

STUDY SESSION NOTES
CITY OF WHEAT RIDGE, COLORADO
City Council Chambers 7500 W. 29th Avenue

September 21, 2015

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

Council members present: Jerry DiTullio, Bud Starker, Zachary Urban, Kristi Davis, Tim Fitzgerald, Genevieve Wooden, and Tracy Langworthy

Absent: George Pond

Also present: City Clerk, Janelle Shaver; City Manager, Patrick Goff; Administrative Services Director, Heather Geyer; Parks Director, Joyce Manwaring; Police Chief, Daniel Brennan; Public Works Director, Scott Brink; Community Development Director, Ken Johnstone; Court Administrator, Kersten Armstrong; City Treasurer, Larry Schulz; other staff and interested citizens.

PUBLIC COMMENT ON AGENDA ITEMS

Joe DeMott (WR), chair of the Carnation Festival, played a YouTube video about the Carnation festival. They're hearing this year's festival was by far the best. They had good sponsorship -- the City being the largest. 25,000 people attended. There are things that can be done to make it bigger and better. Last year they asked for \$80K and got \$50K. They are again asking for \$80K so they can address some of the issues. Volunteers are just not enough to handle 25,000 people; they had to call in temporary help with security after Friday night. They made money this year, but there are expenses before the festival that can't be recouped. Weather is always a consideration. They'd like a little more from the City to make it better and better every year, but everything costs money. They want to improve the fireworks; a WRHS alum has offered to help with that. There are commitments to be made soon for next year and what they have in the bank will go for that. We're now a regional festival - competing with other festivals.

Gina Hallisey (Arvada), event planner for the Carnation Festival, presented to the City the marketing book and a commemorative signed poster. She read a letter from Sen. Cheri Jahn thanking the City, telling how the Festival now draws crowds from neighboring areas, and how more local and some large businesses have become sponsors. She's done fundraising since 2008 and it is becoming difficult. Community expectations are high now, and volunteers aren't enough. She believes the City should donate a minimum of \$80,000. Ms. Hallisey noted we have surpassed other festivals and are becoming a destination. She referenced the budget provided to Council. Fixed general expenses before the event started totaled \$160K; improvements for next year will make it \$177.5K. Guaranteed pre-event revenue is \$24K in vendor fees -- not counting sponsorships. Funds needed to cover expenses for next year are \$153K and they have \$60K in the bank. The risk is \$93K. She said they think they can come up with \$13K in sponsorships, so \$80K from the City would allow them to continue to grow the festival so it becomes self-sustaining.

Mr. Goff noted that the budget being presented tonight provides \$67.5K, plus \$22.5K for police overtime, and received clarification from Ms. Hallisey that their request tonight is to increase the \$67.5K to \$80K.

APPROVAL OF AGENDA

1. Presentation and Review of Proposed 2016 Budget

Link to the budget is available at <http://www.ci.wheatridge.co.us/1320/2016-Proposed-Budget>

Mr. Goff and the department heads presented the proposed 2016 budget.

Financial Health of the City

~ Revenues have increased steadily since the recession, especially the last three years. 2016 revenue should be slightly over \$30M.

~ Expenditures were kept flat following the recession (when cuts were made), but we've gradually been able to increase expenditures as revenues increased. Increased expenditures in 2014- 2016 have primarily been related to economic development and included large one-time expenditures: paying off the loan at 44th Upham (2013), the \$1M cash incentive for Kipling Ridge (2014), purchasing solar panels (2015), and ESTIP/TIF payments (2016). 2016 expenditures should be a little over \$30M.

~ Capital expenditures have increased steadily since 2010 – made possible with transfers from the General Fund, but the 2016 CIP budget will be about \$2M below 2015.

Short-term Budget Picture The 2016 budget is balanced.

- \$775,000 in department requests were cut.
- Four new position requests and \$261,000 in fleet maintenance were deferred.
- \$983,000 is transferred to reserves and \$2.8M is transferred to CIP.
- \$100,000 is transferred to the Capital Equipment Replacement Fund.
- Projected Reserves of 17% will be maintained.

Long-term Fiscal Challenge

Continued reliance on the General Fund for more infrastructure projects. Grants are helpful, but economic development continues.

