

# 2019 Draft Financial Master Plan & Draft 2019-2028 CIP

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# Agenda

- Review Draft Financial Master Plan (FMP)
  - 2017 Year-End Fiscal Position
  - 2018 Revised Budget
  - 2019 Budget Planning
- Review Draft 2019-2028 Capital Improvement Program (CIP)
  - Project scoring and prioritization
  - Balancing efforts
  - CFAC Feedback
- Next steps of 2019 budget development
- City Council questions and feedback

# 2017 Year-End Fiscal Position

## Summary of 2017 Financial Results

- The City ended 2017 with total assets of \$1,150,809,750 and total liabilities of \$95,603,789, ending the year with total net assets of \$1,055,451,939.
- Within the Governmental Fund types, revenues totaled \$140,296,682 and operating expenses totaled \$118,698,437, for a net operating revenue excess of \$21,598,245 (excluding transfers).

# 2018 Revised Budget

- 2017 Ending Fund Balance pulled forward for 2018 Revised Beginning Fund Balance
- 2018 Revised Budget column effective 5/1/18; will update once more to be effective 7/1/18 prior to finalizing Draft 2019 Budget
- Estimated 2019 Beginning Fund Balance lower than in recent history
- 2018 Estimated Ending Fund Balance = \$xxx
- 2018 Estimated Operating Budget Ratio = x.xx

# 2019 Budget Planning

- Shaping up to be a tight budget year!
- Departments asked to identify savings that can be reallocated to meet another need within the department in lieu of submitting a Decision Package Request
- Futures List developed to track unfunded O&M needs
- Personnel budgeted at position record level for benefitted FTEs
- 2.75% merit pool and 0.25% City Manager approved increases pool
- Continuing to monitor trends for revenue projections

# CIP Plan Type Matrix

## Service Areas

### Traditionally Funded Plan (General Fund Agencies)

- Transportation – new construction
- Transportation – street rehabilitation
- Facilities Maintenance
- Parks & Recreation
- Police – equipment, facility, and technology needs
- New amenities
- Replacement of major equipment

Funded  
By  
→

## Revenue Sources

- TABOR Excess Revenue
- Council Special Projects Fund
- General Fund Transfers
- Highway Users Tax Fund (HUTF)
- Transportation Maintenance Fee
- Special Revenue Funds (Conservation Trust, Park Improvement, Larimer County Open Space)
- Capital Expansion Fees
- Outside Revenue (Grants, Donations, etc.)

