

**MEETING DATE:** 9/12/2017  
**TO:** City Council  
**DEPARTMENT:** **FINANCE DEPARTMENT**  
**DIRECTOR:** Brent Worthington  
**PRESENTERS:** Theresa Wilson, Budget Manager  
Matthew Elliott, Senior Budget Analyst



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**AGENDA ITEM:**  
**2018 DRAFT BUDGET PRESENTATION AND DISCUSSION**

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**SUMMARY:**

The Loveland City Charter requires the City Manager to submit a proposed budget and capital program for the next ensuing fiscal year to the City Council by the first Tuesday in October. This agenda memorandum and associated packet of materials meets this requirement.

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**BACKGROUND:**

The 2018 budget development process began in January. Key budget development milestones include:

- January 28<sup>th</sup> – City Council Retreat
- March 7<sup>th</sup> – Big Picture Capital Program Presentation and Discussion
- March 21<sup>st</sup> – 2018 Budget Kick-off Presentation of Preliminary Budget Planning Information
- June 13<sup>th</sup> – DRAFT Capital Improvement Program (CIP) Study Session
- July 25<sup>th</sup> – TABOR Excess Reserve Update
- August 8<sup>th</sup> – Interactive CIP Balancing Exercise

On September 12<sup>th</sup>, Staff will provide a TABOR Excess Reserve update, present the 2018 DRAFT Budget, answer questions, and receive feedback and direction from City Council. The first reading and public hearing of the 2018 Budget is scheduled for October 3, 2017. The second reading, public hearing, and anticipated adoption of the 2018 Budget is scheduled for October 17, 2017.

**SUMMARY OF 2016 FINANCIAL RESULTS**

The City ended 2016 with total assets of \$1,081,949,163 and total liabilities of \$74,246,287, ending the year with total net assets of \$1,007,702,876.

Within the Governmental Fund types, revenues totaled \$129,385,461 and operating expenses totaled \$122,856,658, for a net operating revenue excess of \$6,528,803 (excluding transfers).

**2017 MID-YEAR PERFORMANCE**

Per the City's Monthly Financial Report, the August 2017 SnapShot (66.6% of the year elapsed):

- Citywide Revenue, \$224.8 million (62.5% of the total annual budget)
- Sales & Use Tax Collections, \$33.6 million (68.5% of total annual budget)
- Citywide Expenditures, \$199.9 million (45.6% of total annual budget)
- Citywide Operating Revenues exceed Operating Expenditures by \$24.8 million.
- General Fund Revenue, \$66.0 million (70.9% of total annual budget)
- General Fund Expenditures, \$55.7 million, (66.2% of total annual budget)

- General Fund Year-to-Date Operating Revenues (excluding transfers) exceed General Fund Year-to-Date Operating Expenditures (excluding transfers and capital) by \$10.3 million.

## **2018 DRAFT BUDGET**

It is within this context and prediction of a continued healthy fiscal environment that a fiscally sound 2018 DRAFT Budget that promotes the status quo and provides for reasonable growth in critical service areas has been recommended for City Council's consideration.

Please review the provided packet of materials prior to the 2018 DRAFT Budget study session on September 12, 2017. Staff look forward to reviewing the 2018 DRAFT Budget in more detail with City Council, answering questions, and receiving direction and feedback. The packet includes: a Power Point presentation containing TABOR Excess Revenue update and 2018 DRAFT Budget overview information, a link to the 2018 DRAFT Budget on the City's website, total sales tax forecast detail, a 2018 recommended Decision Packages summary (subtotaled by General Fund and non-General Funds), a City Council Special Projects Reserve Summary, the final version of the Capital Improvements Program (CIP) Balancing Worksheet, and an update on the 2018 Benefits Fund.

## **TABOR EXCESS REVENUE UPDATE**

Staff conducted a comprehensive review and analysis of the City's TABOR revenue calculation methodology. The most significant finding of this effort is that the City has been historically classifying Internal Service Fund revenue (Fleet Replacement Fund, Fleet Management Fund, Risk & Insurance Fund, and Employee Benefits Fund) as TABOR Eligible Revenue, when these revenues should have been excluded.

Internal Service Fund revenues are derived from contributions from City Departments for services provided by those Internal Service Funds. Classifying these contributions as TABOR Eligible Revenue results in double counting City resources that feed department appropriations that pay for those services. In the case of the Employee Benefits Fund, revenues include employee contributions for health benefits. Previously, these employee contributions were classified as TABOR Eligible Revenue. Employee contributions are derived from payroll deductions and essentially represent funds being held in trust by the City to pay for employee benefits – these funds should not be classified as TABOR Eligible Revenue. This practice around Internal Service Funds resulted in over-contributing to the TABOR Excess Reserve, by including funding sources as TABOR Eligible Revenue (when they should have been excluded).

Corrections have been made to properly classify revenue at the line item level for TABOR calculation purposes. These changes have been applied for 2016 moving forward. This has resulted in a very significant decrease in TABOR Excess Reserve Funding – via drastically lowered revenue projects for the 2018-2017 planning horizon. This has presented a challenging twist for 2018 budget development and will continue to present capital project planning challenges in the foreseeable future.

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## **LIST OF ATTACHMENTS:**

1. Power Point Presentation

2. 2018 DRAFT Budget (Link)
3. Total Sales Tax Forecast
4. 2018 Recommended Decision Packages Summary
5. City Council Special Projects Reserve Summary
6. Final Capital Improvements Program (CIP) Balancing Worksheet
7. 2018 Benefits Fund Update

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# 2018 DRAFT Budget

September 12, 2017

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Brent Worthington, Finance Director  
Theresa Wilson, Budget Manager  
Matthew Elliott, Senior Budget Analyst



# Agenda

- TABOR Excess Revenue Update
- Review 2018 DRAFT Budget with City Council
- Discuss Next Steps of 2018 Budget Development
- City Council Questions, Direction, and Feedback

# TABOR Excess Revenue Update <sup>3</sup>

- Calculation Based on General Fund Revenue
- Legacy Methodology Overstated TABOR Excess
- Prior years- Total Fund Balance net of Reserves/Designations was greater than TABOR Excess Calculation

# TABOR Excess Revenue Update <sup>4</sup>

## EXAMPLE

2015 GF Balance*	14,111,742
TABOR Excess Calculation	<u>8,786,283</u>
GF Unassigned	5,325,459

\* Net of Reserves/Designations

# TABOR Excess Revenue Update <sup>5</sup>

## Situation Changed in 2017 Budget

- General Fund Investment in Capital tripled
- Fund Balance net of Reserves/Designations decreased by \$30 million as a result
- Net Fund Balance was less than calculated TABOR Excess Contribution
- Problem was discovered late April 2017
- Extreme result: negative GF Fund Balance
- Triggered deep dive into the methodology



# TABOR Excess Revenue Update <sup>6</sup>

## FIRST DRAFT OF 2018 FINANCIAL MASTER PLAN

2017 GF Balance*	2,236,844
TABOR Excess Calculation	<u>8,958,579</u>
GF Unassigned	(6,721,735)

\* Net of Reserves/Designations

# TABOR Excess Revenue Update <sup>7</sup>

## Budget always ties to Audited Financial Statements (CAFR)

- Final number available late May
- Prior, budget uses estimates (including Fund Balance Report)
- Audited TABOR Excess Balances (per CAFR)
  - 2015: \$23,410,458
  - 2016: \$17,291,859

# TABOR Excess Revenue Update <sup>8</sup>

- Preliminary Fund Balance Report (3/31/17)
  - Relied on Budget Office estimates
  - Nothing at that time indicated a problem
  - TABOR Excess estimate: \$21.4 million
- Final Fund Balance Report (8/15/17)
  - Relied on fund balance per CAFR
  - New calculation methodology
  - TABOR Excess balance: \$4.4 million

# TABOR Excess Revenue Update <sup>9</sup>

<b>COMPARISON: 2017</b>	
General Fund Unassigned	
Beginning Fund Balance 3/31	6,138,158
Beginning Fund Balance 8/3	14,710,928
Difference	8,572,770
TABOR Excess	
Beginning Fund Balance 3/31	21,378,733
Beginning Fund Balance 8/3	4,387,428
Difference	(16,991,305)
Net Change in Fund Balance	(8,418,535)

# TABOR Excess Revenue Update<sup>10</sup>

- Preliminary Reliance on TABOR Excess Fund Balance resulted in \$17 million overstatement of available fund balance
- Preliminary estimate of Unassigned General Fund Balance resulted in \$8.5 million understatement of available fund balance
- Net: \$8.4 million overstatement

# TABOR Excess Revenue Update <sup>11</sup>

- NO REVENUE WAS LOST
- Estimate of revenue available was incorrect
- Problem was identified; solution was determined and tested by Staff, experts identified by CML (City of Golden, Delta); will be reviewed by independent CPA firm by end of September 2017
- Solution has been incorporated in budget development process