2016 Total Projected Revenue (All Funds) are expected to be fairly status quo.

\$38,427,846 Projected revenues
+\$11,490,671 Beginning fund balance
\$49,918,517 Total available funds

2016 Total Proposed Expenditures

\$42,212,869 - includes General Fund (72%), CIP (16%), and 8 special revenue funds

(Rec Center 6%, Open Space 3%, Conservation Trust Fund 1%, other special funds 2%)
 This is about a 5% decrease compared to 2015. In 2015 Open Space had money for the Clear Creek trail and the Parks storage facility; Public Works had the Kipling Trail and did more preventative maintenance than is planned for 2016.

General Fund Budget

Projected General Fund Revenues

\$31,980,290	Projected Revenues (1.2% increase from 2015)
+ \$ 8,271,981	Beginning Fund balance
\$40,252,271	Total Available Funds

Revenue sources: Sales tax 60%, Use tax 11%, other taxes 8%, Intergov. 6%, Licenses 5%, Services 4%, Fines 2%, Property tax 2%, other 2%

Proposed General Fund Expenditures

\$30,997,144	Projected Expenditures (0.4% increase from 2015)
\$31,980,290	Projected Revenue
\$983,146	Maintain Fund Balance

Unrestricted fund balance is \$5,282,127 (17%)

Expenditures by department: Police 32%, Public Works 15%, Parks 15%, Admin Services 11%, Central Charges 10%, General Govt (incl. City Council, Clerk, Treasurer, City Manager, Econ Dev, City Attorney) 10%, Community Development 4%, Court 3%

Breakdown of expenses by Council goals:

Goal 1: Economically viable commercial areas

Urban renewal projects (annual contribution) - **\$300,000**

ESTIP/TIF payments - **\$802,000**

- ESTIP (CO Plus, Green Herb, W 29th Ave Restaurant),
- TIF (Kipling Ridge, Wheat Ridge Corners and WR Cyclery)

Ridge at 38 public events (4): **-\$120,000** (increased from 2015)

Ridgefest, Tree Lighting, Criterium, Trunk/Treat)

Citywide public relations and marketing efforts (contract w/ public relations firm) - **\$43,500**

WR Business District (WRBD) grant program (for exterior improvements) - **\$45,000**

Live Local events (WR2020) - **\$50,000** (small increase)

Building Up Business Loan program (BUBL) (WR2020) - **\$25,000**

Realtor, new resident and developer positioning tours (WR2020) - **\$20,000**

44th Ave Corridor marketing - **\$5,000**

29th Ave Marketplace marketing - **\$5,000**

Ridger at 38 banners and lights program - **\$25,000**

Ward Road Gold Line opening party - **\$20,000**

Goal 2: Financially sound / Providing exceptional services

Preventative street maintenance - **\$1.9M**

Fleet acquisition and replacement - **\$564,200**

Employee compensation – 3% projected pay-for-performance - **\$450,000**

Firewall electronic security software - **\$230,000**

Continued regionalization of RMS (Police records) - **\$139,000**

Lakewood crime lab services - **\$63,000**

Regional crime lab - **\$31,280**

Employee safety and wellness programs - **\$29,680**

Priority Based Budgeting (year 5) - **\$15,000**

Goal 3: Desirable neighborhoods

Prospect Park improvements - **\$700,000**

Outdoor pool maintenance - **\$155,000**

Rec Center maintenance - **\$236,150**

Active Adult Center parking lot replacement - **\$50,000**

TLC program (neighborhood Traffic safety, Life quality and Crime reduction) - **\$40,000**

Discovery Park cameras - **\$20,000**

Traffic signal upgrades - **\$16,600**

Home Investment Loan Program (HIP) (WR2020) - **\$25,000**

Police Dept community-oriented neighborhood programs - **\$17,655**

Police Dept greenbelt patrol - **\$30,000**

Police Dept special events overtime - **\$15,000**

Goal 4: More Attractive WR

Kipling St multi-use path and lighting - **\$835,000** (part grant funded)

Discovery Park ADA accessibility playground - **\$80,000**

Parks & trail maintenance projects - **\$75,000**

Citywide right-of-way maintenance - **\$59,530**

Open Space improvements - **\$50,000**

Bus shelter and bench maintenance and cleaning - **\$16,000**

Large-item pickup program - **\$5,000**

Other notable budget items:

Carnation Festival/Circus - **\$67,500** (up \$17,500 from last year; plus in-kind services of \$22,500) (Mr. Goff noted additional request made earlier during public comment.)