## Service Areas

### Enterprise Funded Plans

- Water
- Raw Water
- Wastewater
- Power
- Stormwater
- Solid Waste
- Golf

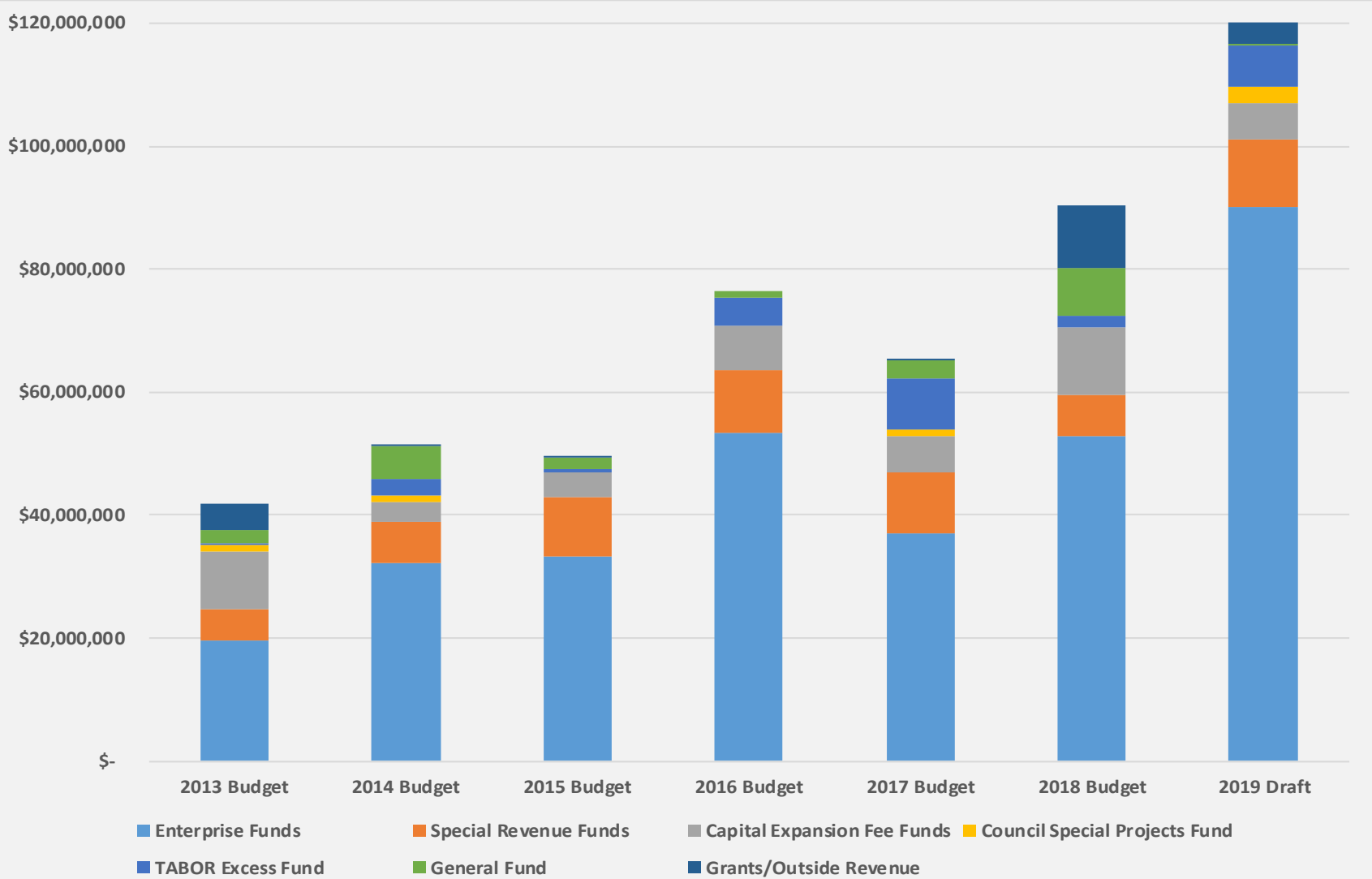
Funded  
By  
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## Revenue Sources

- System Impact Fees (SIFs)
- Plant Investment Fees (PIFs)
- Enterprise Fund Balances
- Outside Revenue (Grants)
- Reimbursements (Federal Agencies)
- External Borrowing

