



MINUTES Amended August 15, 2017
LOVELAND CITY COUNCIL STUDY SESSION
Tuesday, July 25, 2017 City Council Chambers 6:30 PM

COUNCIL PRESENT:

Gutierrez, Fogle, Shaffer, Krenning, Overcash, Clark, and Olson

COUNCIL ABSENT:

Johnson and Ball

1. AGENDA

1.1. FINANCE

TAX PAYER'S BILL OF RIGHTS (TABOR) EXCESS REVENUE UPDATE

Theresa Wilson, Budget Manager and Matthew Elliott, Senior Budget Analyst, in conjunction with the Finance Director and Accounting Staff, conducted a comprehensive review and thorough analysis of the City's TABOR revenue calculation methodology. Staff would like to present the results of this review and analysis to City Council. This effort will ensure that the City's TABOR revenue calculation methodology is accurate, transparent, and consistent with practices of other Colorado municipalities. Additionally, this effort will ensure the City's methodology is well documented and consistently applied from one year to the next. There are necessary key changes resulting from this review and analysis. These key changes and associated rationale are summarized in the attached Power Point Presentation and other attachments.

Councilor Olson asked that this item reflect that Council was surprised and concerned at the dramatic shift in balances among the general, council and TABOR Excess funds. Of particular concern was that no advance warning was given regarding the significant balance changes and that approximately \$10 million that was not accounted for in the fund balance worksheet. After some discussion, staff agreed to come back to Council with a detailed explanation of the \$10 million unexplained shortfall.

Information Only

1.2. FINANCE

FUND BALANCE REPORT UPDATE

Theresa Wilson, Budget Manager and Matthew Elliott, Senior Budget Analyst, presented a Fund Balance Report containing information for the General Fund Unassigned Fund Balance, Council Special Projects Fund, and TABOR Excess Fund on June 6, 2017. Since this time, the Report has been updated to reflect the following:

- 2016 Year-End data resulting from the annual financial audit complete in May 2017
- TABOR Excess Revenue updates
- All known and pending supplemental budget ordinance changes through July 18, 2017

Staff would like to present a revised version of this Report to City Council during the July 25, 2017 Study Session and answer any questions that City Council may have.

This Report was first presented to City Council during the June 6, 2017 City Council Meeting. The attached Report has been thoroughly updated to include 2016 Year-End Financial Audit data, TABOR Excess Revenue updates, and all known and pending supplemental budget ordinance changes through July 18, 2017. Moving forward, this report will be shared as part of each regular City Council meeting agenda.

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**1.3. INFORMATION TECHNOLOGY, FINANCE, DEVELOPMENT SERVICES, HUMAN RESOURCES
CONSOLIDATED REVIEW OF SOFTWARE REQUIREMENTS**

Bill Westbrook, IT Director; Brent Worthington, Finance Director; Brett Limbaugh, Development Services Director; and Julia Holland, Human Resources Director provided information pertaining to presently identified information management system needs of Development Services, Human Resources, and Utilities' Customer Information System (Utility Billing).

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2. ADJOURN

Mayor Gutierrez adjourned the July 25, 2017 Study Session at 10:25 p.m.

Respectfully Submitted,


Beverly A. Walker, Acting City Clerk


Cecil A. Gutierrez, Mayor