# Economic Trends

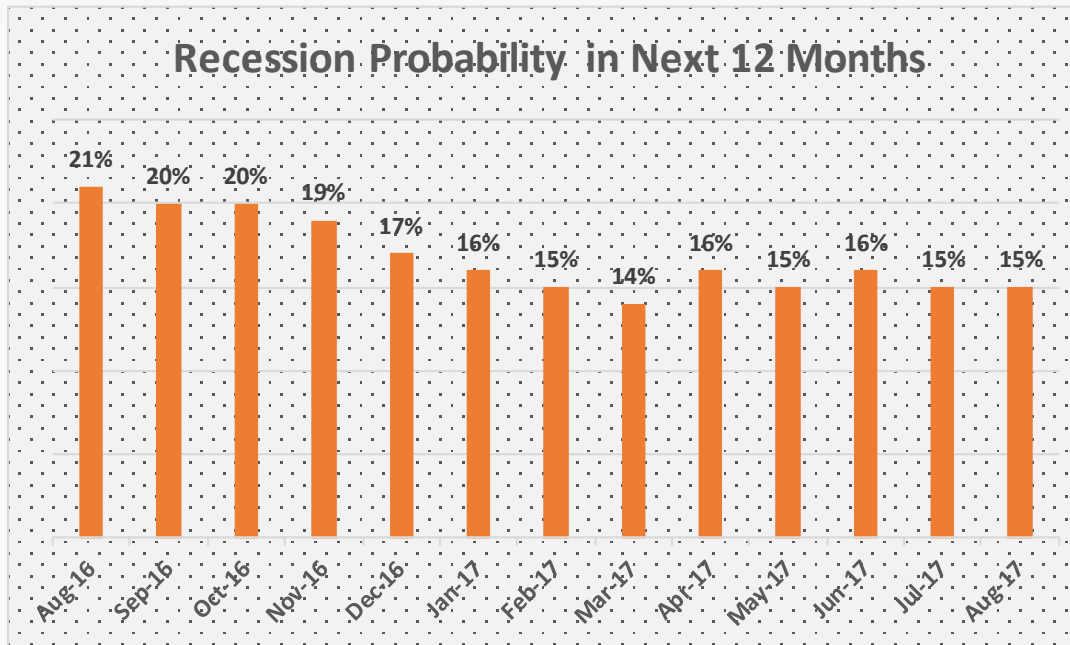
Economic Indicator	2016	2017	2018	Source
Population Estimate	74,385 1.31% Change	75,655 1.71% Change	76,899 1.64% Change	Community and Strategic Planning Office
Unemployment Rate	2.70%	2.16%	N/A	Community and Strategic Planning Office Colorado Department of Labor & Employment
Housing Permits Forecast	568	442	792	Community and Strategic Planning Office Building Division
Median Family Income	\$73,300	\$76,800	N/A	Fort Collins/Loveland Metropolitan Statistical Area (HUD) Community and Strategic Planning Office
Average Home Sales Price	\$351,498	\$388,031 YTD 8/31/17	N/A	The Group, Inc. Year-End Report for 2016 (Loveland, Berthoud Area)
CPI Estimated Change	2.9%	2.6%	2.4%	Office of State Planning & Budgeting June 2017 Economic Outlook (Denver-Boulder-Greeley)

## Notes:

- *Data will be tracked and updated on a periodic basis*
- *Housing permits include all housing groups (single-family, duplex, and multi-family units)*

# Recession Outlook

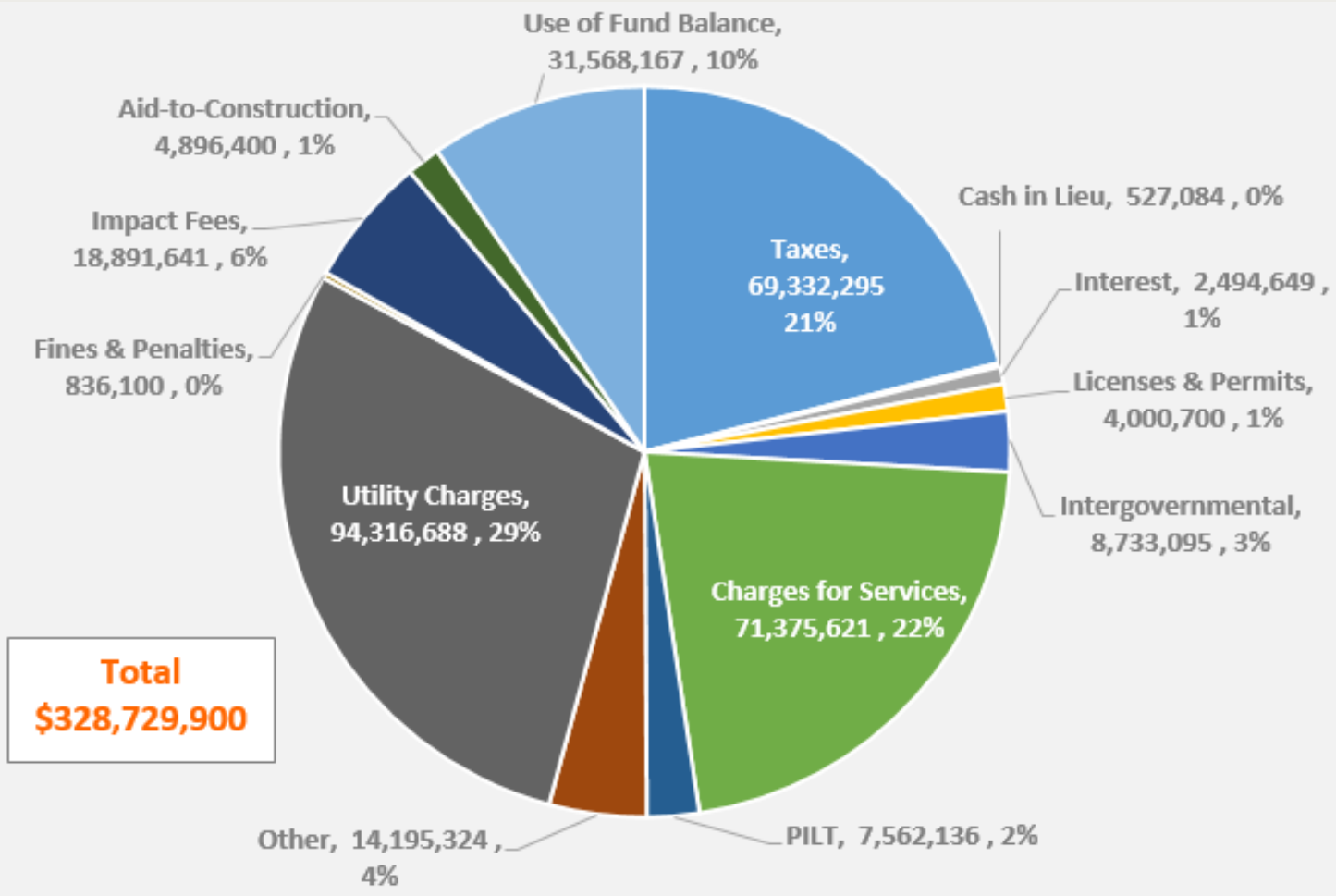
The Wall Street Journal's (WSJ) Economic Forecasting Survey places the average probability that a recession will start within the next 12 months at 15% for August 2017.



- **Current economic expansion began in June 2009 (one of longest in recorded history).**
- **For 10-year financial planning purposes, 2020 is forecasted to be a recession year.**



# 2018 Total City Revenues



# Revenue Highlights

## 1. General Fund:

- Sales Tax – 2.38% increase over 2017 Revised
- Use Tax – 3.78% increase over 2017 Revised
- Property Tax – 9.63% increase over 2017 Revised
- Other Taxes – 6.35% decrease from 2017 Revised

## 2. Enterprise Funds:

- Water – 9.0% rate increase
- Power – 5.0% rate increase
- Wastewater – 11.0% rate increase
- Stormwater – 8.35% fee increase
- Golf – removed Payment in Lieu of Taxes (PILT)

## 3. Transportation Fund:

- Transportation Maintenance Fee – 10% increase over 2017 to fund street rehabilitation program

# Sales Tax Performance

- 2016 Actual Sales Tax = \$42,456,298 (increase of \$1,864,908 or 4.59% over 2015 Actual)
- 2017 Adopted Sales Tax = \$42,729,542
- 2017 Revised Sales Tax = \$44,579,113 (increase of 5.0% over 2016 Actual)

Sales Tax History

Year	Actual	% Change
2010	30,462,193	N/A
2011	32,248,567	5.86%
2012	34,539,752	7.10%
2013	36,872,201	6.75%
2014	39,360,657	6.75%
2015	40,591,391	3.13%
2016	42,456,298	4.59%

Through August 2017, Sales Tax is 6.0% higher than 2017

New for January 2017, seven Amazon companies began remitting City sales tax:

- YTD through August = \$322,287
- Monthly Average = \$40,286
- Annual Estimate = \$483,431

Beginning in November 2017, Airbnb agreement will be in place, which will result in additional sales and lodging tax revenue

# Sales Tax Expectations

## 2018-2027 Sales Tax Forecast Layers:

- Base Sales Tax Forecast (based on 2017 Year-to-Date performance)
- Sheels Factor (estimated impact to Sporting Goods Stores)
- Foundry Project (minor estimated impact beginning in 2019)
- Brands Project (conservative estimated impact beginning in 2020)

## Base Sales Tax Forecast

Year	Forecast	% Change
2016 Actual	42,456,298	4.59%
2017 Revised	44,579,113	5.00%
2018 Forecast	45,916,486	3.00%
2019 Forecast	47,293,981	3.00%
2020 Forecast	46,821,041	-1.00%
2021 Forecast	46,821,041	0.00%
2022 Forecast	47,991,567	2.50%
2023 Forecast	49,191,356	2.50%
2024 Forecast	50,667,097	3.00%
2025 Forecast	52,187,110	3.00%
2026 Forecast	53,752,723	3.00%
2027 Forecast	55,365,305	3.00%

Forecasting Layer	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Base Sales Tax Forecast	45,916,486	47,293,981	46,821,041	46,821,041	47,991,567	49,191,356	50,667,097	52,187,110	53,752,723	55,365,305
Sheels Factor	(274,616)	(151,039)	(127,353)	(103,075)	(78,190)	(52,683)	(26,538)	-	-	-
Foundry Project	-	70,941	123,880	129,793	132,388	135,036	137,736	140,491	143,301	146,167
Brands Project	-	-	431,198	449,154	741,746	1,203,049	3,138,726	3,138,726	3,138,726	3,138,726
<b>Total Forecast</b>	<b>45,641,870</b>	<b>47,213,883</b>	<b>47,248,766</b>	<b>47,296,913</b>	<b>48,787,512</b>	<b>50,476,758</b>	<b>53,917,022</b>	<b>55,466,327</b>	<b>57,034,751</b>	<b>58,650,198</b>
% Change Over Prior Year	N/A	3.44%	0.07%	0.10%	3.15%	3.46%	6.82%	2.87%	2.83%	2.83%