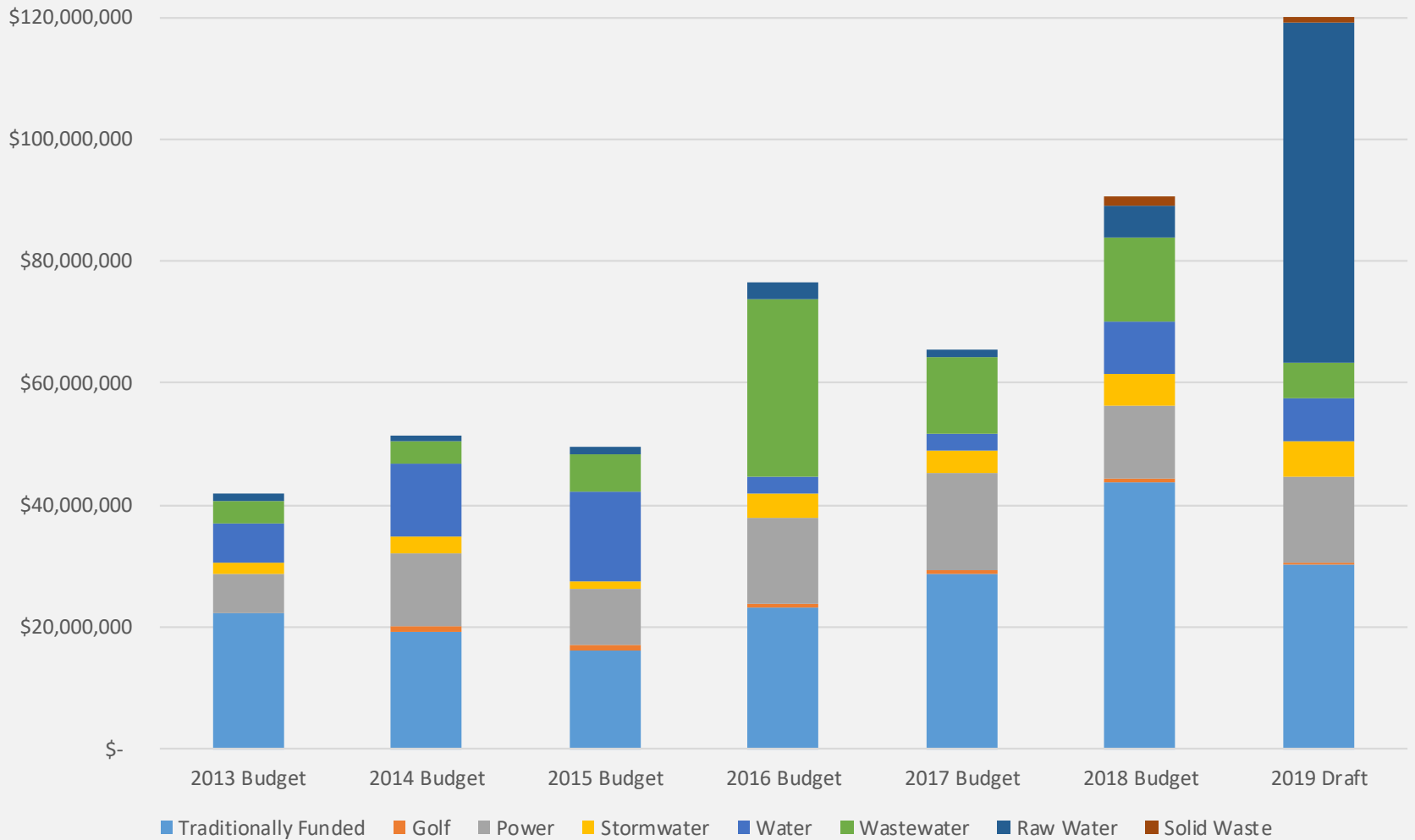
# CIP Funding Sources

## Historical Revenue View



# CIP Expenditures by Plan Type

Historical Expenditure View





