

LOVELAND CITY COUNCIL
STUDY SESSION
TUESDAY, SEPTEMBER 11, 2012
CITY COUNCIL CHAMBERS
500 EAST THIRD STREET
LOVELAND, COLORADO

THE CITY OF LOVELAND DOES NOT DISCRIMINATE ON THE BASIS OF DISABILITY, RACE, CREED, COLOR, SEX, SEXUAL ORIENTATION, RELIGION, AGE, NATIONAL ORIGIN, OR ANCESTRY IN THE PROVISION OF SERVICES. FOR DISABLED PERSONS NEEDING REASONABLE ACCOMMODATION TO ATTEND OR PARTICIPATE IN A CITY SERVICE OR PROGRAM, CALL 962-2343 OR TDD # 962-2620 AS FAR IN ADVANCE AS POSSIBLE.

6:30 P.M. STUDY SESSION - City Council Chambers

1. **CITY MANAGER** **(90 minutes)**
City Manager's Recommended Budget for 2013
Staff will present to City Council the City Manager's 2013 Recommended Budget, which includes the 2013 Recommended Capital Program. The discussion will review revenue projections and major changes to the budget.

2. **PUBLIC WORKS** **(45 minutes)**
Recyclebank Options for Solid Waste Program
Public Works staff is considering Recyclebank for additional marketing and recycling opportunities that support continued waste diversion increases, economic development efforts, and education. At a study session on April 17th, 2012, staff introduced the Recyclebank program to City Council. After a thoughtful Q & A session, Councilors' questions and concerns centered around a desire for more detailed information about the costs and benefits of partnering with Recyclebank. This follow-up study session is intended to provide the more detailed analysis that City Council requested.

ADJOURN



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

AGENDA ITEM: 1
MEETING DATE: 9/11/2012
TO: City Council
FROM: Bill Cahill, City Manager
PRESENTER: Bill Cahill and John Hartman

TITLE:

Presentation of the City Manager's Recommended Budget for 2013.

DESCRIPTION:

Staff will present to City Council the City Manager's 2013 Recommended Budget, which includes the 2013 Recommended Capital Program. The discussion will review revenue projections and major changes to the budget.

SUMMARY:

The 2013 Recommended Budget is respectfully submitted for City Council consideration in accordance with the City Charter, Section 11-2. It was developed based on City Council financial sustainability principles and the goals established at the 2012 City Council Advance.

The total net budget is \$206.9 million. It is comprised of both operations expenditures and capital expenditures. The operations expenditures are \$160.6 million, a 12.6% increase over the 2012 Adopted Budget. The increase is primarily due to restoring employee compensation increases of 3.5%, new staffing and operating costs from the capital program such as the expansion of Fire Station 6, and additional staffing and operating costs that are needed and allowable based on the revenue forecast.

The capital expenditures are \$46.3 million, an increase from the 2012 Adopted Budget of 27.3%. The increase is primarily due to the Water Enterprise Capital Program to replace aging infrastructure and a function of the projects that are scheduled for construction in 2013 based on the Capital Program timing. Please note that the Water Enterprise capital expenditures may be subject to considerable change, pending additional Council discussion of the Water program.

The public hearing and first reading of the ordinance will be held October 2, 2012. The second reading will be held October 16, 2012. The Citizen Finance Advisory Commission will conduct a review of the recommended budget at their September 12, 2012 meeting. The material provided for this study session is in summary format.

The budget document you received earlier provides a complete financial plan by fund including: revenues and expenditures by agency and category; a three year comparison of revenues and expenditures; a ten year capital improvement plan; estimated beginning and ending balances

for all funds; a draft budget message; explanatory information relative to budgetary basis of accounting, financial policies, scope of services provided by the City, and other pertinent information. The full document is available on the City's website, in the City Library at the reference desk and in the City Clerk's Office for public review.

REVIEWED BY CITY MANAGER: *William D. Cahill*

LIST OF ATTACHMENTS:

1. Draft Budget Message
2. Budget Summaries
3. Presentation Slides



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Budget Message from the City Manager

To the Honorable Mayor and Members of the City Council:

The budget for 2013 is respectfully submitted for your consideration, in accordance with the City's home rule charter. This budget outlines revenues and expenses for 2013, and begins to move the City in a recovery from the past constrained budgets necessary due to the prolonged recession.

Budget Overview

The total City Budget for January 1 to December 31, 2013 is an increase from 2012. Revenues have recovered from the lows of 2009, and provide the resources to begin increasing some services.

This budget can be characterized as "mildly expansive". While revenues have risen, we will continue to exercise caution about increasing service levels and expenses. We are particularly cautious about increases in continuing operational expenses. Likewise, diligence has been exercised to devote any increased resources first to the internal needs of the City organization, and secondly to any outside funding requests. The reason: the City's programs have been restrained considerably in recent years by economic conditions, and need augmentation.

When the budget is considered as a whole, expenses have increased more for planned one-time capital expenses than for continuing operational expenses.

Total City Budget (Net of Internal Transfers, in 1000's)

	2010 Budget	2011 Budget	2012 Budget	2013 Budget
Operations	128,230	137,577	142,175	160,556
Percent Change	-5.2 %	7.3 %	3.3 %	12.6 %
Capital	41,174	40,699	36,758	46,297
Percent Change	-7.9 %	-1.2 %	-9.7 %	27.3 %
Total Net Budget	169,405	178,276	179,007	206,852
Percent Change	-5.9 %	5.2 %	0.4 %	15.6 %

Of particular interest is the General Fund operating budget trend. This does not include capital projects, which can vary annually. The 2013 Budget proposes an increase of about \$1.2 million over 2012 levels, or about 1.9%. The rate of expansion in these areas is targeted to be less than the rate of revenue growth, and less than the rate of inflation.

Because of the City's increasing revenues and controlled rate of increase in expenses, the net result is to add a projected \$3.0 million to the General Fund ending balance by the end of 2013.

General Fund Operating Budgets (Net of Internal Transfers)

	2010 Budget	2011 Budget	2012 Budget*	2013 Net Recommended Budget
Operating Budget	57,135,320	59,711,650	62,391,870	65,192,070
		4.5 %	4.5 %	4.5 %
Ending Balance	21,237,600	21,570,950	25,107,410	28,136,660

**A reorganization that occurred shortly after the budget was adopted moved the Utility Billing, Customer Service and Meter Reading Divisions into the General Fund from the Water & Power Enterprise Funds in 2012. Included in the 2013 Budget is a change moving transit and the transportation maintenance and construction functions into new funds from the Public Works General Fund budget. The 2012 numbers above have been revised to match these reorganizations in order to present better comparisons for the year-to-year changes.*

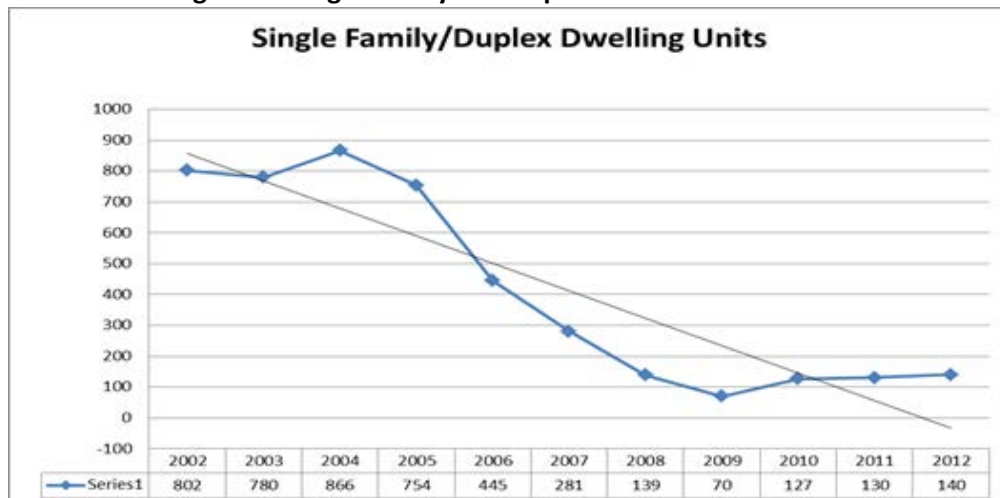
Economic Climate and the Revenue Picture

The northern Colorado regional economic picture is improving despite the signs of continued weakness in the national and global economies.

Loveland’s unemployment rate remains just below both the national and Colorado average, and has been steady through 2012. Job creation in Loveland has recovered somewhat in 2012, though not enough to generate real optimism of continuance. Retail sales and use tax revenues for 2012 are exceeding 2011, but building use taxes (driven by construction activity) remain very low compared to historical amounts.

The growth forecast for Loveland is a foundational element of building the budget. Our expectations are for a slight resumption of construction in the single family home market (Figure 1), complemented by very slight growth in commercial and industrial construction, and flatness in multi-family construction. This not only drives use tax revenues, but provides a general backdrop for projection of other economic activity.

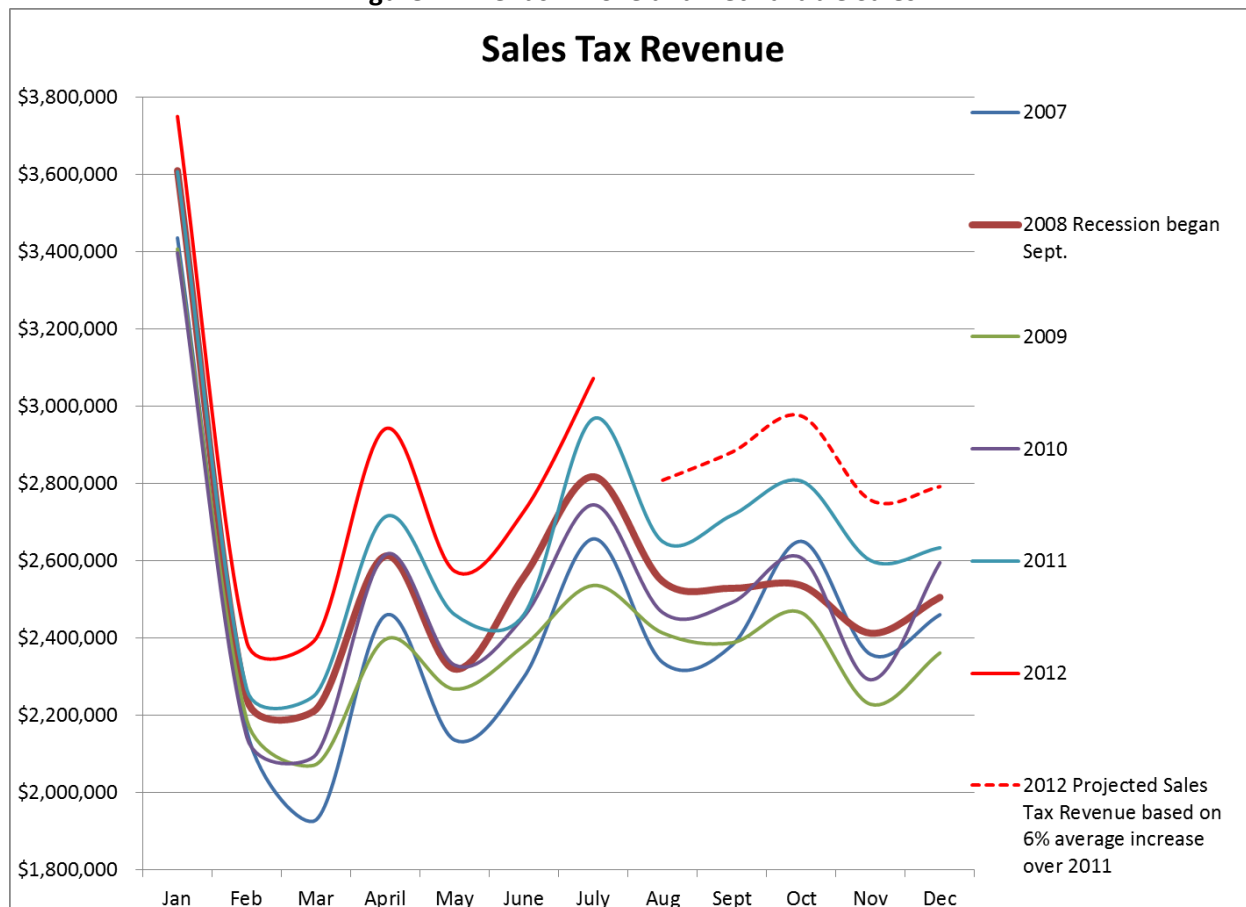
Figure 1: Single Family and Duplex Construction Trends



The forecasts are prepared by Development Services and are based on projection of trends, as well as projects “in the pipeline”.

The other significant trend to watch is sales tax revenues, since these revenues account for 72% of General Fund taxes. Figure 2 shows net taxable sales since 2005. Loveland’s net taxable sales in 2011 showed a very encouraging increase above the prior year, and the trend has continued in 2012.

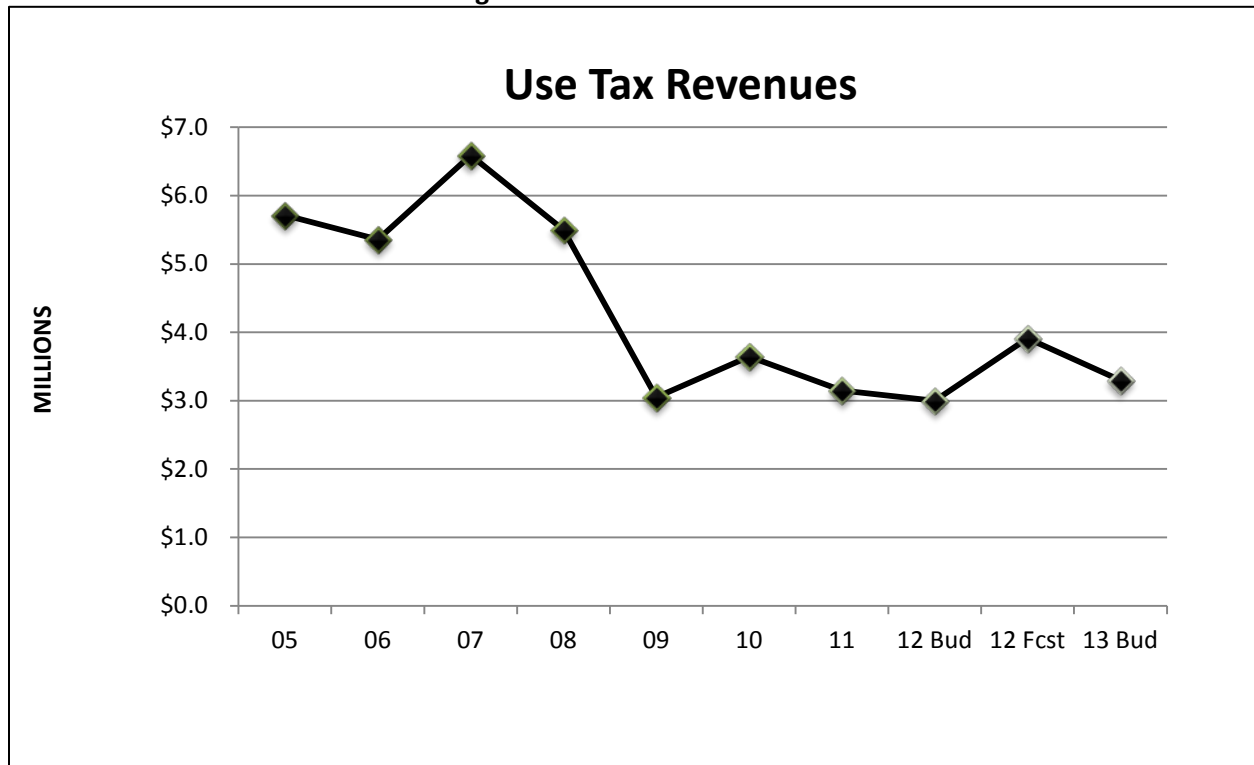
Figure 2: Trends in Loveland Net Taxable Sales



Property taxes, which account for 15% of General Fund taxes, are projected to remain flat.

Use taxes (7% of General Fund taxes), which are traditionally volatile, are projected to decline from the 2012 forecast. The volatility of this revenue source has led to an approach for budgeting these revenues which is described in “Changes” below.

Figure 3: Loveland Use Taxes



Achieving City Goals and Priorities

The policy purpose of a budget is to make goals and priorities real. At the City Council’s annual advance in January 2012, three major goals areas were identified for 2012:

- Public Safety
- Economic Vitality
- Infrastructure

Each of these priorities is reflected in the 2013 budget through the allocation of resources.

Safety: By their nature, public safety departments are labor-intensive, with most expenses for staffing and a lesser emphasis on capital. Additional public safety positions have been added in both Fire and Police:

- 6 new firefighter positions due to the completion of Fire Station 6
- 1 new Police dispatch position
- 1 new Police evidence technician position

The additional Fire positions help carry out the “Model 1” long-range staffing plan being followed by the Loveland Fire Rescue Authority. One position called for in “Model 1” for 2013 has not yet been added in this Budget: a fire lieutenant in the prevention division. This position is not contained in the Budget, but may be added by later action pending the outcome of the Rural Fire District mill levy election.

The Police positions respond to the most critical immediate Department needs. The Department is currently completing a long-range staffing plan due in 2013, which will provide the outline for future staffing patterns.

Economic Vitality: The City's Economic Development Department, first formed in 2012, continues to develop ways to enhance Loveland's economic vitality. The Department's Technology Acceleration Program, begun in early 2012, will be continued in a new phase in 2013.

Otherwise, departmental operating staffing remains unchanged. Substantial fund reserves are carried forward in the Incentive Fund, which is used to respond to individual business opportunities as they arise; and also in the Lodging Tax Fund, which is used for visitor promotion and marketing activities.

Infrastructure: The City Council spent substantial time in 2012 in study sessions on infrastructure, charting a course for actions to be implemented in the 2013 Budget and beyond. As a result, water and wastewater rates are increased to provide a strong foundation for more intensive capital programs in both of these utilities. Follow-on actions will be required in both areas to carry out the specific capital plans.

Street maintenance has also been listed as a Council priority in both 2011 and 2012. Escalating maintenance needs are being met through funding provided by increased street maintenance fees and a larger share of Highway User Tax Funds (HUTF).

Changes in Budget Presentation and Development

Readers will notice some differences in budget presentation from previous years. Key changes:

- **New Transit Fund:** The Transit Division has been placed within its own fund, separate from the Public Works Department General Fund budget. This move will track Transit revenues and expenses better and better show the impact of declining federal operating grants.
- **New Streets Fund:** The operating and capital functions associated with all street maintenance and construction has been placed in a new fund to track these costs. Previously the operating portion was included in the Public Works Department General Fund budget, and the Street Rehabilitation program and Transportation construction program were shown within the Capital Projects Fund budget. This change will better show the City's full commitment to transportation and maintenance.
- **Improved Cost Accounting:** Costs of central administrative services and "internal services" have been allocated to client departments. This better reflects the full costs of providing the different City services budgeted within the General Fund. In previous years, internal or administrative support functions (such as City Manager, Finance, Human Resources, Facilities Management and others) were funded through allocations from the General Fund. Now, the departments receiving these internal services are "billed" for these services, which more fully accounts for the costs of delivering the various City programs. As a consequence, it is difficult to compare some budgetary lines for 2013 to the same items for 2012. In most departments, "purchased services" are up considerably simply because of this accounting change; and "General Fund subsidy" has grown in these same departments.

- Because use tax revenues are volatile, they are not counted upon for funding ongoing costs of operations and maintenance.

The Final Budget in Detail

The City's budget falls into two major categories: operations and capital. The City anticipates a fairly steady state of operations, with the exception of the purposefully planned enhancement of Fire service, and increased resources in the Open Lands program.

Operations

Total operational expenses for the City will be approximately \$160,555,840, compared to \$144,394,860 for 2012. General Fund expenses net of the allocated costs for 2013 are \$65,192,070, compared to \$62,391,870 for 2012.

Departments submit "core" budgets (based on previous year's baseline expenditures with adjustments for the recommended compensation policy and less one-time expenditures), and also may request "supplemental" budgets for new items. Departments were restrained in supplemental requests this year.

The recovery of revenues has allowed some expansion compared to 2012, adding some resources to nearly every department. Of particular note:

- The expansion of Station 6 for the Loveland Fire and Rescue Authority will begin operations in 2013. The expansion adds an engine company to enhance response on the east side of the city. The Authority will also add a "Type 6" engine to the fleet. This engine is necessary for response to open lands and rural area fires.
- Funding has been added to the Economic Development Department to continue the Phase II of the Technology Transfer program.
- Funding has been added to Development Services for historic preservation and outreach programs.
- Finance and Human Resources will begin the development and implementation of the Human Resources Information system module in the Innoprise financial system, converting the payroll, position control and employee data functions to the new system.
- The Information Technology Department will expand Wi-Fi services to many of the City buildings.
- Parks and Recreation will add planning and maintenance staffing for the Open Lands program.
- The largest deficiencies noted in Phase I of the Police staffing study are addressed by adding a Dispatch position and Evidence Technician position.

- Public Works will begin a tree replacement program for trees that have had to be removed in City right-of-ways.

Staffing Levels

Staffing levels have remained fairly steady with 15.39 additional benefited full time equivalent (FTE) positions in the 2013 Recommended Budget. In the General Fund, new positions include:

- 6.0 FTE for the Fire Authority for firefighters
- 2.0 FTE in Police for a dispatcher and an evidence technician
- 1.0 FTE in Public Works for a financial administrative position
- .5 FTE in Library for a Library Aide
- .5 FTE in the Rialto Theater for a planned facility operations position
- .5 FTE in Parks for a Parks/Open Space Planner (a full FTE is added but the other .5 FTE is placed in the Open Space Fund)

The total additions to the General Fund are 10.5 FTEs. However, due to creation of the new Transit and Transportation Funds and the transfer of existing personnel into those Funds, the General Fund has a net decrease of 11.36 FTEs.

Capital Program

Total capital projects in 2013 are budgeted at \$46,296,600. This represents a slight increase from the 2012 level of \$36,375,950, due to an increased effort in the Water and Wastewater Enterprise Funds to address the replacement of aging infrastructure, increases to the Street Rehabilitation Program and the first year of funding an annual bridge repair program.

Note that the Water capital projects are subject to additional City Council action and the Water capital plan may change substantially depending upon that action.

Key projects in 2013:

- The relocation of Fire Station 2 is needed to enhance services in the northwest part of the City. The project will expand the Station to house two engine companies and provide easier access to the major arterials for response.
- The construction of the next phase of the Service Center will allow for the relocation of the Street Maintenance, Solid Waste, Storm Water and Transportation Engineering personnel and equipment from the Maintenance Operation Center (MOC) and Fire and Administration Building (FAB) in the downtown area.
- Expansion of the Lake Loveland tennis courts by adding three courts. The project is a joint City/Thompson R2J School District project with each entity contributing 50% of the project construction costs.

In addition, the Mehaffey park project is carried forward from 2012, in which it was budgeted. The bulk of Mehaffey Park construction will actually occur in 2013.

Other large capital project expenses in the 2012 Budget are “allowance” amounts for projects which are customarily budgeted annually, with locations varying year-to-year. For example, open lands acquisition is based on an expected expense level, without identification of particular properties for acquisition, the Transportation Program has several projects included based on the 2030 Transportation Plan, and the Street Rehabilitation Program funds the resurfacing of streets throughout the City. \$1.1 million is included for potential downtown projects.

Conclusion

I would like to specially thank those in the Finance Department who were involved in the preparation of this budget. Special thanks are due to John Hartman, Budget Officer; Adam Dorritie, Budget Analyst; Chloe Romero, Business Services Coordinator; and Brent Worthington, Finance Director. Also, Bonnie Steele is to be specially recognized for her role as Acting Finance Director through the first half of 2012.

The City is in a strong financial position. Steps taken toward financial sustainability in 2011 have re-set a new course for the City’s projected financial future, so that the City has been placed on a path of self-sufficiency. This approach has been continued into the 2013 budget.

The conservative fiscal management which has been Loveland’s hallmark continues to pay dividends in the form of service stability. This allows us to respond to opportunities, and continue to pursue enhancing the quality of life in Loveland.

Fund Summaries

The following tables present revenue and expenditure summaries by fund for the four main fund types: the General Fund, Enterprise Funds, Internal Service Funds, 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 fund manager's Department Summary sections.

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, economic development activities, services to the development community, public works functions that maintain the existing street system, and the information and administrative functions.

The **Internal Service Funds** provide services to City departments. These include fleet maintenance and replacement, employee insurance benefits, and City insurance costs for workers' compensation, unemployment and general liability costs.

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

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

Fund Summary Schedule

Gross Budget	General Fund	Internal Service Funds	Enterprise Funds	Special Revenue Funds	Total City Budget	Other Entity Funds	Total All Funds
Beginning Balance	\$26,744,200	\$16,030,350	\$53,332,790	\$43,549,280	\$139,675,500	\$3,394,360	\$143,069,860
Revenues							
Taxes	48,587,600	-	-	700,000	49,287,600	12,084,240	61,371,840
Intergovernmental	324,080	35,000	-	6,878,440	7,237,520	11,786,060	19,023,580
Impact Fees	-	-	3,984,650	3,434,490	7,419,140	-	7,419,140
Charges for Service/ Permits/Fines	11,167,080	16,336,510	10,072,020	2,568,580	40,144,190	1,067,180	41,211,370
Interest	340,160	193,920	1,390,750	734,310	2,659,140	51,480	2,710,620
Payment in Lieu of Taxes	5,639,810	-	-	-	5,639,810	-	5,639,810
Bond Proceeds	-	-	16,000,000	-	16,000,000	-	16,000,000
Other	397,000	-	566,060	259,650	1,222,710	1,400	1,224,110
Utility Charges	-	-	74,085,980	-	74,085,980	-	74,085,980
Utility Other	-	-	1,929,920	-	1,929,920	-	1,929,920
Transfers	128,800	-	550,000	16,236,040	16,914,840	-	16,914,840
Total Revenue	\$66,584,530	\$16,565,430	\$108,579,380	\$30,811,510	\$222,540,850	\$24,990,360	\$247,531,210
Total Resources	\$93,328,730	\$32,595,780	\$161,912,170	\$74,360,790	\$362,216,350	\$28,384,720	\$390,601,070
Expense By Department							
Legislative	137,710	-	-	-	137,710	-	137,710
Executive/Legal	2,560,740	-	-	-	2,560,740	-	2,560,740
Cultural Services	1,696,190	-	-	414,010	2,110,200	-	2,110,200
Development Services	2,994,520	-	-	288,240	3,282,760	-	3,282,760
Economic Development	1,060,110	-	-	560,000	1,620,110	-	1,620,110
Finance	4,303,450	-	-	-	4,303,450	12,137,900	16,441,350
Fire & Rescue	-	-	-	3,534,480	3,534,480	9,878,290	13,412,770
Human Resources	1,048,160	13,267,660	-	-	14,315,820	-	14,315,820
Info. Technology	3,536,030	-	-	-	3,536,030	-	3,536,030
Library	2,845,310	-	-	86,000	2,931,310	-	2,931,310
Parks & Recreation	9,384,010	-	3,508,420	6,025,720	18,918,150	-	18,918,150
Police	17,033,190	-	-	-	17,033,190	-	17,033,190
Public Works	4,825,790	4,857,950	10,100,260	21,183,510	40,967,510	2,663,500	43,631,010
Water & Power	-	-	86,884,290	-	86,884,290	14,250	86,898,540
Non-Departmental	8,001,240	-	-	-	8,001,240	-	8,001,240
Internal Charges	(3,284,550)	-	-	-	(3,284,550)	-	(3,284,550)
Transfers	9,050,170	600,000	4,074,770	3,189,900	16,914,840	-	16,914,840
Total Expenses	\$65,192,070	\$18,725,610	104,567,740	\$35,281,860	\$223,767,280	\$24,693,940	\$248,461,220
Ending Balance	\$28,136,660	\$13,870,170	\$57,344,430	\$39,078,930	\$138,430,190	\$3,690,780	\$142,120,970

General Fund Summary

The General Fund is where most City services provided to the public are budgeted. These services include City administrative and legal services, police protection, parks, recreation, library services, cultural activities, development review and regulation, and the City contributions to the Loveland Fire Rescue Authority, street maintenance and repair, mass transportation. Funding is transferred to the Capital Projects Fund to provide vertical construction, major equipment purchases, information technology improvements and large building maintenance projects. Funding is transferred to the Transportation Fund for road projects, street rehabilitation and bridge repair.