# Use Tax Expectations

## Use Tax History

Year	Motor Vehicle Use Tax		Building Materials Use Tax		Total Use Tax	
	Actual	% Change	Actual	% Change	Actual	% Change
2010	1,999,300	N/A	1,644,305	N/A	3,643,605	N/A
2011	2,197,494	9.91%	956,239	-41.85%	3,153,733	-13.44%
2012	2,430,295	10.59%	1,500,063	56.87%	3,930,358	24.63%
2013	2,770,604	14.00%	1,612,819	7.52%	4,383,423	11.53%
2014	3,026,015	9.22%	2,039,002	26.42%	5,065,017	15.55%
2015	3,374,051	11.50%	3,247,868	59.29%	6,621,919	30.74%
2016	3,535,036	4.77%	3,332,366	2.60%	6,867,402	3.71%

## Use Tax Forecast

Year	Motor Vehicle Use Tax		Building Materials Use Tax		Total Use Tax	
	Forecast	% Change	Forecast	% Change	Forecast	% Change
2017 Revised	3,694,113	4.50%	3,432,337	3.00%	7,126,450	3.77%
2018 Forecast	3,860,348	4.50%	3,535,307	3.00%	7,395,655	3.78%
2019 Forecast	4,034,063	4.50%	3,641,366	3.00%	7,675,430	3.78%
2020 Forecast	3,993,723	-1.00%	3,604,953	-1.00%	7,598,675	-1.00%
2021 Forecast	3,993,723	0.00%	3,604,953	0.00%	7,598,675	0.00%
2022 Forecast	4,113,534	3.00%	3,695,076	2.50%	7,808,611	2.76%
2023 Forecast	4,236,940	3.00%	3,787,453	2.50%	8,024,394	2.76%
2024 Forecast	4,385,233	3.50%	3,901,077	3.00%	8,286,310	3.26%
2025 Forecast	4,538,716	3.50%	4,018,109	3.00%	8,556,826	3.26%
2026 Forecast	4,720,265	4.00%	4,158,743	3.50%	8,879,008	3.77%
2027 Forecast	4,909,076	4.00%	4,304,299	3.50%	9,213,375	3.77%

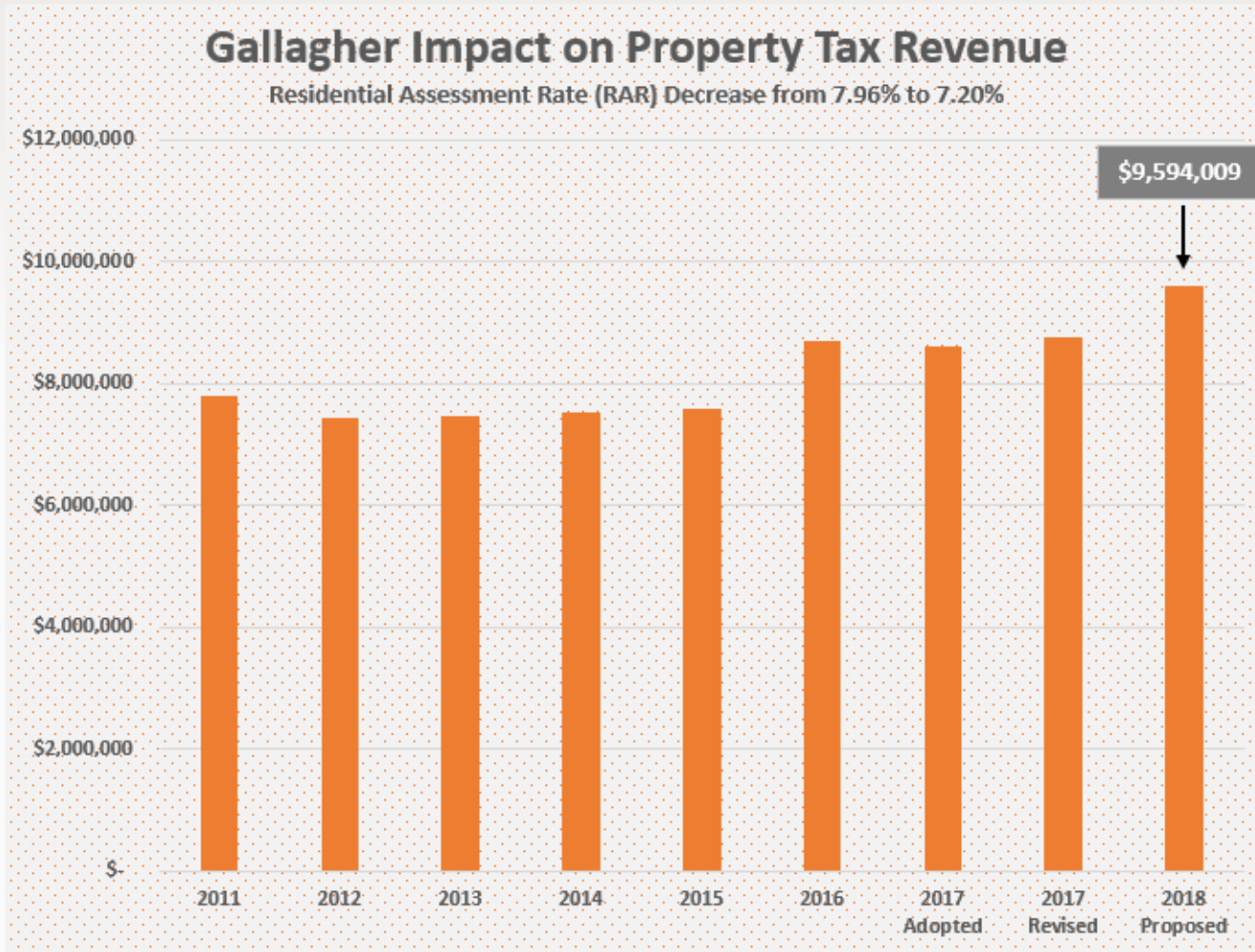
# Property Tax Expectations

- 2017 is a re-assessment year for 2018 property taxes
- Estimated valuation changes by property class for Larimer County (per 4/17/17 DOLA Report):

<u>Property Class</u>	<u>Estimated Change</u>
Agricultural	10.4%
Commercial	10.0%
Exempt	0.0%
Industrial	-5.0%
Natural Resources	-5.9%
Oil & Gas	8.3%
<b>Residential</b>	<b>22.2%</b>
State Assessed	3.0%
Vacant	19.2%

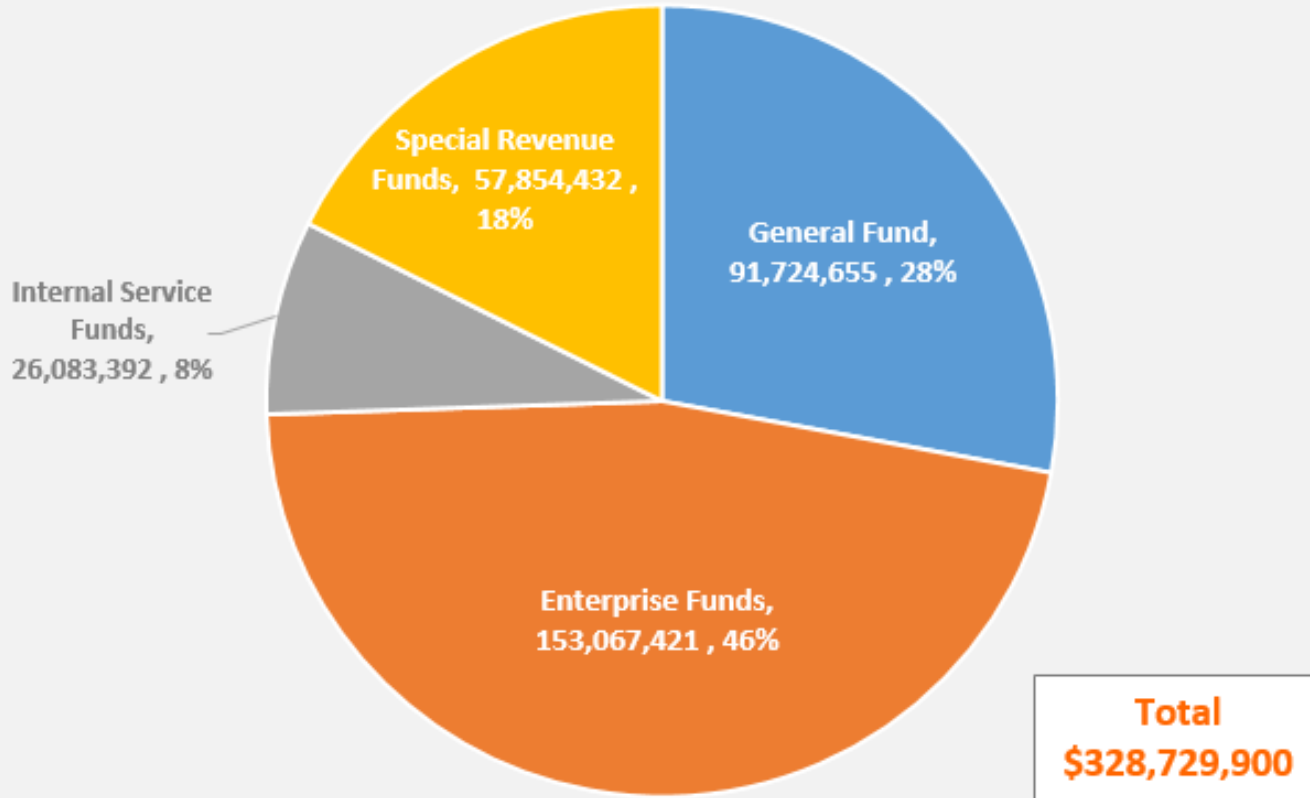
The impact of the **residential** valuation increase will not fully be realized in the form of increased property taxes for the City due to the reduction of the Residential Assessment Rate (RAR), which the State Legislature is reducing from 7.96% to 7.20% to comply with the Gallagher Amendment.