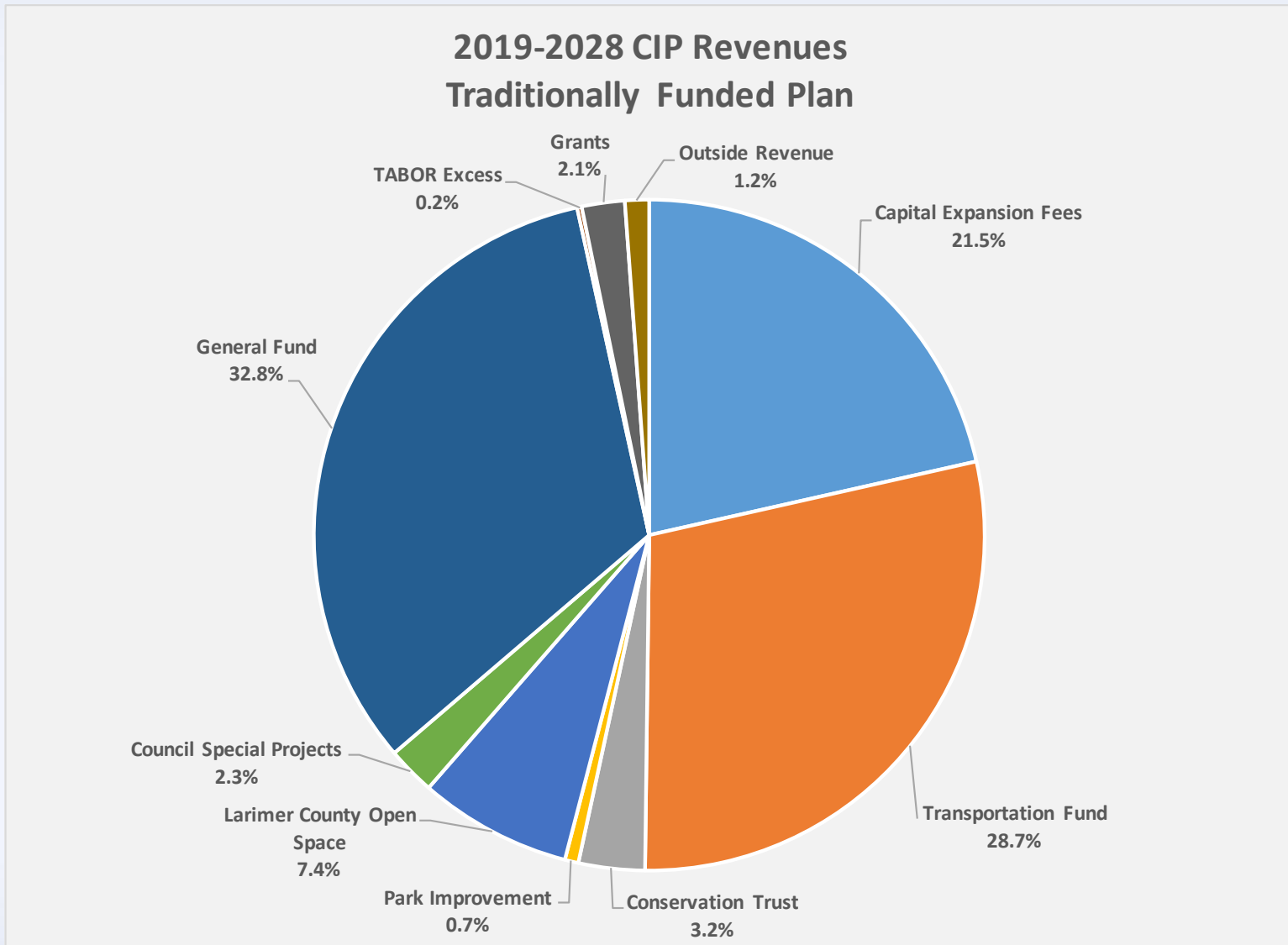
# 2019-2028 CIP Summary

The total Draft 2019-2018 CIP is summarized below by plan type.

