget:** A financial plan of estimated expenditures and the means of financing them for a stated period of time. Upon approval by the City Council the budget appropriation ordinance is the legal basis for expenditures in the budget year.

**CAD:** Computer Aided Dispatch.

**Capital Outlay:** An item that costs \$2,500 or more and is expected to last one year or longer. Examples include vehicles, carpet and equipment.

**Capital Expansion Fee (CEF):** An assessment on new development to contribute to providing new infrastructure necessitated by population growth.

**Capital Program:** An annually updated plan of capital expenditures for public facilities, infrastructure and major fixed assets with estimated costs, sources of funding and timing of projects over a five–year period.

**Capital Improvements:** Expenditures related to the acquisition, expansion or rehabilitation of an element of the city’s physical structure, sometimes referred to as infrastructure. Examples include buildings, streets, bridges, parks and utility systems.

**Capital Project:** Expenditure for equipment, machinery, facilities, or infrastructure that will provide long–term service or other public benefits.

**Carryover:** Amount of money remaining at the end of the preceding year and available in the current budget year through an ordinance commonly called the rollover ordinance.

**CAFR:** Comprehensive Annual Financial Report.

**CDBG:** Community Development Block Grant.

**CDOT:** Colorado Department Of Transportation.

**CFAC:** Citizens’ Finance Advisory Commission.

**CIRSA:** Colorado Intergovernmental Risk Sharing Agency.

**CEF:** Capital Expansion Fee (see definition above).

- CMP:** Comprehensive Master Plan. The Master Plan is the official document that serves as the long range, comprehensive policy guide to the day-to-day decisions about the future development of the City of Loveland.
- COLT:** City Of Loveland Transit.
- Community Survey:** Written or telephone survey performed annually to determine citizens' overall satisfaction with community services.
- Contractual Services:** Expenses that are usually incurred by entering into a formal agreement or contract with another party. Expenses included in this category can include insurance, repairs or professional services.
- CPI:** Consumer Price Index.
- Debt Service:** Principal and interest due on long-term debt such as loans, notes and bonds incurred by the City.
- Defease:** A provision that voids a bond or loan when the borrower sets aside cash or bonds sufficient enough to service the borrower's debt.
- Department:** Major unit of organization in the City.
- Depreciation:** Expiration in the service life of fixed assets because of wear and tear, deterioration, action of physical elements, inadequacy or obsolescence.
- Division:** Sub-unit of a department.
- DRT:** Development Review Team.
- DUI:** Driving Under the Influence (of alcohol or other drugs).
- EOC:** Emergency Operations Center.
- EMS:** Emergency Medical Services.
- Encumbrance:** Obligations in the form of purchase orders or contracts which are chargeable to an appropriation and for which a part of the appropriation is reserved. Obligations cease to be encumbrances when paid or when the actual liability is set up.
- Enterprise Fund:** Funds that are self-supporting through user fees. Examples include water, golf, solid waste and power. By the TABOR amendment these funds can not have more than 10% of their budget subsidized by taxes.
- EPA:** Environmental Protection Agency.
- ESP:** Extra Special People. A service provided by the City that provides transportation to persons who are elderly, handicapped and/or low-income. Under the ADA, this service is now called Paratransit service.
- Expenditure:** Payment for goods or services, including operating expenses that require the current or future use of net current assets, debt and capital outlays. Note that an encumbrance is not an expenditure, but reserves funds to be expended.
- FAA:** Federal Aviation Administration.
- FAB:** Fire and Administration Building, located at 410 E. 5<sup>th</sup> Street.
- FDIC:** Federal Deposit Insurance Corporation.
- FICA:** An abbreviation for Federal Insurance Contributions Act, this is a compulsory payroll tax which funds Social Security.
- Fiduciary Fund:** A fund used to account for activity of the City as a trustee over funds allotted to meet a current or future financial obligation, usually on an actuarially sound basis. Example: Pension funds.
- Fiscal Year:** The 12-month period to which the operating budget applies. This is January 1 to December 31 for the City of Loveland.
- Fixed Assets:** Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery and other equipment.
- FLSA:** Fair Labor Standards Act.
- FM:** Facilities Management.