# Property Tax Expectations



- 2017 Revised assumes 1% increase over 2016 Actual
- 2017 Larimer County residential property valuations expected to increase 22.2% (per 4/17/17 DOLA Report) for property taxes collected in 2018
- RAR originally expected to decrease to 6.56%, but only decreasing to 7.20% for 2018

# 2018 Total City Expenditures





# Expenditure Highlights

1. Equipment Replacement
  - \$ 4,633,318 Citywide, \$2,010,477 of which is in the General Fund
2. Administrative Overhead is increasing due to continued refinement of allocation methodology and departmental budget increases
3. Decision Packages
  - Total of \$5,380,399 in recommended Decision Packages, including 20.03 FTEs, 10.25 of which are in the General Fund (Decision Packages are summarized below)

Fund Type	Amount	FTE
General Fund	2,085,497	10.25
Enterprise Funds	2,063,477	8.00
Special Revenue Funds	943,280	1.25
Internal Service Funds	242,809	0.53
Other Entities	45,336	0.00
<b>Citywide Total</b>	<b>\$5,380,399</b>	<b>20.03</b>

**General Fund includes transportation, transit, and 82% of LFRA's Decision Packages.**

# Expenditure Highlights

4. 6% increase for employee medical premiums (average 80% employer/20% employee split)
5. 3% employee merit pool (with an additional 0.25% for other mid-year performance based salary increases)
6. \$557,239 for Affordable Housing Allocation (1.25% of 2017 Revised Sales Tax)
7. \$12,049,817 for contribution to LFRA (6.08% increase over 2017)

# Decision Package Highlights

## Non-Personnel Related Items Include:

Department	Title	Amount	Funding Source
Economic Development	Movie Theatre Incentive - Foundry Project	\$200,000	General Fund
Human Resources	Human Resource Management System	\$245,580	General Fund
Loveland Fire Rescue Authority (CITY)	Maintenance Agreement Increase (Radios)	\$ 65,307	General Fund
Loveland Fire Rescue Authority (CITY)	Retirement Plan Contribution Change	\$165,969	General Fund
Police	Court Security Overtime	\$ 42,113	General Fund
Public Works	Transportation Master Plan Update	\$250,000	General Fund
Public Works	Foundry Parking Structure O&M	\$144,343	General Fund
Public Works	Foundry Project Manager (Contract)	\$180,000	Council Special Projects Reserve
Public Works	HIP Streets Infrastructure Assessment	\$200,000	Council Special Projects Reserve
Public Works, Parks, W&P & Stormwater	Downtown Improvements Assessment	\$152,000	Council Special Projects Reserve
Human Resources	ADA Assessment	\$175,000	Risk & Insurance Fund
Public Works	Stormwater Quality Master Plan	\$ 90,000	Stormwater
Public Works, Parks, W&P & Stormwater	HIP Streets Infrastructure Assessment	\$ 75,000	Stormwater
Finance	CIS Implementation - O&M	\$177,291	Water, Power, & Wastewater
Public Works, Parks, W&P & Stormwater	HIP Streets Infrastructure Assessment	\$225,000	Water, Power, & Wastewater
W&P - Accounting, Utility Applications	New Work Order System and Enhancements to Cityworks Software	\$150,000	Water, Power, & Wastewater
W&P - Customer Relations	Efficiency Works Commercial Program, Low Income Residential Program	\$207,300	Water & Power

# FTE Highlights – General Fund

- 20.03 new FTE are being recommended as part of the 2018 DRAFT Budget (10.25 in the General Fund, 8.0 in Enterprise Funds, 1.25 in Special Revenue Funds, and 0.53 in Internal Service Funds)
- New FTEs recommended in the General Fund are:

Department	Title	FTE
City Attorney's Office	Deputy City Attorney	1.0
City Manager's Office	Administrative Technician	1.0
City Manager's Office	Videographer	1.0
Cultural Services	Graphic Designer (Hourly Increase)	0.25
Development Services	Administrative Specialist	1.0
Finance	Budget Analyst	1.0
Finance	CIS Implementation - O&M	2.0
Information Technology	GIS Coordinator	0.5
Police	Police Officers	2.0
Public Works	GIS Specialist	0.5
Public Works	Contract Transit Manager (FTE Reduction)	-1.0
Public Works	Foundry Parking Attendant	1.0
<b>Total</b>		<b>10.25</b>

# FTE Highlights – Other Funds

- New FTEs recommended in other funds are:

Fund	Title	FTE
Conservation Trust	Maintenance Worker (1.0 New and 0.25 Hourly Increase)	1.25
Risk & Insurance	Environmental Technician (Hourly Increase)	0.53
Stormwater	Civil Engineer I (Development Review)	1.0
Water, Wastewater, & Power	Administrative Specialist	1.0
Power	Senior Electric Distribution Designer	1.0
Power	Senior Electrical Engineer	1.0
Water, Wastewater, & Power	Utility Application Services Manager	1.0
Water, Wastewater, & Power	Utility Business Analyst	1.0
Water & Wastewater	Journey Water Systems Operator	1.0
Water	Plant Operator D	1.0
<b>Total</b>		<b>9.78</b>

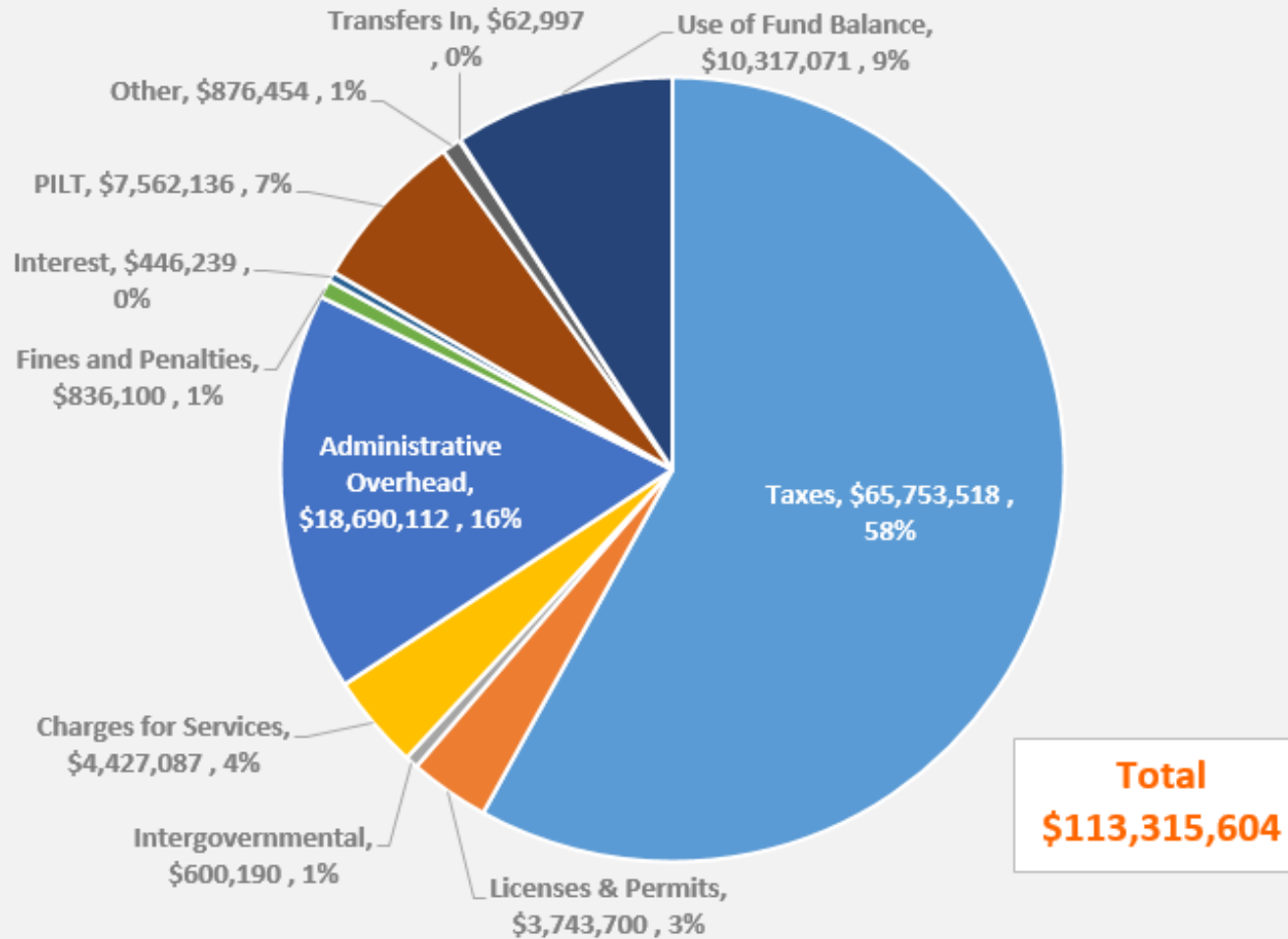
# Total Personnel Summary

<b>Full-Time Equivalent (FTE) Summary</b>					
<b>Position</b>	<b>2016 FTE</b>	<b>2017 Adopted FTE</b>	<b>2017 Revised FTE</b>	<b>2018 FTE</b>	<b>2018/2017 Change</b>
Executive & Legal	17.88	21.63	20.88	24.63	3.00
City Clerk	4.13	4.13	8.00	4.38	0.25
Cultural Services	12.50	12.50	14.00	14.00	1.50
Development Services	32.18	27.93	29.43	29.43	1.50
Economic Development	7.00	8.00	8.00	8.00	-
Finance	45.75	47.75	47.75	48.75	1.00
Fire & Rescue Authority	86.00	92.00	92.00	92.00	-
Human Resources	13.00	13.00	13.00	13.00	-
Information Technology	22.50	22.50	22.50	23.00	0.50
Library	32.38	32.38	32.38	32.38	-
Parks & Recreation	81.92	82.92	81.88	84.25	1.33
Police	154.00	158.50	158.50	160.50	2.00
Public Works	140.92	146.92	150.00	149.50	2.58
Water & Power	132.25	135.75	135.75	142.75	7.00
Airport	6.00	6.00	6.00	6.00	-
LLBA	2.00	2.00	2.00	2.00	-
<b>Grand Total, All Benefitted Employees</b>	<b>790.40</b>	<b>813.90</b>	<b>822.05</b>	<b>834.56</b>	<b>20.66</b>