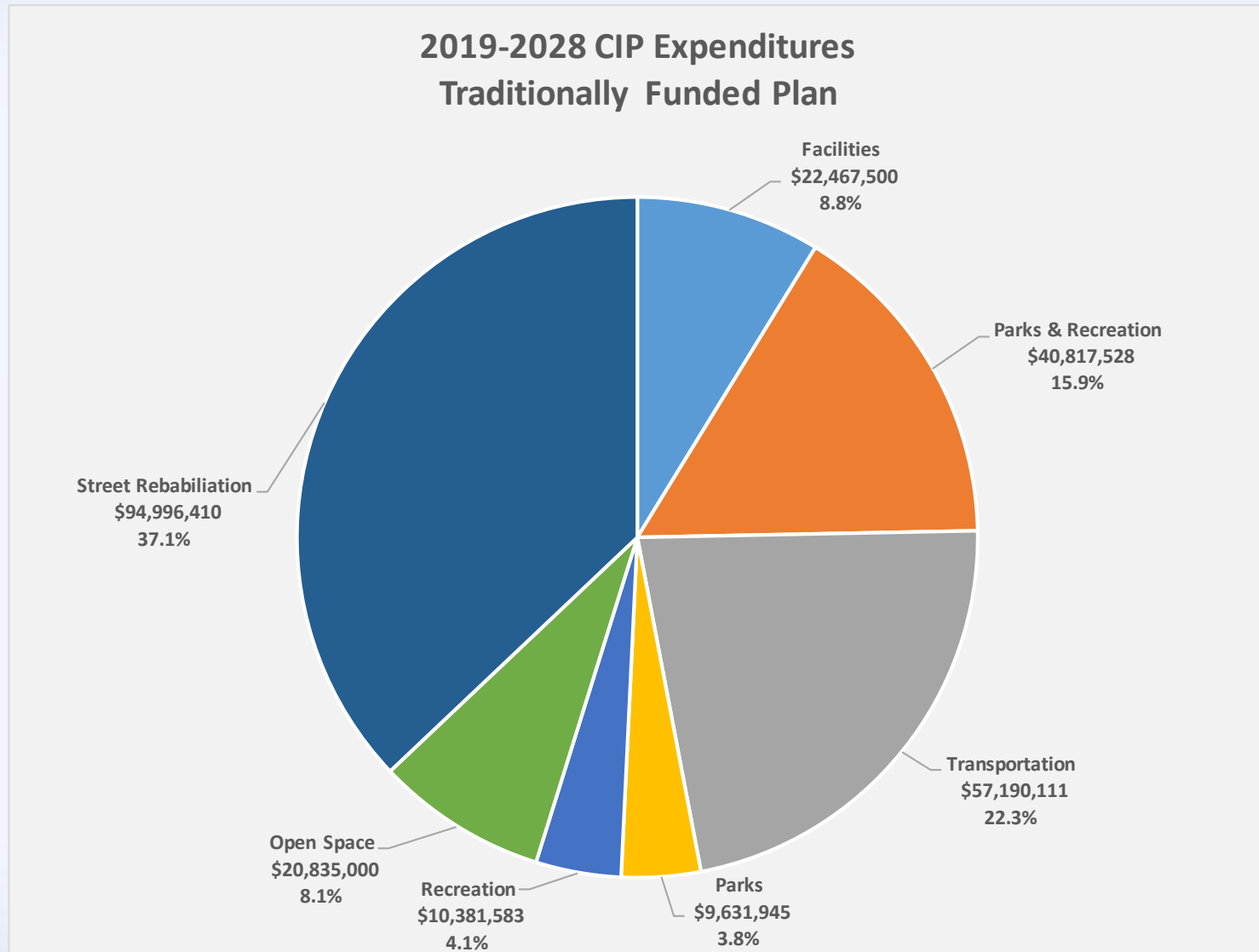
Plan Type	2019	2020	2021	2022	2023	2024-2028	Total
<b>Traditionally Funded</b>	30,083,346	20,047,431	24,086,261	22,782,287	15,258,703	103,213,521	215,471,549
<b>Water Utility</b>	7,185,620	12,262,867	4,757,165	7,817,663	8,672,586	61,968,339	102,664,240
<b>Raw Water Utility</b>	55,817,000	1,212,430	692,290	728,520	-	-	58,450,240
<b>Wastewater Utility</b>	5,665,430	3,741,828	4,903,940	15,011,350	4,712,494	43,782,806	77,817,848
<b>Power Utility</b>	14,246,953	10,986,907	15,930,724	13,408,889	14,062,334	96,701,729	165,337,536
<b>Stormwater Utility</b>	5,638,950	6,182,145	4,052,878	4,025,300	5,274,570	17,430,450	42,604,293
<b>Solid Waste Utility</b>	1,126,000	441,726	-	1,136,554	1,159,284	5,210,288	9,073,852
<b>Golf Enterprise</b>	423,710	615,827	2,471,808	508,754	352,467	1,337,195	5,709,761
<b>Total</b>	<b>\$120,187,009</b>	<b>\$ 55,491,161</b>	<b>\$ 56,895,066</b>	<b>\$ 65,419,317</b>	<b>\$ 49,492,438</b>	<b>\$ 329,644,328</b>	<b>\$ 677,129,319</b>

Note: In 2019, \$55.5 million of the \$55.8 million detailed above for the Raw Water Enterprise is related to the Windy Gap Firing project