Over 70% of the funding for these services is through taxes, primarily sales and use taxes. The other funding sources, charges for service, various licenses and permits, fines, payments from other governments for dispatch services, transfers from the Enterprise Funds for administrative services provided by General Fund agencies, and payments from all Enterprise Funds as payment-in-lieu-of-taxes (PILT) that would have been collected if these enterprises were private operations.

General Fund revenues are anticipated to increase by about 10% over the 2012 Adopted Budget. The increase is due to an increase of 4.0% in base sales tax collections and an increase in the percentage of revenue charged to Enterprise fund for the PILT payments and stronger building permit revenues. The 2013 projections for property taxes are flat to the 2012 forecast since this is not a reassessment year and new construction has been at low levels.

The services provided by the General Fund are labor-intensive. When transfers are excluded, personnel services account for 70% of General Fund expenditures. Another 21% is in purchased services, primarily for repair and maintenance of City buildings, equipment and grounds. The remaining expenses are for supplies, and equipment replacement.

Transfers account for 8% of the General Fund expenses. Ninety-four percent (94%) of the transfer expense is for capital projects with the remaining expenses for repayment of an intra-fund loan, fee waivers for Habitat for Humanity construction, 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, an unfunded liability reserve, a reserve for Library donations, and a reserve to fund the required match of the third year of the SAFER Grant in Fire & Rescue. 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 fund balance policy of having the unrestricted balance equal 15% of operating expense, by over \$8.9 million.

TABOR Emergency Reserve	\$1,920,080
TABOR Revenue Over Revenue Cap	3,822,350
Council Capital Reserve	3,038,860
Council Contingency Reserve	100,000
Unfunded Liability Reserve	200,000
Equipment Replacement Reserve	250,000
Fire Grant Match Reserve	79,700
Library Reserve	125,030
15% of Operating Expense Policy Reserve	10,198,520
Unrestricted Balance	\$8,885,760

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 \$3,822,350 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. In 2009, Council passed an ordinance reestablishing the reserve for another five years, and broadening the uses to include operating programs and special programs in the first two years the ordinance is in effect. The enabling ordinance sunsets at the end of 2015. In 2011, Council amended the ordinance again to set aside 1.5% through 2015, in order to balance revenues and expenditures.

The Council Contingency Reserve is included each year for small projects that could not be foreseen in the budget development process. 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. The Library Reserve is for donations and endowments to the Library that are not yet appropriated. Funding initially set aside for grant match for a Fire equipment grant was not entirely used. The amount has been kept in reserve for future grant matches the Fire Authority may require.

General Fund

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
REVENUE					
Beginning Balance	\$27,114,196	\$23,949,940	\$31,283,790	\$26,744,200	
TAXES	46,118,943	45,781,520	45,781,520	48,587,600	6.1%
LICENSES & PERMITS	1,368,849	967,460	967,460	1,491,180	54.1%
INTERGOVERNMENTAL	6,748,549	407,460	835,510	324,080	(20.5%)
CHARGES FOR SERVICE	3,641,536	3,703,320	3,703,320	11,892,170	221.1%
FINES & PENALTIES	936,370	1,005,280	1,005,280	1,068,280	6.3%
INTEREST	786,297	405,050	405,050	340,160	(16.0%)
PAYMENT IN LIEU OF TAXES	4,258,945	5,041,470	5,041,470	5,639,810	11.9%
OTHER	1,260,509	418,750	594,370	397,000	(5.2%)
TRANSFERS	2,130,571	2,026,020	4,084,400	128,800	(93.6%)
Total Revenue	\$67,250,569	\$59,756,330	\$62,418,380	\$69,869,080	16.9%
Less Administrative Charges	-	-	-	(3,284,550)	100.0%
Net Revenue	\$67,250,569	\$59,756,330	\$62,418,380	\$66,584,530	11.4%
Total Resources	\$94,364,765	\$83,706,270	\$93,702,170	\$93,328,730	
EXPENSES BY DEPARTMENT					
LEGISLATIVE	101,076	126,200	126,200	137,710	9.1%
EXECUTIVE & LEGAL	2,262,316	2,371,480	2,393,890	2,560,740	8.0%
CULTURAL SERVICES	1,224,116	1,171,810	1,339,160	1,696,190	44.7%
DEVELOPMENT SERVICES	3,112,191	2,637,310	2,857,050	2,994,520	13.5%
ECONOMIC DEVELOPMENT	968,122	721,230	2,370,480	1,060,110	47.0%
FINANCE	3,607,144	3,929,070	3,948,570	4,303,450	9.5%
FIRE & RESCUE	7,957,074	-	674,470	-	-
HUMAN RESOURCES	743,474	926,550	926,550	1,048,160	13.1%
INFORMATION TECHNOLOGY	3,188,644	3,221,870	3,308,510	3,536,030	9.8%
LIBRARY	2,318,491	2,337,460	2,373,090	2,845,310	21.7%
PARKS & RECREATION	7,789,038	8,419,070	8,417,420	9,384,010	11.5%
POLICE	16,496,905	16,015,060	16,163,640	17,033,190	6.4%
PUBLIC WORKS	4,455,067	4,648,130	4,435,390	4,825,790	3.8%
NON-DEPARTMENTAL	733,651	6,848,740	7,242,120	8,001,240	16.8%
TRANSFERS	8,123,668	9,017,890	10,381,430	9,050,170	0.4%
Total Expense	\$63,080,977	\$62,391,870	\$66,957,970	\$68,476,620	9.8%
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	40,060,987	33,692,370	33,783,720	34,952,830	3.7%
SUPPLIES	3,253,284	2,543,880	3,261,440	2,565,390	0.8%
PURCHASED SERVICES	10,674,290	15,906,270	18,086,420	20,761,830	30.5%
TRANSFERS	8,123,668	9,017,890	10,381,430	9,050,170	0.4%
CAPITAL	968,749	1,231,460	1,444,960	1,146,400	(6.9%)
Total Expense	\$63,080,978	\$62,391,870	\$66,957,970	\$68,476,620	9.8%
Less Administrative Charges	-	-	-	(3,284,550)	100.0%
Net Expense	\$63,080,978	\$62,391,870	\$66,957,970	\$65,192,070	4.5%
Ending Balance	\$31,283,787	\$21,314,400	\$26,744,200	\$28,136,660	

Internal Service Funds Summary

The Internal Service Funds provide for services needed by City departments. Services include employee benefits, risk administration, and fleet maintenance and replacement. Revenue for these funds come from the General Fund and Enterprise Funds through internal service charges. Detailed expenses for the divisions in these funds are in the Department Summaries Chapter under the Finance, Human Resources and Public Works departments.

Internal Service Funds

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
REVENUE					
Beginning Balance	\$16,321,244	\$14,308,220	\$17,472,260	\$16,030,350	
CHARGES FOR SERVICE	2,165,760	2,336,310	2,336,310	2,506,390	7.3%
INTERNAL SERVICE CHARGES	13,726,170	13,500,170	13,500,170	13,830,120	2.4%
INTERGOVERNMENTAL	159,743	35,000	38,890	35,000	-
INTEREST	501,996	291,580	291,580	193,920	(33.5%)
OTHER	249,177	-	-	-	-
TRANSFERS	287,812	-	-	-	-
Total Revenue	\$17,090,658	\$16,163,060	\$16,166,950	\$16,565,430	2.5%
Total Resources	\$33,411,902	\$30,471,280	\$33,639,210	\$32,595,780	
EXPENSES BY DEPARTMENT					
EMPLOYEE BENEFITS	9,679,163	11,126,500	11,126,500	10,229,300	(8.1%)
CITY FLEET	965,674	654,000	821,730	1,672,000	155.7%
FLEET MANAGEMENT	3,195,312	3,138,040	3,138,040	3,785,950	20.6%
RISK MANAGEMENT	2,099,496	2,520,880	2,522,590	3,038,360	20.5%
Total Expense	\$15,939,645	\$17,439,420	\$17,608,860	\$18,725,610	7.4%
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	1,405,922	1,456,040	1,406,040	1,558,350	7.0%
SUPPLIES	2,055,938	1,964,100	1,940,700	2,256,360	14.9%
PURCHASED SERVICES	11,357,026	13,340,280	13,415,390	13,238,900	(0.8%)
TRANSFERS	137,306	-	-	600,000	100.0%
CAPITAL	983,453	679,000	846,730	1,072,000	57.9%
Total Expense	\$15,939,645	\$17,439,420	\$17,608,860	\$18,725,610	7.4%
Ending Balance	\$17,472,257	\$13,031,860	\$16,030,350	\$13,870,170	

The following pages provide fund summaries for each of the internal service funds.

Employee Benefits Fund

The Employee Benefits Fund is for management of the City's self-insured benefit program. Revenues for the Fund come from internal service charges in each department's budget. These service charges cover 80% of the health benefit cost, 60% of the dental benefit cost, life insurance, disability costs, and wellness program costs. Employees 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 benefits administration costs. The Employee Benefits Fund is managed by the Human Resources Department. Details on expenditures are in the Department Summary chapter in the Human Resources Section.

Employee Benefits Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
EMPLOYEE BENEFITS	9,664,260	10,715,800	10,715,800	9,808,000	(8.5%)
EMPLOYEE CLINIC	14,903	410,700	410,700	421,300	2.6%
Total Expense	\$9,679,163	\$11,126,500	\$11,126,500	\$10,229,300	(8.1%)
REVENUE					
Beginning Balance	\$5,524,984	\$3,747,220	\$5,392,800	\$3,624,910	
INTEREST	190,301	63,330	63,330	43,500	(31.3%)
CITY CONTRIBUTION – HEALTH INS.	6,495,520	6,491,760	6,491,760	6,491,760	-
CITY CONTRIBUTION – LIFE INS.	137,849	138,000	138,000	138,000	-
CITY CONTRIBUTION – DENTAL INS.	320,203	320,900	320,900	320,900	-
CITY CONTRIBUTION – DISABILITY INS.	189,159	188,900	188,900	188,900	-
CITY CONTRIBUTION – WELLNESS	213,078	212,820	212,820	212,820	-
EMP. CONTRIBUTION – HEALTH INS.	1,633,827	1,629,350	1,629,350	1,529,350	(6.1%)
EMP. CONTRIBUTION – DENTAL INS.	221,745	221,850	221,850	221,850	-
COBRA HEALTH INSURANCE	78,870	33,500	33,500	33,500	-
COBRA DENTAL INSURANCE	4,435	1,200	1,200	1,200	-
RETIREE CONTRIBUTION – HEALTH INS.	12,364	57,000	57,000	20,000	(64.9%)
MISCELLANEOUS	49,626	-	-	-	-
Total Revenue	\$9,546,977	\$9,358,610	\$9,358,610	\$9,201,780	(1.7%)
Total Resources	\$15,071,961	\$13,105,830	\$14,751,410	\$12,826,690	
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	3,583	50,000	-	-	(100.0%)
SUPPLIES	95,474	77,000	77,000	99,600	29.4%
PURCHASED SERVICES	9,580,106	10,999,500	11,049,500	10,129,700	(7.9%)
Total Expense	\$9,679,163	\$11,126,500	\$11,126,500	\$10,229,300	(8.1%)
Ending Balance	\$5,392,798	\$1,979,330	\$3,624,910	\$2,597,390	

City Fleet Fund

The City Fleet Fund provides for the replacement of vehicles in the City fleet. Revenues for the Fund come from internal service charges in each department's budget based on the amortization of existing vehicles. Reserves are carried within the Fund for future vehicle replacement. The reserves are established to ensure the solvency of the Fund over a 10-year period. The City uses a revolving fund philosophy rather than a fully-funded replacement plan. The Fund is managed by the Public Works Department. Expenditure details can be found in the Department Summary in the Public Works chapter.

City Fleet Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Fleet Replacement	\$965,674	\$654,000	\$821,730	\$1,672,000	155.7%
REVENUE					
Beginning Balance	\$7,287,550	\$7,500,830	\$7,913,940	\$8,240,590	
INTEREST	180,957	169,020	169,020	103,010	(39.1%)
INTERGOVERNMENTAL	92,207	-	-	-	-
INTERNAL SERVICE CHARGES	1,175,773	979,360	979,360	1,018,170	4.0%
OTHER	143,129	-	-	-	-
Total Revenue	\$1,592,066	\$1,148,380	\$1,148,380	\$1,121,180	(2.4%)
Total Resources	\$8,879,616	\$8,649,210	\$9,062,320	\$9,361,770	
EXPENSES BY CATEGORY					
TRANSFERS	-	-	-	600,000	100%
CAPITAL	965,674	654,000	821,730	1,072,000	63.9%
Total Expense	\$965,674	\$654,000	\$821,730	\$1,672,000	155.7%
Ending Balance	\$7,913,942	\$7,995,210	\$8,240,590	\$7,689,770	

Fleet Management Fund

The Fleet Management Fund provides for the maintenance of City vehicles, including parts inventory, service, and fuel. Revenues for the Fund come from internal service charges in each department's budget based on department vehicle assignments and allocated usage charges from the City's vehicle pool. Reserves are carried within the Fund for future maintenance requirements. The Fund is managed by the Public Works Department. Expenditure details can be found in the Department Summary in the Public Works chapter.

Fleet Management Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Fleet Management	\$3,195,312	\$3,138,040	\$3,138,040	\$3,779,300	20.6%
REVENUE					
Beginning Balance	\$365,234	\$396,190	\$436,050	\$558,540	
INTERGOVERNMENTAL	67,536	35,000	35,000	35,000	-
INTERNAL SERVICE CHARGES	3,193,721	3,225,530	3,225,530	3,653,670	13.3%
OTHER	4,870	-	-	-	-
Total Revenue	\$3,266,127	\$3,260,530	\$3,260,530	\$3,688,670	13.1%
Total Resources	\$3,631,361	\$3,656,720	\$3,696,580	\$4,247,210	
EXPENSES BY CATEGORY					
PERSONNEL SERVICES	1,078,669	1,066,710	1,066,710	1,214,020	13.8%
SUPPLIES	1,958,432	1,882,650	1,857,650	2,150,900	14.2%
PURCHASED SERVICES	140,432	163,680	188,680	421,030	157.2%
CAPITAL	17,779	25,000	25,000	-	(100.0%)
Total Expense	\$3,195,312	\$3,138,040	\$3,138,040	\$3,785,950	20.6%
Ending Balance	\$436,049	\$518,680	\$558,540	\$461,260	

Risk Management Fund

The Risk and Insurance Fund is used by the City to self-insure for general liability, workers' compensation, and unemployment. Revenue for the Fund comes from internal service charges assessed to each City department. These charges are assessed based upon both the departments' claim history over the last five years and current potential liability. Money in the Fund is set aside to cover claims based upon a forecast of expected claim levels for the year. The Fund is managed by the Finance Department. Expenditure details can be found in the Finance chapter under Risk Management.

Risk Management Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Risk Management	\$2,099,496	\$2,520,880	\$2,522,590	\$3,038,360	20.5%
REVENUE					
Beginning Balance	\$3,143,476	\$2,663,980	\$3,729,470	\$3,606,310	
INTERNAL SERVICE CHARGES	2,165,760	2,336,310	2,336,310	2,506,390	7.3%
INTEREST	130,738	59,230	59,230	47,410	(20.0%)
INTERGOVERNMENTAL	-	-	3,890	-	-
TRANSFERS	287,812	-	-	-	-
OTHER	101,178	-	-	-	-
Total Revenue	\$2,685,488	\$2,395,540	\$2,399,430	\$2,553,800	6.6%
Total Resources	\$5,828,964	\$5,059,520	\$6,128,900	\$6,160,110	
EXPENSES BY CATEGORY					
PERSONNEL SERVICES	323,670	339,330	339,330	344,330	1.5%
SUPPLIES	2,032	4,450	6,050	5,860	31.7%
PURCHASED SERVICES	1,636,488	2,177,100	2,177,210	2,688,170	23.5%
TRANSFERS	137,306	-	-	-	-
Total Expense	\$2,099,496	\$2,520,880	\$2,522,590	\$3,038,360	20.5%
Ending Balance	\$3,729,468	\$2,538,640	\$3,606,310	\$3,121,750	

Enterprise Funds Summary

Enterprise Funds are required by law 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 Department Chapter under the department in which the enterprise resides. The capital projects for each fund are included in the Capital Program book.

Enterprise Funds

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
REVENUE					
Beginning Balance	\$75,917,137	\$48,823,020	\$74,146,900	\$53,332,790	
CHARGES FOR SERVICE	9,939,502	9,958,860	9,958,860	10,072,020	1.1%
UTILITY CHARGES	64,885,597	65,899,790	65,899,790	74,085,980	12.4%
UTILITY OTHER	2,209,405	2,005,180	2,005,180	1,929,920	(3.8%)
IMPACT FEES	5,538,974	4,282,500	4,282,500	3,984,650	(7.0%)
INTEREST	2,253,217	1,098,040	1,098,040	1,390,750	26.7%
BOND PROCEEDS	-	-	-	16,000,000	100.0%
OTHER	5,153,787	256,200	256,200	566,060	120.9%
TRANSFERS	611,823	694,420	706,330	550,000	(20.8%)
Total Revenue	\$90,592,305	\$84,194,990	\$84,206,900	\$108,579,380	29.0%
Total Resources	\$166,509,442	\$133,018,010	\$158,353,800	\$161,912,170	
EXPENSES BY DEPARTMENT					
GOLF	2,833,380	3,447,000	3,447,000	3,508,420	1.8%
POWER	44,901,335	49,162,310	56,387,250	54,939,760	11.8%
POWER PIF	1,090,988	50,000	2,083,780	1,444,180	2,788.4%
RAW WATER	14,608,461	1,654,180	8,562,360	1,952,030	18.0%
SOLID WASTE	4,480,614	4,997,270	5,605,900	9,139,550	82.9%
STORMWATER	5,541,846	4,655,400	5,641,740	4,360,710	(6.3%)
WASTEWATER	7,670,986	6,645,730	9,056,060	10,948,180	64.7%
WASTEWATER SIF	1,259,343	221,350	1,378,110	635,000	186.9%
WATER	9,639,446	9,425,360	10,908,730	16,699,460	77.2%
WATER SIF	336,140	1,055,980	1,950,080	940,450	(10.9%)
Total Expense	\$92,362,539	\$81,314,580	\$105,021,010	\$104,567,740	28.6%
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	12,304,856	13,072,660	13,013,300	13,649,790	4.4%
SUPPLIES	2,093,024	2,365,790	2,289,090	2,972,950	25.7%
PURCHASED SERVICES	44,735,348	49,266,340	48,976,210	60,773,020	23.4%
DEBT SERVICE	1,048,473	898,460	862,460	1,826,930	103.3%
TRANSFERS	6,982,064	2,710,860	4,734,380	4,074,770	50.3%
CAPITAL	25,198,774	13,000,470	35,145,570	21,270,280	63.6%
Total Expense	\$92,362,539	\$81,314,580	\$105,021,010	\$104,567,740	28.6%
Ending Balance	\$74,146,903	\$51,703,430	\$53,332,790	\$57,344,430	

The following pages show the fund summary for each of the individual enterprise funds.

Golf Fund

The City's golf courses are funded through and provide the revenues for the Golf Enterprise Fund. The Fund's primary source of revenue is user fees paid by golf course patrons. These fees, set annually, ensure that all operating and capital costs are recovered from users. The Fund is managed by the Parks and Recreation Department. Expenditure details can be found in the Parks and Recreation Department chapter under Golf.

Golf Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
ADMINISTRATION/SUPPORT	579,728	689,590	689,590	758,170	9.9%
OLDE COURSE					
General Operations	4,095	-	-	-	-
Clubhouse	116,310	124,530	106,530	102,330	(17.8%)
Maintenance	801,077	1,030,120	1,153,120	1,100,520	6.8%
CATTAIL CREEK					
Clubhouse	55,446	56,500	56,500	56,500	-
MARIANA BUTTE					
General Operations	534	-	-	-	-
Clubhouse	438,503	484,750	436,880	467,180	(3.6%)
Maintenance	733,439	957,740	900,610	916,610	(4.3%)
TEE/PLAY MANAGEMENT	104,248	103,770	103,770	107,110	3.2%
Total Expense	\$2,833,380	\$3,447,000	\$3,447,000	\$3,508,420	1.8%
REVENUE					
Beginning Balance	\$673,526	\$1,397,240	\$1,349,890	\$1,462,180	4.6%
CHARGES FOR SERVICE	3,454,809	3,536,430	3,536,430	3,574,550	1.1%
INTEREST	54,579	22,860	22,860	17,550	(23.2%)
OTHER	355	-	-	-	-
Total Revenue	\$3,509,743	\$3,559,290	\$3,559,290	\$3,592,100	0.9%
Total Resources	\$4,183,269	\$4,956,530	\$4,909,180	\$5,054,280	2.0%
EXPENSES BY CATEGORY					
PERSONNEL SERVICES	1,657,552	1,702,750	1,678,530	1,711,630	0.5%
SUPPLIES	417,978	490,560	416,560	491,460	0.2%
PURCHASED SERVICES	495,683	519,560	508,780	726,480	39.8%
DEBT SERVICE	65,505	71,500	35,500	-	(100.0%)
TRANSFERS	196,662	184,830	184,830	-	(100.0%)
CAPITAL	-	477,800	622,800	578,850	21.1%
Total Expense	\$2,833,380	\$3,447,000	\$3,447,000	\$3,508,420	1.8%
Ending Balance	\$1,349,889	\$1,509,530	\$1,462,180	\$1,545,860	

Power Fund

The Power Enterprise Fund includes all costs, operating, purchased power, and capital associated with distributing electricity to City residents and businesses. Revenue for the Fund comes from ratepayers receiving power from the Department. The rates, set annually, ensure that all operating and capital costs are recovered from ratepayers. The Fund is managed by the Water and Power Department. Expenditure details can be found in the Water and Power Department chapter under Power Utilities.

Power Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
POWER UTILITY	\$44,901,335	\$49,162,310	\$56,387,250	\$54,939,760	11.8%
REVENUE					
Beginning Balance	\$13,101,515	\$12,165,680	\$17,156,520	\$9,512,460	
UTILITY CHARGES	45,974,563	46,514,000	46,514,000	52,207,940	12.2%
UTILITY OTHER	1,416,364	1,242,610	1,242,610	985,890	(20.7%)
CHARGES FOR SERVICE	616,656	538,210	538,210	582,120	8.2%
INTEREST	570,585	155,920	155,920	286,360	83.7%
OTHER	230,423	35,000	35,000	17,050	(51.3%)
TRANSFERS	147,744	254,420	257,450	30,000	(88.2%)
Total Revenue	\$48,956,335	\$48,740,160	\$48,743,190	\$54,109,360	11.0%
Total Resources	\$62,057,850	\$60,905,840	\$65,899,710	\$63,621,820	
EXPENSES BY CATEGORY					
PERSONNEL SERVICES	2,331,272	2,781,940	2,746,800	2,690,650	(3.3%)
SUPPLIES	358,168	391,600	391,600	593,850	51.6%
PURCHASED SERVICES	37,591,625	39,286,040	39,549,040	46,574,020	18.6%
TRANSFERS	586,691	647,950	2,083,690	117,970	(81.8%)
Total Operating Expense	\$40,867,756	\$43,107,530	\$44,771,130	\$49,976,490	15.9%
CAPITAL	4,033,579	6,054,780	11,616,120	4,963,270	(18.0%)
Total Capital	\$4,033,579	\$6,054,780	\$11,616,120	\$4,963,270	(18.0%)
Total Expense	\$44,901,335	\$49,162,310	\$56,387,250	\$54,939,760	11.8%
Ending Balance	\$17,156,515	\$11,743,530	\$9,512,460	\$8,682,060	

Power PIF Fund

The Power PIF fund is used to account for power impact fees, known in the City as Plant Improvement Fees. These are fees on residential and commercial development and are restricted to expansion of the electrical distribution system. The fund is administered by the Water & Power Department.

Power PIF Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
POWER UTILITY	1,090,988	50,000	2,083,780	1,444,180	2,788.4%
Total Expense	\$1,090,988	\$50,000	\$2,083,780	\$1,444,180	2,788.4%
REVENUE					
Beginning Balance	\$5,624,382	-	\$6,766,420	\$6,475,310	
IMPACT FEES	2,101,583	1,700,000	1,700,000	1,661,920	(2.2%)
INTEREST	132,230	92,670	92,670	137,580	48.5%
TRANSFERS	2,320	-	-	-	-
OTHER	(3,110)	-	-	-	-
Total Revenue	\$2,233,023	\$1,792,670	\$1,792,670	\$1,799,500	0.4%
Total Resources	\$7,857,405	\$1,792,670	\$8,559,090	\$8,274,810	
EXPENSES BY CATEGORY					
CAPITAL	1,090,988	50,000	2,083,780	1,444,180	2,788.4%
Total Expense	\$1,090,988	\$50,000	\$2,083,780	\$1,444,180	2,788.4%
Ending Balance	\$6,766,417	\$1,742,670	\$6,475,310	\$6,830,630	

Solid Waste Fund

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 the management of a contract for mosquito control services. Revenues for the Fund come from user fees assessed for solid waste services. Rates, set annually, ensure recovery of all operating and capital costs from users. The Fund is administered by the Public Works Department. Expenditure Details can be found in the Public Works chapter under Solid Waste.

Solid Waste Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
REFUSE	2,047,281	2,444,530	3,028,850	4,487,530	83.6%
RECYCLING	1,130,178	1,217,020	1,241,830	2,450,710	101.4%
YARD WASTE	1,070,789	1,076,020	1,075,520	1,931,310	79.5%
MOSQUITO CONTROL	232,366	259,700	259,700	270,000	4.0%
Total Expense	\$4,480,614	\$4,997,270	\$5,605,900	\$9,139,550	82.9%
REVENUE					
Beginning Balance	\$3,220,196	\$3,844,360	\$5,060,750	\$5,661,970	
CHARGES FOR SERVICE	5,868,037	5,884,220	5,884,220	5,915,350	0.5%
INTEREST	100,286	110,900	110,900	80,450	(27.5%)
OTHER	352,845	212,000	212,000	284,000	34.0%
Total Revenue	\$6,321,168	\$6,207,120	\$6,207,120	\$6,279,800	1.2%
Total Resources	\$9,541,364	\$10,051,480	\$11,267,870	\$11,941,770	
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	1,826,568	2,000,070	2,000,070	2,058,240	2.9%
SUPPLIES	143,219	165,360	165,360	135,180	(18.3%)
PURCHASED SERVICES	2,254,282	2,368,900	2,366,900	2,730,130	15.2%
TRANSFERS	212,488	222,740	222,740	3,000,000	1,246.9%
Total Operating Expense	\$4,436,557	\$4,757,070	\$4,755,070	\$7,923,550	66.6%
CAPITAL	44,057	240,200	850,830	1,216,000	406.2%
Total Capital	\$44,057	\$240,200	\$850,830	\$1,216,000	406.2%
Total Expense	\$4,480,614	\$4,997,270	\$5,605,900	\$9,139,550	82.9%
Ending Balance	\$5,060,750	\$5,054,210	\$5,661,970	\$2,802,220	

Stormwater Fund

The Stormwater Enterprise Fund includes all costs, operating, and capital, associated with treating the City's stormwater runoff and returning clean, usable water to downstream users. Revenues for this fund come from an assessment on utility ratepayers? The Fund is administered by the Public Works Department to more closely align the stormwater management with street construction and maintenance. Details of expenditures from the Fund can be found in the Public Works chapter in the Stormwater section.