# Financial Master Plan

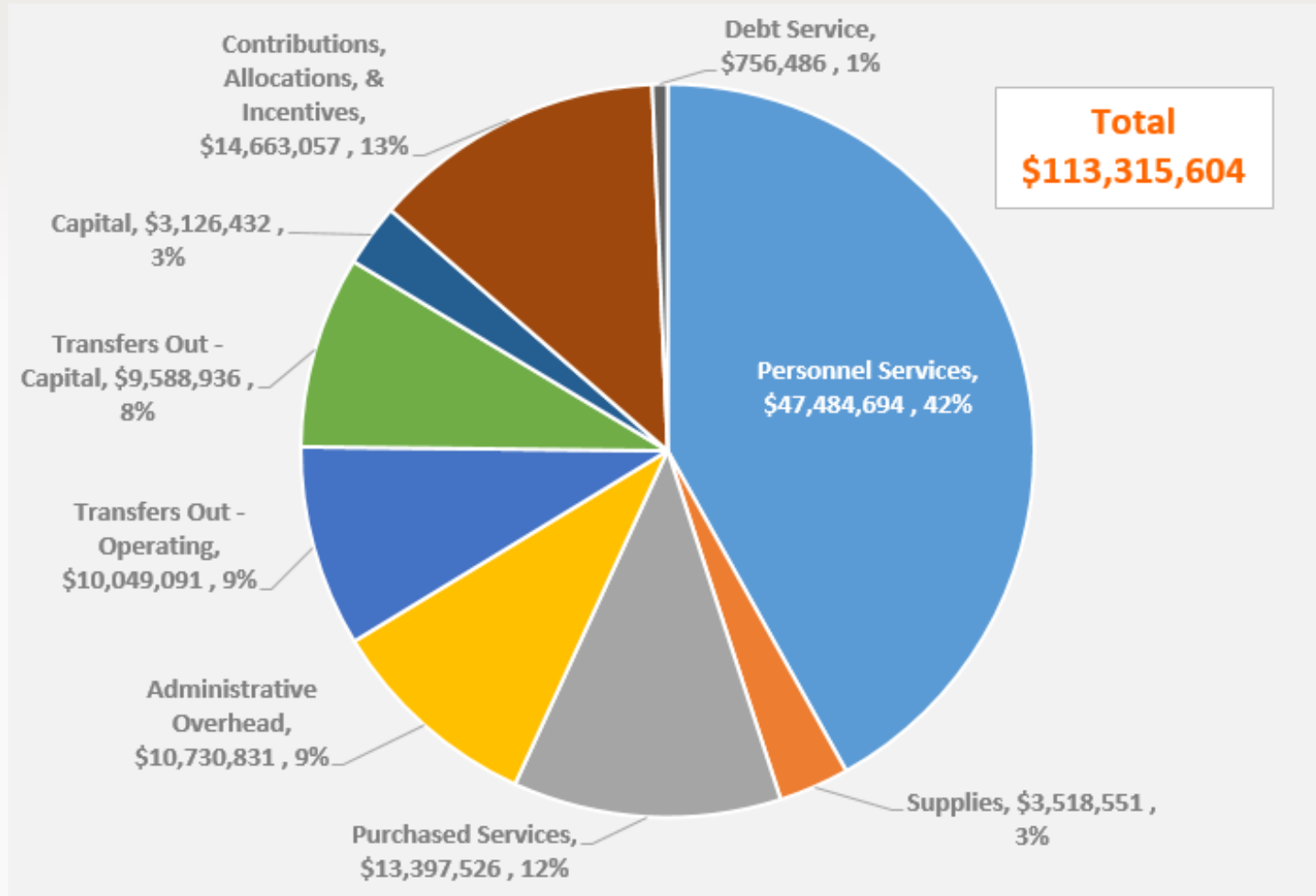
- General Fund Budget Planning Tool
- Key Fiscal Health Indicators:
  1. Unassigned Fund Balance
    - 2018 Proposed - \$1,207,101
    - Minimum Target of \$1,000,000
  2. Operating Budget Ratio
    - 2018 Proposed – 1.02
    - Demonstrates fiscal soundness by showing degree to which current revenues cover operating expenditures
    - Ratio of 1.00 or higher is fiscally sound
    - Shows Fund Balance only being used for Capital Projects

# General Fund Revenues





# 2018 General Fund Expenditures<sup>30</sup>



# General Fund Reserves

A reserve is an account used to segregate and set aside a portion of fund balance for some future purpose. Reserves are not budgeted. City Council approval is required before expending any reserves.

Reserves	2018 Amount	Purpose
TABOR 3% Emergency Reserve	2,939,965	3% of TABOR Eligible Revenue for Emergency Purpose
15% Operating Reserve	10,998,528	15% Operating Reserve to Guard Against Economic Uncertainties
Museum Donations	521,363	Set Aside of Cash Donations for Museum Programs
Police Donations	19,248	Set Aside of Cash Donations for Police Programs
Library Donations	359,081	Set Aside of Cash Donations for Library Programs
TABOR Excess Reserve	0	Set Aside of Unallocated TABOR Excess Revenue
Council Special Projects Reserve	1,880,601	Set Aside of Unallocated Council Special Projects Revenue
<b>Total</b>	<b>\$16,718,786</b>	

# TABOR Excess Reserve

Year	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance
2017 Revised	\$15,933,476	\$0	\$14,032,312	\$1,901,164
2018 Projected	\$1,901,164	\$0	\$1,901,164	\$0
2019 Projected	\$0	\$0	\$0	\$0
2020 Projected	\$0	\$0	\$0	\$0
2021 Projected	\$0	\$0	\$0	\$0
2022 Projected	\$0	\$0	\$0	\$0
2023 Projected	\$0	\$0	\$0	\$0
2024 Projected	\$0	\$0	\$0	\$0
2025 Projected	\$0	\$0	\$0	\$0
2026 Projected	\$0	\$0	\$0	\$0
2027 Projected	\$0	\$0	\$0	\$0

# Council Special Projects Reserve <sup>33</sup>

Year	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance
2017 Revised	\$ 3,776,312	\$ 1,511,427	\$ 4,440,926	\$ 846,813
2018 Projected	\$ 846,813	\$ 1,565,788	\$ 532,000	\$ 1,880,601
2019 Projected	\$ 1,880,601	\$ 1,614,482	\$ 2,500,000	\$ 995,083
2020 Projected	\$ 995,083	\$ 1,625,547	\$ 1,000,000	\$ 1,620,630
2021 Projected	\$ 1,620,630	\$ 1,629,294	\$ 1,000,000	\$ 2,249,924
2022 Projected	\$ 2,249,924	\$ 1,684,653	\$ 500,000	\$ 3,434,577
2023 Projected	\$ 3,434,577	\$ 1,734,976	\$ -	\$ 5,169,553
2024 Projected	\$ 5,169,553	\$ 1,841,153	\$ -	\$ 7,010,706
2025 Projected	\$ 7,010,706	\$ 1,889,509	\$ -	\$ 8,900,215
2026 Projected	\$ 8,900,215	\$ 1,951,221	\$ -	\$ 10,851,436
2027 Projected	\$ 10,851,436	\$ 2,003,000	\$ -	\$ 12,854,436

# Capital Program Summary

Plan Type	2018 Amount	2018-2027 Total
Traditionally Funded	48,197,219	250,197,353
Golf	631,583	5,178,456
Power	11,834,577	148,516,051
Stormwater	5,033,158	41,013,101
Water	8,619,190	94,909,488
Wastewater	13,686,660	76,244,450
Raw Water	5,400,000	50,892,420
Solid Waste	1,325,700	11,181,052
<b>Total - All Funds</b>	<b>\$94,728,087</b>	<b>\$678,132,371</b>

**Note:**

The Traditionally Funded Plan includes General Fund Agencies (transportation, facilities, parks & recreation, police, fire, library, and cultural services)

# 2018 Major Capital Projects

Capital Plan Type	Project Over \$1 Million	Amount
Traditionally Funded	FIN - Customer Information System (CIS) Replacement	\$ 6,047,250
Traditionally Funded	P&R - Loveland Sports Park (Phase II)	\$ 3,129,920
Traditionally Funded	PD - Police Regional Training Facility (RTC)	\$ 18,000,000
Traditionally Funded	TRAN - CDOT Projects - 402 at I-25 Interchange & US34 Bridge over I-25 (#2)	\$ 2,000,000
Traditionally Funded	TRAN - Street Rehabilitation - Annual Concrete Rehabilitation	\$ 1,288,368
Traditionally Funded	TRAN - Street Rehabilitation - Annual Street Resurfacing	\$ 4,627,901
Traditionally Funded	TRAN - US 34 Westbound Widening - Denver to Boyd Lake (#4)	\$ 3,997,000
Power	Canyon Voltage Conversion	\$ 1,010,000
Power	Customer Aid To Construction	\$ 1,530,000
Power	Extend Feeders from Foothills Substation to Hunters Run Substation	\$ 1,515,000
Power	Meter Data Management System (MDMS)	\$ 1,000,000
Power	Overhead (OH) to Underground (UG) Conversion Projects	\$ 1,292,800
Stormwater	South Loveland Outfall (Phase 3)	\$ 1,420,600
Water	Morning Drive 30" Waterline (Phase 2)	\$ 3,108,000
Water	P2 Water Pump Station & Discharge Piping	\$ 4,610,400
Wastewater	Parallel Boyd Intercept	\$ 5,232,000
Wastewater	WWTP Expansion to 12 MGD - Phase 3	\$ 3,837,000
Wastewater	WWTP Laboratory Building & Admin Remodel	\$ 3,885,000
Raw Water	Downstream Storage (Property Purchase & Design)	\$ 3,300,000
Raw Water	Windy Gap Firming Project	\$ 1,500,000
Solid Waste	Customer Information System (CIS) Replacement	\$ 1,040,000

# CIP Balancing Effort

To fund the greatest amount of priority projects that rely on General Fund resources, Staff developed a short list of projects by:

1. Focusing on City Council Transportation CIP Priorities from September 2015
2. Focusing on projects that scored a “5” under criteria A (Grant or Other External Revenue Award) or B (Federal/State/Local Mandate or Other Legal Obligation)
3. Delaying projects to better fit within available resources, without jeopardizing grant funding
4. Reducing annual maintenance programs
5. Presenting a package of 2017 project de-appropriations to establish more funding for higher priority 2018 projects
6. Proposing increased use of Council Special Projects Funding for 2018
7. Delaying Pulliam Building – Phase II project to 2020-2022

Refer to Attachment 6 – Final CIP Balancing Worksheet for more detail.