Seniors Resource Center (SRC) circulator bus - **\$35,000** (\$5,000 increase from 2015)

Carnation Festival Battle of the Bands - **\$2,500**

Arvada Food Bank - **\$15,000**

Feed the Future backpack program - **\$10,000**

Outside agency requests **\$11,500**

- Action Center - \$1,600
- Arapaho House - \$1,300
- CASA of Jeffco - \$1,000
- Family Tree - \$1,000
- Glass Hearts - \$400
- Jefferspon Center for Mental Health - \$1,100
- Ralston House - \$1,000
- Seniors' resource Center - \$1,400
- Wheat Ridge Optimists Club - \$1,200

Regional Air Quality Council (RAQC) - **\$4,000**

Kite Festival - **\$2,000**

Exempla Lutheran Leaves of Hope event - **\$2,500**

Jefferson Center for Mental Health – **\$2,500**

WRHS Farmers 5000 - **\$2,500**

Wheat Ridge Active Transportation Advisory Committee (ATAT) - **\$1,500**

Outdoor Lab foundation - **\$19,940**

Socrata Open Budget transparency software - **\$7,500** (Helps citizens get information)

Contractual services for specialize sales and use tax audits - **\$41,250** (Should bring in \$130K in direct revenues and prompt more diligent compliance for use tax.)

Fleet Replacement (based on age and mileage/hours): **\$564,200**

Jet-Vac (to keep drainage and storm sewer lines open) - **\$251,000**

Active Adult Center Mini-bus - **\$82,000**

Police vehicles (2 for code enforcement) - **\$135,000**

Public Works vehicles (truck) - **\$34,500**

Parks & Rec vehicles (2 small trucks) - **\$61,500**

- Anticipated needs for fleet replacement the next four years include:
 - 2017 \$1,000,000 (includes street sweeper deferred from 2016)
 - 2018 \$ 998,000
 - 2019 \$775,000
 - 2020 \$823,000

CIP Budget

Total Available Funds: **\$5,907,560 disbursement**

Distribution: Street improvement projects 61%, preventative maintenance 29%, drainage projects 5%, NTMP (traffic calming) 2%, gateway signs 2%, bike/ped improvements 1%

CIP Major Projects ~ Scott Brink

Preventative street maintenance projects - **\$1.9M**

Wadsworth EA project (environmental assessment) - **\$1.5M**

Completion of Kipling trail improvements - **\$835,000** (part grant funded)

Gold Line Station street improvements (Tabor Street) - **\$740,000** (grant funded)

29th & Fenton intersection improvements - **\$350,000** (pending completion of reservoir)

Drainage improvement projects - **\$279,821** Reconstruction of outfalls into Clear Creek (near Balsam; near Marshall)

Public improvement projects related to development - **\$100,000**

Neighborhood Traffic Management Program - **\$50,000**

Entryway signs - **\$50,000**

ADA transition plan for improving sidewalk accessibility - **\$50,000**

Bike/Pedestrian Master Plan - **\$25,000**

CIP – 2016 and beyond (Needs)

- We transfer \$3M a year from the general Fund for CIP projects.
- We will need \$5.5M from the General Fund in 2019 for Wadsworth reconstruction

Open Space Fund (from Jeffco Open Space tax) ~ Joyce Manwaring

Revenues \$1,058,000

Total Available Funds \$1,717,239

Expenditures \$1,629,337

Ending Fund Balance: \$87,902

Project Highlights

- Open Space improvements – replace Bass Lake retaining wall \$50K
- Improvements to Public Works and Parks Ops facility (add covered shelter to protect equipment \$150K
- Improvements to Prospect Park (Biggest project for 2016; improve drainage on softball field; add a soccer field; new shelter)
- Complete masterplan design for renovation/improvements to Prospect Park \$80K (budgeted in 2015)
- Outdoor pool maintenance (2015 project; resurfacing of leisure pool; repair toys)
- Parks maintenances projects (several; water table at Hopper Hollow; shade structures at Discovery Park; other)
- Trail replacement and repair (Johnson Park)
- Matching funds for the Jeffco Open Space River Corridor signage project (\$25K)

Conservation Trust Fund (Lottery Funds) ~ Joyce Manwaring

Revenues \$300,500

Total available funds: \$515,878

Expenditures \$493,150

Ending Fund Balance: \$22,728

Project Highlights

- Rec Center maintenance projects (variety) – \$236K
- Rec Center pool facility improvements and replace frog slide
- Active Adult Center parking lot replacement
- Discovery Park ADA accessibility for the playground (per new federal law)
- Parks maintenance projects
- Resurfacing of tennis and basketball courts