Stormwater Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
ADMINISTRATION/ENGINEERING	4,574,121	3,565,890	4,552,230	3,289,310	(7.8%)
COLLECTIONS	472,182	497,480	497,480	504,950	1.5%
STREET SWEEPING	495,543	592,030	592,030	566,450	(4.3%)
Total Expense	\$5,541,846	\$4,655,400	\$5,641,740	\$4,360,710	(6.3%)
REVENUE					
Beginning Balance	\$4,628,734	\$2,199,550	\$3,390,960	\$2,164,200	
UTILITY CHARGES	3,973,498	4,000,460	4,000,460	4,100,470	2.5%
UTILITY OTHER	20,639	30,000	30,000	30,000	-
IMPACT FEES	173,577	369,000	369,000	182,360	(50.6%)
INTEREST	117,378	15,130	15,130	23,050	52.3%
TRANSFERS	3,786	-	390	5,000	100.0%
OTHER	15,194	-	-	-	-
Total Revenue	\$4,304,072	\$4,414,590	\$4,414,980	\$4,340,880	(1.7%)
Total Resources	\$8,932,806	\$6,614,140	\$7,805,940	\$6,505,080	
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	1,167,119	1,259,370	1,259,370	1,249,720	(0.8%)
SUPPLIES	76,839	81,490	81,490	77,040	(5.5%)
PURCHASED SERVICES	683,458	760,230	760,030	933,950	22.9%
TRANSFERS	366,794	339,310	339,310	400,000	17.9%
Total Operating Expense	\$2,294,210	\$2,440,400	\$2,440,200	\$2,660,710	9.0%
CAPITAL	3,247,636	2,215,000	3,201,540	1,700,000	(23.3%)
Total Capital	\$3,247,636	\$2,215,000	\$3,201,540	\$1,700,000	(23.3%)
Total Expense	\$5,541,846	\$4,655,400	\$5,641,740	\$4,360,710	(6.3%)
Ending Balance	\$3,390,960	\$1,958,740	\$2,164,200	\$2,144,370	

Wastewater Fund

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. Revenue for the Fund comes from ratepayers receiving water from the Department. The rates, set annually, ensure that all operating and capital costs are recovered from ratepayers. The Fund is managed by the Water and Power Department. Expenditure details can be found in the Water and Power Department chapter under Wastewater Utilities.

Wastewater Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
WASTEWATER UTILITY	\$7,670,986	\$6,645,730	\$9,056,060	\$10,948,180	64.7%
REVENUE					
Beginning Balance	\$7,743,940	\$5,138,750	\$7,409,230	\$5,577,000	
UTILITY CHARGES	7,060,162	7,152,170	7,152,170	7,897,590	10.4%
UTILITY OTHER	8,617	4,980	4,980	218,730	4,292.2%
INTEREST	256,428	66,190	66,190	121,770	84.0%
TRANSFERS	13,597	-	2,590	10,000	100.0%
OTHER	(2,525)	(2,100)	(2,100)	(2,400)	14.3%
Total Revenue	\$7,336,279	\$7,221,240	\$7,223,830	\$8,245,690	14.2%
Total Resources	\$15,080,219	\$12,359,990	\$14,633,060	\$13,822,690	
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	2,220,853	2,243,260	2,243,260	2,520,160	12.3%
SUPPLIES	313,196	406,880	406,880	603,430	48.3%
PURCHASED SERVICES	2,213,255	2,543,900	2,543,900	4,278,020	68.2%
DEBT SERVICE	156,699	-	-	-	-
TRANSFERS	810,712	823,200	990,290	511,970	(37.8%)
Total Operating Expense	\$5,714,715	\$6,017,240	\$6,184,330	\$7,913,580	31.5%
CAPITAL	1,956,271	628,490	2,871,730	3,034,600	382.8%
Total Capital	\$1,956,271	\$628,490	\$2,871,730	\$3,034,600	382.8%
Total Expense	\$7,670,986	\$6,645,730	\$9,056,060	\$10,948,180	64.7%
Ending Balance	\$7,409,233	\$5,714,260	\$5,577,000	\$2,874,510	

Wastewater SIF Fund

The Wastewater SIF fund is used to account for wastewater impact fees, known in the City as System Impact Fees. These are fees on residential and commercial development and are restricted to expansion of the Wastewater Treatment Plant and the collection system. The fund is administered by the Water & Power Department.

Wastewater SIF Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
ADMINISTRATION & GENERAL	10,567	-	1,140	-	-
TREATMENT	1,207,452	101,890	334,700	270,000	165.0%
COLLECTIONS	41,324	119,460	1,042,270	365,000	205.5%
Total Expense	\$1,259,343	\$221,350	\$1,378,110	635,000	186.9%
REVENUE					
Beginning Balance	\$4,258,451	-	\$4,325,830	\$3,802,160	
UTILITY OTHER	107,462	100,000	100,000	100,000	-
IMPACT FEES	1,121,686	710,000	710,000	710,000	-
INTEREST	92,397	44,440	44,440	73,690	65.8%
TRANSFERS	5,180	-	-	-	-
Total Revenue	\$1,326,725	\$854,440	\$854,440	\$883,690	3.4%
Total Resources	\$5,585,176	\$854,440	\$5,180,270	\$4,685,850	
EXPENSE BY CATEGORY					
TRANSFERS	10,567	-	1,140	-	-
CAPITAL	1,248,776	221,350	1,376,970	635,000	186.9%
Total Expense	\$1,259,343	\$221,350	\$1,378,110	\$635,000	189.9%
Ending Balance	\$4,325,833	\$633,090	\$3,802,160	\$4,050,850	

Water Fund

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. Revenue for the Fund comes from ratepayers receiving water from the Department. The rates, set annually, ensure that all operating and capital costs are recovered from ratepayers. The Fund is managed by the Water and Power Department. Expenditure details can be found in the Water and Power Department chapter under Water Utilities.

Water Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
WATER UTILITY	9,639,446	9,425,360	10,908,730	16,699,460	77.2%
Total Expense	\$9,639,446	\$9,425,360	\$10,908,730	\$16,699,460	77.2%
REVENUE					
Beginning Balance	\$4,489,302	\$7,971,420	\$2,938,930	\$232,090	
UTILITY CHARGES	7,437,516	7,687,250	7,687,250	9,146,760	19.0%
UTILITY OTHER	409,221	463,790	463,790	433,500	(6.5%)
BOND PROCEEDS	-	-	-	16,000,000	100.0%
INTEREST	151,372	34,650	34,650	55,990	61.6%
TRANSFERS	27,378	-	4,900	20,000	100.0%
OTHER	63,582	11,300	11,300	267,410	2,266.5%
Total Revenue	\$8,089,069	\$8,196,990	\$8,201,890	\$25,923,660	216.3%
Total Resources	\$12,578,371	\$16,168,410	\$11,140,820	\$26,155,750	
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	3,101,492	3,085,270	3,085,270	3,419,390	10.8%
SUPPLIES	783,624	829,900	827,200	1,071,990	29.2%
PURCHASED SERVICES	1,490,001	3,780,610	3,240,460	5,523,320	46.1%
DEBT SERVICE	-	-	-	1,000,000	100.0%
TRANSFERS	512,243	492,830	912,380	44,830	(90.9%)
Total Operating Expense	\$5,887,360	\$8,188,610	\$8,065,310	\$11,059,530	35.1%
CAPITAL	3,752,086	1,236,750	2,843,420	5,639,930	356.0%
Total Capital	\$3,752,086	\$1,236,750	\$2,843,420	\$5,639,930	356.0%
Total Expense	\$9,639,446	\$9,425,360	\$10,908,730	\$16,699,460	77.2%
Ending Balance	\$2,938,925	\$6,743,050	\$232,090	\$9,456,290	

Water SIF Fund

The Water SIF fund is used to account for water impact fees, known in the City as System Impact Fees. These are fees on residential and commercial development and are restricted to expansion of the Water Treatment Plant and the distribution system. The fund is administered by the Water & Power Department.

Water SIF Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
TREATMENT	-	12,650	12,650	749,200	5,822.5%
TRANSMISSION & DISTRIBUTION	336,140	1,043,330	1,937,430	191,250	(81.7%)
Total Expense	\$336,140	\$1,055,980	\$1,950,080	\$940,450	(10.9%)
REVENUE					
Beginning Balance	\$5,643,626	\$568,290	\$7,273,570	\$6,741,920	
UTILITY OTHER	174,461	80,000	80,000	96,000	20.0%
IMPACT FEES	1,649,528	1,232,880	1,232,880	1,155,500	(6.3%)
INTEREST	132,892	105,550	105,550	137,110	29.9%
TRANSFERS	9,200	-	-	-	-
Total Revenue	\$1,966,081	\$1,418,430	\$1,418,430	\$1,388,610	(2.1%)
Total Resources	\$7,609,707	\$1,986,720	\$8,692,000	\$8,130,530	
EXPENSE BY CATEGORY					
CAPITAL	336,140	1,055,980	1,950,080	\$940,450	(10.9%)
Total Expense	\$336,140	\$1,055,980	\$1,950,080	\$940,450	(10.9%)
Ending Balance	\$7,273,567	\$930,740	\$6,741,920	\$7,190,080	

Raw Water Fund

The Raw Water Fund is to account for costs of associated with the planning, acquisition and storing of raw water to supply the City with the water necessary to meet residential and commercial needs. Revenue for the Fund comes from ratepayers receiving water from the Department. The rates, set annually, ensure that all operating and capital costs are recovered from ratepayers. The Fund is managed by the Water and Power Department. Expenditure details can be found in the Water and Power Department chapter under Raw Water Utilities.

Raw Water Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Enterprise Fund					
WATER UTILITY	\$14,608,461	\$1,654,180	\$8,562,360	\$1,952,030	18.0%
REVENUE					
Beginning Balance	\$26,533,465	\$15,537,730	18,474,820	\$11,703,520	
UTILITY CHARGES	439,858	545,910	545,910	733,220	34.3%
UTILITY OTHER	72,641	83,800	83,800	65,800	(21.5%)
INTEREST	645,070	449,730	449,730	457,200	1.7%
IMPACT FEES	492,600	270,620	270,620	274,870	1.6%
TRANSFERS	402,618	440,000	441,000	485,000	10.2%
OTHER	4,497,023	-	-	-	-
Total Revenue	\$6,549,810	\$1,790,060	\$1,791,060	\$2,016,090	12.6%
Total Resources	\$33,083,275	\$17,327,790	\$20,265,880	\$13,719,610	
EXPENSE BY CATEGORY					
PURCHASED SERVICES	7,044	7,100	7,100	7,100	-
DEBT SERVICE	826,269	826,960	826,960	826,930	(0.0%)
TRANSFERS	4,285,907	-	-	-	-
Total Expense	5,119,220	\$834,060	\$834,060	\$834,030	(0.0%)
CAPITAL	9,489,241	820,120	7,728,300	\$1,118,000	36.3%
Total Capital	\$9,489,241	\$820,120	\$7,728,300	\$1,118,000	36.3%
Total Expense	\$14,608,461	\$1,654,180	\$8,562,360	\$1,952,030	18.0%
Ending Balance	\$18,474,814	\$15,673,610	\$11,703,520	\$11,767,580	

Special Revenue Funds Summary

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

Special Revenue Funds

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
REVENUE					
Beginning Balance	\$56,284,931	\$46,672,550	\$56,388,110	\$43,549,280	
TAXES	582,641	550,000	550,000	700,000	27.3%
LICENSES AND PERMITS	24,640	15,300	15,300	16,340	6.8%
INTERGOVERNMENTAL	7,924,024	7,541,790	9,575,960	6,878,440	(8.8%)
IMPACT FEES	4,079,745	2,255,450	2,255,450	3,434,490	52.3%
CHARGES FOR SERVICE	2,007,038	2,278,170	2,278,170	2,552,240	12.0%
INTEREST	1,628,340	811,240	811,240	734,310	(9.5%)
PEG FEE	72,053	71,000	71,000	71,000	-
OTHER	2,040,566	5,400	1,021,600	188,650	3,393.5%
TRANSFERS	18,717,089	16,889,750	21,191,790	16,236,040	(3.9%)
Total Revenue	\$37,076,136	\$30,418,100	\$37,770,510	\$30,811,510	1.3%
Total Resources	\$93,361,067	\$77,090,650	\$94,158,620	\$74,360,790	
EXPENSE BY DEPARTMENT					
ART IN PUBLIC PLACES	329,925	531,350	547,550	414,010	(22.1%)
PARK CEFS	50,019	5,831,100	6,448,660	393,350	(93.3%)
RECREATION CEFS	29,876	250,000	250,000	470,000	88.0%
OPEN SPACE CEFS	889,000	-	-	1,290,000	100.0%
TRAILS CEFS	1,236	164,460	164,460	610,000	270.9%
GENERAL GOVT. CEFS	1,372,402	-	1,102,650	2,217,540	100.0%
POLICE CEFS	100	-	300,000	-	100.0%
FIRE CEFS	-	767,350	929,970	3,534,480	360.6%
LIBRARY CEFS	2,594,910	-	250,000	-	-
CULTURAL SERVICES CEFS	497,700	-	-	-	-
STREET CEFS	2,150,651	1,095,090	2,486,040	902,360	(17.6%)
CAPITAL PROJECTS	14,053,997	11,049,000	14,779,880	7,717,540	(30.2%)
COMMUNITY DEV. BLOCK GRANT	391,874	275,000	489,910	288,240	4.8%
CONSERVATION TRUST	307,217	2,143,930	2,247,930	436,570	(79.6%)
LODGING TAX	277,274	500,000	500,000	610,000	22.0%
OPEN SPACE	247,679	3,036,170	3,036,170	2,520,800	(17.0%)
PARK IMPROVEMENT	86,293	570,000	653,710	305,000	(46.5%)
PEG FEE	2,444	57,000	65,000	86,000	50.9%
SEIZURES & FORFEITURES FUND	50,153	-	2,310	-	-
TRANSIT	1,765,367	1,847,330	1,880,960	1,879,510	1.7%
TRANSPORTATION	11,874,845	11,117,350	14,474,140	11,606,460	4.4%
Total Expense	\$36,972,962	\$39,235,130	\$50,609,340	\$35,281,860	(10.1%)

Special Revenue Funds

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	4,130,949	4,236,490	4,279,780	4,482,740	5.8%
SUPPLIES	1,084,134	865,660	890,900	1,093,690	26.3%
PURCHASED SERVICES	3,058,837	3,022,870	3,236,850	3,707,610	22.7%
TRANSFERS	6,787,065	9,645,090	12,006,230	3,189,900	(66.9%)
CAPITAL	21,911,977	21,465,020	30,195,580	22,807,920	6.3%
Total Expense	\$36,972,962	\$39,235,130	\$50,609,340	\$35,281,860	(10.1%)
Ending Balance	\$56,388,105	\$37,855,520	\$43,549,280	\$39,078,930	

Art in Public Places Fund

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, maintenance and repairs, and related administrative expenses for works of art. 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 in Public Places Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget/'12 Adopted Change
Art in Public Places	\$329,925	\$531,350	\$547,550	\$414,010	(22.1%)
REVENUE					
Beginning Balance	\$653,832	\$291,170	\$537,940	\$254,550	
1% FOR THE ARTS	-	176,140	176,140	90,460	(48.6%)
TRANSFERS	196,987	59,520	59,520	130,970	120.0%
INTEREST	16,574	9,400	9,400	3,050	(67.6%)
OTHER	468	2,900	19,100	-	(100.0%)
Total Revenue	\$214,029	\$247,960	\$264,160	\$224,480	
Total Resources	\$867,861	\$539,130	\$802,100	\$479,030	
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	53,347	106,770	106,770	113,510	6.3%
SUPPLIES	7,816	8,050	8,050	6,700	(16.8%)
PURCHASED SERVICES	82,012	127,850	127,850	128,280	0.3%
CAPITAL	186,750	288,680	304,880	165,520	(42.7%)
Total Expense	\$329,925	\$531,350	\$547,550	\$414,010	(22.1%)
Ending Balance	\$537,936	\$7,780	\$254,550	\$65,020	

Capital Expansion Fee Funds

The Capital Expansion Fee Funds contain all impact fee collections and projects associated with impact fees. Capital Expansion Fees, designed to address the need for capital facilities, are one-time charges assessed on new development. Fees are collected at the time a building permit is issued and no later than issuance of a Certificate of Occupancy. All building permits that create new dwelling units, new commercial or industrial facilities or a change in use are assessed a Capital Expansion Fee. The City has a separate fee for each service area and funds received are restricted to use within the service area. The following pages show the revenues and used for each fee service area.

Parks Capital Expansion Fee Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Capital Expansion Fees	\$50,019	\$5,831,100	\$6,448,660	\$393,350	(93.3%)
REVENUE					
Beginning Balance	\$6,260,867	\$6,111,400	\$7,225,680	\$1,331,670	
IMPACT FEES	829,677	456,900	456,900	968,780	112.0%
INTEREST	185,155	97,750	97,750	35,600	(63.6%)
OTHER	-	-	-	175,000	100.0%
Total Revenue	\$1,014,832	\$554,650	\$554,650	\$1,179,380	112.6%
Total Resources	\$7,275,699	\$6,666,050	\$7,780,330	\$2,511,050	
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	18,047	31,100	31,100	23,350	(24.9%)
PURCHASED SERVICES	9,529	-	-	20,000	100.0%
TRANSFERS	-	5,800,000	5,800,000	-	(100.0%)
CAPITAL	22,443	-	617,560	350,000	100.0%
Total Expense	\$50,019	\$5,831,100	\$6,448,660	\$393,350	(93.3%)
Ending Balance	\$7,225,680	\$834,950	\$1,331,670	\$2,117,700	

Recreation Capital Expansion Fee Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Capital Expansion Fees	\$29,876	\$250,000	\$250,000	\$470,000	88.0%
REVENUE					
Beginning Balance	\$2,645,518	\$3,175,360	\$3,153,940	\$3,287,610	
IMPACT FEES	416,221	223,640	223,640	485,740	117.2%
INTEREST	84,578	83,330	83,330	65,920	(20.9%)
TRANSFERS	37,494	76,700	76,700	382,860	399.2%
Total Revenue	\$538,293	\$383,670	\$383,670	\$934,520	143.6%
Total Resources	\$3,183,811	\$3,559,030	\$3,537,610	\$4,222,130	
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	29,876	-	-	-	-
PURCHASED SERVICES	-	-	-	20,000	100.0%
TRANSFERS	-	250,000	250,000	-	(100.0%)
CAPITAL	-	-	-	450,000	100.0%
Total Expense	\$29,876	\$250,000	\$250,000	\$470,000	88.0%
Ending Balance	\$3,153,935	\$3,309,030	\$3,287,610	\$3,752,130	

Open Space Capital Expansion Fee Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Capital Expansion Fees	\$889,000	-	-	\$1,290,000	100.0%
REVENUE					
Beginning Balance	\$1,751,278	\$656,650	\$1,109,880	\$1,246,600	
IMPACT FEES	204,907	110,300	110,300	239,080	116.8%
INTEREST	42,698	26,420	26,420	25,870	(2.1%)
Total Revenue	\$247,605	\$136,720	\$136,720	\$264,950	93.8%
Total Resources	\$1,998,883	\$793,370	\$1,246,600	\$1,511,550	
EXPENSE BY CATEGORY					
CAPITAL	889,000	-	-	1,290,000	100.0%
Total Expense	\$889,000	-	-	\$1,290,000	100.0%
Ending Balance	\$1,109,883	\$793,370	\$1,246,600	\$221,550	

Trails Capital Expansion Fee Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Capital Expansion Fees	\$1,236	\$164,460	\$164,460	\$610,000	270.9%
REVENUE					
Beginning Balance	\$943,391	\$1,020,550	\$1,097,930	\$1,020,150	
IMPACT FEES	129,796	70,370	70,370	151,390	115.1%
INTEREST	25,974	16,310	16,310	19,520	19.7%
Total Revenue	\$155,770	\$86,680	\$86,680	\$170,910	97.2%
Total Resources	\$1,099,161	\$1,107,230	\$1,184,610	\$1,191,060	
EXPENSE BY CATEGORY					
PURCHASED SERVICES	1,236	-	-	10,000	100.0%
CAPITAL	-	164,460	164,460	600,000	264.8%
Total Expense	\$1,236	\$164,460	\$164,460	\$610,000	270.9%
Ending Balance	\$1,097,925	\$942,770	\$1,020,150	\$581,060	

General Government Capital Expansion Fee Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Capital Expansion Fees	\$1,372,402	-	\$1,102,650	\$2,217,540	100.0%
REVENUE					
Beginning Balance	\$9,067,776	\$5,322,720	\$8,261,260	\$7,431,600	
IMPACT FEES	294,358	176,860	176,860	177,860	0.6%
INTEREST	271,531	96,130	96,130	156,720	63.0%
Total Revenue	\$565,889	\$272,990	\$272,990	\$334,580	22.6%
Total Resources	\$9,633,665	\$5,595,710	\$8,534,250	\$7,766,180	
EXPENSE BY CATEGORY					
PURCHASED SERVICES	403	-	-	-	-
TRANSFERS	1,288,104	-	720,190	2,217,540	100.0%
CAPITAL	83,895	-	382,460	-	-
Total Expense	\$1,372,402	-	\$1,102,650	\$2,217,540	100.0%
Ending Balance	\$8,261,263	\$5,595,710	\$7,431,600	\$5,548,640	

Fire Capital Expansion Fee Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Capital Expansion Fees	-	\$767,350	\$929,970	\$3,534,480	360.6%
REVENUE					
Beginning Balance	\$2,123,106	\$2,459,420	\$2,452,560	\$1,826,440	
IMPACT FEES	207,040	146,990	146,990	147,820	0.6%
INTEREST	62,425	41,810	41,810	35,410	(15.3%)
TRANSFERS	59,991	115,050	115,050	1,574,290	1268.4%
Total Revenue	\$329,456	\$303,850	\$303,850	\$1,757,520	478.4%
Total Resources	\$2,452,562	\$2,763,270	\$2,756,410	\$3,583,960	
EXPENSE BY CATEGORY					
CAPITAL	-	767,350	929,970	3,534,480	360.6%
Total Expense	-	\$767,350	\$929,970	\$3,534,480	360.6%
Ending Balance	\$2,452,562	\$1,995,920	\$1,826,440	\$49,480	

Police Capital Expansion Fee Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Capital Expansion Fees	\$100	-	\$300,000	-	-
REVENUE					
Beginning Balance	\$3,836,998	\$4,152,540	\$4,211,900	\$4,078,390	
IMPACT FEES	264,150	100,190	100,190	100,760	0.6%
INTEREST	110,851	66,300	66,300	81,530	23.0%
Total Revenue	\$375,001	\$166,490	\$166,490	\$182,290	9.5%
Total Resources	\$4,211,999	\$4,319,030	\$4,378,390	\$4,260,680	
EXPENSE BY CATEGORY					
PURCHASED SERVICES	100	-	-	-	-
CAPITAL	-	-	300,000	-	-
Total Expense	\$100	-	\$300,000	-	-
Ending Balance	\$4,211,899	\$4,319,030	\$4,078,390	\$4,260,680	

Library Capital Expansion Fee Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Capital Expansion Fees	\$2,594,910	-	\$250,000	-	-
REVENUE					
Beginning Balance	\$2,681,266	\$257,430	\$306,840	\$153,040	
IMPACT FEES	168,101	92,260	92,260	196,510	113.0%
INTEREST	52,383	3,940	3,940	4,810	22.1%
Total Revenue	\$220,484	\$96,200	\$96,200	\$201,320	109.3%
Total Resources	\$2,901,750	\$353,630	\$403,040	\$354,360	
EXPENSE BY CATEGORY					
TRANSFERS	2,594,910	-	250,000	-	-
Total Expense	\$2,594,910	-	\$250,000	-	-
Ending Balance	\$306,840	\$353,630	\$153,040	\$354,360	

Cultural Services Capital Expansion Fee Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Capital Expansion Fees	\$497,700	-	-	-	-
REVENUE					
Beginning Balance	\$2,182,893	\$1,865,510	\$1,888,940	\$1,997,990	
IMPACT FEES	135,661	74,300	74,300	158,370	113.1%
INTEREST	68,090	34,750	34,750	44,000	26.6%
Total Revenue	\$203,751	\$109,050	\$109,050	\$202,370	85.6%
Total Resources	\$2,386,644	\$1,974,560	\$1,997,990	\$2,200,360	
EXPENSE BY CATEGORY					
TRANSFERS	497,700	-	-	-	-
Total Expense	\$497,700	-	-	-	-
Ending Balance	\$1,888,944	\$1,974,560	\$1,997,990	\$2,200,360	

Streets Capital Expansion Fee Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Capital Expansion Fees	\$2,150,651	\$1,095,090	\$2,486,040	\$902,360	(17.6%)
REVENUE					
Beginning Balance	\$3,656,059	\$2,042,360	\$3,063,080	\$1,408,610	
IMPACT FEES	1,429,834	803,640	803,640	808,180	0.6%
INTEREST	108,338	27,930	27,930	42,130	50.8%
OTHER	19,500	-	-	-	-
Total Revenue	\$1,557,672	\$831,570	\$831,570	\$850,310	2.3%
Total Resources	\$5,213,731	\$2,873,930	\$3,894,650	\$2,258,920	
EXPENSE BY CATEGORY					
TRANSFERS	2,150,651	1,095,090	\$2,486,040	902,360	(17.6%)
Total Expense	\$2,150,651	\$1,095,090	\$2,486,040	\$902,360	(17.6%)
Ending Balance	\$3,063,080	\$1,778,840	\$1,408,610	\$1,356,560	

Capital Projects Fund

The Capital Projects Fund is where all non-enterprise infrastructure other than the street system, 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 CEF Funds. This allows for the full cost of a project to be budgeted when the funding for the project is from different sources.

See the Capital Program Chapter for details on Capital Projects.

Capital Projects Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Capital Projects	\$14,053,997	\$11,049,000	\$14,779,880	\$7,717,540	(30.2%)
REVENUE					
Beginning Balance	\$1,109,306	\$1,109,300	\$1,150,710	\$1,150,710	
INTERGOVERNMENTAL	830,099	-	313,000	-	-
CHARGES FOR SERVICE	-	-	-	-	-
INTEREST	32,412	-	-	-	-
OTHER	1,965,323	-	1,000,000	-	(100.0%)
TRANSFERS	11,267,563	11,049,000	13,466,880	7,717,540	(30.2%)
Total Revenue	\$14,095,397	\$11,049,000	\$14,779,880	\$7,717,540	(30.2%)
Total Resources	\$15,204,703	\$12,158,300	\$15,930,590	\$8,868,250	
EXPENSE BY CATEGORY					
TRANSFERS	45,362	-	-	-	-
CAPITAL	14,008,635	11,049,000	14,779,880	7,717,540	(30.2%)
Total Expense	\$14,053,997	\$11,049,000	\$14,779,880	\$7,717,540	(30.2%)
Ending Balance	\$1,150,706	\$1,109,300	\$1,150,710	\$1,150,710	

Community Development Block Grant Fund

The CDBG 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 Community Development Block Grant Fund is managed by the Community Partnership Office in the Development Services Department. Details on the expenditures are in the Development Services chapter.

