

Adopted 2008 BUDGET Book



*City of Loveland,
Colorado*



A vibrant community...
Surrounded by natural
beauty...
Where you belong.

Loveland is a community -
that is characterized by welcoming neighborhoods and a sense of
individual belonging;

that embraces the heritage and natural beauty of the region and
values its strategic location;

that is well planned and environmentally sensitive, where all citizens
are safe and secure and have equal access to services and amenities,
including plentiful recreational and cultural activities;

with an integrated system of technology, utility and transportation
networks that supports a vital economy and coordinates with regional plans;

that is a continuously developing partnership of citizens, business and
educational communities, with a stable and diverse economic base that offers
ample employment and business opportunities to all;

that encourages active public involvement and is responsive to the
needs of its citizens.

The photos in this document highlight many of the
interesting places to visit in downtown Loveland.

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Distinguished Budget Presentation Award

The Government Finance Officers Association (GFOA) of the United States and Canada presented an award of Distinguished Presentation to the City of Loveland for its annual budget for the fiscal year beginning January 1, 2007.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



Using the Budget Document

The City of Loveland Budget provides City residents and the City Council with a funding plan for the year 2008. The Department Summaries Section is organized by function (i.e. Development Services) which mirrors the City's departmental organization chart, and is further separated by divisions, which represent discrete activities within a department.

The department and division summaries provide historical cost information along with the 2007 Adopted Budget, current budget as of June 30, 2007, and Recommended Budget. Revenues that are attributed to a department are also presented. Included in this section are concise explanations of changes that have occurred from the 2007 Adopted Budget. **"Budget Variances"** are increases or decreases to the base budget due to operational changes or other known factors. **"Normal Increases/Decreases"** represent the increase or decrease due to the pay plan, inflation factors, or transfers between categories (i.e. from supplies to purchased services). *Please note that all variances are comparisons between the Recommended Budget and the 2007 Adopted Budget.* **"Supplements"** are increases from the 2007 Adopted Budget which are required to maintain existing services levels (noted as workload), provide new services (noted as improvement), or as required by state or federal law (noted as mandated). **"Cost Reductions"** are reductions to the budget due to decisions to decrease services and/or improve the efficiency and effectiveness of providing the service.

Included with the cost information is the department's mission statement, descriptions of the program objectives for the coming year, along with measures which show the effectiveness or "outcome" of the programs.

References are made in the Department Summaries to the Capital Program, which is included in a separate section of the budget document. Appropriations in the Capital Program for 2008, with the exception of General Fund agencies, are included within a department's budget. The future years are approved by the City Council in concept only. The Capital Program is updated annually based on Council priorities and goals.

The City of Loveland Budget is a comprehensive decision-making document, designed to present an accurate description of how the City operates, its policies, goals and services provided.

For the answer to questions regarding the budget or for additional information, please call the Budget Division at (970) 962-2329.

Budget Guide

This budget guide is a summary of the information contained in each section of the budget document. There are seven main sections: Introduction, Budget Overview, Financial Master Plan, Fund Summaries, Department Summaries, Capital Program and Glossary and Appendix.

Introduction

This section provides general information about the City. It includes:

- a City organizational chart;
- a list of the City officials;
- demographic and economic information;
- a summary of the budget process;
- the underlying policies and rules that guide and shape the budget; and
- a brief description of each fund type.

Budget Overview

The City's total proposed budget and summaries of each fund type are presented in this section. It shows the City's total proposed budget summary in both gross and net form and a discussion of the major revenues and expenses, and major factors that will impact both revenues and expenses and a debt service summary.

The Financial Master Plan forecasts revenues and expenditures for the General Fund for the next five years, with discussion on the forecast assumptions and projected impacts.

The Fund Summaries Section displays the four fund major types compiled in gross amount form showing the primary services provided and the major sources of revenue. This section also includes:

- a list of full-time equivalent positions by department/division;
- a summary of all fund balances by fund; and
- the impact of Amendment 1 (TABOR) restrictions on the City's budget.

Department Summaries

This section details revenues and operating expenditures for all departments. Descriptions of each department, its mission and goals, measurements to quantify the effectiveness or "outcome" of the program, a summary of authorized positions, revenue attributable to the departments and any significant changes in departmental budgets are included.

