

STUDY SESSION NOTES

CITY OF WHEAT RIDGE, COLORADO

City Council Chambers 7500 W. 29th Avenue

October 2, 2017

Mayor Joyce Jay called the Study Session to order at 6:30 p.m.

Council members present: Monica Duran, Kristi Davis, Janeece Hoppe, George Pond, Tim Fitzgerald, Genevieve Wooden, Zachary Davis, Larry Mathews

Also present: Deputy City Clerk, Robin Eaton; Chief of Police, Daniel Brennan; City Manager, Patrick Goff; Lauren Mikulak, Community Development; Administrative Services Director, Heather Geyer; Parks and Recreation Director, Joyce Manwaring; Greg Knudson, Operations; other staff and interested citizens.

CITIZEN COMMENT ON AGENDA ITEMS There was no citizen comment.

1. Staff Report(s) None were provided
2. Presentation of 2018 Proposed Budget – Patrick Goff

<http://www.ci.wheatridge.co.us/DocumentCenter/View/27307>

Heather Geyer announced the City has received for the sixth year, the Government Finance Officers (GFOA) distinguished budget award. The award is based on the City's ability to demonstrate and meet specific criteria that was developed by the National Advisory Council on State and Local Budgeting.

The total 2018 Proposed Budget including the General Fund, the CIP Fund, 8 special revenue funds and the 2E Investing 4 the Future Fund is \$65,394,527. The Budget is based on projected revenues of \$48,386,184. The projected beginning fund balance for 2018 is \$47,133,393, which brings the total available funds to \$95,519,577. This will provide for a projected ending fund balance of \$30,125,050.

Mr. Goff highlighted some points of the financial health for the City that included the following projects:

- A balanced General Fund budget in the amount of \$34,037,540
- An unrestricted fund balance of \$6,621,461 or 19.5% of expenditures (17 % minimum reserve level required)
- A General Fund transfer of \$2,200,000 to the Capital Improvement Program (CIP)
- An 8% increase in the General Fund budget compared to the adjusted 2017 Budget

- This increase is primarily due to the \$1.5 million budgeted in 2018 to repair City property damaged by the May 8th hailstorm
- 3.4 % increase without hailstorm expenses of \$1.5M
- Proposed CIP Fund in the amount of \$6,425,000
- Proposed 2E Fund in the amount of \$17,425,300
 - Debt service in the amount of \$3,505,300
 - The 2E fund is for four large capital improvement projects
- Special Revenue Funds in the amount of \$7,506,687
- Proposed budget (all funds) in the amount of \$65,394,527

CIP Fund revenue is projected at \$5,456,000 (\$2,200,000 transferred from the General Fund) which is a 45% increase compared to the 2017 estimated revenue. In addition, the projected beginning fund balance for 2018 is \$978,376, which brings the total available funds for the CIP Fund to \$6,434,376

Steve Nguyen (Public Works):

The proposed 2018 CIP budget includes the following projects:

- \$2.0 million for completion of Wadsworth Environmental Assessment, identification of right-of-way and initiation of final design
- \$2.0 million for street preventative maintenance
- \$1.57 million for 29th Avenue and Fenton Street intersection improvements
- \$260,000 for drainage improvements at 26th and Fenton
- \$150,000 for municipal facility security upgrades
- \$145,000 for a new traffic signal at 32nd and Xenon
- \$100,000 for improvements to the Police Department evidence storage facility
- \$50,000 for citywide ADA infrastructure improvements
- \$50,000 for aerial photography and GIS updates
- \$25,000 for Clear Creek Master Plan update
- \$25,000 for completion of the environmental assessment re-evaluation for the Clear Creek Crossing project
- \$25,000 for gateway signage program
- \$15,000 for Neighborhood Traffic Management program
- \$10,000 for Maple Grove Reservoir emergency planning

Joyce Manwaring (Parks):

Open Space revenue is projected at \$3,682,000 which is an 88% increase compared to the 2017 estimated revenue. The large increase is primarily due to a significant increase in development-related park fees and the sale of open space property at 38th and Kipling. The projected beginning fund balance for 2018 is \$327,547, which brings the total available funds for the Open Space Fund to \$4,009,547.