Community Development Block Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Community Dev. Block Grant	\$391,874	\$275,000	\$489,910	\$288,240	4.8%
REVENUE					
INTERGOVERNMENTAL	\$391,874	\$275,000	\$489,910	\$288,240	4.8%
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	54,134	52,420	52,420	54,890	4.7%
SUPPLIES	62	500	500	500	-
PURCHASED SERVICES	337,678	222,080	436,990	232,850	4.8%
Total Expense	\$391,874	\$275,000	\$489,910	\$288,240	4.8%

Conservation Trust Fund

The Conservation Trust Fund receives a share of the proceeds of the Colorado Lottery. Current policy dedicates money in this fund to construction and maintenance of the City's recreation trails system. In the past, Lottery revenues have provided partial funding of the Chilson Recreation Center and the Youth Sports Complex. The Fund is managed by the Parks and Recreation Department. Expenditure details can be found in the Parks and Recreation Department section under Conservation Trust.

Conservation Trust Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Conservation Trust	\$307,217	\$2,143,930	\$2,247,930	\$436,570	(79.6%)
REVENUE					
Beginning Balance	\$4,615,554	\$4,545,510	\$5,032,550	\$3,364,330	
INTERGOVERNMENTAL	592,514	500,000	500,000	500,000	-
INTEREST	131,397	79,710	79,710	40,370	(49.4%)
OTHER	300	-	-	-	-
Total Revenue	\$724,211	\$579,710	\$579,710	\$540,370	(6.8%)
Total Resources	\$5,339,765	\$5,125,220	\$5,612,260	\$3,904,700	
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	81,189	113,610	113,740	111,990	(1.4%)
SUPPLIES	11,036	12,900	12,900	12,900	-
PURCHASED SERVICES	25,585	17,420	17,290	27,910	60.2%
TRANSFERS	189,407	2,000,000	2,000,000	-	(100.0%)
CAPITAL	-	-	104,000	283,770	100.0%
Total Expense	\$307,217	\$2,143,930	\$2,247,930	\$436,570	(79.6%)
Ending Balance	\$5,032,548	\$2,981,290	\$3,364,330	\$3,468,130	

Lodging Tax Fund

The Lodging Tax Fund revenue is from the 3% tax on the lodging price approved by the voters in November of 2009. Money in the fund is to be used to promote tourism, conventions and related activities within the City by marketing the city and promoting community events. The fund is managed by the Economic Development Department. Details on the expenditures are in the Department Summary chapter in the Economic Development Department Section.

Lodging Tax Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget/'12 Adopted Change
Lodging Tax	\$277,274	\$500,000	\$500,000	\$610,000	22.0%
REVENUE					
Beginning Balance	\$399,260	\$429,730	\$718,470	\$775,770	
LODGING TAX	582,641	550,000	550,000	700,000	27.3%
INTEREST	13,839	7,300	7,300	8,710	19.3%
OTHER	-	-	-	10,150	100.0%
Total Revenue	\$596,480	\$557,300	\$557,300	\$718,860	29.0%
Total Resources	\$995,740	\$987,030	\$1,275,770	\$1,494,630	
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	11,725	67,830	67,830	102,150	50.6%
SUPPLIES	14,204	10,500	37,240	44,670	325.4%
PURCHASED SERVICES	248,345	421,670	394,930	413,180	(2.0%)
TRANSFERS	3,000	-	-	50,000	100.0%
Total Expense	\$277,274	\$500,000	\$500,000	\$610,000	22.0%
Ending Balance	\$718,466	\$487,030	\$775,770	\$884,630	

Open Space Fund

The Open Space Fund receives a share of revenues from the Larimer County Open Space tax, a countywide one-quarter cent sales and use tax. The County tax expires in 2018. Use of money in this fund is restricted to the acquisition and management of open space, and it cannot be used for other general governmental purposes. Under City of Loveland policies, fifteen percent (15%) of Open Space revenue is reserved each year to continue operation and maintenance after the tax expires. The Fund is managed by the Parks and Recreation Department. Expenditure details can be found in the Parks and Recreation Department section under Open Space.

Open Space Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Open Space	\$247,679	\$3,036,170	\$3,036,170	\$2,520,800	(17.0%)
REVENUE					
Beginning Balance	\$11,607,809	\$10,535,820	\$13,297,580	\$11,897,200	
INTERGOVERNMENTAL	1,593,055	1,456,560	1,456,560	1,456,650	-
INTEREST	339,557	176,730	176,730	142,770	(19.2%)
OTHER	4,840	2,500	2,500	2,500	-
Total Revenue	\$1,937,452	\$1,635,790	\$1,635,790	\$1,601,920	(2.1%)
Total Resources	\$13,545,261	\$12,171,610	\$14,933,370	\$13,499,120	
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	167,850	186,110	226,960	394,770	112.1%
SUPPLIES	4,050	8,700	8,700	36,750	322.4%
PURCHASED SERVICES	75,779	41,360	62,300	76,820	85.7%
CAPITAL	-	2,800,000	2,738,210	2,012,460	(28.1%)
Total Expense	\$247,679	\$3,036,170	\$3,036,170	\$2,520,800	(17.0%)
Ending Balance	\$13,297,582	\$9,135,440	\$11,897,200	\$10,978,320	

Open Space Fund Balance Allocation

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Total Fund Balance	\$13,297,582	\$9,135,440	\$11,897,200	\$10,978,320	
Unrestricted Fund Balance	9,620,368	5,153,684	7,915,444	6,618,444	28.4%
Maintenance Reserves*	3,677,214	3,981,756	3,981,756	4,359,876	9.5%

*City policy requires that 15% of annual expenditures be set aside to provide for operations and maintenance of Open Space after the countywide tax expires in 2018.

Park Improvement Fund

The Park Improvement Fund receives user fees for the use of park shelters, ball fields, and tennis courts, as well as a share of user fees paid for Larimer County parks within the Loveland Urban Growth Area. Current policy dedicates money in this fund to improving and renovating park facilities. The Fund is managed by the Parks and Recreation Department. Expenditure details can be found in the Parks and Recreation Department section under Park Improvement

Park Improvement Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Park Improvement	\$86,293	\$570,000	\$653,710	\$305,000	(46.5%)
REVENUE					
Beginning Balance	\$2,619,792	\$2,555,560	\$2,671,150	\$2,113,230	
INTERGOVERNMENTAL	595	1,280	1,280	350	(72.7%)
CHARGES FOR SERVICE	56,000	51,080	51,080	56,730	11.1%
INTEREST	74,511	43,430	43,430	25,360	(41.6%)
OTHER	6,542	-	-	-	-
Total Revenue	\$137,648	\$95,790	\$95,790	\$82,440	(13.9%)
Total Resources	\$2,757,440	\$2,651,350	\$2,766,940	\$2,195,670	
EXPENSE BY CATEGORY					
TRANSFERS	-	500,000	500,000	-	(100.0%)
CAPITAL	86,293	70,000	153,710	305,000	335.7%
Total Expense	\$86,293	\$570,000	\$653,710	\$305,000	(46.5%)
Ending Balance	\$2,671,147	\$2,081,350	\$2,113,230	\$1,890,670	

PEG Fee Fund

The PEG Fee is included in the Cable Franchise agreement, to provide funding to upgrade City equipment used to broadcast Council meeting and other Government programming on the Comcast cable service. The fee is restricted to capital equipment used for the broadcasts. The PEG Fee Fund is managed by the Library. Details on the expenditures are in the Department Summary chapter in the Library Section.

PEG Fee Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
PEG Fee	\$2,444	\$57,000	\$65,000	\$86,000	50.9%
REVENUE					
Beginning Balance	\$128,170	\$139,470	\$205,400	\$211,400	
PEG FEE	72,053	71,000	71,000	71,000	-
INTEREST	7,616	-	-	2,540	100.0%
Total Revenue	\$79,669	\$71,000	\$71,000	\$73,540	3.6%
Total Resources	\$207,839	\$210,470	\$276,400	\$284,940	
EXPENSE BY CATEGORY					
SUPPLIES	1,844	7,000	7,000	26,000	271.4%
PURCHASED SERVICES	600	-	-	-	-
CAPITAL	-	50,000	58,000	60,000	20.0%
Total Expense	\$2,444	\$57,000	\$65,000	\$86,000	50.9%
Ending Balance	\$205,395	\$153,470	\$211,400	\$198,940	

Seizure & Forfeiture Fund

The Seizure & Forfeiture Fund is used to account for proceeds received from assets seized or forfeited through Police felony arrests. The revenues must be used for overtime or equipment used for investigations.

Seizure & Forfeiture Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Seizure & Forfeiture	\$50,153	-	\$2,310	-	-
REVENUE					
Beginning Balance	\$2,056	\$2,050	\$2,310	-	-
INTERGOVERNMENTAL	50,000	-	-	-	-
INTEREST	411	-	-	-	-
Total Revenue	\$50,411	-	-	-	-
Total Resources	\$52,467	\$2,050	\$2,310	-	-
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	50,000	-	2,310	-	-
PURCHASED SERVICES	153	-	-	-	-
Total Expense	\$50,153	-	\$2,310	-	-
Ending Balance	\$2,314	\$2,050	-	-	-

Transit Fund

The Transit Fund is used to account for all revenues and costs to provide fixed route bus service and Paratransit services to City residents. The City is also a partner with the City of Fort Collins and City of Longmont to provide regional bus services connecting the three cities. Details on the costs and revenues can be found in the Public Works chapter of the Department Summaries Section. The funding sources are Federal Transit Administration (FTA) grants, farebox revenue, and a subsidy from General Fund resources.

Transit Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Transit	\$1,765,367	\$1,847,330	\$1,880,960	\$1,879,510	1.7%
REVENUE					
Beginning Balance	-	-	-	-	
INTERGOVERNMENTAL	996,927	1,304,730	1,304,730	859,710	(34.1%)
CHARGES FOR SERVICE	170,403	86,700	86,700	106,000	22.3%
OTHER	(18)	-	-	-	-
GENERAL FUND SUBSIDY	598,055	455,900	489,530	913,800	100.4%
Total Revenue	\$1,765,367	\$1,847,330	\$1,880,960	\$1,879,510	1.7%
Total Resources	\$1,765,367	\$1,847,330	\$1,880,960	\$1,879,510	
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	665,299	640,850	640,850	660,980	3.1%
SUPPLIES	13,046	18,400	18,400	18,400	-
PURCHASED SERVICES	1,087,022	1,154,450	1,154,450	1,200,130	4.0%
CAPITAL	-	33,630	67,260	-	(100.0%)
Total Expense	\$1,765,367	\$1,847,330	\$1,880,960	\$1,879,510	1.7%
Ending Balance	-	-	-	-	

Transportation Fund

The Transportation Fund is used to account for all revenues and costs to maintain the existing street infrastructure and the construction of new infrastructure. Details on the costs and revenues can be found in the Public Works chapter of the Department Summaries Section and in the Capital Program Section. The primary funding sources are Highway User Tax Funds (HUTF) and other state revenue sharing, the Larimer County Road and Bridge tax revenue sharing, the Transportation Utility Fee, Street Capital Expansion Fees and General Fund resources.

Transportation Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Transportation Maint. & Const.	\$11,874,845	\$11,117,350	\$14,474,140	\$11,606,460	4.4%
REVENUE					
Beginning Balance	-	-	-	-	
LICENSES AND PERMITS	24,640	15,300	15,300	16,340	6.8%
INTERGOVERNMENTAL	3,468,960	4,004,220	5,510,480	3,773,490	(5.8%)
CHARGES FOR SERVICE	1,780,635	1,964,250	1,964,250	2,299,050	17.0%
OTHER	43,611	-	-	1,000	100.0%
TRANSFERS	3,722,362	1,883,810	3,730,840	1,432,720	(23.9%)
GENERAL FUND SUBSIDY	2,834,637	3,249,770	3,253,270	4,083,860	25.7%
Total Revenue	\$11,874,845	\$11,117,350	\$14,474,140	\$11,606,460	4.4%
Total Resources	\$11,874,845	\$11,117,350	\$14,474,140	\$11,606,460	
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	2,999,482	3,037,800	3,037,800	3,021,100	(0.5%)
SUPPLIES	1,032,076	799,610	798,110	947,770	18.5%
PURCHASED SERVICES	1,190,395	1,038,040	1,043,040	1,578,440	52.1%
TRANSFERS	17,931	-	-	20,000	100.0%
CAPITAL	6,634,961	6,241,900	9,595,190	6,039,150	(3.2%)
Total Expense	\$11,874,845	\$11,117,350	\$14,474,140	\$11,606,460	4.4%
Ending Balance	-	-	-	-	

Other Entity Funds Summary

These are funds to account for the revenues and expenses of separate governmental units the City of Loveland either has a significant interest in or has created for special purposes. The spending for these funds is approved either by a joint relationship through an intergovernmental agreement, or by a separate resolution.

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 Fort Collins – Loveland Municipal Airport as part of the administrative responsibilities. The Loveland/Larimer Building Authority (LLBA) was established by Larimer County and the City of Loveland to construct and operate the Police and Courts facility.

The Loveland Fire and Rescue Authority is a newly-created entity. The Authority is a partnership between the City of Loveland and the Loveland Rural Fire District, with each contributing to the Fire Authority budget.

The General Improvement District (GID) #1, the Loveland Special Improvement District (SID) #1 and the Loveland Urban Renewal Authority (LURA) are separate entities created for specific expenditures and are funded by either a separate mill levy from the city, a special assessment, or tax increment financing (TIF). The City Council serves as the Board of Directors for these separate entities.

An ordinance adopting the budget will be presented to the governing body of each entity for approval.

None of these funds are included in the City's Total Budget summary.

Other Entity Funds

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
REVENUE					
Beginning Balance	\$3,043,718	\$4,219,420	\$3,472,030	\$3,394,360	
PROPERTY TAXES	11,041,102	10,922,260	10,922,260	11,384,240	4.2%
OTHER TAXES	886,082	676,750	676,750	700,000	3.4%
INTERGOVERNMENTAL	7,770,805	10,306,250	13,128,030	11,786,060	14.4%
CHARGES FOR SERVICE	1,157,231	1,062,900	1,062,900	1,067,180	0.4%
INTEREST	136,945	81,030	81,030	51,480	(36.5%)
OTHER	2,506	1,400	1,400	1,400	-
Total Revenue	\$20,994,671	\$23,050,590	\$25,872,370	\$24,990,360	8.4%
Total Resources	\$24,038,389	\$27,270,010	\$29,344,400	\$28,384,720	
EXPENSE BY DEPARTMENT					
AIRPORT	7,981,327	1,996,550	4,013,650	2,208,600	10.6%
LOVELAND FIRE RESCUE AUTHORITY	-	8,554,790	9,701,520	9,878,290	15.5%
LOVELAND GID #1	15,299	24,500	35,500	24,500	-
LOVELAND-LARIMER BLDG. AUTHORITY	473,440	461,960	461,960	469,150	1.6%
LOVELAND SID #1	1,080,177	776,190	776,190	762,120	(1.8%)
LOVELAND URBAN RENEWAL AUTHORITY	11,016,119	10,889,300	10,961,220	11,351,280	4.2%
Total Expense	\$20,566,362	\$22,703,290	\$25,950,040	\$24,693,940	8.8%
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	521,528	7,128,040	7,366,110	8,103,330	13.7%
SUPPLIES	32,777	242,400	769,370	405,060	67.1%
PURCHASED SERVICES	907,361	2,500,740	3,078,360	2,817,610	12.7%
DEBT SERVICE	11,835,278	11,411,960	11,411,960	11,794,040	3.3%
CAPITAL	7,269,418	1,420,150	3,324,240	1,573,900	10.8%
Total Expense	\$20,566,362	\$22,703,290	\$25,950,040	\$24,693,940	8.8%
Ending Balance	\$3,472,027	\$4,566,720	\$3,394,360	\$3,690,780	

Airport Fund

The Airport Fund receives revenue for operating and capital expenses primarily from revenues generated by airport operations. Additional revenues are provided by the airport partners, the Cities of Loveland and Fort Collins, and, for approved projects, from the FAA and Colorado Department of Transportation. Use of money in the Fund is restricted to the airport. The Fund is managed by the Public Works Department. Details on the expenditures are in the Other Entities chapter.

Airport Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Airport	\$7,981,327	\$1,996,550	\$4,013,650	\$2,208,600	10.6%
REVENUE					
Beginning Balance	\$1,000,674	\$1,034,760	\$851,170	\$892,560	
AIRPORT REVENUE	1,002,935	932,400	932,400	930,800	(0.2%)
INTERGOVERNMENTAL	6,799,430	1,420,000	3,095,050	1,575,000	10.9%
INTEREST	29,454	27,590	27,590	10,710	(61.2%)
Total Revenue	\$7,831,819	\$2,379,990	\$4,055,040	\$2,516,510	5.7%
Total Resources	\$8,832,493	\$3,414,750	\$4,906,210	\$3,409,070	
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	388,650	407,130	407,130	435,890	7.1%
SUPPLIES	29,539	36,700	36,700	36,700	-
PURCHASED SERVICES	293,720	335,720	830,820	331,010	(1.4%)
CAPITAL	7,269,418	1,217,000	2,739,000	1,405,000	15.4%
Total Expense	\$7,981,327	\$1,996,550	\$4,013,650	\$2,208,600	10.6%
Ending Balance	\$851,166	\$1,418,200	\$892,560	\$1,200,470	

Loveland Fire Authority Fund

The Loveland Fire Authority Fund receives revenue for operating and capital expenses primarily from contributions from the City and the Loveland Rural Fire District. Additional revenues are generated from fees charged for services provided by both the Suppression and Prevention Divisions. Expenditures from this fund are limited to the operations and capital needs of the Authority. The Fund is managed by the Fire Department. Details on the expenditures are in the Other Entities chapter. The Authority was created in 2012.

Loveland Fire Authority Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Loveland Fire Authority	-	\$8,554,790	\$9,701,520	\$9,878,290	15.5%
REVENUE					
FIRE ADMINISTRATION	-	190,770	873,460	20,000	(89.5%)
FIRE SUPPRESSION	-	-	-	22,500	100.0%
FIRE PREVENTION	-	126,000	126,000	118,880	(5.7%)
LOVELAND CONTRIBUTION	-	6,755,180	7,219,220	7,967,860	18.0%
DISTRICT CONTRIBUTION	-	1,482,840	1,482,840	1,749,050	18.0%
Total Revenue	-	\$8,554,790	\$9,701,520	\$9,878,290	15.5%
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	-	6,600,640	6,838,710	7,542,890	14.3%
SUPPLIES	-	201,200	728,170	363,860	80.8%
PURCHASED SERVICES	-	1,549,800	1,560,400	1,802,640	16.3%
CAPITAL	-	203,150	574,240	168,900	(16.9%)
Total Expense	-	\$8,554,790	\$9,701,520	\$9,878,290	15.5%

Loveland General Improvement District #1 Fund

The Loveland General Improvement District #1 (GID) Fund revenues are provided by an ad valorem tax on all properties within the District's boundaries. The mill levy for the District is 2.684 mills. Fund revenues are restricted to construction of parking and pedestrian improvements within the District. The Fund is managed by the Public Works Department. Details on the expenditures are in the Other Entities chapter.

General Improvement District #1 Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
GID #1	\$15,299	\$24,500	\$35,500	\$24,500	-
REVENUE					
Beginning Balance	\$45,274	\$74,110	\$66,500	\$64,520	
INTEREST	1,544	560	560	770	37.5%
TAXES	34,977	32,960	32,960	32,960	-
Total Revenue	\$36,521	\$33,520	\$33,520	\$33,730	0.6%
Total Resources	\$81,795	\$107,630	\$100,020	\$98,250	
EXPENSE BY CATEGORY					
SUPPLIES	898	2,000	2,000	2,000	-
PURCHASED SERVICES	14,401	22,500	22,500	22,500	-
CAPITAL	-	-	11,000	-	-
Total Expense	\$15,299	\$24,500	\$35,500	\$24,500	-
Ending Balance	\$66,496	\$83,130	\$64,520	\$73,750	

Loveland–Larimer Building Authority Fund

The Loveland–Larimer Building Authority Fund was established to provide operating funds for the Police & Courts Building located at Monroe Avenue and 10th Street. Fund revenues come from contributions from the City of Loveland and Larimer County and are based upon building square footage occupied by each entity. The Fund is managed by the Public Works Department and the Parks & Recreation Department. The Public Works Department provides facility maintenance services and the Parks & Recreation Department provides grounds maintenance services. Details on Fund expenditures can be found in the Other Entities chapter.

Loveland Larimer Building Authority Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
BUILDING OPERATIONS	459,839	447,710	447,710	454,900	1.6%
GROUNDS MAINTENANCE	13,601	14,250	14,250	14,250	-
Total Expense	\$473,440	\$461,960	\$461,960	\$469,150	1.6%
REVENUE					
LARIMER COUNTY CONTRIBUTIONS	101,594	92,390	92,390	93,830	1.6%
CITY OF LOVELAND CONTRIBUTIONS	371,846	369,570	369,570	375,320	1.6%
Total Revenue	\$473,440	\$461,960	\$461,960	\$469,150	1.6%
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	132,878	120,270	120,270	124,550	3.6%
SUPPLIES	2,340	2,500	2,500	2,500	-
PURCHASED SERVICES	338,222	339,190	339,190	342,100	0.9%
Total Expense	\$473,440	\$461,960	\$461,960	\$469,150	1.6%

Loveland Special Improvement District #1 Fund

The City serves as the sponsoring agency for the Loveland Special Improvement District #1 (SID). 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 Special Improvement District #1 Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
Loveland SID #1	\$1,080,177	\$776,190	\$776,190	\$762,120	(1.8%)
REVENUE					
Beginning Balance	\$912,940	\$849,740	\$750,720	\$667,130	
TAXES	886,082	676,750	676,750	700,000	3.4%
INTEREST	29,372	14,450	14,450	15,000	3.8%
OTHER	2,506	1,400	1,400	1,400	-
Total Revenue	\$917,960	\$692,600	\$692,600	\$716,400	3.4%
Total Resources	\$1,830,900	\$1,542,340	\$1,443,320	\$1,383,530	
EXPENSE BY CATEGORY					
PURCHASED SERVICES	8,214	10,000	10,000	10,000	-
DEBT SERVICE	1,071,963	766,190	766,190	752,120	(1.8%)
Total Expense	\$1,080,177	\$776,190	\$776,190	\$762,120	(1.8%)
Ending Balance	\$750,723	\$766,150	\$667,130	\$621,410	

Note: The bond ordinance for Loveland Special Improvement District #1 requires that a portion of the assessments received be placed in reserve accounts, so at the end of the year there will be a reserve balance. The reserve amounts are not excess funds. The reserves are to fund the upcoming interest payments to bondholders should annual assessments not be received on a timely basis. The fund balance remaining in the final year of the bonds (2029) will be applied to the final payment and assessments on property owners will be lowered.

Loveland Urban Renewal Authority Fund

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.

Loveland Urban Renewal Authority Fund Summary

	'11 Actual	'12 Adopted Budget	'12 Revised Budget as of June	'13 Budget	'13 Budget / '12 Adopted Change
DOWNTOWN	-	30,060	78,160	53,830	79.1%
FINLEY BLOCK	163,447	163,470	163,470	205,530	25.7%
US 34 CROSSROADS	10,813,315	10,695,770	10,695,770	11,091,920	3.7%
FAÇADE GRANT	39,357	-	23,820	-	-
Total Expense	\$11,016,119	\$10,889,300	\$10,961,220	\$11,351,280	4.2%
REVENUE					
Beginning Balance	\$1,084,830	\$2,260,810	\$1,151,410	\$1,117,920	
TAXES	11,006,125	10,889,300	10,889,300	11,351,280	4.2%
INTEREST	76,575	38,430	38,430	25,000	(34.9%)
Total Revenue	\$11,082,700	\$10,927,730	\$10,927,730	\$11,376,280	4.1%
Total Resources	\$12,167,530	\$13,188,540	\$12,079,140	\$12,494,200	
EXPENSE BY CATEGORY					
PURCHASED SERVICES	252,804	243,530	315,450	309,360	27.0%
DEBT SERVICE	10,763,315	10,645,770	10,645,770	11,041,920	3.7%
Total Expense	\$11,016,119	\$10,889,300	\$10,961,220	\$11,351,280	4.2%
Ending Balance	\$1,151,411	\$2,299,240	\$1,117,920	\$1,142,920	

Fund Balance Summary

	2011 Actual Ending Balance	2012 Adopted Ending Balance	2012 Revised Ending Balance as of June	2013 Ending Balance
General Fund	\$31,283,787	\$21,314,400	\$26,744,200	\$28,136,660
INTERNAL SERVICES FUNDS				
EMPLOYEE BENEFITS	5,392,798	1,979,330	3,624,910	2,597,390
CITY FLEET	7,913,942	7,995,210	8,240,590	7,689,770
FLEET MANAGEMENT	436,049	518,680	558,540	461,260
RISK & INSURANCE	3,729,468	2,538,640	3,606,310	3,121,750
Total Internal Services Funds	\$17,472,257	\$13,031,860	\$16,030,350	\$13,870,170
ENTERPRISE FUNDS				
GOLF	1,349,889	1,509,530	1,462,180	1,545,860
POWER	17,156,515	11,743,530	9,512,460	8,682,060
POWER PIF	6,766,417	1,742,670	6,475,310	6,830,630
RAW WATER	18,474,814	15,673,610	11,703,520	11,767,580
SOLID WASTE	5,060,750	5,054,210	5,661,970	2,802,220
STORMWATER	3,390,960	1,958,740	2,164,200	2,144,370
WASTEWATER	7,409,233	5,714,260	5,577,000	2,874,510
WASTEWATER SIF	4,325,833	633,090	3,802,160	4,050,850
WATER	2,938,925	6,743,050	232,090	9,456,290
WATER SIF	7,273,567	930,740	6,741,920	7,190,080
Total Enterprise Funds	\$74,146,903	\$51,703,430	\$53,332,810	\$57,344,450
SPECIAL REVENUE FUNDS				
ART IN PUBLIC PLACES	537,936	7,780	254,550	65,020
PARK CAPITAL EXPANSION FEES	7,225,680	834,950	1,331,670	2,117,700
RECREATION CAPITAL EXPANSION FEES	3,153,935	3,309,030	3,287,610	3,752,130
TRAILS CAPITAL EXPANSION FEES	1,097,925	942,770	1,020,150	581,060
OPEN SPACE CAPITAL EXPANSION FEES	1,109,883	793,370	1,246,600	221,550
FIRE CAPITAL EXPANSION FEES	2,452,562	1,995,920	1,826,440	49,480
POLICE CAPITAL EXPANSION FEES	4,211,899	4,319,030	4,078,390	4,260,680
LIBRARY CAPITAL EXPANSION FEES	306,840	353,630	153,040	354,360
CULT. SVC. CAPITAL EXPANSION FEES	1,888,944	1,974,560	1,997,990	2,200,360
GEN. GOVT. CAPITAL EXPANSION FEES	8,261,263	5,595,710	7,431,600	5,548,640
STREETS CAPITAL EXPANSION FEES	3,063,080	1,778,840	1,408,610	1,356,560
CAPITAL PROJECTS	1,150,706	1,109,300	1,150,710	1,150,710
CONSERVATION TRUST	5,032,548	2,981,290	3,364,330	3,468,130
OPEN SPACE	13,297,582	9,135,440	11,897,200	10,978,320
PARKS IMPROVEMENT	2,671,147	2,081,350	2,113,230	1,890,670
LODGING TAX	718,466	487,030	775,770	884,630
PEG FEE	205,395	153,470	211,400	198,940
SEIZURE AND FORFEITURE	2,314	2,050	-	-
Total Special Revenue Funds	\$56,388,105	\$37,855,520	\$43,549,290	\$39,078,940
Total All City Funds	\$179,291,052	\$123,905,210	\$139,656,650	\$138,430,220

* Ending balances may differ slightly from fund summaries and the Total City Budget page due to rounding differences.