Capital Program

This section contains the 5-Year Capital Program for the City. It describes the major 2008 projects and their financial impact on the operating budget.

Glossary & Appendix

This section contains a list of specialized words used within this document with their definitions and a collection of supplementary material used throughout this document.

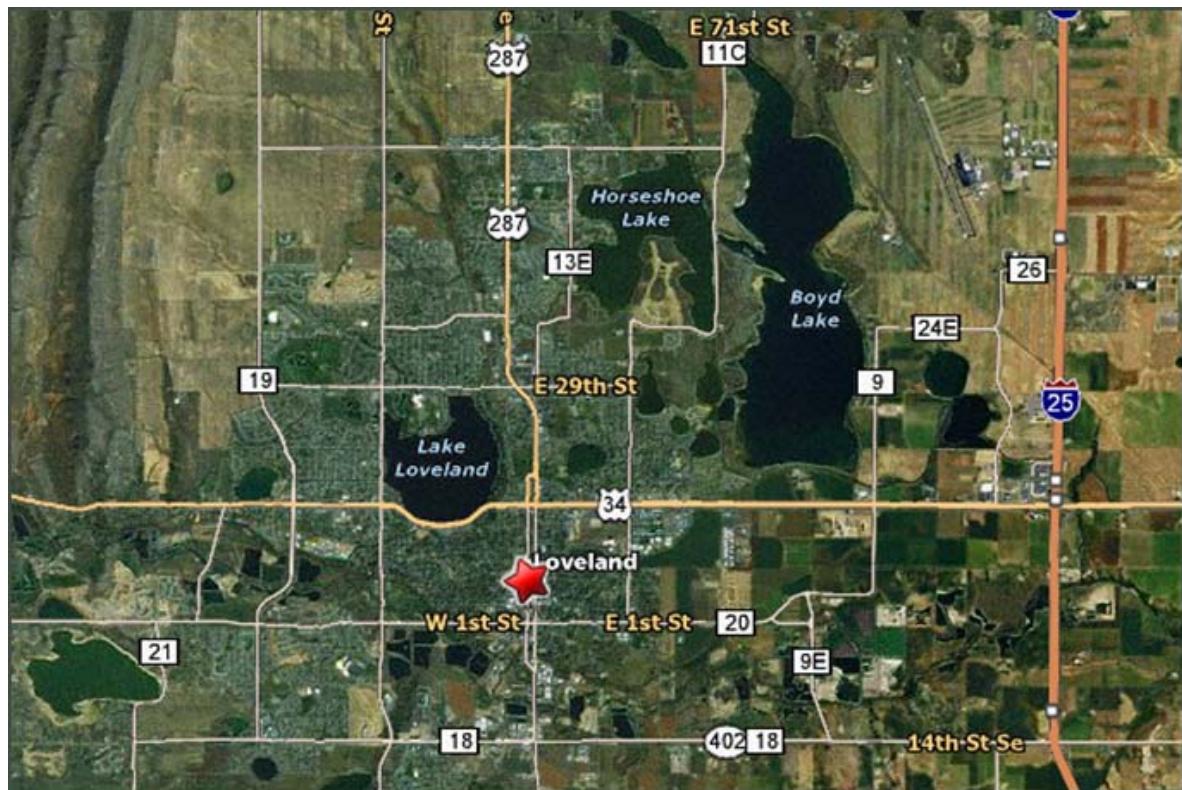
INTRODUCTION

This section provides general information about the City. It includes:

