

**LOVELAND CITIZENS' FINANCE ADVISORY COMMISSION MEETING
REGULAR AGENDA
WEDNESDAY, July 9, 2014 6:00 PM
500 EAST THIRD STREET
COUNCIL CHAMBERS**

THE CITY OF LOVELAND IS COMMITTED TO PROVIDING AN EQUAL OPPORTUNITY FOR CITIZENS AND DOES NOT DISCRIMINATE ON THE BASIS OF DISABILITY, RACE, AGE, COLOR, NATIONAL ORIGIN, RELIGION, SEXUAL ORIENTATION, OR GENDER. THE CITY WILL MAKE REASONABLE ACCOMMODATIONS FOR CITIZENS IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT. FOR MORE INFORMATION, PLEASE CONTACT THE CITY'S ADA COORDINATOR AT BETTIE.GREENBERG@CITYOFLOVELAND.ORG OR 970-962-3319. TO ATTEND OR PARTICIPATE IN A CITY SERVICE OR PROGRAM, CALL 962-2318 OR TDD 962-2000 AS FAR IN ADVANCE AS POSSIBLE.

- I. CALL TO ORDER & ROLL CALL**
- II. PUBLIC COMMENT**
- III. APPROVAL OF MINUTES & AGENDA**
 - a. June Minutes
 - b. July Agenda
- IV. REGULAR AGENDA**
 - a. 2nd Quarter Dashboard Presentation (Alan Krcmarik)
 - b. Priority Based Budgeting – Where to focus first (John Hartman)
 - c. Policy Recommendation – Pay-As You- Go Capital Financing
- V. REPORTS**
 - a. Council Update (Ralph Trenary)
 - b. Staff Liaison Update (John Hartman)
- VI. OLD BUSINESS**
- VII. NEW BUSINESS**
- VIII. ADJOURNMENT**

COLGuest Wireless
Password: accesswifi

Pay-As-You-Go Funding Pros-Cons

Reason for the Policy

1. Projects do not go forward until funding in the bank. Insures there will not be funding issues in the middle of the project.
2. Through the use of impact fees, insures development occurs prior to bring new facilities.
3. Insures a smooth cash-flow for project expenses.
4. Insures approved capital projects are within available resources.
5. Keeps a low (or no) amount of debt, so that operating revenues can go for direct operating expenses, as opposed to debt services. Some capital revenues can be pledged for debt service, but it often comes from operating revenues.

Reasons against the Policy

1. Requires the City to maintain a large reserve.
2. Development revenue is often received several years prior to the facility for the expanded service is constructed.
3. Waiting to build until sufficient revenue is received often results in higher costs due to inflation of construction material costs.
4. Expanded services are delayed, often significantly past the point of when the development occurs.
5. Using debt shifts the cost to new arrivals to the city, so that people using the services are paying for the service through the revenue raised for debt service payments; an alternate way of "growth paying its own way".