2016 Staffing changes – overall net increase of 0.5 FTE's

- New Position: 1.0 FTE maintenance worker II (Public Works)
- Previously grant funded : (grant requires to keep position for one extra year)
1.0 FTE Vice/Intelligence Detective (Police Officer II) Massage parlors, prostitution, human trafficking, gambling, liquor/marijuana enforcement training, gangs, etc. (Will allow us to be more proactive, not reactive)
- Position FTE increases: 0.5 FTE Recreation coordinator, Act Adult Ctr (Parks)
- Position FTE decrease: 1.0 FTE School Resource Officer (Police)

2016 Staffing by Fund – General Fund 210.875, Rec Center 11.5, Crime Prevention 4.5
Open Space 5

2016 Staffing by Department – Police 107, Parks/Rec 47.125, Public Works 30, Admin Services 21.5, Community Development 12, Municipal Court 10.25, General Gov 4

Employee Benefits Highlights ~ Heather Geyer

- Year 4 of new Pay-for-Performance Plan
- \$450,000 ~ 3% increase (comparable to the market)

- 2015 Market Study – average 3% increase in both sworn and civilian pay plans
- Medical benefits – 8.3% increase to be absorbed by employees (negotiated down from 12%; still much less than market)
- Employees are very engaged in the wellness program activities

Public Hearing on the budget - October 12

Discussion and questions followed.

- The Vice/Intelligence position was grant funded , so not considered a new FTE.
- The ESTIP and TIF payments of \$802,000 come from sales tax that is collected.
- The four new positions that were NOT funded are 1 maintenance worker, 1 human resources tech, 1 SRO and 1 senior liaison.
- Right-of-way maintenance does include some work with CDOT on I-70.
- We subsidize the Carnation Festival. It contracts with the Circus.
- The request for funds for Outdoor Lab is from the School District (for WR kids).
- Fleet replacement is replacement of existing units.
- ADA transition plan funds will finish the 2015 plan and allow for some projects. Would be possible to coordinate with the bike/ped master plan.
- NTMP: In 2015 will not use all the \$50K budgeted. Program going well.
- Elimination of the SRO? We aren't at full strength; 1 granted position eliminated
- Discussion of permanent speed boards on Harlan.
- Discussion of the Carnation Festival budget as it relates to the Circus: If they want the extra \$20K they have to replace the Circus as a main attraction.

Councilmember DiTullio received consensus to increase the Carnation Festival contribution by \$20K, with the condition that they get rid of the Circus.

Councilmember Langworthy excused herself at 8:34pm.

- Further discussion about the Festival
- Discussion about reducing money for Battle of the Bands to \$1,000 and giving the savings to some of the outside agencies.

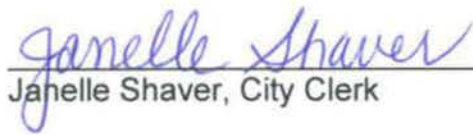
Consensus by Councilmember Wooden to amend the funding for the Battle of the Bands to \$1,500 and transfer the remaining \$1,000 to the other outside agencies.

- The \$5.5M for Wadsworth reconstruction in 2019 is only the City's share.
- Discussion of credits for the solar garden.
- Discussion of funding for WR2020: 2016 funding is \$421K (\$67,000 less than they asked for, but \$40K more than 2015). \$120,000 is for the 4 main events (up from \$80K in 2015; \$140K was requested for the events). Could they get other funding sources? They are important events – the personality of WR. We have no budget from them like the Carnation Festival provides.

- Marketing money for 44th Av and 29th St is not WR2020 money; it's in the Economic Development budget.
- 38th Ave Lighting and Banner program is WR2020's program (City installs).
- Discussion of the Gold Line grand opening party: Funded by the City. Nov 2016. Events Th, Fr and Sat are being coordinated with Arvada. RTD will fund some. Would be good to have a budget about this.
- Discussion about removing \$10,000 from the bus tours (\$20K; up \$5K from 2015) and using the money for commercial marketing (44th & 29) rather than residential. Mr. Goff indicated a line item budget and narrative is available and he will get it to Council.
- Discussion of budget for gateway sign at 26th & Kipling as it redevelops. Mr. Brink indicated the funding is adequate.

ADJOURNMENT

The Study Session adjourned at 9:03 p.m.


Janelle Shaver, City Clerk

APPROVED BY CITY COUNCIL ON October 12, 2015


Bud Starker, Mayor Pro Tem