# Continuous Improvement

1. **New Budget Software** (PowerPlan) – project implementation kick-off 9/13/17
2. **Position Control** – completed thorough position reconciliation for each Department and working on process documentation to roll-out to Departments
3. **Administrative Overhead Allocations** – exploring outsourcing this effort to cost allocation expert for further process improvement and best practice implementation
4. **Capital Project Close-Out Process** – developing project close-out procedures and quarterly project review and reporting processes
5. **Performance Measures** – inventory existing data from Budget Book and CAFT (short-term) and work with City Manager and Departments to improve quality of measures (longer term)



# Things We're Looking At

1. Flood recovery efforts – completed this year
2. Public Works' workload capacity review for transportation capital projects
3. Development Services' workload capacity review for upcoming or approved development projects
4. Revenue impacts of new development, both internal and external to the City
5. City Facilities and space planning (building rehabilitation, moving employees, new home for P&R, future demands on General Government CEF)

# Things We're Looking At

6. Potential 2018 City of Loveland Ballot Measure to increase City sales tax for capital projects
7. Current TABOR Excess measure sunsets 12/31/24
8. Olde Golf Course Clubhouse rehabilitation/replacement options
9. Employee Benefits Fund – maintain appropriate reserve targets for 2018 and beyond (one month premium holiday awarded if targets met per City Council resolution R-86-2016)

# What's Next?

- **10/3/17 – First Reading and Public Hearing of the 2018 Budget**
- **10/17/17 – Second Reading, Public Hearing, and Anticipated Adoption of the 2018 Budget**

# Questions, Direction, Feedback? <sup>41</sup>



Attachment 3

DRAFT 2018 Budget

Total Sales Tax Forecast - 2018-2027

Forecasting Layer	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Base Sales Tax Forecast	45,916,486	47,293,981	46,821,041	46,821,041	47,991,567	49,191,356	50,667,097	52,187,110	53,752,723	55,365,305
Sheels Factor (estimated impact to sporting goods stores)	(274,616)	(151,039)	(127,353)	(103,075)	(78,190)	(52,683)	(26,538)	-	-	-
Foundry Project (estimated impact)	-	70,941	123,880	129,793	132,388	135,036	137,736	140,491	143,301	146,167
Brands Project (estimated impact - \$450 per square foot)	-	-	431,198	449,154	741,746	1,203,049	3,138,726	3,138,726	3,138,726	3,138,726
<b>Total Sales Tax Forecast</b>	<b>45,641,870</b>	<b>47,213,883</b>	<b>47,248,766</b>	<b>47,296,913</b>	<b>48,787,512</b>	<b>50,476,758</b>	<b>53,917,022</b>	<b>55,466,327</b>	<b>57,034,751</b>	<b>58,650,198</b>
% Change Over Prior Year	N/A	3.44%	0.07%	0.10%	3.15%	3.46%	6.82%	2.87%	2.83%	2.83%
Estimated Sheels Impact to Sporting Goods Stores (3/21/17 Budget Kick-off materials)	(274,616)	123,577	23,686	24,278	24,885	25,507	26,145	26,798	27,468	28,155
Running Sheels Impact (to reflect true impact to Base)	(274,616)	(151,039)	(127,353)	(103,076)	(78,191)	(52,684)	(26,539)	-	-	-
								<i>back to normal, no more impact</i>		
The Foundry Project (per Executive Fiscal Advisor)	-	70,941	123,880	129,793	132,388	135,036	137,736	140,491	143,301	146,167
Brands Project gross sales tax from 12/16 model		1,891,218	1,969,972	3,253,274	5,276,529	13,766,344	13,766,344	13,766,344	13,766,344	13,766,344
City Share based on December 2016 model		718,663	748,589	1,236,244	2,005,081	5,231,211	5,231,211	5,231,211	5,231,211	5,231,211
City Share Revised for later delivery and Lower Sales Estimate (per Executive Fiscal Advisor)	-	-	431,198	449,154	741,746	1,203,049	3,138,726	3,138,726	3,138,726	3,138,726

Notes:

- 2029 - Centerra Metro District - TIF and PIF expire

**2018 DRAFT Budget  
Recommended Decision Packages Summary**

**Attachment 4**

**General Fund**

	Fund #	Fund	Department	Title	One-Time	Reoccurring	Revenue	Benefited FTE	Non-Benefited FTE
1	100	General	City Attorney's Office	1.0 FTE Deputy City Attorney	4,760	162,305		1.00	
2	100	General	City Clerk	EnCode Program	36,042	10,545			
3	100	General	City Manager's Office	1.0 FTE Administrative Technician	0	77,037		1.00	
4	100	General	City Manager's Office	1.0 FTE Videographer	5,000	77,561		1.00	
5	100	General	Cultural Services	0.25 FTE Graphic Designer Hourly Increase				0.25	
6	100	General	Cultural Services	New Devereaux Room Performances		13,750	20,800		
7	100	General	Cultural Services	Film Rental Adjustment		15,000	23,000		
8	100	General	Development Services	1.0 FTE Administrative Specialist		21,197		1.00	
9	100	General	Economic Development	Movie Theatre Incentive - Foundry Project		200,000			
10	100	General	Finance	1.0 FTE Budget Analyst	3,000	90,709		1.00	
11	100	General	Finance	Increase for Utility Billing Credit Card Fees		56,957			
12	100	General	Finance	CIS Implementation - O&M	50,000			2.00	
13	100	General	Finance	Increase for Meter Reader Delinquent Disconnects		25,000			
14	100	General	Human Resources	Human Resource Management System		245,580			
15	100	General	Information Technology	0.50 FTE GIS Coordinator	0	0		0.50	
16	100	General	Library	Program Funding (story time, summer reading, STEM, etc.)		15,000			
17	100	General	Loveland Fire Rescue Authority (CITY)	Maintenance Agreement Increase	0	65,307			
18	100	General	Loveland Fire Rescue Authority (CITY)	Retirement Plan Contribution Change	0	165,969			
19	100	General	Municipal Court	Jumpstart Program, Court Appointed Counsel, and Jail Fees		18,000			
20	100	General	Parks & Recreation	O&M for Reopening Viestenz-Smith Mountain Park		53,947			
21	100	General	Police	2.0 FTE Police Officers	57,234	205,289		2.00	
22	100	General	Police	Court Security Overtime		42,113			
23	100	General (Transportation Subsidy)	Public Works	0.50 FTE GIS Specialist Position				0.50	
24		General (Transportation Subsidy)	Public Works	Transportation Master Plan Update	250,000				
25	100	General (Transit Subsidy)	Public Works	Contract Transit Manager		17,652		-1.00	

Fund #	Fund	Department	Title	One-Time	Reoccurring	Revenue	Benefited FTE	Non-Benefited FTE
26	100	General	Public Works	Foundry Parking Structure O&M		144,343	1.00	
<b>Subtotal - General Fund</b>				<b>406,036</b>	<b>1,723,261</b>	<b>43,800</b>	<b>10.25</b>	<b>0.00</b>
Total One-Time and Reoccurring Net of Revenue				2,085,497				