Open Space projects for 2018 include:

- Renovation of Prospect Park – Phase 2
- Reconstruction of Anderson Park
- Renovation of Stites Park
- Update to Open Space Management Plan
- Repairs to Clear Creek Trail
- Installation of a kiosk in Lewis Meadows
- Contribution to the Jefferson County Open Space River Corridor project

Conservation Trust revenue is projected at \$320,500, which is equal to the 2017 estimated revenue. In addition, the beginning fund balance for 2018 is projected at \$479,979, which brings the total available funds for the Conservation Trust Fund to \$800,479.

Conservation Trust projects for 2018 include:

- Renovation of Anderson Building
- Recreation Center maintenance projects
- New playground in Boyd's Crossing Park
- Reconstruction of Apel Bacher tennis court and crack sealing of Panorama Creek tennis court

Recreation Center Operations revenue for 2017 is projected at \$2,272,366, which is an increase of 4.5%, compared to the 2017 estimated revenue. In addition, the beginning fund balance for 2018 is projected at \$480,000, which brings the total available funds for the Recreation Center Operations Fund to \$2,752,368.

Recreation Center new minimum wage rate increases and fee changes for 2018 were discussed, to include:

- Councilmember Davis on how some fees seem to be going down in price.
- Councilmember Mathews asks about how the annual pass fees that are going up and how it might affect the senior citizens that use the facility.
- Mayor Jay asks if the Silver Sneakers program will be continued.
- Councilmember Urban asked about how these new fees compare with local health clubs or gym pricing.
- Councilmember Doran asks whether there would be extra fees attached if a person is paying by Debit or Credit cards.

In summary, Ms. Manwaring responds that some types of passes are being removed to streamline the process and the convenience of the fees being restructured will save money and cause fewer refunds to be issued. Also the Silver Sneakers program will continue, being accomplished with aid from the County. Lastly, there are no extra charges to the customers, if fees are paid by using those types of cards. The City picks those up as its good customer service to do so.

Discussion followed

Other Budget Strategic Priorities:

- Building up Business Loan Program (BUBL) - \$25,000 (Localworks)
- 44th Avenue Corridor marketing efforts - \$7,500
- 29th Avenue Marketplace marketing efforts - \$5,000
- 38th Avenue marketing - \$30,000
- Neighborhood Revitalization Strategy update - \$77,500 (Localworks & 106)
- Traffic Safety, Life Quality and Crime Reduction (TLC) Program - \$40,000 (105 to Localworks)
- Home Investment Loan Program (HIP) - \$25,000 (105 to Localworks)
- Historic building management and maintenance - \$78,699
- Kipling/I-70 Corridor planning effort - \$150,000
- Large-item pickup program - \$5,000
- Carnation Festival contribution - \$80,000
- Carnation Festival staff overtime - \$25,500
- Citizen Academy - \$5,000
- Citizen review committee for outside agency program:
- Total Outside agency contributions - \$122,700
- Wheat Ridge 50th Anniversary planning - \$20,000 (102 and Localworks)

2018 Fleet Replacement - Greg Knudson

Replacement guidelines are based upon age and mileage/hours of the unit

- 2018 proposed budget - \$607,900
- Public Works - \$226,500 (\$201,000 Street Sweeper)
- Awarded \$75,000 from RAQC for street sweeper
- Parks - \$70,900
- Police - \$310,500
- Two new vehicle requests not approved - \$71,150

2018 Proposed Staffing Changes

Heather Geyer spoke about the new FTE increases for 2018, which are minimal.

New Positions – General Fund:

- FTE Human Resources Technician – Administrative Services
- FTE Buyer II – Administrative Services
- 0.5 FTE Pool Manager – Parks and Recreation
- 0.5 FTE Recreation Leader – Parks and Recreation

Eliminated Positions – General Fund:

- 0.5 FTE Purchasing Technician – Administrative Services

Overall net increase of 2.5 FTE's general fund

Discussion followed.

Mr. Goff: Several other Special Revenue Funds are also included in this Budget to track revenues and expenditures that are designated by law to be used for specific purposes or are used to simplify the budgeting process. Those funds include Public Art, Police

Investigation, Municipal Court, Equipment Replacement, and Crime Prevention/Code Enforcement. Detailed revenue and expenditure information for these funds can be found in the Special Revenue Funds and the Line Item Accounts sections of the Budget.