2013 Recommended Budget

September 11, 2012
Study Session

Colorado Trends

Colorado State Planning & Budgeting, in their *Colorado Economic Forecast, June 2012*, highlighted:

- Continued job growth, but at lower rates of increase: 2012 increase 1.7%, with 1.0% in 2013.
- Unemployment in 2012 at 7.9%, then a slow decrease to 7.6% in 2013.
- Retail spending is projected to continue modest growth with a 4.1% increase in 2013.
- Personal income will increase 4.5% in 2012, and growth will continue, but more slowly, at 4.0% in 2013.

Loveland Trends

Colorado Department of Labor & Employment reports:

- Unemployment rate in Loveland was 7.7% in July 2012.
- Unemployment rate in Loveland was 8.1% in July 2011.

Total City Budget Overview

Key Concepts, Philosophy, and Building Blocks for Revenue Budget:

- Property tax flat to 2012 collections.
- Sales tax base increases 4.0% over projected 2012 collections.
- Auto use tax flat to projected historic average.
- Building use tax and building permit revenues based on projected building activity.
- Interest calculated at 1.2% of projected beginning balance.
- Rate increases in the Water & Power Enterprise funds.

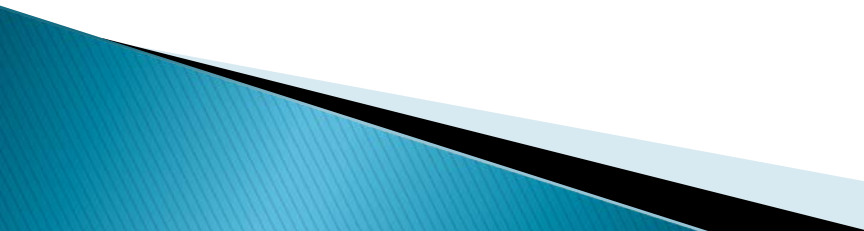
Total City Budget Overview

Key Concepts, Philosophy, and Building Blocks for Expense Budget:

- Recovery from recession continues to be slow.
- Sales tax has experienced modest growth.
- Commercial building projects remain severely constrained, but housing projects begin to recover.
- Minimal job growth with 219 more people employed through July compared to the same period last year⁽¹⁾.
- Property values are expected to remain stagnant.

⁽¹⁾ Larimer County Workforce Center July Report

2013 Budget Building Blocks

- Merit Pool set at 3.5% of current salaries.
 - Health claims budgeted at same amount as 2011 actual expenses.
 - Fuel estimated at a 23% increase from 2012 adopted budget.
 - All one-time items removed.
 - No across the board inflation, addressed on a case-by-case basis.
 - Major capital projects based on the Capital Program.
- 

Total Budget Expense Growth

<u>Budget Year</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Operations	128,230	137,813	144,394	160,555
Percent Change	-5.2%	7.5%	4.0%	12.6%
Capital	41,174	40,699	36,376	46,297
Percent Change	-7.9%	-1.2%	-14.6%	27.3%
Total Net Budget	169,404	178,512	180,770	206,852
Percent Change	-5.9%	5.4%	1.4%	14.4%

*All numbers in thousands.

Total Budget Revenues

<u>REVENUE</u>	<u>2011</u> <u>Actual</u>	<u>2012</u> <u>Adopted</u>	<u>2012</u> <u>Revised</u>	<u>2013</u> <u>Budget</u>	<u>%</u> <u>Change</u>
Beginning Balance	175,638	133,754	179,291	139,657	
Taxes	46,702	46,332	46,332	49,288	6.4%
Intergovernmental	14,832	7,984	10,450	7,238	-9.3%
Impact Fees	9,619	6,538	6,538	7,419	13.5%
Charges for Service	33,810	33,765	33,765	43,429	28.6%
Interest	5,170	2,606	2,606	2,659	2.0%
Other	8,776	751	1,943	1,223	62.8%
Utility Charges	64,886	65,900	65,900	74,086	12.4%
Utility Other	2,209	2,005	2,005	1,930	-3.7%
Pilt	4,259	5,041	5,041	5,640	11.9%
Bond proceeds	-	-	-	16,000	100.0%
Less Administrative charges	-	-	-	(3,285)	100.0%
Total Net Revenue	190,262	170,922	174,580	205,626	20.3%
Transfers	21,747	19,610	25,983	16,915	-13.7%
Total Revenue	212,010	190,532	200,563	222,541	15.6%
Total Resources	387,647	324,286	379,854	362,197	

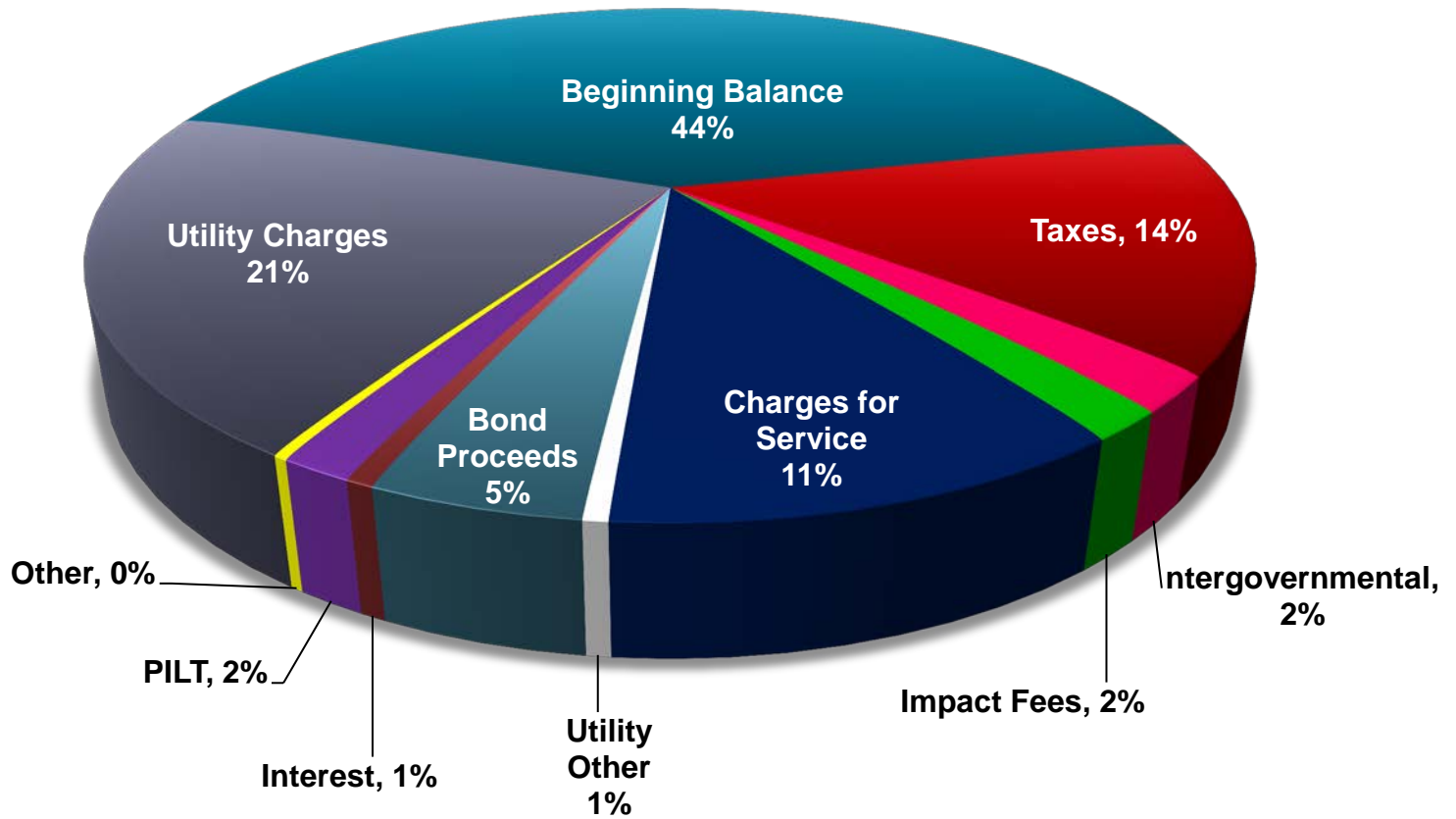
*All numbers in thousands.

Total Budget Expenses

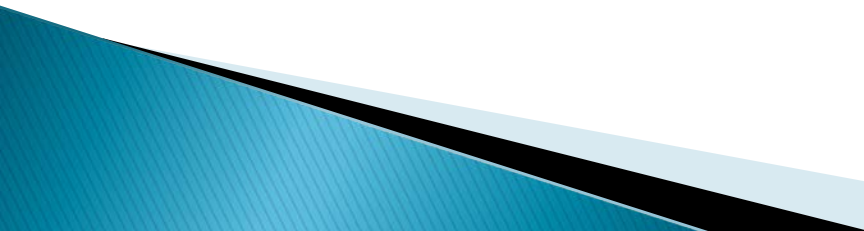
	<u>2011</u> <u>Actual</u>	<u>2012</u> <u>Adopted</u>	<u>2012</u> <u>Revised</u>	<u>2013</u> <u>Budget</u>	<u>%</u> <u>Change</u>
Appropriations					
General Fund (net expense)	63,081	62,392	66,958	65,192	4.5%
Enterprise Funds	92,363	81,315	105,021	104,568	28.6%
Internal Service Funds	15,940	17,439	17,609	18,726	7.4%
Special Revenue Funds	36,973	39,235	50,609	35,282	-10.1%
Total Expense	208,356	200,381	240,197	223,767	11.7%
Less Transfers	21,747	19,610	25,983	16,915	-13.7%
Total Net Expense	186,609	180,771	214,215	206,852	14.4%
Ending Balance	179,291	123,905	139,657	138,430	

*All numbers in thousands.

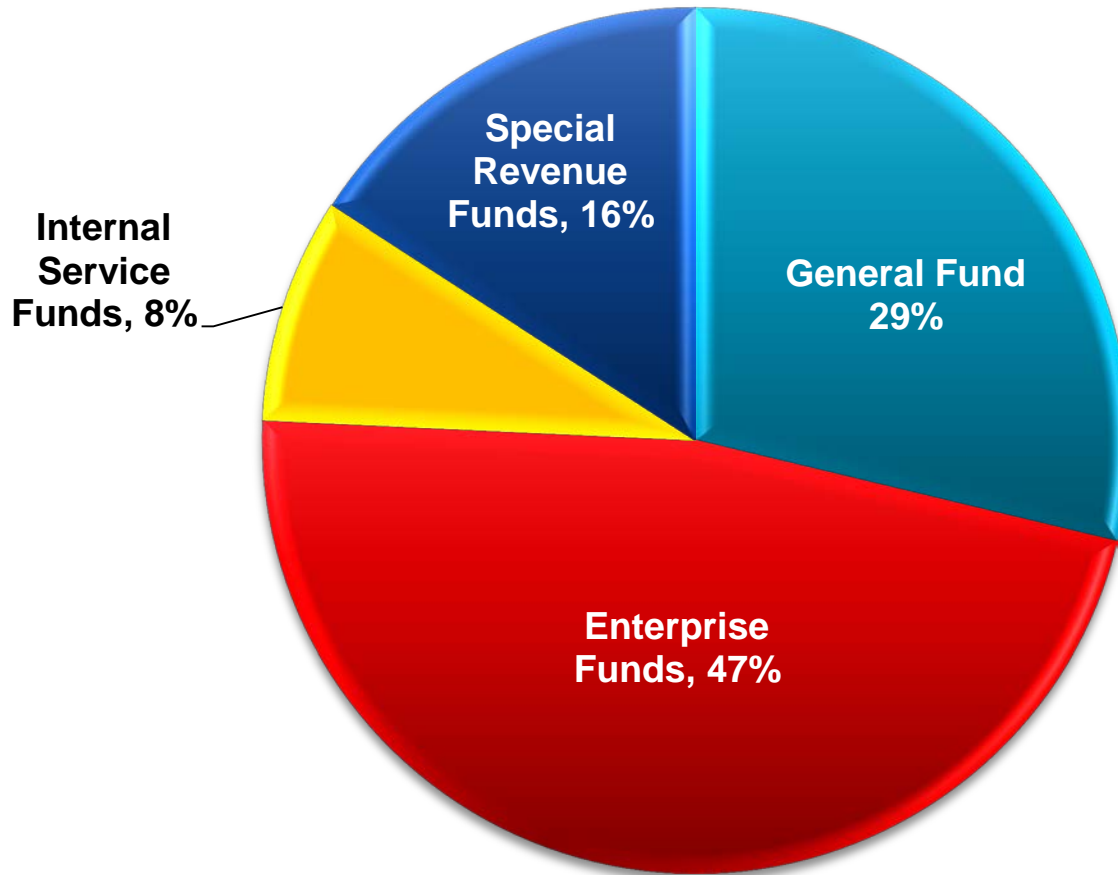
Total Budget Source of Funds



Significant Revenue Recommendations

- Continue 1% per year increase in water rates for new reservoir and another 12.0% for treatment plant and distribution system capital improvements;
 - Increase of 4.13% in Power rates to pass through a PRPA increase;
 - Increase the Transportation Fee 11% so that the fees continue to cover 60% of the Street Rehabilitation Budget.
- 

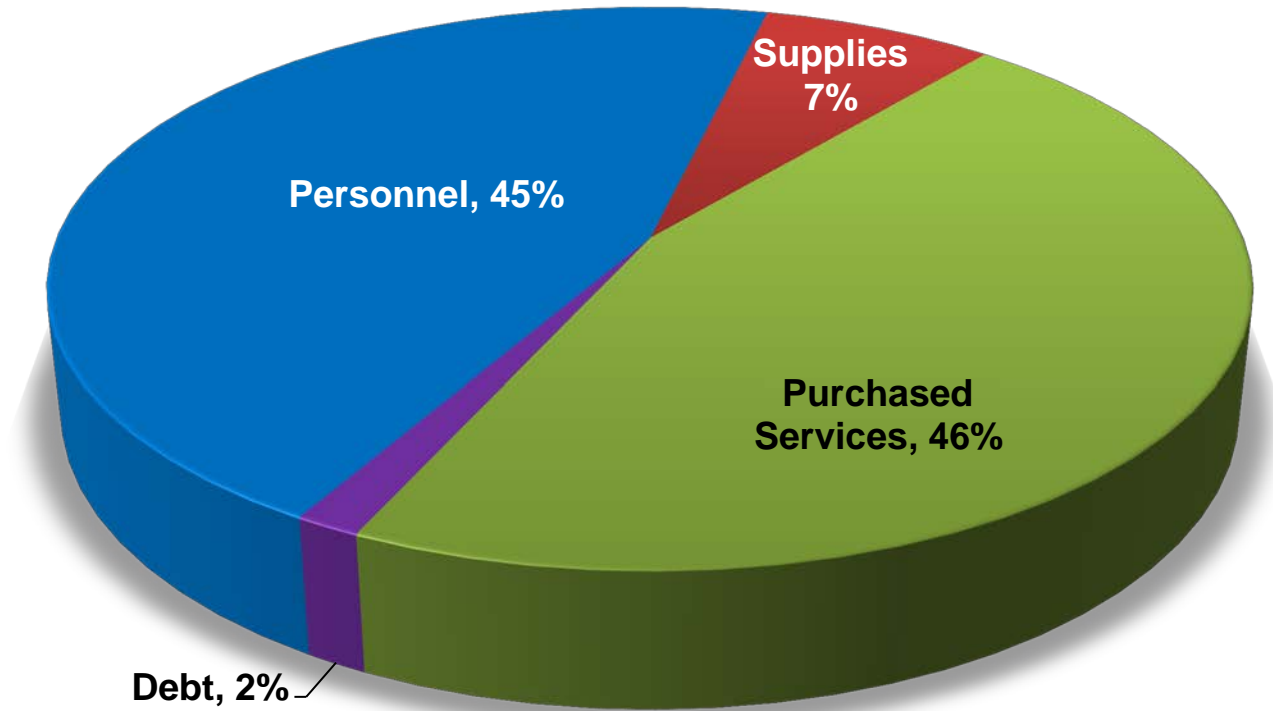
Total Fund Appropriations



Projected Ending Balances

Total Ending Balance	\$138,430,190
Restricted for Construction and Land Purchases	(77,894,130)
Restricted for Insurance Claims	(5,719,140)
Restricted for Equipment Replacement	(10,690,930)
Restricted for City Marketing	(751,940)
Restricted for Open Space Maintenance	(4,359,880)
Restricted for TABOR Revenues (revenue above cap)	(6,906,020)
Restricted by State Constitution (TABOR 3% Emergency)	(1,934,670)
Restricted for Council Designated Projects	(2,961,770)
Restricted for Library	(125,030)
Designated for Fire Authority Grant Match	(103,900)
Restricted for Fund Balance Policy (15% of Operating Expense) – All Funds	(23,951,240)
Total Unrestricted	\$3,031,540

Operating Expenses



Purchased Power Expense, Capital Expense and Transfers excluded

Citywide Benefited FTE Changes

- Total City increase of 15.39 Benefitted FTEs;
- Decrease of 11.36 FTEs in General Fund;
- Increase of 1.5 FTEs Internal Service Funds;
- Decrease of 25.65 FTEs in the Enterprise Funds; and,
- Increase of 50.9 FTEs in Special Revenue Funds.

Reorganizations account for the significant changes in the General Fund, Enterprise Funds and Special Revenue Funds.

General Fund Overview

General Fund Summary

General Fund	2011 Actual	2012 Adopted	2012 Revised Budget	2013 Budget	% Change
Beginning Balance	\$27,114	\$23,950	\$31,284	\$26,744	11.7%
Revenue (Net)	67,251	59,725	62,445	66,585	11.5%
Appropriations (net)	63,081	62,392	66,958	65,192	4.5%
Ending Balance	\$31,284	\$21,283	\$26,771	\$28,137	32.2%

The 2011 and 2012 numbers have been adjusted from the 2012 Adopted Budget Book to account for the move of Transit and Transportation Services to new funds. This adjustment provides for a better year-to-year comparison.

*All numbers in thousands

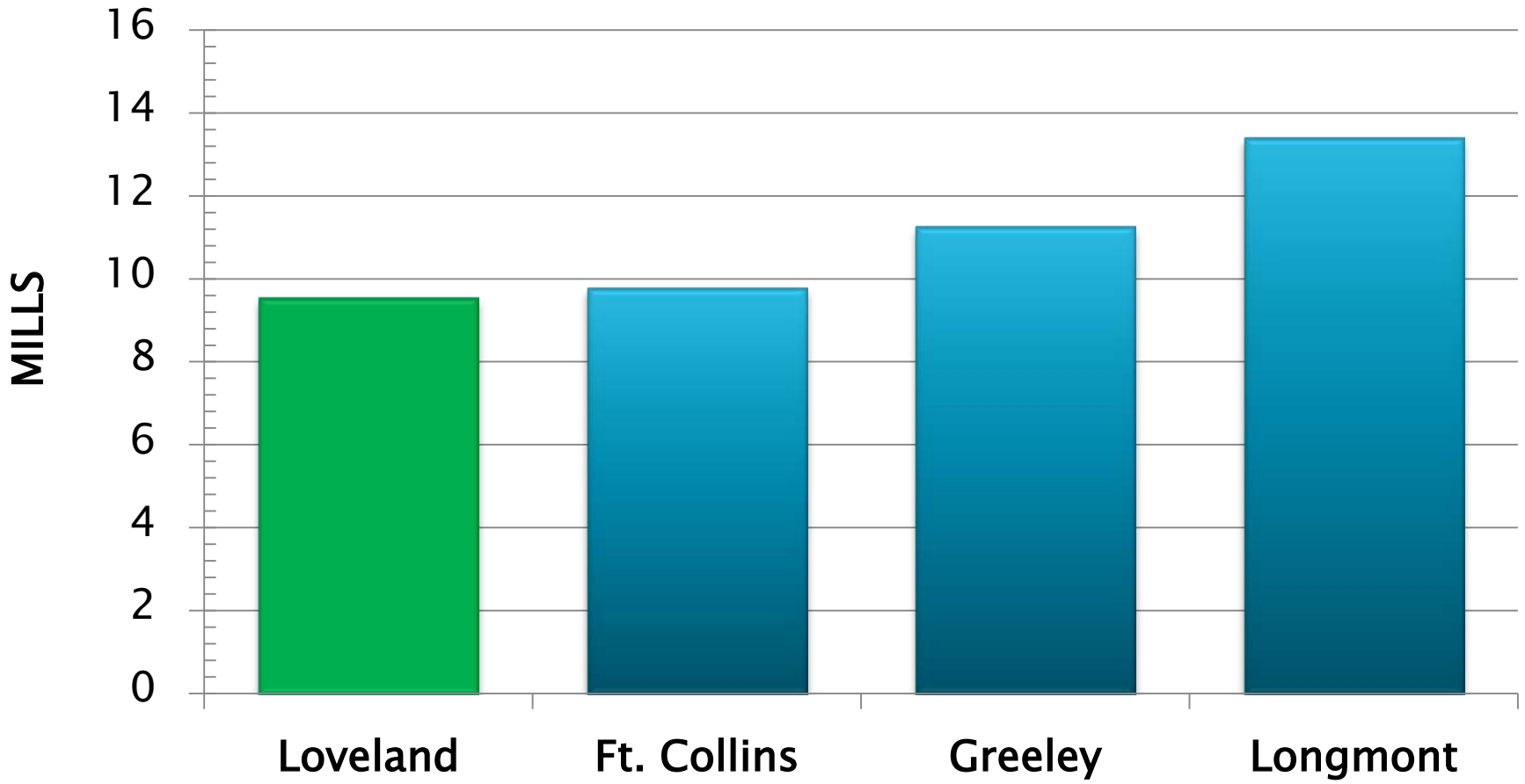
General Fund Revenue

<u>Revenue</u>	<u>2011 Actual</u>	<u>2012 Adopted</u>	<u>2012 Revised</u>	<u>2013 Budget</u>	<u>% Change</u>
<i>Beginning Balance</i>	27,114	23,950	31,284	26,744	
Taxes	46,119	45,782	45,782	48,588	6.1%
Licenses & Permits	1,369	967	967	1,491	54.2%
Intergovernmental	6,749	408	836	324	(20.6%)
Chrgs. for Service	3,641	3,703	3,703	11,892	221.1%
Fines & Penalties	936	1,005	1,005	1,068	6.3%
Interest	786	405	405	340	(16.0%)
PILT	4,259	5,041	5,041	5,640	11.9%
Miscellaneous	1,261	419	595	397	(5.3%)
Transfers	2,131	2,026	4,084	129	(93.6%)
Total Revenue	67,251	59,756	62,418	69,869	16.9%
Admin. Charges	-	-	-	(3,285)	100.0%
Net Revenue	67,251	59,756	62,418	66,584	11.4%
Total Resources	94,365	83,706	93,702	93,328	