### Non-General Funds

Fund #	Fund	Department	Title	One-Time	Reoccurring	Revenue	Benefited FTE	Non-Benefited FTE
32	201	Conservation Trust	Parks & Recreation	1.0 FTE Maintenance Worker and 0.25 Hourly Increases	39,179		1.25	
33	201	Conservation Trust	Parks & Recreation	Trail Signage Program	100,000			
38	121	Council Special Projects	Public Works	Foundry Project Manager (Contract)	180,000			
39	100	Council Special Projects	Public Works	HIP Streets Infrastructure Assessment	200,000			
29	120	Council Special Projects	Public Works, Parks, W&P & Stormwater	Downtown Improvements Assessment	152,000			
30	100	Cultural CEF	Cultural Services	Cultural Plan (consultant funding)	35,000		0.00	
44	501	Fleet Management	Public Works	Snow Removal Overtime		20,000		
47	604	Loveland Fire & Rescue Authority	Loveland Fire Rescue Authority (RURAL)	Maintenance Agreement Increase	0	8,905		
48	604	Loveland Fire & Rescue Authority	Loveland Fire Rescue Authority (RURAL)	Retirement Plan Contribution Change	0	36,431		
34	202	Open Space	Parks & Recreation	1.0 FTE Maintenance Worker and 0.25 Hourly Increases		80,101		
35	260	Parks CEF	Parks & Recreation	New Truck - Loveland Sports Park Phase II	33,500			
36	265	Police CEF	Police	2.0 FTE Police Officers	100,000			
31	100	Recreation CEF	Parks & Recreation	Van Replacement	23,500			
45	502	Risk & Insurance	Human Resources	ADA Assessment	175,000			
46	502	Risk & Insurance	Human Resources	0.53 FTE Environmental Technician Increase		47,809	0.53	
49	360	Solid Waste	Finance	CIS Implementation - O&M	40,000			
39	360	Solid Waste	Public Works	Landfill Tip Fees		50,000		
40	360	Solid Waste	Public Works	Organic Processing Tip Fees		45,000		
41	360	Solid Waste	Public Works	Routeware Monthly Service Fees		66,000		
42	360	Solid Waste	Public Works	Light Materials Loader Bucket	1,700	15,300		
43	360	Solid Waste	Public Works	Easyroute Software Renewal		15,000		
50	345	Stormwater	Finance	CIS Implementation - O&M	10,000			
37	345	Stormwater	Public Works	1.0 FTE Civil Engineer I (Development Review)	4,500	108,310	1.00	
38	345	Stormwater	Public Works	Stormwater Quality Master Plan	90,000			
28	120	Stormwater	Public Works, Parks, W&P & Stormwater	HIP Streets Infrastructure Assessment	75,000			
51	300,315,330	Water, Wastewater, & Power	Finance	CIS Implementation - O&M	177,291			
27	120	Water, Wastewater, & Power	Public Works, Parks, W&P & Stormwater	HIP Streets Infrastructure Assessment	225,000			
61	300,315,330	Water, Wastewater, & Power	W&P - Accounting, Utility Applications	New Work Order System and Enhancements to Cityworks Software	150,000			
58	300,315,330	Water, Wastewater, & Power	W&P - Administration	Administrative Specialist		70,642	1.00	
60	300,315,330	Water, Wastewater, & Power	W&P - All	Staff Training		55,000		
59	300,330	Water & Power	W&P - Customer Relations	Efficiency Works Commercial Program, Low Income Residential Program		207,300		
53	330	Power	W&P - Distribution Design	Senior Electric Distribution Designer		109,078	1.00	
52	330	Power	W&P - Power Engineering	Senior Electrical Engineer		145,042	1.00	
54	300,315,330	Water, Wastewater, & Power	W&P - Utility Application Services	Utility Application Services Manager		145,042	1.00	

	Fund #	Fund	Department	Title	One-Time	Reoccurring	Revenue	Benefited FTE	Non-Benefited FTE
55	300,315,330	Water, Wastewater, & Power	W&P - Utility Application Services	Utility Business Analyst		109,078		1.00	
56	300,315	Water & Wastewater	W&P - Water Operations	Journey Water Systems Operator		78,552		1.00	
57	300	Water	W&P - Water Treatment Plant	Plant Operator D		70,642		1.00	
<b>Subtotal - Non-General Fund</b>					<b>1,772,491</b>	<b>1,522,411</b>	<b>0</b>	<b>9.78</b>	<b>0.00</b>
Total One-Time and Reoccurring Net of Revenue					3,294,902				
<b>Total - All Funds</b>					<b>2,178,527</b>	<b>3,245,672</b>	<b>43,800</b>	<b>20.03</b>	<b>0.00</b>



## Attachment 5

### DRAFT 2018-2027 Capital Improvement Program (CIP) Council Special Projects (CSP) Reserve Summary

Updated: 8/29/2017

**Background:**

- 2.5% of Property, Sales, and Use Taxes is set aside for Council Special Projects (CSP).
- CSP is a Reserve within the General Fund (it is not currently a separate fund).
- A Reserve is an account used to segregate and set aside a portion of fund balance for some future purpose. Reserves are not budgeted. City Council approval is required before expending any reserves.
- Once City Council approves CSP funding for a given item, the approved amount is backed out of the available reserve, the available reserve decreases, and total appropriated expenditures increases.
- Any unappropriated portion of the dedicated 2.5% of Property, Sales, and Use Taxes is held in Reserve for future use by City Council.
- City staff may make funding recommendations, however, it is City Council's decision how these funds are to be used.
- Staff is recommending that three 2018 Decision Package requests be funded by the CSP Reserve. They are all one-time operating expenditures related to City Council priorities.

Council Special Projects Fund	2016 Actual	2017 Adopted	2017 Revised	2018 Proposed	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
1 <b>Beginning Reserve Balance</b>	4,019,009	1,578,645	3,776,312	846,813	1,880,601	995,083	1,620,630	2,249,924	3,434,577	5,169,553	7,010,706	8,900,215	10,851,436
2 Annual Council Special Projects Revenue <i>(2.5% of Property, Sales, and Use Taxes)</i>	1,450,792	1,440,838	1,511,427	1,565,788	1,614,482	1,625,547	1,629,294	1,684,653	1,734,976	1,841,153	1,889,509	1,951,221	2,003,000
3 <b>Total Resources</b>	<b>5,469,801</b>	<b>3,019,483</b>	<b>5,287,739</b>	<b>2,412,601</b>	<b>3,495,083</b>	<b>2,620,630</b>	<b>3,249,924</b>	<b>3,934,577</b>	<b>5,169,553</b>	<b>7,010,706</b>	<b>8,900,215</b>	<b>10,851,436</b>	<b>12,854,436</b>
<b>2017-2027 Council Special Projects</b>													
4 <i>Affordable Housing</i>	-	400,000	400,000	-	-	-	-	-	-	-	-	-	-
5 <i>Edison Welding Institute (EWI) Incentive</i>	500,000	500,000	500,000	-	-	-	-	-	-	-	-	-	-
6 <i>Larimer Food Bank Capital Request (ORDINANCE NO. 6112)</i>	-	-	500,000	-	-	-	-	-	-	-	-	-	-
7 <i>Pulliam Building - Phase I (ORDINANCE NO. 6084)</i>	-	-	1,500,000	-	-	-	-	-	-	-	-	-	-
8 <i>Pulliam Building - Phase II</i>	-	-	-	-	-	1,000,000	1,000,000	500,000	-	-	-	-	-
9 <i>The Foundry</i>	1,193,489	1,000,000	1,540,926	-	-	-	-	-	-	-	-	-	-
10 <i>CDOT Projects - 402 at I-25 Interchange &amp; US Bridge Over I-25</i>	-	-	-	-	2,000,000	-	-	-	-	-	-	-	-
11 <i>US 34 Westbound Widening - Denver to Boyd Lake</i>	-	-	-	-	500,000	-	-	-	-	-	-	-	-
12 <i>2018 Decision Package - Contract Foundry Project Manager</i>	-	-	-	180,000	-	-	-	-	-	-	-	-	-
13 <i>2018 Decision Package - HIP Streets Infrastructure Assessment</i>	-	-	-	200,000	-	-	-	-	-	-	-	-	-
14 <i>2018 Decision Package - Downtown Assessment Improvement</i>	-	-	-	152,000	-	-	-	-	-	-	-	-	-
15 <b>Subtotal - Council Special Projects</b>	<b>1,693,489</b>	<b>1,900,000</b>	<b>4,440,926</b>	<b>532,000</b>	<b>2,500,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
16 <b>Ending Reserve Balance</b>	<b>3,776,312</b>	<b>1,119,483</b>	<b>846,813</b>	<b>1,880,601</b>	<b>995,083</b>	<b>1,620,630</b>	<b>2,249,924</b>	<b>3,434,577</b>	<b>5,169,553</b>	<b>7,010,706</b>	<b>8,900,215</b>	<b>10,851,436</b>	<b>12,854,436</b>

DRAFT 2018-2027 Capital Improvement Program (CIP)

Attachment 6

Project Balancing Worksheet

(Projects Wholly or Partially Funded by the General Fund - including TABOR Excess and Council Special Projects)

Final for 2018 DRAFT Budget

Updated 8/28/17

Color/Font Coding Key:

- Red Font Project on City Council's Priority List from City Council Retreat on January 28, 2017
- Italics** Project included in Additional Transportation CIP Priorities from September 8, 2015
- Green Font New Project Submitted for 2018-2027 CIP Planning Process
- Blue Font Project included in 2017-2026 CIP with changes
- Black Font Project included in 2017-2026 CIP without changes

TABOR Reserve & General Fund Capital Revenue	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Estimated General Fund Balance for Capital Projects	7,232,302	5,500,000	4,000,000	2,500,000	3,000,000	4,000,000	6,000,000	5,000,000	4,500,000	6,000,000	47,732,302
TABOR Reserve Funding	768,328	-	-	-	-	-	-	-	-	-	768,328
Council Special Projects Reserve Funding - Pulliam Building (Phase II)	-	-	1,000,000	1,000,000	500,000	-	-	-	-	-	2,500,000
Council Special Projects Reserve Funding - CDOT Projects - 402 At I-25 Interchange & US 34 Bridge Over I-25	-	2,000,000	-	-	-	-	-	-	-	-	2,000,000
Council Special Projects Reserve Funding - US 34 Westbound Widening - Denver to Boyd Lake	-	500,000	-	-	-	-	-	-	-	-	500,000
Additional Funding through Project De-appropriations (GF = \$455,470, TABOR = \$1,132,836)	1,588,306	-	-	-	-	-	-	-	-	-	1,588,306
<b>Total Revenue</b>	<b>9,588,936</b>	<b>8,000,000</b>	<b>5,000,000</b>	<b>3,500,000</b>	<b>3,500,000</b>	<b>4,000,000</b>	<b>6,000,000</b>	<b>5,000,000</b>	<b>4,500,000</b>	<b>6,000,000</b>	<b>55,088,936</b>