- FTE:** Full-time equivalent. The hourly equivalent of a full-time employee. An FTE can be made up of either one full-time employee or two or more part-time employees whose total hours equal 40 per week.
- Fund:** Accounting entity with a self-balancing set of accounts, which is segregated from other funds, to carry on specific activities or attain certain objectives.
- Fund Balance:** On-hand available cash balances which are realized in prior fiscal years less current liabilities and are available for designation as a funding source for a future budget year.
- GAAFR:** Governmental Accounting, Auditing and Financial Reporting.
- GASB:** Governmental Accounting Standards Board.
- General Fund:** A central fund into which most of the City's tax and unrestricted revenues are budgeted to support basic municipal services, public safety and administrative activities of the City; financed mainly by sales tax and property tax.
- GFOA:** Government Finance Officers Association.
- GID:** General Improvement District.
- GIS:** Geographic Information System. GIS is a specialized information system for capturing, storing, querying, analyzing, and displaying geographic data. Geographic data describes both the location and the characteristics of features or objects on the earth's surface. That ability makes GIS more than just maps; they are smart maps that can do everything from environmental analysis to site location for a new video store.
- GPS:** Global Positioning System. A GPS is a navigational system which allows the individual to find where they are in the world.
- Grant:** A contribution made from either the private sector to the City or by one governmental unit to another. The contribution is usually made to support a specified program, function or project.
- HMO:** Health Maintenance Organization.
- Home Rule:** A limited grant of discretion from the State of Colorado to Loveland, concerning either the organization of functions or the raising of revenue. Loveland became a home rule city in May of 1996.
- Intergovernmental Revenue:** Amounts of money received from federal, state and other governmental bodies.
- Internal Services Fund:** Activities which provide support services to other City departments. Example: Accounting.
- Intra-City Charges:** Items counted both as revenue and expense in two separate funds, which the revenue is received only once from an outside source. It usually occurs because one fund provides a service to another fund.
- IT:** Information Technology. IT provides innovative information technology and services that are reliable, accessible, and cost effective for the City of Loveland staff and citizens.
- LETA:** Larimer Emergency Telephone Authority.
- Level of Service:** Transportation Level of Service (LOS) is based on a ratio of current or anticipated volumes of traffic at peak hours and trip generation along the street divided by the capacity of the street. The City of Loveland has adopted Level A for local roads, Level B for Collectors and Level C for other areas with a few exceptions. When service level falls below LOS C, movements become more restricted and delays may occur during peak periods.
- Lease-Purchase Agreement:** Financial arrangement which permits the City to pay for the use of equipment or machinery over a period of time through a lease and to purchase it at the end of that time.
- LHPAC:** Loveland High Plains Art Council.
- LRFPD:** Loveland Rural Fire Protection District.
- LURA:** Loveland Urban Renewal Authority.