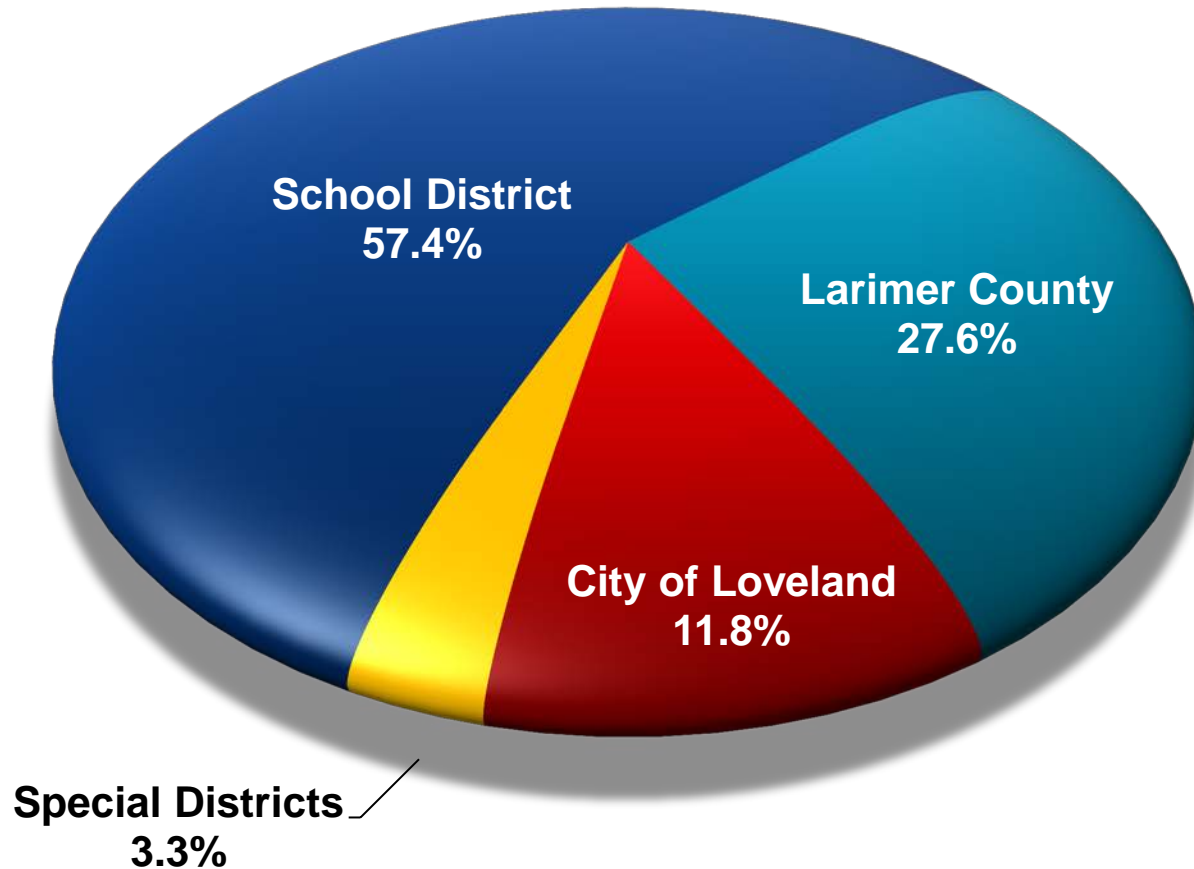
Property Tax Revenue



Mill Levy

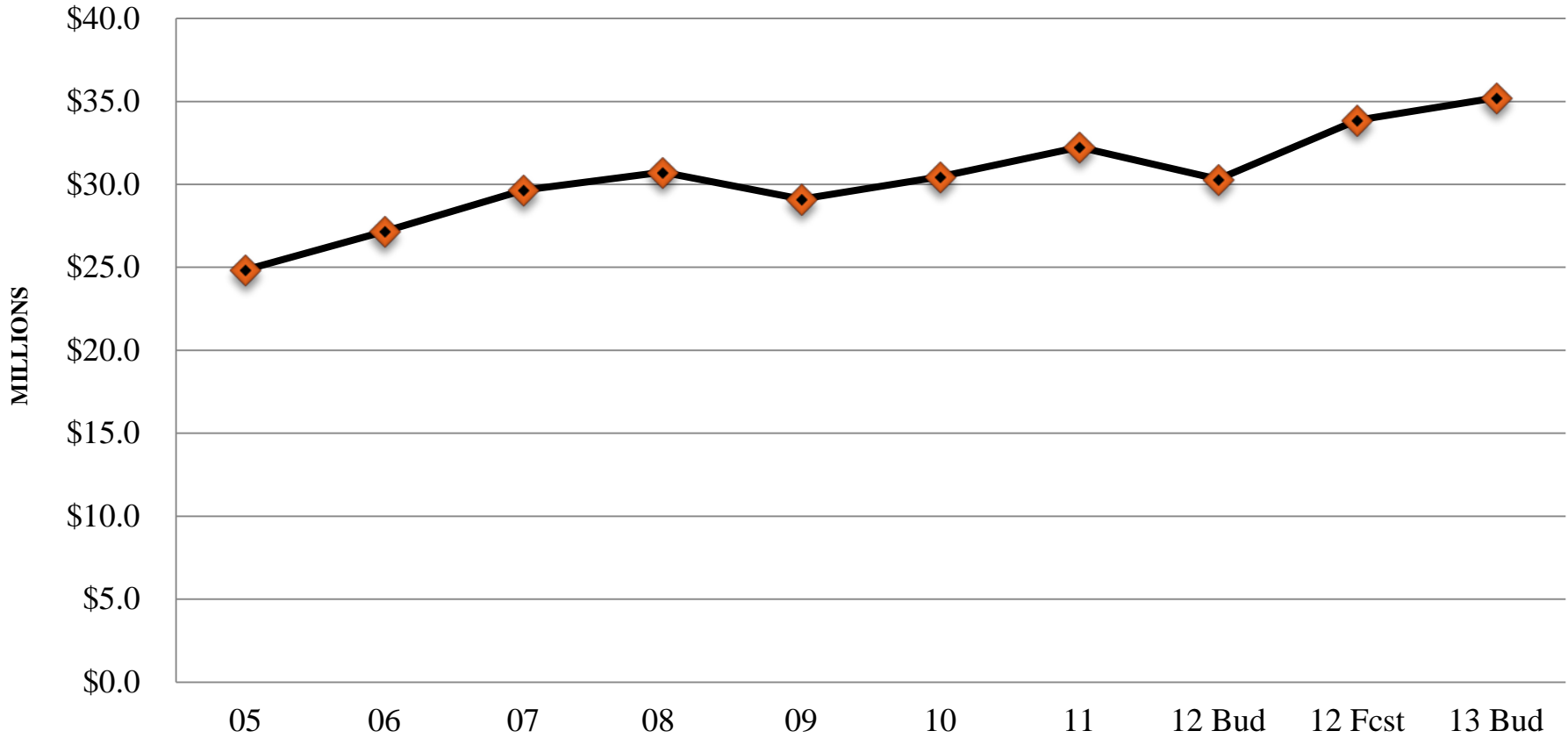


City Mill Levy Compared to Total Tax Bill



Sales Tax Revenue

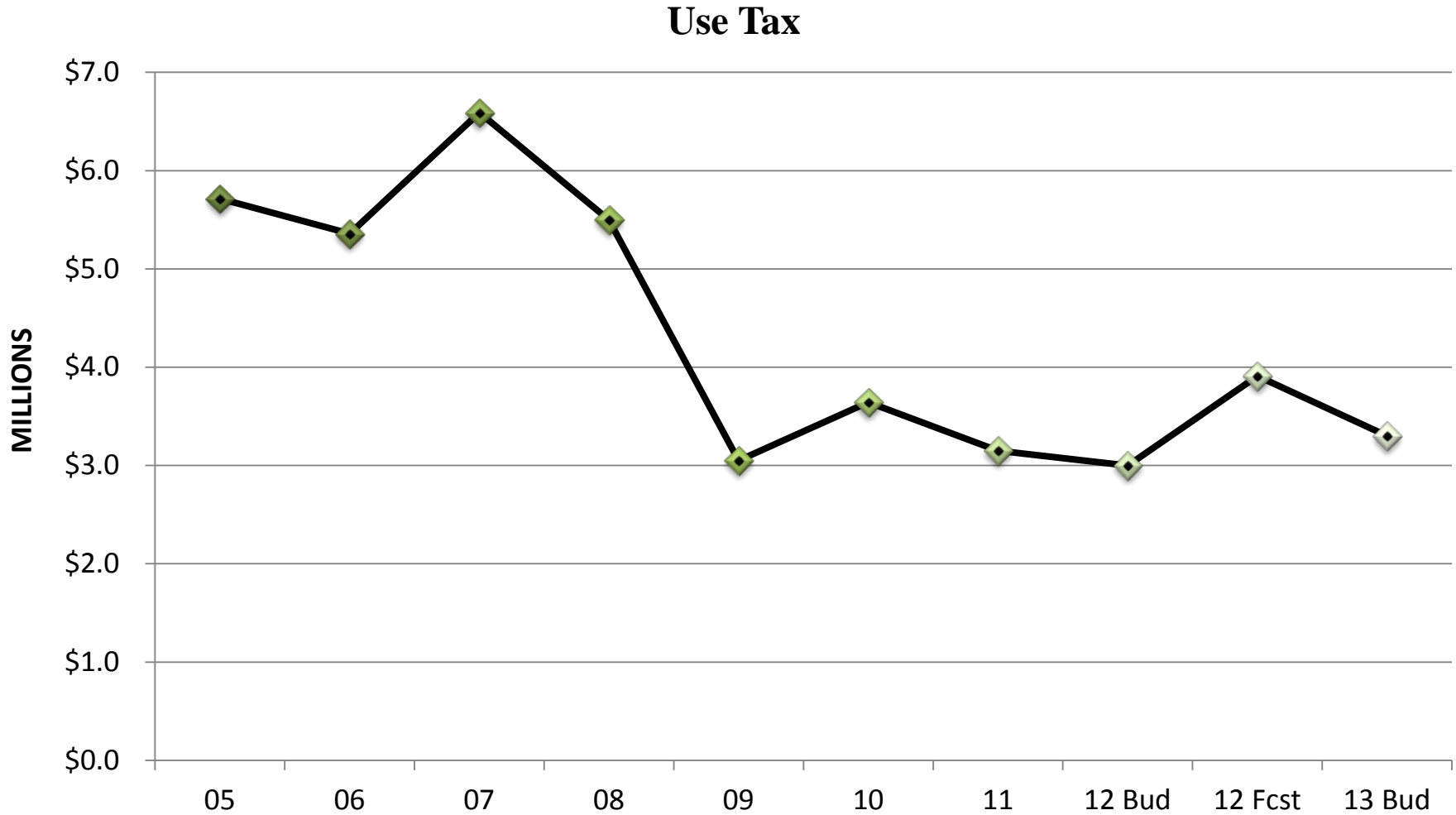
Sales Tax Collection



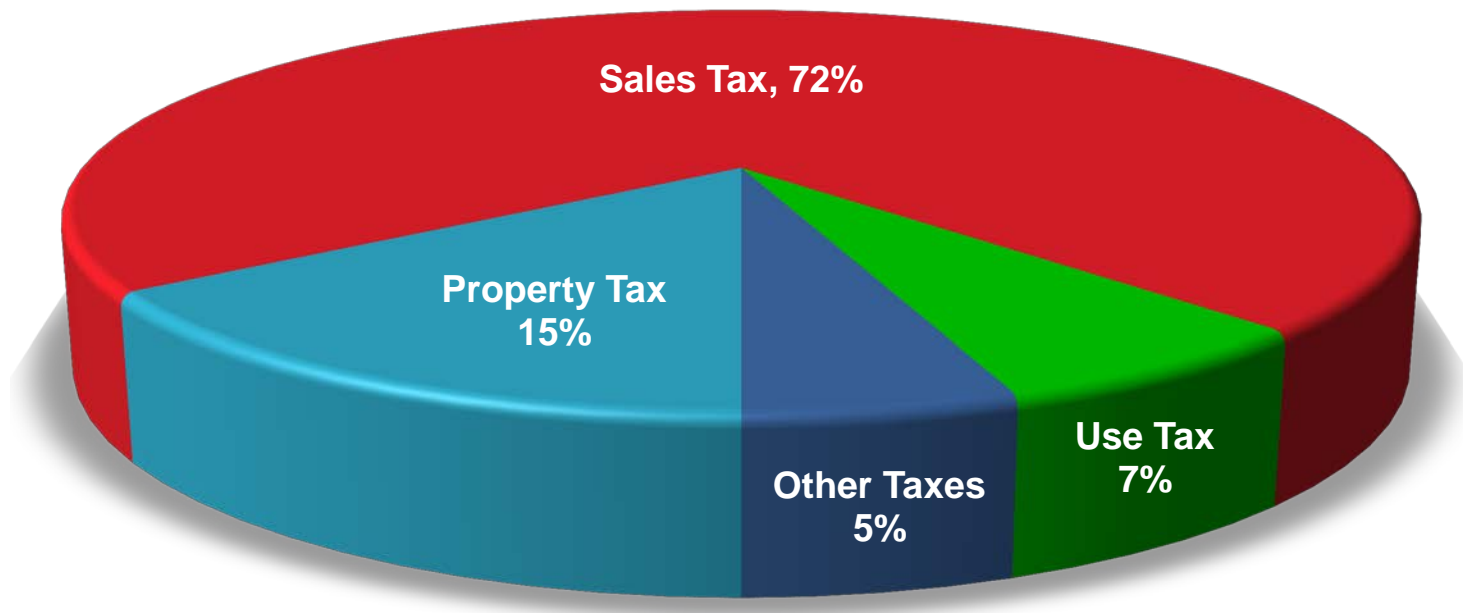
Factors for Sales Tax Development

- Retail Sales statewide are projected to increase 4.1% in 2013.
- Personal Income in the State is projected to increase 4.0% in 2013.
- Statewide population growth is estimated at 1.4%.
- CPI projected to increase 2.3%.
- Current 2012 City collections are 6.0% above 2011.
- City collections estimated to grow 4.0% to the current 2012 forecast.

Use Tax Revenue



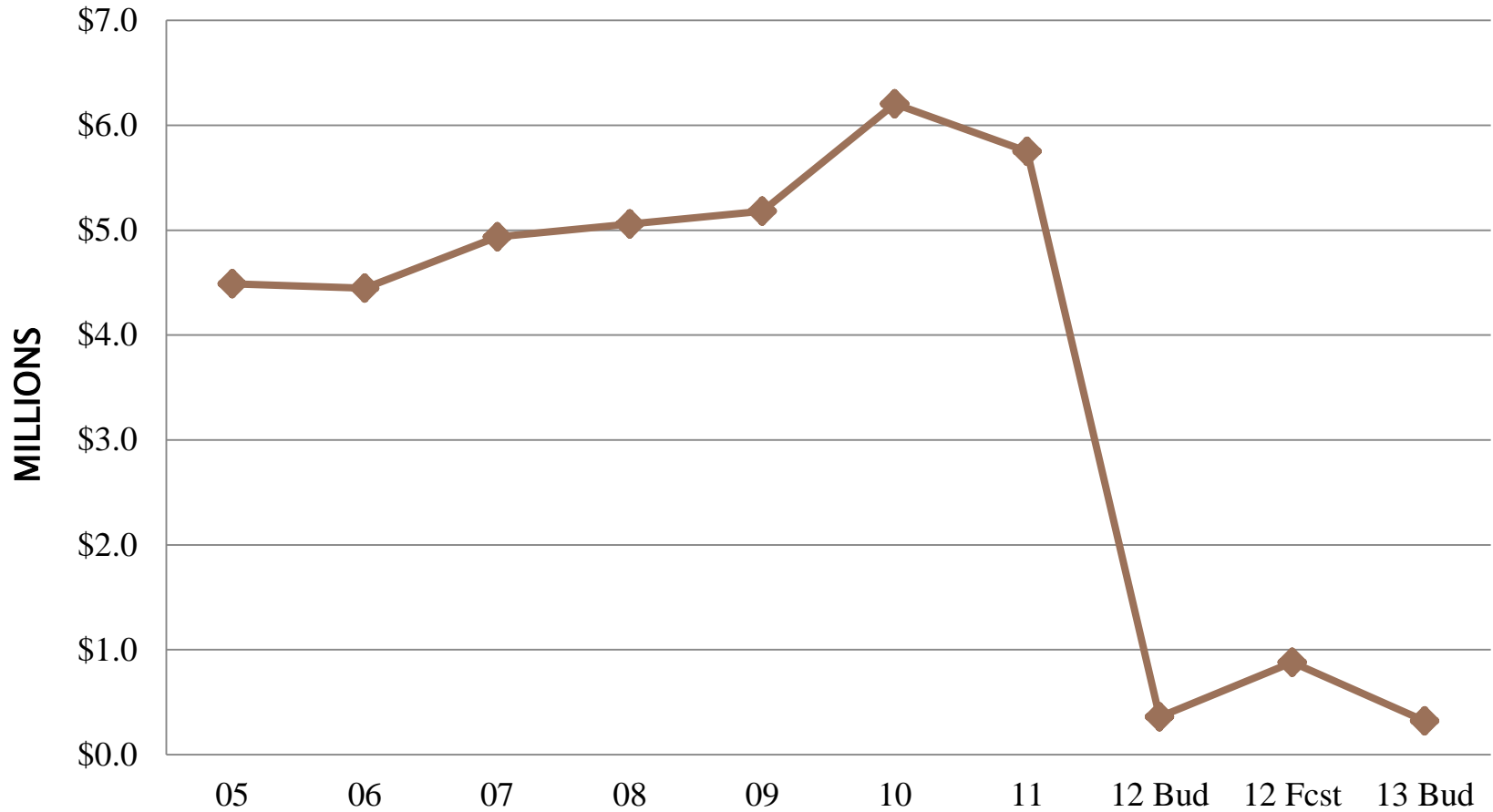
General Fund Taxes



Intergovernmental Revenues

Thompson Valley EMS Dispatch	207,180
Severance Tax	100,000
Berthoud Fire Dispatch	16,900
Total	324,080

Intergovernmental Revenue



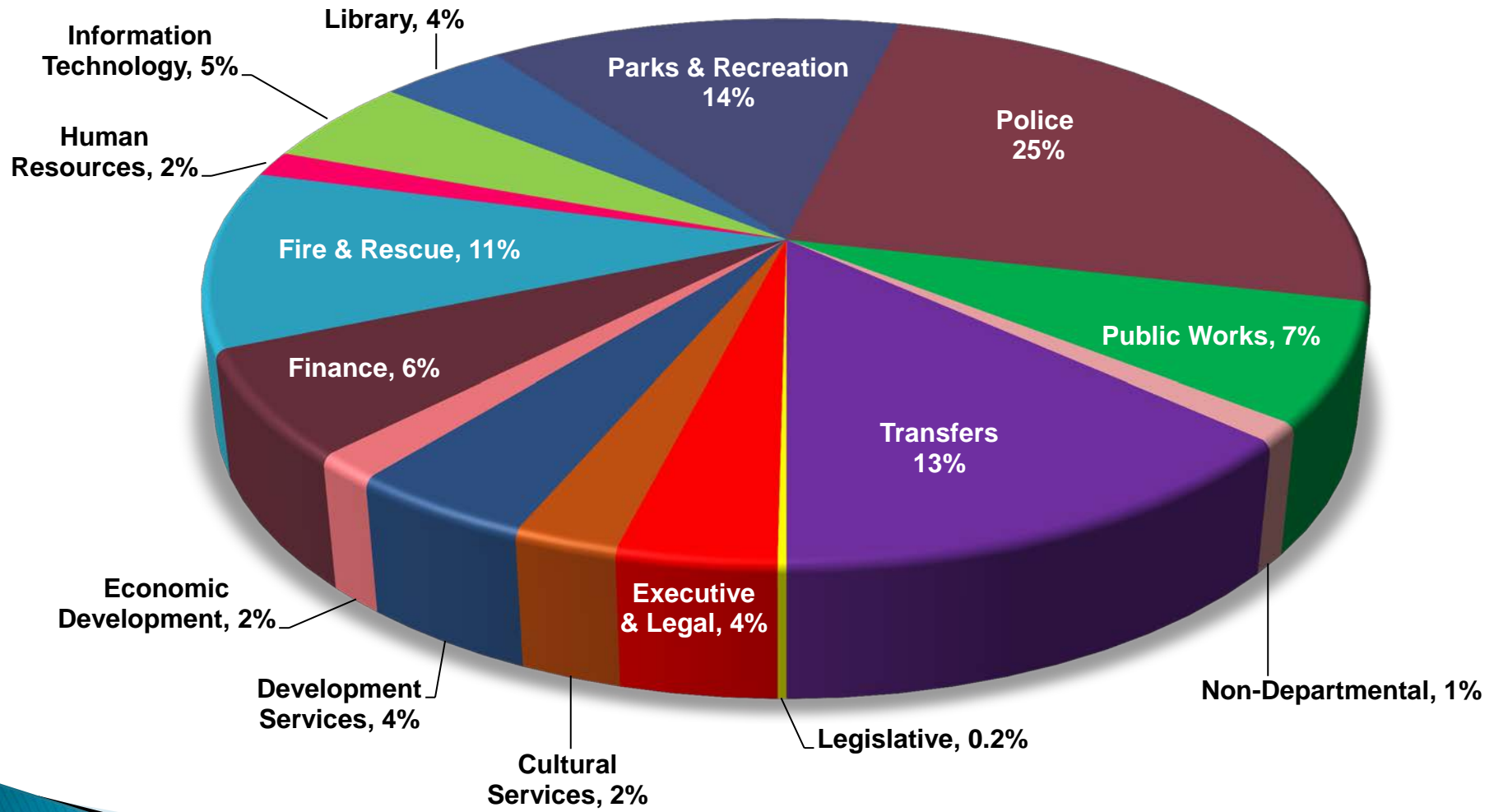
2013 General Fund Expenses

	2011 Actual	2012 Adopted	2012 Revised	2013 Budget	% Change
Legislative	\$101	\$126	\$126	\$138	9.1%
Executive/Legal	2,262	2,372	2,393	2,561	8.0%
Cultural Services	1,224	1,172	1,339	1,695	44.7%
Development Services	3,112	2,637	2,857	2,995	13.5%
Economic Dev.	998	721	2,370	1,060	47.0%
Finance	3,607	3,929	3,949	4,303	9.5%
Fire & Rescue	7,957	6,109**	7,247	7,245**	18.6%
Human Resources	743	927	927	1,048	13.1%
Information Tech.	3,189	3,222	3,309	3,536	9.7%
Library	2,318	2,337	2,373	2,845	21.7%
Parks & Rec.	7,789	8,419	8,417	9,384	11.5%
Police	16,497	16,015	16,164	17,033	6.4%
Public Works	4,455	4,648	4,435	4,826	3.8%
Non-Departmental	734	740	670	756	16.8%
Transfers	8,124	9,018	10,381	9,050	0.4%
Less Admin. Expense	-	-	-	(3,285)	100.0%
Total	\$59,622	\$62,392	\$66,958	\$65,192	4.5%
Ending Balance	\$31,284	\$21,314	\$26,744	\$28,137	

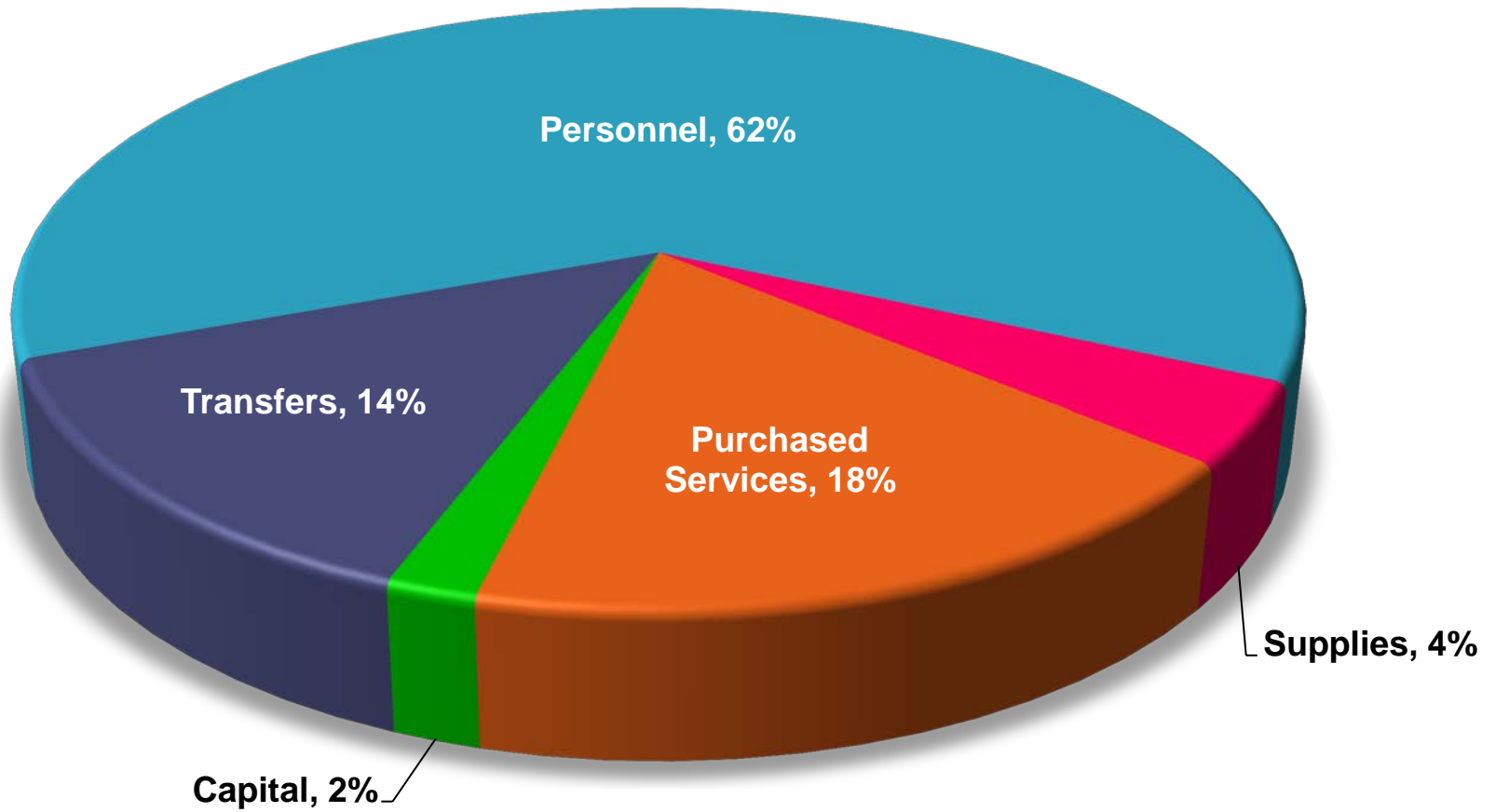
** This is the City Contribution to the Loveland Fire Rescue Authority. The 2012 Revised includes \$674,470 budgeted in the General Fund.

*All numbers in thousands.

General Fund Expense By Department



General Fund Expense



Recommended Supplements

– General Fund

- \$446,150 – Operating costs for the addition of six new firefighters and the operational cost for the Station 6 expansion.
- \$131,280 – Addition of a Financial Manager position in Public Works.
- \$110,000 – Addition of a Type 6 Engine to the Fire Fleet.
- \$120,000 – Funding for Phase II of the Technology Transfer Program.
- \$76,220 – Addition of a Park Planner position. 50% of the funding is from the Open Space Fund.
- \$75,000 – Consulting services for the Parks Master Plan update. \$25,000 of the cost is budgeted in the General Fund.

Recommended Supplements

– General Fund

- \$61,480 – Addition of a Dispatcher position.
- \$52,650 – Addition of a Evidence Technician position.
- \$43,480 – Increase in pay rate for part-time firefighters.
- \$22,500 – Addition of a half-time position in the Rialto Theater.
- \$20,800 – Implement live web streaming of City Council and Planning Commission meetings.
- \$17,180 – Addition of a half time Library Aide in the Teen Division.

Recommended Supplements

– General Fund

- \$17,000 – Funding for software to aid in CAFR development.
- \$16,660 – Increase in part-time salary and instructor pay in the Recreation center due to increased class sizes. The cost is offset by new revenue.
- \$12,520 – Funding for cabling replacement for the camera system in the Police and Courts building.
- \$12,000 – Increased funding for advertising cultural events.
- \$11,800 – Funding for an employee Performance Management System.

Recommended Supplements

– General Fund

- \$11,000 – Funding for a contribution to Alternatives to Violence.
- \$11,000 – Funding for a contribution to the Child Advocacy Center.
- \$10,400 – Funding for additional Microsoft remote access licenses.
- \$10,130 – Funding to expand Wi-Fi service to other City buildings.
- \$10,000 – Funding for the City's share of Larimer County Bomb unit equipment.
- \$8,900 – Funding for historic preservation education and outreach programs.

Recommended Supplements

– General Fund

- \$8,600 – Funding for the purchase of eBooks and other downloadable media.
- \$8,000 – Funding for training in the Cultural Services Department.
- \$6,500 – Funding for consulting services to review the compensation system and pay plan.
- \$5,550 – Increased utility costs for ball field lighting.
- \$3,300 – Additional operating costs for the expansion of the North Lake Tennis Center.
- \$3,600 – Funding for printing and graphic design software in Cultural Services.

Recommended Supplements

– Other Funds

- \$440,750 – Increased funding for the Street Rehabilitation Program.
- \$305,000 – Renovation of three restrooms in City parks to meet ADA and City Code requirements.
- \$144,850 – Addition of two part-time Open Lands Worker positions and required equipment.
- \$100,000 – Funding for a new bridge repair program.
- \$100,000 – Increase in funding for visitor services based on the CMC recommendation.

Recommended Supplements

– Other Funds

- \$63,550 – Addition of a Mechanic position in Vehicle Maintenance.
- \$27,660 – Funding to increase a part-time position to full time for Vehicle Maintenance for an administrative position.
- \$13,800 – Funding for a tree replacement program for trees taken down in City right-of-ways.
- \$6,650 – For additional workstations in Vehicle Maintenance.

Enterprise Fund Expense Highlights P. 98

-Water

- \$1,000,00 – Funding for debt issuance costs on recommended bonding of \$16,000,000 for infrastructure replacement;
- \$118,000 for the Windy Gap assessment;
- \$400,000 – Increase in the Water Enterprise for painting the 29th Street Water Tank;
- (\$75,000) – Decrease in Water Enterprise for legal fees related to water rights;
- (\$60,000) – Decrease in the Water Enterprise for one-time augmentation plan for the former Agilent Site.

Enterprise Fund Expense Highlights

-Water

- \$200,000 – Increased funding for Water Court exchange cases;
- \$100,000 – Funding for Professional Services related to contract rights in irrigation ditches;
- (\$54,000) – Decreased funding for one-time costs of the backflow prevention program;
- \$73,400 – Addition of a new Cross Control Specialist position;
- \$249,600 – Increased funding to repair and maintain aging facilities.

Enterprise Fund Expense Highlights ^{P. 100}

- Wastewater

- \$200,000– Funding for cleaning the Namaqua Interceptor;
- \$129,580 – Increase in anti-corrosion chemicals to expand the life of infrastructure;
- \$100,000 – Increase in the Wastewater Enterprise for augmentation plans for the ponds on the RMCIT campus;
- \$347,240 – Increase to repair and maintain aging facilities in the ground and at the Treatment Plant;
- \$500,000 – Funding for the inspection and interior coating of the digester roofs at the Treatment Plant;
- \$114,600 – Funding to clean the digester;
- \$57,130 – Funding for a new Pre-Treatment Specialist position;
- 77,150 – Addition of a Plant Operator position.