Priority #	Prerequisite Projects	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
1	TRAN - I-25 Widening Grant Match (#1)	500,000	1,000,000	-	-	-	-	-	-	-	-	\$ 1,500,000
2	TRAN - CDOT Projects - 402 at I-25 Interchange & US34 Bridge over I-25 (#2)	2,000,000	2,000,000	-	-	-	-	-	-	-	-	\$ 4,000,000
6	FAC - Pulliam Building (Phase II)	-	-	1,000,000	1,000,000	500,000	-	-	-	-	-	\$ 2,500,000
7	TRAN - Mill Levy Pass-Through to Larimer County	200,000	200,000	200,000	200,000	-	-	-	-	-	-	\$ 800,000
24	TRAN - Developer Reimbursements	10,000	16,000	16,000	9,800	-	-	-	-	-	-	\$ 61,800
30	FIN - The Foundry - Certificates of Participation (COP) Payments (2018 amount is for 1% for the Arts)	176,763	-	313,025	89,770	71,064	61,613	36,325	25,365	2,469	-	\$ 776,394
<b>Total - Prerequisite Projects Expenditures</b>		<b>2,886,763</b>	<b>3,226,000</b>	<b>1,529,025</b>	<b>1,299,570</b>	<b>571,064</b>	<b>61,613</b>	<b>36,325</b>	<b>25,365</b>	<b>2,469</b>	<b>-</b>	<b>9,638,194</b>

<b>Remaining Revenue (Total Revenue less Prerequisite Project Expenditures)</b>	<b>6,702,173</b>	<b>4,774,000</b>	<b>3,470,975</b>	<b>2,200,430</b>	<b>2,928,936</b>	<b>3,938,387</b>	<b>5,963,675</b>	<b>4,974,635</b>	<b>4,497,531</b>	<b>6,000,000</b>	<b>45,450,742</b>
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<b>Remaining Capital Project Expenditures</b>	<b>6,702,173</b>	<b>5,497,286</b>	<b>3,167,714</b>	<b>6,746,624</b>	<b>4,651,099</b>	<b>5,232,563</b>	<b>8,176,277</b>	<b>5,181,412</b>	<b>4,518,409</b>	<b>5,425,468</b>	<b>55,299,024</b>
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<b>Surplus/(Deficit) - Target of \$0 or Above Across All Ten Years = Balanced CIP</b>	<b>-</b>	<b>(723,286)</b>	<b>303,261</b>	<b>(4,546,194)</b>	<b>(1,722,163)</b>	<b>(1,294,176)</b>	<b>(2,212,602)</b>	<b>(206,777)</b>	<b>(20,878)</b>	<b>574,532</b>	<b>(9,848,282)</b>
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Priority #	Projects Included in 2018 DRAFT Budget	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
3	TRAN - Annual Bridge Maintenance	163,811	171,752	179,947	188,380	197,066	306,862	316,078	325,569	335,345	345,414	\$ 2,530,224
4	P&R - Viestenz-Smith Mountain Park (Phase II)	909,000	-	-	-	-	-	-	-	-	-	\$ 909,000
5	PD - Police Regional Training Facility (RTC)	3,089,623	-	-	-	-	-	-	-	-	-	\$ 3,089,623
8	P&R - ADA Facility Updates	100,000	300,000	300,000	300,000	300,000	200,000	-	-	-	-	\$ 1,500,000
9	TRAN - Annual Bike, PED and ADA Ramps	100,000	100,000	100,000	130,000	150,000	212,195	218,519	225,086	231,849	238,815	\$ 1,706,464
10	TRAN - Annual Traffic Fiber & Signals Program	23,418	25,057	26,811	28,688	30,696	32,845	35,144	37,604	40,236	43,053	\$ 323,552
11	TRAN - Safe Routes to School - West 4th Street Bicycle & Pedestrian Improvements (#9) (w/TSD) <sup>1</sup>	49,350	-	-	-	-	-	-	-	-	-	\$ 49,350
13	FAC - Annual Facility Major Maintenance	700,000	700,000	700,000	713,060	755,490	922,490	944,490	817,650	772,650	777,700	\$ 7,803,530
14	TRAN - US 34 Eastbound Widening - Denver to Boyd Lake (#5)	-	-	200,000	2,822,820	-	-	-	-	-	-	\$ 3,022,820
15	TRAN - US 34 Westbound Widening - Denver to Boyd Lake (#4)	-	2,525,000	-	-	-	-	-	-	-	-	\$ 2,525,000
16	TRAN - Annual Extended Projects	50,500	50,500	50,500	50,500	202,000	202,000	202,000	202,000	202,000	202,000	\$ 1,414,000
18	TRAN - Citywide Traffic Signal Left Turns/Flashing Yellow Arrows (#12)	53,000	-	-	-	-	-	-	-	-	-	\$ 53,000
19	TRAN - Street Rehabilitation - Annual Concrete Rehabilitation	276,651	207,373	380,313	393,789	407,722	422,130	437,025	454,715	473,036	492,010	\$ 3,944,764
20	TRAN - Street Rehabilitation - Annual Street Resurfacing	300,000	300,000	500,000	800,000	1,000,000	1,805,575	1,869,297	1,944,970	2,023,345	2,104,511	\$ 12,647,698
21	CORD - State Highway 402 Corridor Plan	100,000	100,000	-	-	-	-	-	-	-	-	\$ 200,000
23	TRAN - Annual Bike Route Signing & Striping	10,000	10,000	10,000	10,000	17,500	17,500	17,500	17,500	17,500	17,500	\$ 145,000
25	TRAN - Street Rehabilitation - Annual Alley Rehabilitation	75,000	75,000	100,000	100,000	205,368	211,506	217,828	224,341	231,049	237,958	\$ 1,678,050
26	TRAN - Street Rehabilitation - Biannual Street Reconstruction (Odd Years Only)	60,000	600,000	60,000	600,000	60,000	782,202	60,000	805,668	60,000	829,837	\$ 3,917,707
29	TRAN - Street Rehabilitation - Annual Cul-de-Sac Repair	76,847	57,604	105,642	109,386	113,257	117,258	121,396	126,310	131,399	136,670	\$ 1,095,768
34	TRAN - 57th Street Rehabilitation - Wilson Avenue to Taft Avenue (#15)	-	-	-	-	-	-	3,737,000	-	-	-	\$ 3,737,000
35	TRAN - Taft Avenue & Eisenhower Blvd. Intersection Improvements	-	-	-	500,000	1,212,000	-	-	-	-	-	\$ 1,712,000
38	TRAN - 29th and Madison Intersection Improvements	-	50,000	454,500	-	-	-	-	-	-	-	\$ 504,500
39	TRAN - 37th & Monroe Intersection Improvements (#11)	504,500	-	-	-	-	-	-	-	-	-	\$ 504,500
42	TRAN - Boyd Lake and 15th Street Intersection Area Improvements (#7)	-	225,000	-	-	-	-	-	-	-	-	\$ 225,000
43	FIN - Customer Information System (CIS) Replacement	60,473	-	-	-	-	-	-	-	-	-	\$ 60,473
<b>Total Remaining Capital Project Expenditures</b>		<b>6,702,173</b>	<b>5,497,286</b>	<b>3,167,714</b>	<b>6,746,624</b>	<b>4,651,099</b>	<b>5,232,563</b>	<b>8,176,277</b>	<b>5,181,412</b>	<b>4,518,409</b>	<b>5,425,468</b>	<b>55,299,024</b>

Projects Added to Horizon Projects List

12	FAC - North Transit Center (NTC)	250,000	1,020,000	-	-	-	-	-	-	-	-	\$ 1,270,000
27	P&R - Civic Center Landscape Improvements	50,000	-	353,500	-	-	-	-	-	-	-	\$ 403,500
28	TRAN - Street Rehabilitation - Annual Concrete Repair Cost Share	70,700	72,821	75,006	77,256	79,574	81,960	84,420	86,952	89,561	92,247	\$ 810,497
41	TRAN - 57th Street & Taft Avenue Intersection Improvements	503,500	-	-	-	-	-	-	-	-	-	\$ 503,500
22	TRAN - US 34 Eastbound & Westbound Widening - Boyd Lake to Rocky Mountain (#6)	-	-	300,000	500,000	-	-	-	-	-	-	\$ 800,000
17	FAC - Fuel Island Replacement	20,000	989,800	-	-	-	-	-	-	-	-	\$ 1,009,800
31	LFRA - Fire Station 3 Replacement	-	-	-	-	-	-	-	3,639,271	-	-	\$ 3,639,271
32	LFRA - Fire Station 5 Replacement	-	-	-	-	-	-	1,991,676	-	-	-	\$ 1,991,676
33	LFRA - Fire Training Center (FTC)	932,575	-	-	-	-	-	-	-	-	-	\$ 932,575
36	CUL - Museum Expansion	-	-	-	-	-	-	-	-	418,537	-	\$ 418,537
37	CORD - Hwy 34 & US287 Integration Minor Improvements (#14) (287 Strategic Plan Implementation)	-	201,500	-	-	-	-	-	-	-	-	\$ 201,500
44	TRAN - Cleveland Avenue Traffic Calming 1st to 7th (#13 & #14)	475,000	4,797,500	-	-	-	-	-	-	-	-	\$ 5,272,500
45	TRAN - CR 30 (71st Street) Improvements - Boyd Lake to W. I-25 Frontage Road (#16)	-	-	-	450,000	-	-	-	-	-	-	\$ 450,000
46	P&R - East Lake Loveland Pedestrian/Walkway Improvements (#17)	75,000	505,000	-	-	-	-	-	-	-	-	\$ 580,000
47	TRAN - North Boise Avenue Traffic Calming - US 34 to Park Drive (#18)	111,000	1,998,000	-	-	-	-	-	-	-	-	\$ 2,109,000
<b>Total</b>		<b>2,487,775</b>	<b>9,584,621</b>	<b>728,506</b>	<b>1,027,256</b>	<b>79,574</b>	<b>81,960</b>	<b>2,076,096</b>	<b>3,726,223</b>	<b>508,098</b>	<b>92,247</b>	<b>20,392,356</b>

Note: TRAN - 37th Street Improvements - US 287 to Lincoln Project removed; this project is fully funded by the Streets CEF Fund (\$430,000 in 2018 and \$1,727,100 in 2019) and does not require any General Fund resources