- Median family income:** An annual income figure for which there are as many families with incomes below that level as there are above.
- Mill Levy:** Rate by which assessed valuation is multiplied to determine property tax. A mill is 1/10 of one cent or \$1.00 of tax for each \$1,000 of assessed valuation.
- Modified Accrual:** Under Modified Accrual Accounting revenues are recorded when they are measurable and available. Expenses are recorded when they are incurred. This differs from the full accrual method where revenues are recorded when received and expenses recorded when the expense is paid for.
- MPR:** Multi-Purpose Room.
- NCEDC:** Northern Colorado Economic Development Corporation.
- Net City Budget:** Total City operating and capital budget net of transfers among funds, and internal service charges. This amount represents a close approximation of projected spending.
- Non-exempt:** A classification indicating that an employee is eligible to be paid for overtime, as defined by the guidelines of the Fair Labor Standards Act (FLSA). Exempt employees, conversely, are not eligible for overtime pay.
- NPDES:** National Pollutant Discharge Elimination System.
- Open Doors:** A program administered by the Human Resources Department whereby employees can voice concerns and resolve issues regarding their employment or workplace. Managers at progressively higher levels within the City review decisions and the highest level of management makes a final determination.
- Operating Budget:** The portion of the budget that pertains to daily operations providing basic governmental services. The operating budget contains appropriations for such expenditures as personal services, supplies and materials.
- Paratransit Service:** Door to door transportation services for people who due to health or disability can not use fixed route transportation services.
- PDA:** Personal Digital Assistant, a handheld electronic device.
- Per capita:** An average per person.
- Personal Services:** Salaries, wages, benefits and other related costs of employees.
- PIF:** Plant Investment Fee. (See definition below.)
- PILT:** Payment In Lieu of Tax. An estimate of the amount of taxes that would be chargeable to a utility if owned privately.
- Plant Investment Fee (PIF):** Charges made on new development to contribute to financing utility facilities to meet the needs of increased population. Applies to Loveland Water and Power. This fee is similar in nature to a Capital Expansion Fee.
- PPO:** Preferred Provider Organization.
- Projection:** Estimation of future revenues and expenditures based on past trends, current economic conditions and financial forecasts.
- PRPA:** Platte River Power Authority.
- Property Tax:** Annual charge to owners of real property, based on assessed valuation and the mill levy.
- Reserve:** Funds set aside in the current and past years for the purpose of paying for capital needs, providing for obligations and liabilities, and meeting emergency needs.
- Reserve Fund Balance:** The portion of a fund's balance that is legally restricted for a specific purpose and is, therefore, not available for general appropriation.
- Resources:** Total amounts available for appropriation, consisting of estimated beginning funds on hand plus anticipated revenues.
- Retire:** In the financial sense, to pay off a debt.
- Revenues:** Funds that the government receives as income such as tax payments, user fees, charges, special assessments, fines, grants and interest income to support the services provided.

- Risk Management:** As organized attempt to protect a government's assets against accidental loss in the most economical manner, and programs to minimize worker injury and supervisory actions to limit City liability.
- RMS:** Records Management System.
- ROW:** Right of Way.
- RSF:** Retail Sales Fee. A fee collected by the merchant for developer or sub-unit of government such as a Metropolitan District to fund the cost of infrastructure and other approved expenses.
- SCADA:** Supervisory Controlled and Data Acquisition System.
- Self-Insurance:** Establishment of a sum of money sufficient to pay anticipated claims. Used as a planning process to control costs and coverage in lieu of paying premiums to insurance companies.
- SID:** Special Improvement District. (See definition below.)
- SIF:** System Impact Fee. (See definition below.)
- Service Center:** A complex of buildings located at First Street and Wilson Avenue that house the City's electric and water utilities and provides warehousing, vehicle maintenance and other service facilities.
- Services Rendered:** Charges made to a fund for support services provided by another fund.
- Special Assessment:** A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.
- Special Improvement District (SID):** A district composed of property owners who have agreed to join together to complete and pay for the cost of public improvements.
- Special Revenue Funds:** A fund used to account for the proceeds of specific revenues that are legally restricted to be spent for specific purposes. Example: Capital Expansion Fees.
- SWAT:** Special Weapons and Tactics.
- System Impact Fee (SIF):** Impact fees on new development that contribute to financing utility facilities to meet the needs of increased population. Applies to the Water, Wastewater and Storm Water utilities.
- TABOR (Taxpayers' Bill Of Rights):** Refers to an amendment to State constitution, which put in place several restrictions to state and local government. The most significant limits are the requirement for all tax rate increases to be by a vote of approval, and creating revenue limits a government must abide by, refunding all revenue over the limit unless given voter approval otherwise.
- Transfers:** Amounts distributed from one fund to finance activities in another fund. Transfers are shown as an expenditure in the originating fund and a revenue in the receiving fund.
- Unreserved Fund Balance:** The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.
- URA:** Urban Renewal Authority.
- User Fee:** Charge to the benefiting party for the direct receipt of a public service.
- VAC:** Visual Arts Commission. The Visual Arts Commission, a seven-member volunteer citizens' committee, oversees the city's art acquisitions/donations and site selection.
- WAPA:** Western Area Power Authority.
- Windy Gap Project:** A project that collects stores and diverts water from Windy Gap Reservoir and Lake Granby on Colorado's Western Slope to the Colorado-Big Thompson Project facilities, providing water to users on the Front Range.