Enterprise Fund Expense Highlights

- Power

- \$209,000 – Increase for the tree trimming program;
- \$4,917,480 – Increase for purchased power.

Enterprise Fund Expense Highlights – Solid Waste

- \$212,000 – Addition of a smaller trash truck to the fleet for use on streets vulnerable to damage.

Capital Program 2013

General Fund Agencies

<u>Project Title</u>	<u>Project Description</u>	<u>2013 (in millions)</u>
Fire Station 2	Construct and relocate; add an Engine Company	3.6
Street Maintenance	Treatment overlays, major reconstruction, & concrete repairs	3.8
Transportation Program	Variety of construction projects, road widening, signals, etc.	1.6
Open Lands Acquisition	Land purchases for open space	3.3
Downtown Infrastructure	Projects to be determined	1.0
Service Center Expansion Phase III	Construction Phase	5.9
Facility Maintenance Capital Projects	Annual program for the replacement of major building systems, roof replacements, and carpet replacements.	0.5
Park Improvement Projects	Renovation of neighborhood parks	0.4
Fairgrounds Park Consoles	Ball field Lighting	0.5
Trails System	Construction of the trail loop	0.8

	2013	2014	2015	2016	2017	Five Year Total
Capital Projects Fund	5,500,000	2,717,500	12,520,610	2,720,090	1,173,760	24,631,960
Power Enterprise	6,442,410	8,902,600	6,440,620	7,038,710	8,888,430	37,712,770
Water Enterprise	-	-	-	-	-	-
Wastewater Enterprise	3,669,600	3,639,450	4,309,730	9,769,590	5,465,380	26,853,750
Raw Water Enterprise	1,118,000	796,470	22,279,530	679,800	590,570	25,464,370
Storm Water Enterprise	1,790,000	2,160,800	952,000	738,400	1,352,500	6,993,700
Streets CEF Fund	902,360	893,900	899,000	901,000	899,400	4,495,660
Parks CEF Fund	350,000	550,000	2,733,760	250,000	-	3,883,760
Recreation CEF Fund	450,000	50,000	500,000	1,900,000	-	2,900,000
Open Space CEF Fund	1,290,000	-	831,250	-	-	2,121,250
Recreation Trails CEF Fund	600,000	200,000	-	475,230	-	1,275,230
General Government CEF Fund	2,217,540	-	2,692,820	-	-	4,910,360
Fire CEF Fund	3,534,500	-	-	-	-	3,534,500
Cultural Services CEF Fund	-	2,328,140	500,000	-	-	2,828,140
Conservation Trust Fund	283,770	366,330	331,730	616,910	-	1,598,740
Park Improvement Fund	305,000	205,000	-	-	235,000	745,000
Open Lands Tax Fund	1,975,000	949,050	4,390,200	4,450,000	1,400,000	13,164,250
Transportation Fund	4,881,890	4,794,180	5,008,680	4,972,170	5,083,670	24,740,590
Total Expense	30,428,180	23,759,240	59,381,250	29,539,730	20,005,040	163,113,440

Capital Program – 2013–2017

2013-2022 All Funds Recommended Capital Program

2018	2019	2020	2021	2022	Ten Year Total
968,840	614,620	1,191,110	1,333,390	681,430	29,421,350
6,451,296	7,600,327	9,404,312	7,876,214	8,523,664	77,568,583
-	-	1,070,580	-	-	1,070,580
6,988,260	8,302,590	4,478,880	8,615,010	8,619,660	63,858,150
615,670	1,335,030	669,120	697,560	727,200	29,508,950
931,000	1,450,500	1,473,300	851,300	5,102,900	16,802,700
949,000	1,001,000	1,101,000	1,246,200	1,041,500	9,834,360
2,325,000	-	1,067,520	1,980,000	1,900,000	11,156,280
-	-	-	-	-	2,900,000
-	1,000,000	-	-	800,000	3,921,250
-	-	-	1,100,000	-	2,375,230
-	-	-	-	-	4,910,360
2,299,000	-	-	-	-	5,833,500
-	-	-	-	-	2,828,140
-	-	-	-	-	1,598,740
-	-	-	-	-	745,000
-	-	-	-	-	13,164,250
5,213,290	5,397,160	5,531,400	5,725,950	5,948,040	52,556,430
21,528,066	21,304,067	20,455,822	23,699,674	27,396,354	277,497,423

Capital Program – 2018–2022

Capital Plan Operating Impacts

Operating Impacts from the Capital Plan

Revenue

Project	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Sale of Fire 2	-	300,000	-	-	-	-	-	-	-	-
Total	-	300,000	-	-	-	-	-	-	-	-

Expense

Project	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Mehaffey Park Operating	-	97,500	-	-	-	-	-	-	-	-
Service Center Expansion	-	231,150	-	-	-	-	-	-	-	-
Fire Station 2 additional engine	-	-	739,390	-	-	-	-	-	-	-
Fire Station 6	521,200	-	-	-	-	-	-	-	-	-
Fire Station 10	-	-	-	-	-	-	980,430	-	-	-
Museum Expansion -Culture cost	-	-	431,000	-	-	-	-	-	-	-
Museum Expansion -Utility cost	-	-	131,000	-	-	-	-	-	-	-
Loveland Sports Park	-	-	-	127,500	-	-	-	-	-	-
Fairgrounds Park	-	5,550	-	-	-	-	-	-	30,000	-
North Lake Tennis Courts	-	3,300	-	-	-	-	-	-	-	-
New Neighborhood Parks	-	-	-	-	-	-	50,000	-	-	-
Osborn Park	-	-	-	-	-	5,750	-	-	-	-
Spray Park	-	-	-	-	16,200	-	-	-	-	-
Total	521,200	337,500	1,301,390	127,500	16,200	5,750	1,030,430	-	30,000	-

2013 Recommended Budget



Questions



CITY OF LOVELAND
PUBLIC WORKS DEPARTMENT

Administration Offices • 410 East Fifth Street • Loveland, Colorado 80537
(970) 962-2555 • FAX (970) 962-2908 • TDD (970) 962-2620

AGENDA ITEM: 2
MEETING DATE: 9/11/2012
TO: City Council
FROM: Keith Reester - Public Works Director
PRESENTERS: Mick Mercer – Streets, Solid Waste, Stormwater Manager
 Tyler Bandemer – Solid Waste Superintendent
 Lucie Poulicakos - Recyclebank

TITLE: Recyclebank Options for Solid Waste Program

RECOMMENDED CITY COUNCIL ACTION: Information only; provide feedback and direction to staff.

DESCRIPTION: Public Works staff is considering Recyclebank for additional marketing and recycling opportunities that support continued waste diversion increases, economic development efforts, and education. At a study session on April 17th, 2012, staff introduced the Recyclebank program to City Council. After a thoughtful Q & A session, Councilors' questions and concerns centered around a desire for more detailed information about the costs and benefits of partnering with Recyclebank. This follow-up study session is intended to provide the more detailed analysis that City Council requested.

BUDGET IMPACT: Solid Waste Enterprise

- Positive
- Negative (*Recycling Fund Balance*)
- Neutral or negligible (*Customer Rates*)

Net annual cost will be ~\$62,000. No rate impact is anticipated to occur as a result of this change.

SUMMARY:

Recyclebank offers a service which rewards citizens for their environmentally friendly actions like recycling, water and power conservation. The program supports the City's long term efforts at diverting waste from the landfill and creating commodities diversion. The rewards consist of banked e-points which can then be redeemed for discounts at numerous local and national businesses who participate as program partners. There is also a significant educational outreach component to Recyclebank's Loveland-specific website.

This information only item seeks to gauge Council's feedback on adding this option to the Solid Waste Enterprise portfolio in 2013.

REVIEWED BY CITY MANAGER:

William D. Cahill

LIST OF ATTACHMENTS:

Staff Memo with attachments

Presentation Slides

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CITY OF LOVELAND PUBLIC WORKS

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TO: City Council

FROM: Mick Mercer, Manager of Streets, Solid Waste and Stormwater

THRU: Keith Reester, Director of Public works

DATE: August 29, 2012

SUBJECT: Recyclebank Follow-up Information

Background

In the Council study session on April 17, 2012, staff presented information about Recyclebank and asked for Council feedback and direction. As a reminder, the proposed relationship with Recyclebank is intended to achieve four primary goals:

- Increase the City's waste diversion percentage;
- Reward Loveland residents for their curbside recycling efforts;
- Provide a more robust and effective recycling education and outreach service than what exists now;
- Provide a boost to local merchants and the Loveland economy.

A Quick Recap of the Staff Presentation on April 17th

- ü Staff shared the evolutionary history of Loveland's trash and recycling programs since 1991;
- ü Lara Beers of Recyclebank presented information about the company and how its recycling rewards program works:
 - o Residents sign up online as members to earn e-points each time they recycle curbside, with their points automatically banked into their accounts;
 - o Members then redeem their points for rewards offered by local and regional merchant-partners – restaurants, grocery stores, retailers, hair salons, gift cards, etc.
 - o Cost to participating merchants = \$0/year [other than their reward values].
 - o Typical member savings average \$135/year nationally;
 - o Program cost : \$.35/HH/month; ~\$100,000/year gross cost; ~\$70,000 net cost [i.e. after the new recycling revenues and avoided landfill fees are factored in];
 - o The Recyclebank website is comprehensive, inter-active and educational [see at www.recyclebank.com] ;
 - o Projected increase in recycled materials: ~10-15% @ extra 550 to 1,100 tons;
 - o Projected increase in annual waste diversion: ~3-5%;

- ü No recycling fee increases are needed or projected to support this program through at least 2022;
- ü Current landfill fees are \$12 per ton [expense];
- ü Current single-stream recycling revenues are \$25 per ton [revenue];

A Recap of City Councilors' Concerns/Comments

After a long Q & A discussion, Councilors' concerns/comments mostly centered around their desire for more detailed information in order to better understand the program's value-add.

Round Two – Tighter Answers

Since that April 17th study session, City staff and Recyclebank staff have deepened the analysis and are now able to provide more concrete answers to Councilors' specific questions/comments, shown below. Brief answers are provided in red below; for greater detail, please see the attached documents entitled **Loveland CO Program Impact** and **Loveland CO Program Forecast**.

1. **Tighter projections were requested regarding program metrics :**
 - a. % increase in recycled tons projected? **15% in 5 years**
 - b. % increase in waste diversion projected? **3.5% in 5 years [2007-2011 = 55% ave.]**
 - c. What is the waste diversion goal being targeted by staff? **65% by 2017**
 - d. What is the annual gross and net cost for Recyclebank? **Gross cost = \$94,500/year; net cost = \$62,000/year [i.e. 1% of the 2013 Solid Waste budget]**
 - e. Cost per new ton with Recyclebank versus current cost per ton? **\$75 versus \$172 ;
Recyclebank: @ \$62,104 net annual cost/831 additional annual tons = \$75;
2011 Actual: all labor, equip, supplies, admin, etc. @ \$1,250,713/7,263 tons = \$ 172**
 - f. Subscription % expected? **36% - the national average**
 - g. Annual savings per Recyclebank member? **\$135 – the national average**
2. **Data comparisons from other cities were requested. See Recyclebank Customer References, attached**
3. **Would like to see annual targets spelled out, along with exit clauses if not met. Benchmarks/exit clauses @ 12-24-36 months have been established – see Loveland Program Forecast attached**
4. **When would a recycling program rate increase be needed? No need during the next 10 years+, as per the 2013-2022 SWM Financial Plan – see attached**
5. **The projected benefits to local merchants need to be better understood. A 40% reward redemption is expected w/ local merchants; higher yet if local partners are strong.**

6. *A better understanding of the dollar impact on the local economy is needed. The impact on the local economy is projected to be \$805K - \$1.1M annually.*
7. *What makes this rewards program better or different than other rewards programs? Recyclebank has a strategic and proven business model, and it meets the primary goals outlined above: it educates/rewards, increases recycling and supports the local economy – all for a reasonable cost.*
8. *What other options [and associated costs] have we considered to improve local recycling efforts and education/outreach? Past efforts to receive approval for a dedicated education/outreach specialist position @ \$65K annually have not been successful to date.*

A Summary – What's In It for Our Community?

A strategic alliance with Recyclebank will help Loveland maintain its statewide leadership in recycling and resource conservation.

- Recyclebank's incentives boost local recycling rates, decrease waste disposal/landfill fees, and encourage resource conservation.
- Residents benefit from increased education and communication about living green in the community.
- Recyclebank helps drive foot traffic to local and regional business partners and increases customer loyalty to those business partners.
- Residents enjoy discounts on local groceries, a night out, and hundreds of other perks.

Attachments:

- Loveland, CO Program Impact - 22,500 Households
- Loveland, CO Recyclebank Program Forecast
- Recyclebank Customer References 2012
- Solid Waste Fund 2013-2022 Financial Plan [4 pages]
- Base Assumptions for 10-Year Plans
- Cumulative Tonnage Summary
- Solid Waste Division – 2011 Service Costs



Marketing and Communications Strategy and Requirements

Loveland, CO

August 2012

Below is an overview of how we envision collaborating with the City of Loveland to launch the Recyclebank program citywide for maximum awareness and engagement. Program success will be accomplished by Recyclebank working closely with the city to build awareness about the Recyclebank program, encourage increased engagement and educate residents on recycling and the City’s Recyclebank program.

- **Marketing Strategy:** Combine our expertise in program promotion with the City’s existing communications channels to create program awareness in the best and most cost effective ways.
- **Communications Strategy:** Build awareness and encourage engagement of recycling program through a mix of media channels, including digital, print and broadcast.
- **Tactical Plan:** See chart below. Samples and recommended tactics below are based on various markets and best practices. We recognize that all tactics will not be relevant for Loveland, but the goal is to identify which tactics are relevant and what support can be provided by the city to optimize those opportunities.

Channel	Marketing Tactic	Description	Commitment from Recyclebank and City of Loveland
Digital Outreach	City Website	Leverage areas of the city website to promote the program and encourage engagement	<ul style="list-style-type: none"> • City commitment to include Recyclebank messaging prominently on city web pages (ie, main city, city council, public works, solid waste, sustainability, local gov’t page etc). Simple vanity URL with program information. • Recyclebank will provide web assets, copy and other messaging/layout suggestions for promotion.
	Social Media	Any city or other social media channels we can leverage for recycling and rewards program messaging	<ul style="list-style-type: none"> • Recyclebank and the city to work together to identify social media outlets to reach residents. • Recyclebank to work with the city to provide relevant posts and copy (including images, links, etc).
	Social Media Agents	Send information to key social media contacts around the city that they will distribute and forward as appropriate	<ul style="list-style-type: none"> • Toolkit to be developed by Recyclebank. • Once complete it is provided to city to be sent out to relevant community groups, leaders, networks and city partners as appropriate. • Promote program as well as refer-a-friend capability.
	Email campaigns	Use existing city email distribution lists to reach out to various groups encouraging awareness and engagement	<ul style="list-style-type: none"> • City to provide lists or access to lists for various email campaigns if appropriate. • Recyclebank to provide all messaging, and creative content for campaigns.

Direct Marketing	Water bill inserts	Add Recyclebank program messaging to bill mailing.	<ul style="list-style-type: none"> Request for City to coordinate getting bill inserts included in the city mailing. Recyclebank to provide all messaging and design.
	City employee communication	Program information to be sent via city employee communication channels (newsletter, insert in paychecks, intranet, etc).	<ul style="list-style-type: none"> In addition to program awareness, can promote the refer-a-friend opportunity.
	Bin handouts/post-it or other messaging	Leverage local street teams (volunteers, sanitation workers, American Corps, other city contacts) to message residents.	<ul style="list-style-type: none"> City support of volunteer program and resources (support in training and managing resources).
	Introduction Letter /IVR support with Mayor	Introduction letter from Mayor Cecil Gutierrez to residents about program. Record an IVR program message to be executed to residents. Mayor’s voice builds legitimacy and excitement and would improve results.	<ul style="list-style-type: none"> Recyclebank to provide Mayor Cecil Gutierrez with template introduction letter to residents about program. Recyclebank to provide script, recording instructions and to execute IVR. City commitment to support efforts and co-brand campaign.
Broad reach (Out-of-home)	Out-of-home Opportunities	Use existing out-of-home mediums (ie bus signs, billboards, truck signs, broadcast).	<ul style="list-style-type: none"> Access to city assets to display/broadcast information about the program. Ideally free space/time that is city-allocated Investigate other access opportunities (barter etc)
Community Outreach	City activity/event calendars	Online/print. If there are city calendars available, use to promote launch and ongoing program (libraries? City bldgs? Other)	<ul style="list-style-type: none"> City support in getting program information and activities included in calendars if/as relevant. Recyclebank to provide any necessary copy, activity detail and creative assets.
	Schools, Local Environment or Sustainability Groups	Leverage communication channels within schools and/or groups with environmental missions (newsletters, handouts, signage etc)	<ul style="list-style-type: none"> City to support and act as liaison to help coordinate the relationship and activities. City to support various environmental education efforts (in schools, camps, other community organizations).
Media Outreach	Mayoral Involvement	Mayoral involvement in media outreach and activities is proven to increase coverage and excitement	<ul style="list-style-type: none"> City support to get Mayoral (and other government official involvement) participation/support in appropriate activities and events.

Loveland, CO
 Program Impact
 22,500 Households



Recycling Impact

Recycling Program Impact	Current Situation (Annual)	With RecycleBank (By Year 5)	RecycleBank Impact (Annual)
Recycling per HH (Lbs)			
Households Recycling	22,500	22,500	0
Total Waste Generated (Tons)	24,570	24,570	0
Recycling (Tons)	5,597	6,428	831
Trash Tons	18,973	18,142	(831)
Recycling per Recycling HH (Lbs)	498	571	74
Diversion	23%	26%	3%

Disposal Costs (\$)			
Cost of Waste to Landfill	227,675	217,707	(9,968)
Revenue from Recyclables	151,123	173,551	22,428
Net Disposal Cost	76,553	44,156	(32,396)

RecycleBank Fees (\$)			
RecycleBank Annual Program Fees			94,500
RecycleBank Performance Bonus-Diversion Savings			0
Total			94,500

Net Savings (Cost) to City **(62,104)**

Rewards Value

	RecycleBank Impact (Annual)
Potential Rewards Value per Household per Year Minimum - Maximum (\$)	43 - 143
Rewards Spending Potential (Thousand \$)	805 - 1,073

Environmental Benefits

	RecycleBank Impact (Annual)
GHG Saved (Metric Tons of CO2)	1,803
Energy Saved (Million BTU)	12,153
Trees Saved	10,503
Water Saved (Gallons)	4,324,700
Gallons of Gasoline Saved	197,877
Passenger Cars off the Road	382

Loveland, CO Recyclebank Program Forecast

Household Deployment & Activation Schedule	Year 1	Year 2	Year 3
Household Deployment			
Single Family HH Deployed, Beginning of Period	0	22,489	22,489
Net New Single Family HH Deployed	22,489	0	0
Single Family HH Deployed, End of Period	22,489	22,489	22,489
Household Activation			
Activated Single Family HH, Beginning of Period	0	4,498	5,622
Net New Single Family HH Activations	4,498	1,124	1,124
Activated Single Family HH, End of Period	4,498	5,622	6,747
Activation Rate	20%	25%	30%
MSW & Recycling			
Municipal Solid Waste (tons)			
Recycling with Recyclebank	6,016	6,151	6,232
Recycling without Recyclebank	5,419	5,419	5,419
Recycling Lift with Recyclebank (%)	11.0%	13.5%	15.0%
Landfill with Recyclebank	15,645	15,511	15,429
Landfill without Recyclebank	16,242	16,242	16,242
Landfill Impact with Recyclebank (%)	-3.7%	-4.5%	-5.0%
Total MSW with Recyclebank	21,661	21,661	21,661
Total MSW without Recyclebank	21,661	21,661	21,661
MSW Impact with Recyclebank (%)	0.0%	0.0%	0.0%
Diversion			
Diversion Rate with Recyclebank	27.8%	28.4%	28.8%
Diversion Rate without Recyclebank	25.0%	25.0%	25.0%
Diversion Lift with Recyclebank (%)	2.8%	3.4%	3.8%



CUSTOMER REFERENCES

Philadelphia, PA 549,559 Homes served -- Program Start Date: February 2010

Pre-existing Program:

After moving to a single stream system in early 2009 with impressive results, a doubling of recycling, Philadelphia asked Recyclebank to improve upon its progress.

With Recyclebank:

Over the first 17 months of full-city operation from July – November 2011, Recyclebank helped the city increase its recycling rate by 24% over the city's recycling levels in 2009 – from an annualized level of 327 lbs./hh/yr to 407 lbs/hh/yr.

Notes:

By late 2011, Recyclebank had enlisted over 165,000 in the rewards program.

Contact:

Michael Nutter – Mayor (215) 686-2181

Carlton Williams – Deputy Commissioner for Streets & Sanitation. (215) 686-5470

carlton.williams@phila.gov

Ridgecrest and Eastvale, CA 21,093 Homes served – Program Start Date: May 2012

Pre-existing Program:

Single Stream collection, stagnant recycling growth and participation rates. Mature program.

With Recyclebank:

Since deployed, tonnage has increased 28% from 208 tons to 247 tons per month
Already at a 14% registration rate and vibrant local rewards.

Cherry Hill, NJ 24,255 Homes served -- Program Start Date: July 2008

Pre-existing Program:

Prior to Recyclebank, Cherry Hill had one of the highest performing recycling programs in the state, averaging 619 lbs per household annually with its dual stream, bins program.

With Recyclebank:

After an abbreviated successful pilot in early 2008, the township launched with Recyclebank to all residents in July 2008. Since that time, the city has averaged 868 lbs per household annually, an improvement of 40%, averaged greater than 80% monthly participation, and maintained a recycling diversion rate of 33-34% in each year of the program.

Notes:

Launched Recyclebank with carts and a switch to single stream collection.

Contact:

Ari Messinger, Operations Manager

(856) 432-8760

amessinger@chtownship.co

Houston, TX 94,589 Homes served -- Program Start Date: September 2009

Pre-existing Program:

Houston conducted a single stream pilot with 10,000 households from a diverse group of areas across the city from March-September 2009, achieving an annualized recycling per HH of 532 lbs/yr.

With Recyclebank:

September 2009: Recyclebank launched to the original pilot group as well as 10,000 more homes.

October 2009-March 2010: these 20,000 households averaged an annual rate of 668 lbs/hh/yr.



Wilmington, DE 19,559 Homes served -- Program Start Date: May 2007

Pre-existing Program:

No residential curbside recycling service prior to Recyclebank’s arrival. Wilmington was seeking an innovative, turnkey residential curbside recycling solution.

With Recyclebank:

Single stream recycling with carts; 90% signed up for the program; 70% monthly recycling participation. In the first year, residents were recycling at an annualized rate of 569 lbs/hh/yr. Recyclebank worked with the City to reduce incidence of non-acceptable materials in the recycling stream. In its fourth year, after a contamination-reduction campaign residents were still recycling at an annualized rate of 529 lbs/hh/yr.

Notes:

Wilmington is Recyclebank’s longest running city deployment.

AWARDS & RECOGNITION



No. 1 Clean-tech Company and
No. 4 Next Big Thing
THE WALL STREET JOURNAL, 2011



Loyalty Marketing Innovation Award
COLLOQUY LOYALTY AWARDS, 2010



Outstanding Excellence in
Public/Private Partnerships
U.S. CONFERENCE OF MAYORS, 2010



Technology Pioneer
WORLD ECONOMIC FORUM, 2009



Champion of the Earth
UNITED NATIONS ENVIRONMENT
PROGRAMME, 2009



Responsibility Pioneer
TIME MAGAZINE, 2009



Eco Role Model
O, THE OPRAH WINFREY MAGAZINE, 2009



Best Educational Resource Award
SXSW WEB AWARDS, 2009



Outstanding Recycling Innovation Award
NATIONAL RECYCLING COALITION, INC., 2007



Corporate Environmental Award
WASTE & RECYCLING NEWS, 2007

SWM 2013-2022 RecycleBank 3%-3%	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
7.30.12											
BEGINNING BALANCE: [less Mosq Cntrl @ \$100K est.]	4,960,752	5,583,712	2,824,753	3,165,741	2,798,819	2,934,484	2,742,516	3,100,097	3,540,830	2,822,029	3,083,426
Revenue :	3%	3%	3.50%	3.50%	4%	4%	4%	4%	4%	4%	4%
sf recycling fees @ \$4.50/mo in 2012	1,207,000	1,212,300	1,254,731	1,298,646	1,350,592	1,404,616	1,460,800	1,519,232	1,580,002	1,643,202	1,708,930
sf YW fees @ \$2.75/mo in 2012	726,000	740,850	766,780	793,617	825,362	858,376	892,711	928,420	965,556	1,004,179	1,044,346
mf recycling fees @ \$4.50/mo	50,400	50,400	52,164	53,990	56,149	58,395	60,731	63,160	65,687	68,314	71,047
mf tenant fees @ \$11.00/mo [x 845 in '09 ave.]	174,000	176,000	182,160	197,962	205,881	214,116	222,681	231,588	240,852	250,486	260,505
municipal collections	50,000	50,000	51,750	56,239	58,489	60,828	63,262	65,792	68,424	71,161	74,007
recycled materials sales	261,000	250,000	258,750	267,806	278,519	289,659	301,246	313,295	325,827	338,860	352,415
extra trash charges - temp r/o, dumpsters	109,300	110,000	113,850	123,726	128,676	133,823	139,175	144,742	150,532	156,553	162,816
2012 yw carts @ \$7.50/mo [@ 35% signup]	536,000	540,000	558,900	578,462	601,600	625,664	650,691	676,718	703,787	731,938	761,216
commercial yw fees @ \$4.00/yd ave.	74,000	75,000	77,625	80,342	83,556	86,898	90,374	93,989	97,748	101,658	105,724
2012 PAYT @ 5.50/11/16.50 carts; \$1.50 tags	2,281,600	2,305,000	2,385,675	2,592,632	2,696,338	2,804,191	2,916,359	3,033,013	3,154,334	3,280,507	3,411,727
MF owner paid fees	120,000	120,000	124,200	134,974	140,373	145,988	151,828	157,901	164,217	170,786	177,617
interest/misc	72,730	80,450	56,495	63,315	55,976	58,690	54,850	62,002	70,817	56,441	61,669
mulch	8,130	8,500	8,798	9,149	9,515	9,896	10,292	10,704	11,132	11,577	12,040
home composter sales	2,500	1,000	1,035	1,076	1,119	1,164	1,211	1,259	1,310	1,362	1,416
proceeds from sale of equip	140,000	284,000	220,000	282,000	280,000	255,000	212,000	211,000	499,000	280,000	95,000
13th month adjustment											
TOTAL REVENUE	5,812,660	6,003,500	6,112,912	6,533,938	6,772,144	7,007,304	7,228,210	7,512,816	8,099,223	8,167,023	8,300,474
TOTAL RESOURCES	10,773,412	11,587,212	8,937,664	9,699,679	9,570,964	9,941,788	9,970,725	10,612,913	11,640,053	10,989,052	11,383,900
Expenses [@ 3% annual increase]:											
personal services	1,830,000	1,884,900	2,011,447	2,071,790	2,283,944	2,352,462	2,503,036	2,578,127	2,655,471	2,735,135	2,817,189
supplies - tags, carts & bins, tools, etc.	165,360	170,321	175,430	180,693	186,114	191,698	197,448	203,372	209,473	215,757	222,230
purchased services [landfill, A-1, chiropr, etc]	865,860	891,836	918,591	946,149	974,533	1,003,769	1,033,882	1,064,899	1,096,846	1,129,751	1,163,643
fleet charges	855,740	881,412	907,855	935,090	1,028,143	1,058,987	1,123,257	1,156,955	1,191,663	1,227,413	1,264,235
payment in-lieu-of tax of 7%	401,000	394,069	407,861	432,488	449,787	467,779	486,490	505,950	526,188	547,235	569,124
RecycleBank payments	-	94,500	97,335	100,255	103,263	106,361	109,551	112,838	116,223	119,710	123,301
transfers	222,740	229,422	236,305	243,394	250,696	258,217	265,963	273,942	282,160	290,625	299,344
13th month adjustment											
TOTAL EXPENSES	4,340,700	4,546,460	4,754,824	4,909,859	5,276,480	5,439,272	5,719,628	5,896,082	6,078,024	6,265,627	6,459,068
BALANCE AVAIL. FOR CAPITAL	6,432,712	7,040,753	4,182,841	4,789,819	4,294,484	4,502,516	4,251,097	4,716,830	5,562,029	4,723,426	4,924,832
fleet/capital replacements	849,000	1,016,000	1,017,100	1,341,000	1,360,000	1,410,000	1,151,000	1,176,000	2,740,000	1,640,000	558,000
fleet/capital additions		200,000		650,000		350,000					
sc phase 3 expansion project		3,000,000									
TOTAL CAPITAL EXPENDITURES	849,000	4,216,000	1,017,100	1,991,000	1,360,000	1,760,000	1,151,000	1,176,000	2,740,000	1,640,000	558,000
capital reserves	4,506,371	1,666,031	2,271,974	1,828,851	1,977,387	1,748,337	2,103,024	2,479,539	1,658,024	1,984,521	3,228,442
10% mandatory reserves	1,077,341	1,158,721	893,766	969,968	957,096	994,179	997,073	1,061,291	1,164,005	1,098,905	1,138,390
Ending Annual Balance	5,583,712	2,824,753	3,165,741	2,798,819	2,934,484	2,742,516	3,100,097	3,540,830	2,822,029	3,083,426	4,366,832