The 2E Investing 4 the Future Fund (Fund 31) was created in 2017 as a special fund to account for the 2E bond and debt activity. 2018 revenues from the 0.5% sales and use tax and interest are projected at \$4,166,308. In addition, the beginning fund balance for 2018 is projected at \$33,156,876, which brings the total available funds for the 2E Fund to \$37,323,184.

2E Fund expenditures total \$17,425,300, of which \$13,920,000 is for 2E project expenditures and \$3,505,300 is for debt service on the 2E bonds. This will provide for a projected ending fund balance of \$19,897,884

2E Investing 4 the Future projects for 2018 include:

- Final construction of hook ramps on I-70 for the Clear Creek Crossing development
- Construction plans and ROW acquisition for potential City constructed projects at the Gold Line Station (exact projects not yet identified)
- Completion of the Wadsworth Boulevard Environmental Assessment (EA)
- Design, development and construction drawings for Anderson Building, bathhouse and park renovation

Sales Tax

Sales tax, the City's largest revenue source, for 2018 is projected to increase by 1.8% compared to 2017 estimated revenue. Sales tax revenue is projected to decrease by 2.5% compared to what was originally budgeted in the 2017 budget. Overall, total General Fund revenues for 2018 are projected to decrease by 6% compared to 2017 estimated revenue and increase by 2.3% compared to what was originally budgeted in the 2017 budget. The closure of the Walmart store is the primary reason for the minimal increase projected for sales tax in 2018

- On May 8, 2017, the City of Wheat Ridge and the surrounding area experienced an extremely damaging hailstorm. In 2016, the Building Division processed 1,597 building permits, of which 231 were for residential re-roofs. Conservatively, staff is estimating approximately 6,000 residential re-roof permits will be processed in 2017 and an additional 2,000 in 2018.
- The proposed 2018 Budget reflects the closure of Walmart on July 7, 2017, and the associated loss in sales tax revenue. As a result of the closure, City Departments identified over \$500,000 in discretionary spending that was cut from the 2017 Budget
- The City of Wheat Ridge currently operates a Communication Center to receive and process 911 emergency and non-emergency calls for service for police, fire and emergency medical response. The adjusted 2017 Communications Center

(204) budget is \$847,528 plus \$92,434 for medical benefits and \$82,000 for information technology expenses for a total of \$1,021,962. The City currently employees 13.0 FTE to operate the Center

- Several commercial redevelopment projects across the City are projected to increase sales and use tax revenues in the next several years. The Corners at Wheat Ridge is currently under construction and the anchor tenant and other retail shops are expected to open after mid-year 2018. The 2018 Budget includes three months of revenues from this project in the amount of \$215,500

Questions, discussions and requests included:

- Roofing permit projections for the end of this year and beginning of next year.
- Gateway signage program: These signs will be added where they are needed or going to be put up but no specific location has been picked out at this time.
- Capital Fund Improvements and Special Funds
- Miscellaneous revenue is up due to project funds being repaid to the City.
- Consensus to establish an account fund in 2018 to save money for construction of Wadsworth Blvd sidewalks to the amount of \$300K yearly. Consensus failed 3-5
- Concerns were discussed by councilmembers regarding how funds were being distributed to outside agencies and to have a better oversight on these programs to see where that money goes.
- Consensus for a narrative budget to be submitted from both Local Works and the Carnation Festival, these to show the actual and projected expenses. Consensus passed 5-3
- Consensus to add 180K to the 2018 budget for 2 FTE for the Police Department and 1 FTE for public works department. Consensus passed 5-3

3. Elected Official's Report(s) There were no reports.

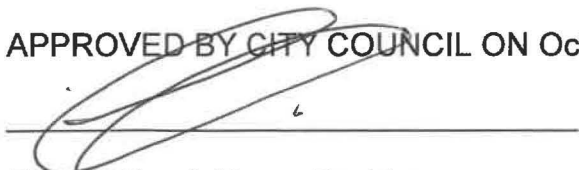
ADJOURNMENT

The Study Session adjourned at 10:15 pm.



Robin Eaton, Deputy City Clerk

APPROVED BY CITY COUNCIL ON October 23, 2017



George Pond, Mayor Pro Tem