# Traditionally Funded Revenues



# 11 Traditionally Funded Expenditures



# 2019 Major Capital Projects

Plan Type	Major Capital Projects (\$1 million or greater)	2019 Amount
Traditionally Funded	FAC - North Transit Center (NTC)	\$ 2,265,000
Traditionally Funded	P&R - Open Lands Acquisitions & Development	\$ 1,545,000
Traditionally Funded	P&R - Recreation Trails	\$ 4,230,497
Traditionally Funded	TRANS - 37th Street Improvements - US287 to Lincoln	\$ 1,727,100
Traditionally Funded	TRANS - CDOT I-25 Widening Grant Match	\$ 1,000,000
Traditionally Funded	TRANS - CDOT Projects - I-25 Companion Projects	\$ 2,000,000
Traditionally Funded	TRANS - Rehab - Street Rehabilitation Program	\$ 7,209,180
Traditionally Funded	TRANS - US34 WB - Denver to Boyd Lake	\$ 4,031,350
Power Utility	PWR - Capital Blanket Projects	\$ 1,441,850
Power Utility	PWR - Customer Aid to Construction	\$ 1,260,000
Stormwater Utility	SWA - 29th & Monroe Outfall (Phase 2 - Dry Creek)	\$ 1,196,850
Stormwater Utility	SWA - Dry Creek at 37th Street Improvements	\$ 1,777,600
Water Utility	WA - P2 Water Pump Station & Discharge Piping	\$ 3,805,620
Wastewater Utility	WW - WWTP New Water Quality Lab	\$ 5,400,000
Raw Water Utility	RW - Windy Gap Firming Project	\$ 55,560,000

# Horizon Projects List

Unfunded projects not included in the 2019-2028 CIP

Capital Program Plan Type	Project	Total Estimated Cost	Funding Sources			Remaining Unfunded Amount
			City Resources	Outside Revenue (Donations, Grants, etc.)	Total Available Funds	
Traditionally Funded	Corridor Planning	\$ 166,978,450	\$ -	\$ -	\$ -	\$ 166,978,450
Traditionally Funded	Cultural Services	22,000,000	4,877,711	-	4,877,711	17,122,289
Traditionally Funded	Development Services	750,000	-	-	-	750,000
Traditionally Funded	Equipment	1,106,000	-	-	-	1,106,000
Traditionally Funded	Facilities	14,401,750	-	-	-	14,401,750
Traditionally Funded	Loveland Fire Rescue	8,500,000	-	-	-	8,500,000
Traditionally Funded	Library	23,262,600	4,440,000	-	4,440,000	18,822,600
Traditionally Funded	Parks & Recreation	89,372,070	21,050,932	-	21,050,932	68,321,138
Traditionally Funded	Transportation	58,289,735	6,759,820	-	6,759,820	51,529,915
Golf Enterprise	Golf	1,500,000	-	-	-	1,500,000
Stormwater Utility	Stormwater	18,220,000	-	6,180,500	-	18,220,000
<b>Total</b>		<b>\$ 404,380,605</b>	<b>\$ 37,128,463</b>	<b>\$ 6,180,500</b>	<b>\$ 37,128,463</b>	<b>\$ 367,252,142</b>

# What's Next?

- **6/12/18** – City Council Study Session – Review of Draft 2019-2028 CIP and Draft Financial Master Plan
- **8/8/18** – CFAC Meeting – Present Draft 2019 Budget
- **8/22/18** – CFAC Meeting – Receive Feedback Regarding Draft 2019 Budget
- **8/28/18** – City Council Study Session – Review of Employee Benefits & Employee Benefits Fund
- **9/11/18** – City Council Study Session – Review Draft 2019 Budget
- **10/2/18** – First Reading and Public Hearing of 2019 Budget
- **10/16/18** – Second Reading, Public Hearing, and Anticipated Adoption of 2019 Budget

# City Council Feedback

- Answer any remaining questions
- Seek any additional guidance
- Clarify action items
- Determine method of follow-up (staff memorandum, etc.)