Notes:

2011: Replace 9351 & 9355 @ \$280,000 and sell for \$70,000 each in 2012; replace 9340 @ \$150,000 with grapple-truck and sell for \$20,000

2012: **Decrease SF recycling fees by 10%**; Replace 9323 @ \$205,000 and sell for \$70,000; replace 9101 @ \$30,000 and sell for \$1,000; 23,200 sf/4 days/5 = 1,160 trash stops;

2013: **SC expansion @ \$3.0M**; Replace 9109/9110 @ \$80,000; sell 9109/9110 for \$4,000; replace 9381-83 @ \$312,000 and sell for \$70,000 each; **Add split mini packer @ \$200K**

2014: **Add EO @ \$70,000 for backup**; Replace 9342 @ \$81,100 and sell for \$10,000; replace 9384-86 @ \$312,000 and sell for \$70,000 each

2015: **Raise Trash fees 5%; Add 2 ASLs @ \$325K each**; Replace 9387-90 sideloaders @ \$325,000 each and sell for \$70,000 each; Replace 9111 @ \$41,000; sell for \$2,000;

2016: Replace 9391-94 sideloaders @ \$340,000 each and sell for \$70,000 each;

2016: **Add two EOs for 6th trash and 4th recycling routes @ \$150,000; 25,900** = 925/809 stops; **Increase fleet charges @ \$65,000**

2017: **Add YW truck @ \$350,000**; Replace 9322 @ \$225,000 and sell for \$70,000; replace 9341 for \$200,000 and sell for \$30,000;

Replace two 2011 sideloaders @ \$350,000 = \$700,000 and sell for \$70,000 each; replace loader 9400 @ \$285,000 and sell for \$15,000;

2018: **Add 4 th YW @ \$80,000 = 26,600 x .35/4/4 = 582 stops**; Replace 3 ASLs @ \$367,000 each and sell for \$70,000 each; replace 2009 pickup for \$50,000 and sell for \$2,000;

2019: Replace 9112 pickup @ \$30,000 and 3 ASLs @ \$382,000 = \$1.176M; sell for \$1,000 and \$210K

2020: Replace 6 ASLs @ 395,000 each = \$2,370,000/420,000; replace 9323 rearloader @ \$280,000 and sell for \$70,000 ; Replace 9103 pickup @ \$30,000/4,000 and 9301 delivery @ \$60,000/\$5,000

2021: Replace 4 2016 ASLs @ \$410K each and sell for \$70k each

2022: Replace 2017 YW truck @ \$425,000/70,000; replace grapple truck @ \$133,000/25,000

RECYCLING 2013-2022	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
BEGINNING BALANCE:	2,331,553	2,673,153	1,702,495	1,724,279	1,487,038	1,391,602	1,315,946	1,270,296	1,239,233	912,428	806,514
Revenue:	3%	3%	3.50%	3.50%	4%	4%	4%	4%	4%	4%	4%
sf recyc fees @ \$4.50 in 2012	1,207,000	1,212,300	1,254,731	1,298,646	1,350,592	1,404,616	1,460,800	1,519,232	1,580,002	1,643,202	1,708,930
mf recycling fees @ \$4.50 [840 in '09 ave]	50,400	50,400	52,164	53,990	56,149	58,395	60,731	63,160	65,687	68,314	71,047
municipal collections	5,000	5,000	5,175	5,356	5,570	5,793	6,025	6,266	6,517	6,777	7,048
recycled materials sales	261,000	250,000	258,750	267,806	278,519	289,659	301,246	313,295	325,827	338,860	352,415
interest/misc	21,820	36,150	34,050	34,486	29,741	27,832	26,319	25,406	24,785	18,249	16,130
proceeds from sale of equip		64,200	66,000	84,600	84,000	51,000	63,600	63,300	128,700	84,000	28,500
13th month adjustment											
TOTAL REVENUE	1,545,220	1,618,050	1,670,869	1,744,884	1,804,571	1,837,295	1,918,721	1,990,660	2,131,517	2,159,402	2,184,070
TOTAL RESOURCES	3,876,773	4,291,203	3,373,365	3,469,163	3,291,609	3,228,897	3,234,667	3,260,956	3,370,750	3,071,830	2,990,584
Expenses [@ 3% annual increase]:											
personal services	550,000	566,500	604,495	622,630	686,309	706,898	752,105	774,668	797,908	821,845	846,501
supplies - recycling carts, tools, etc.	45,530	46,896	48,303	49,752	51,244	52,782	54,365	55,996	57,676	59,406	61,189
purchased services [incl chiropr, etc]	134,200	138,226	142,373	146,644	151,043	155,575	160,242	165,049	170,001	175,101	180,354
fleet charges	256,720	264,422	272,354	280,525	308,441	317,694	336,975	347,084	357,496	368,221	382,950
RecycleBank payments		94,500	97,335	100,255	103,263	106,361	109,551	112,838	116,223	119,710	123,301
payment in-lieu-of tax of 7%	116,000	106,239	109,957	113,806	118,358	123,092	128,016	133,137	138,462	144,001	149,761
transfers	65,170	67,125	69,139	71,213	73,349	75,550	77,816	80,151	82,555	85,032	87,583
13th month adjustment											
TOTAL EXPENSES	1,167,620	1,283,908	1,343,956	1,384,824	1,492,007	1,537,951	1,619,071	1,668,923	1,720,322	1,773,316	1,831,638
BALANCE AVAIL. FOR CAPITAL	2,709,153	3,007,295	2,029,409	2,084,338	1,799,602	1,690,946	1,615,596	1,592,033	1,650,428	1,298,514	1,158,946
fleet/capital replacements	36,000	304,800	305,130	402,300	408,000	270,000	345,300	352,800	738,000	492,000	167,400
fleet/capital additions		100,000		195,000		105,000					
sc phase 3 expansion project		900,000									
TOTAL CAPITAL EXPENDITURES	36,000	1,304,800	305,130	597,300	408,000	375,000	345,300	352,800	738,000	492,000	167,400
capital reserves	2,285,476	1,273,375	1,386,942	1,140,122	1,062,441	993,056	946,829	913,138	575,353	499,331	692,487
10% mandatory reserves	387,677	429,120	337,336	346,916	329,161	322,890	323,467	326,096	337,075	307,183	299,058
Ending Annual Balance	2,673,153	1,702,495	1,724,279	1,487,038	1,391,602	1,315,946	1,270,296	1,239,233	912,428	806,514	991,546

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
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Notes:

- 2011: Replace 9340 with grapple truck @ \$150,000 x .50 = \$75,000
- 2012: Decrease recycling fees by \$.50 per HH; replace 9101 @ \$30,000 x .30 = \$9,000 and sell for \$1,000 x .30 = \$300; 23,200 sf
- 2013: Replace 9109/9110 @ \$80,000 x .30 = \$24,000; sell 9109/9110 for \$4,000 x .30 = \$1,200; Replace 9381-83 @ \$936,000 and sell for \$210,000 x .30 = RECYCLE SHARE of \$280,800/63,000
- 2013: Add split mini packer @ \$200k x .50 = \$100,000
- 2014: Add EO for backup @ \$17,500; Replace 9342 @ \$81,100 and sell for \$10,000 x .30 = \$24,330/\$3,000; replace 9384-86 @ \$312K each and sell for \$70k each = 280,800/63,000
- 2015: Replace 9111 @ \$41,000 x .30 = \$12,300; sell for \$2,000 x .30 = \$600; replace 9387-90 sideloaders @ \$325,000 each and sell for \$70,000 each x .30 = \$390,000/84,000
Add two trucks @ \$650,000 x .30 = \$195,000;
- 2016: 25,600 sf - Add two EOs for 6th trash and 4th recycling routes @ \$150,000 x .30 = \$45,000; increase fleet charges \$65,000 x .30 = \$19,500;
replace 9391-94 sideloaders @ \$1,360,000 x .30 = \$408,000 and sell for \$280,000 x .30 = \$84,000
- 2017: Add YW truck @ \$350K x .3 = \$105K; Replace two 2011 sideloads @ \$350,000 each = \$700,000 x .30 = \$210,000 and sell for \$140,000 x .30 = \$42,000; replace 9341 @ \$200,000/sell for \$30,000 = \$60,000/\$9,000
- 2018: 26,600 sf - Add 4th YW @ \$80,000 x .25 = \$20,000; Replace 3 ASLs @ \$367,000 and sell for \$70,000 each; replace 2009 pickup @ \$50,000 and sell for \$2,000;
- 2019: Replace 9112 pickup @ \$30k and 3 ASLs @ \$382K each x .30 = \$352,800 and sell for \$63,300 Recycling share
- 2020: Replace six ASL @ \$395K each and 9103 pickup @ \$30,000 and 9301 delivery @ \$60k x .30 = \$738,000/128,700
- 2021: Replace 4 ASLs @ \$410K each and sell for \$70k each x .30 = \$492,000/84,000
- 2022: Replace 2017 YW truck @ \$425k and grapple @ \$133K x .30 = \$167,400/28,500

Base Assumptions for Ten-Year Plans:

- 4 plans shown:
 - SWM Fund Total [p.1],
 - Trash program [p.2],
 - Recycling program [p.3],
 - Yardwaste program [p.4]

- revenue assumptions
 - 3.0% growth in 2012-2013
 - 3.5% growth in 2014-2015
 - 4.0% growth in 2016-2022

- expense assumptions
 - 2.0% in 2012
 - 3.0% growth in 2013-2022
 - projected staffing & truck additions are shown in red
 - 5% rate increase in Trash fees projected for 2015

CITY OF LOVELAND SOLID WASTE DIVISION						
CUMULATIVE TONNAGE SUMMARY						
YEAR	TRASH	RECYCLABLES	YARD WASTE	TOTAL GENERATION	TOTAL DIVERSION	DIVERSION RATE
1991	13,648	200	1,900	15,748	2,100	13%
1992	13,256	486	3,150	16,892	3,636	22%
1993	7,603	2,850	6,004	16,457	8,854	54%
1994	7,674	3,580	5,462	16,716	9,042	54%
1995	7,696	3,735	5,886	17,317	9,621	56%
1996	8,535	3,817	6,481	18,833	10,298	55%
1997	9,105	4,175	7,880	21,160	12,055	57%
1998	9,328	4,480	8,622	22,430	13,102	58%
1999	10,738	5,882	11,206	27,826	17,088	61%
2000	12,043	6,323	9,865	28,231	16,188	57%
2001	13,605	5,102	9,639	28,346	14,741	52%
2002	14,975	5,246	10,050	30,271	15,296	51%
2003	14,496	5,829	11,613	31,938	17,442	55%
2004	15,051	6,182	14,245	35,478	20,427	58%
2005	16,339	6,433	14,545	37,317	20,978	56%
2006	19,727	6,982	12,751	39,460	19,733	50%
2007	19,032	7,235	14,422	40,689	21,657	53%
2008	19,797	7,449	16,683	43,929	24,132	55%
2009	20,214	6,933	15,767	42,914	22,700	53%
2010	19,906	7,338	16,067	43,311	23,405	54%
2011	19,787	7,263	22,338	49,388	29,601	60%



Recyclebank

Public Works Department, City of Loveland



These are the Three Things We Are Asking Council Tonight

- Does Council have enough information to make a decision?
- Should staff proceed with a proposal and contract?
- How would Council like to receive progress reports on this program moving forward?

Four Primary Goals:

- Increase the City's waste diversion percentage.
- Reward Loveland residents for their curbside recycling efforts.
- Provide a more robust and effective recycling education and outreach service than what exists now.
- Provide a boost to local merchants and the Loveland economy.

Projections Regarding Program Metrics

- 15% increase in recycled tons in 5 years
- 3.5% increase in waste diversion in 5 years [2007-2011 = 55% average]
- 65% by 2017 is the targeted goal for waste diversion
- The annual gross and net cost for Recyclebank
 - Gross cost = \$94,500/year; net cost = \$62,000/year [i.e. 1% of the 2013 Solid Waste budget]
- Cost per new ton with Recyclebank versus current cost per ton **\$75** versus **\$172**
 - Recyclebank: @ \$62,104 net annual cost/831 additional annual tons = \$75
 - 2011 Actual: all labor, equip, supplies, admin, etc. @ \$1,250,713/7,263 tons = \$ 172
- 36% subscription expected – (national average)
- \$135 annual savings per Recyclebank – (national average)

Benchmarks/exit clauses @ 12, 24 and 36 months have been established

Loveland, CO Recyclebank Program Forecast

Household Deployment & Activation Schedule	Year 1	Year 2	Year 3
Household Deployment			
Single Family HH Deployed, Beginning of Period	0	22,489	22,489
Net New Single Family HH Deployed	22,489	0	0
Single Family HH Deployed, End of Period	22,489	22,489	22,489
Household Activation			
Activated Single Family HH, Beginning of Period	0	4,498	5,622
Net New Single Family HH Activations	4,498	1,124	1,124
Activated Single Family HH, End of Period	4,498	5,622	6,747
Activation Rate	20%	25%	30%
MSW & Recycling			
Municipal Solid Waste (tons)			
Recycling with Recyclebank	6,016	6,151	6,232
Recycling without Recyclebank	5,419	5,419	5,419
Recycling Lift with Recyclebank (%)	11.0%	13.5%	15.0%
Landfill with Recyclebank	15,645	15,511	15,429
Landfill without Recyclebank	16,242	16,242	16,242
Landfill Impact with Recyclebank (%)	-3.7%	-4.5%	-5.0%
Total MSW with Recyclebank	21,661	21,661	21,661
Total MSW without Recyclebank	21,661	21,661	21,661
MSW Impact with Recyclebank (%)	0.0%	0.0%	0.0%
Diversions			
Diversions Rate with Recyclebank	27.8%	28.4%	28.8%
Diversions Rate without Recyclebank	25.0%	25.0%	25.0%
Diversions Lift with Recyclebank (%)	2.8%	3.4%	3.8%

Recycling Program Rate Increases

No need for a recycling program rate increase during the next 10 years

- Current ten year plan shows an increase will not be needed for recycling services. See handout.

Potential Benefits to Local Merchants

The projected benefits to local merchants need to be better understood. A 40% reward redemption is expected w/ local merchants; higher yet if local partners are strong.

NEXT DOOR
food & drink
located in the RIALTO THEATER CENTER



The Promenade Shops
at CENTERRA



Impact on Local Economy

The impact on the local economy is projected to be \$805K - \$1.1M annually.

Loveland, CO Program Impact 22,500 Households		Recyclebank [®]	
Recycling Impact			
Recycling Program Impact	Current Situation (Annual)	With RecycleBank (By Year 5)	RecycleBank Impact (Annual)
Recycling per HH (Lbs)			
Households Recycling	22,500	22,500	0
Total Waste Generated (Tons)	24,570	24,570	0
Recycling (Tons)	5,597	6,428	831
Trash Tons	18,973	18,142	(831)
Recycling per Recycling HH (Lbs)	498	571	74
Diversion	23%	26%	3%
Disposal Costs (\$)			
Cost of Waste to Landfill	227,675	217,707	(9,968)
Revenue from Recyclables	151,123	173,551	22,428
Net Disposal Cost	76,553	44,156	(32,396)
RecycleBank Fees (\$)			
RecycleBank Annual Program Fees			94,500
RecycleBank Performance Bonus-Diversion Savings			0
Total			94,500
Net Savings (Cost) to City			(62,104)
Rewards Value			
			RecycleBank Impact (Annual)
Potential Rewards Value per Household per Year Minimum - Maximum (\$)			43 - 143
Rewards Spending Potential (Thousand \$)			805 - 1,073
Environmental Benefits			
			RecycleBank Impact (Annual)
GHG Saved (Metric Tons of CO2)			1,803
Energy Saved (Million BTU)			12,153
Trees Saved			10,503
Water Saved (Gallons)			4,324,700
Gallons of Gasoline Saved			197,877
Passenger Cars off the Road			382

Why this Program

What makes this rewards program better or different than other rewards programs?

Recyclebank has a strategic and proven business model, and it meets the primary goals outlined above: it educates/rewards, increases recycling and supports the local economy – all for a reasonable cost.

Other Options?

What other options [and associated costs] have we considered to improve local recycling efforts and education/outreach? Past efforts to receive approval for a dedicated education/outreach specialist position @ \$65K annually have not been successful to date.

Average Resident Savings



\$5 off \$50 or more
50 points
6 redemptions



\$1.50 off baby wipes
75 points
4 redemptions



\$15 off \$75 or more
75 points
3 redemptions



\$5 off \$20 or more
50 points
4 redemptions



Free box of cereal
125 points
3 redemptions



\$15 off Xbox 360 or PS3 game
160 points
2 redemptions



Join & get a \$10 gift card
100 points
1 redemption



\$5 off laundry detergent with purchase of any product
40 points
2 redemptions



\$5 off \$25 or more
50 points
1 redemption

This family spent 1950 Recyclebank Points for \$171 in Savings

Case Studies

Achieve results at scale with broad, consistent messaging

PHILADELPHIA

- 30% Subscription
- 16% increase in diversion rate

CARROLLTON, TX

- 54% Subscription
- 4% increase in diversion rate (593 lbs to 655 lbs/hh/yr)

CINCINNATI, OH

- 75% increase in recycling participation (program rolled out with carts)
- \$1M in landfill disposal savings

CHERRY HILL, NJ

- 24,200 homes served
- 40% increase in recyclables (619 lbs to 868 lbs/hh/yr)

Case Studies

RIDGECREST/EASTVALE, CA

- 21,100 homes served
- 28% increase in recyclables (237 lbs to 287 lbs/hh/yr)

HOUSTON, TX

- 20,000 homes served in pilot
- 26% increase in recyclables (532 lbs to 668 lbs/hh/yr)

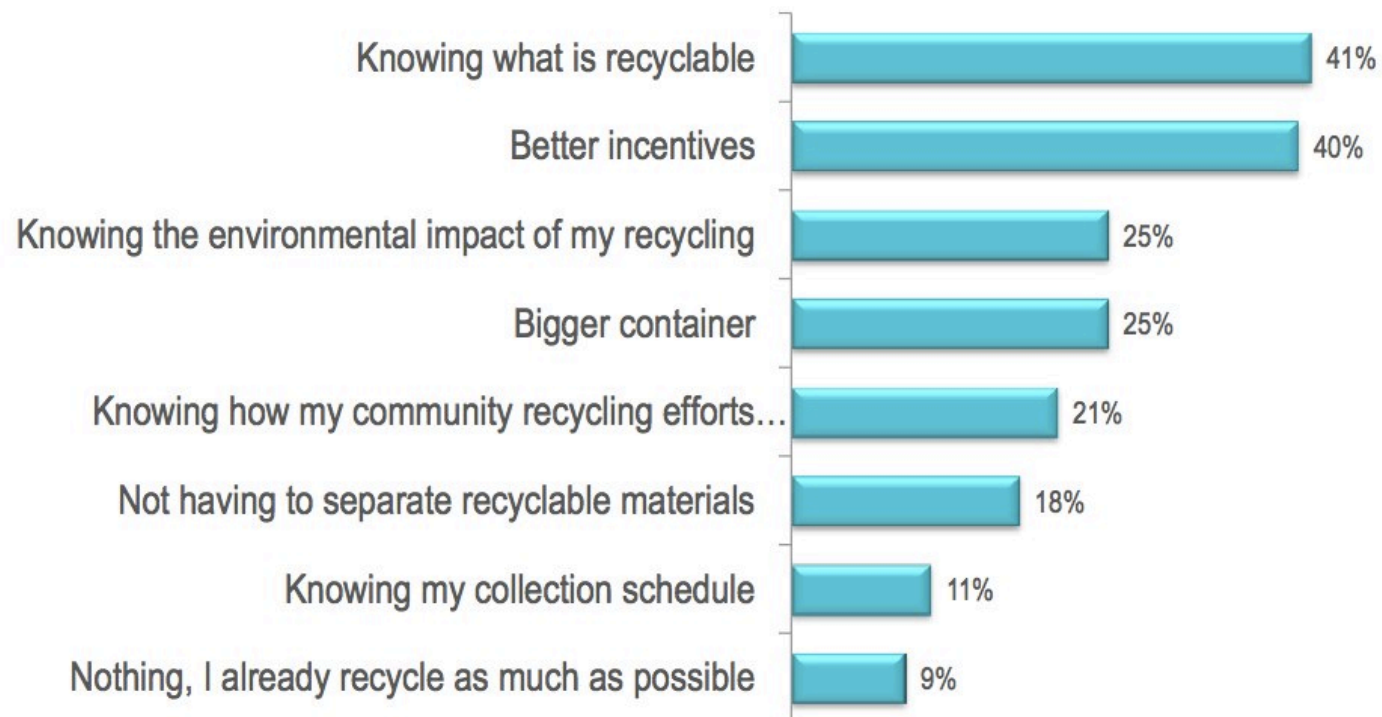
WILMINGTON, DE

- 19,600 homes served in pilot
- Longest served Recyclebank city (May 2007)
- 90% single-stream cart signup
- 70% monthly participation
- Recyclebank implemented contamination reduction campaign to clean up materials
- Recycling at 529 lbs/hh/yr average

Member Survey

Respondents asked for information and incentives

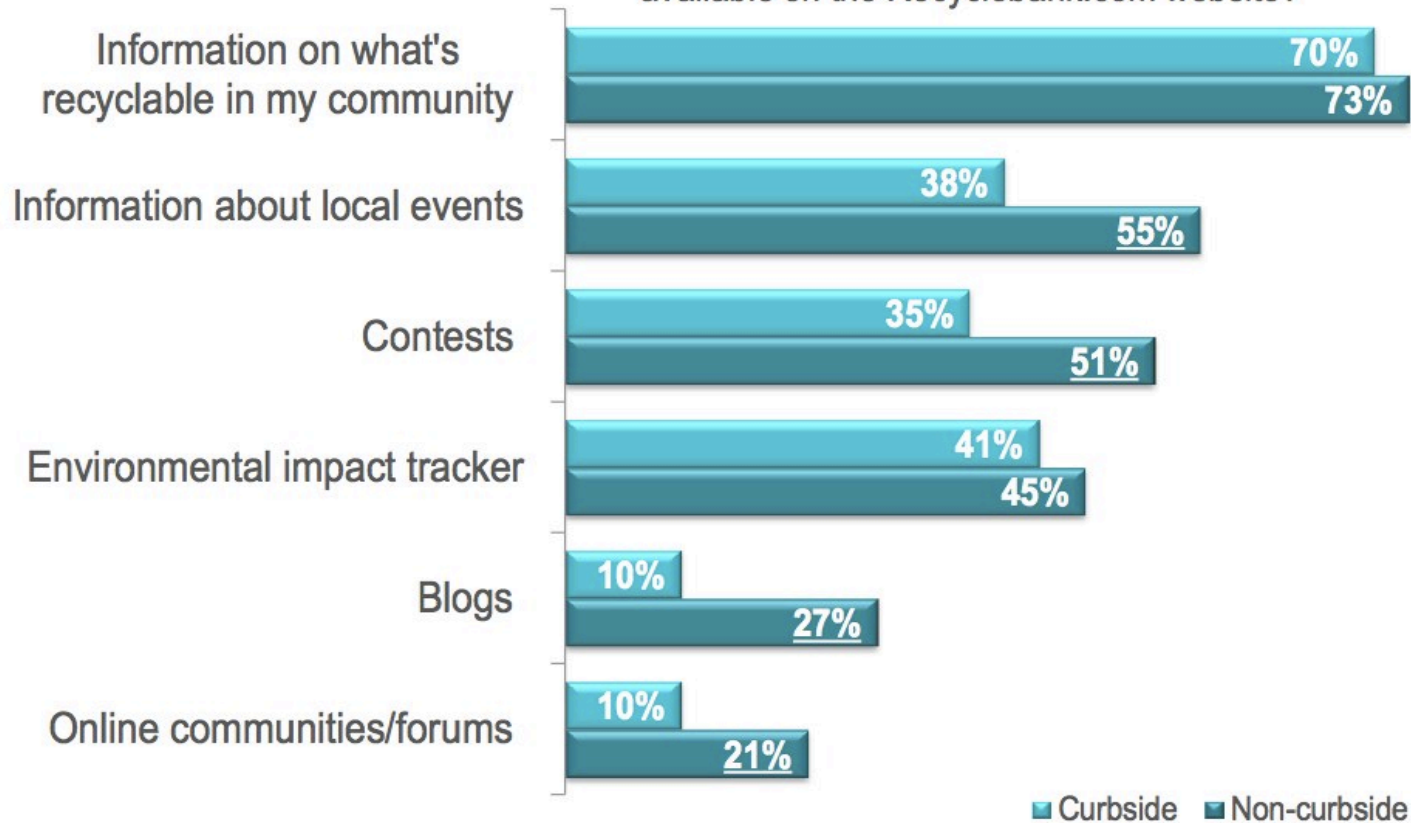
What would get you to recycle more?



Desire for Local Content

Members surveyed want information at the local level

How interested would you be in each of the following if they were available on the Recyclebank.com website?



Summary

Strategic alliance with Recyclebank will help Loveland maintain its statewide leadership in recycling and resource conservation.

- Recyclebank's incentives boost local recycling rates, decrease waste disposal/landfill fees, and encourage resource conservation.
- Residents benefit from increased education and communication about living green in the community.
- Recyclebank helps drive foot traffic to local and regional business partners and increases customer loyalty to those business partners.
- Residents enjoy discounts on local groceries, a night out, and hundreds of other perks.

Moving Forward

- Does Council have enough information to make a decision?
- Should staff proceed with a proposal and contract?
- How would Council like to receive progress reports on this program moving forward?