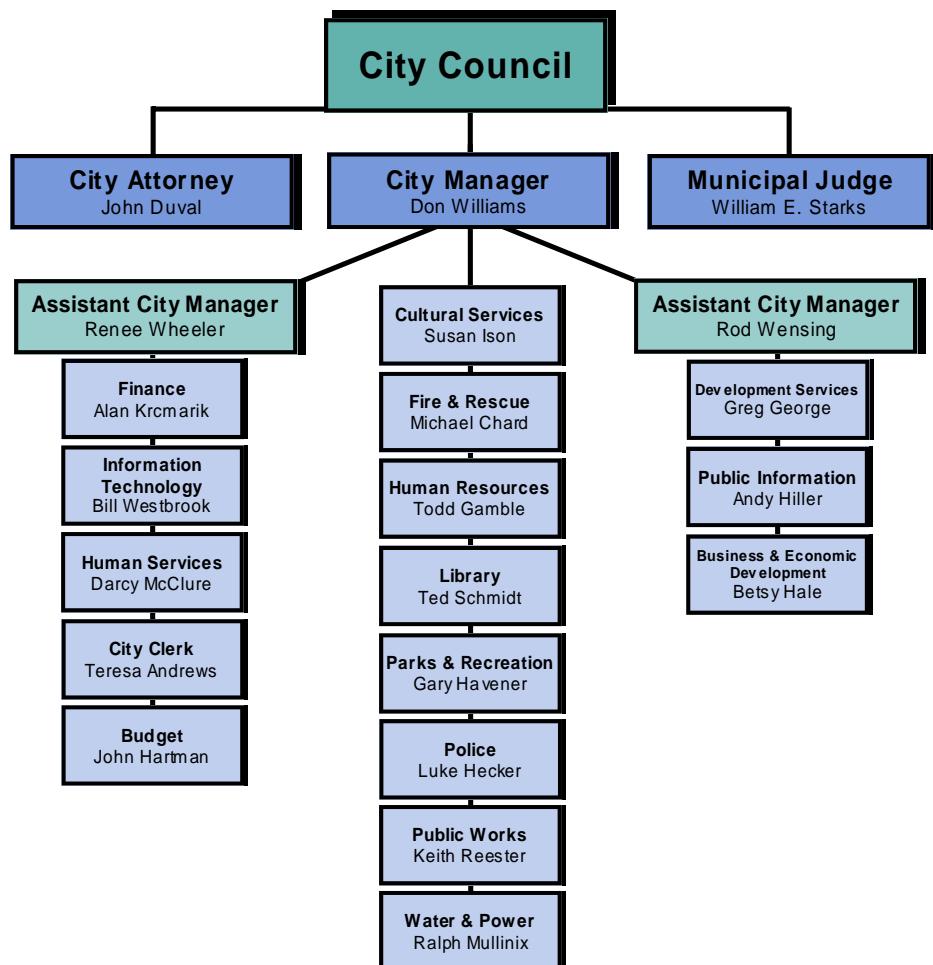
- A City organizational chart;
- A list of City officials;
- Demographics and economic information;
- A summary of the budget process;
- The underlying policies and the rules that guide and shape the budget; and,
- A brief description of each fund type.



City of Loveland, Colorado City Limits



City of Loveland Organizational Structure



Loveland Boards & Commissions

Citizens' Finance Advisory Commission (See pg. 1-6)

Amy Parsons, Chair
 Andrew Moore, Vice Chair
 Tony Adams
 Elton Bingham
 Gene Culbertson
 Michael Hesse
 Kevan McNaught
 Jodi Radke
 Susan Sutherland

Affordable Housing Commission
 Citizens' Finance Advisory Commission
 Communications Technologies Commission
 Construction Advisory Board
 Cultural Services Board
 Disabilities Advisory Commission
 Employee Pension Board
 Fire and Rescue Advisory Commission
 Golf Advisory Board
 Historic Preservation Commission
 Housing Authority

Human Services Commission
 Library Board
 Loveland Utilities Commission
 Open Lands Advisory Commission
 Parks and Recreation Commission
 Planning Commission
 Police Citizen Advisory Board
 Senior Advisory Board
 Transportation Advisory Board
 Visual Arts Commission
 Youth Advisory Commission

General Information

History and Location

The City of Loveland, Colorado, is located approximately 50 miles north of Denver, directly east of the Big Thompson River's emergence from the Front Range of the Rocky Mountains. Situated in southeastern Larimer County, the City limits encompass 30.83 square miles and an estimated current population of 67,632. Loveland is the thirteenth largest city in the state of Colorado.

Demographics

Loveland's population is older, with a median age of 36 in 2000, than Larimer County, the State, and the national averages at 33.2, 34.3, and 35.3 respectively. People 65 years of age or older represented 12.5% of Loveland's total population in 2000. By comparison, the percentage of persons 65 years or older in Larimer County, the State, and the nation were 12.4%, 9.7%, and 9.3% respectively. However, there is an indication that this trend may change. Persons under 18 years of age represented 26.9% of Loveland's total population in 2000. By comparison, the percentage of persons under 18 years of age in Larimer County, the State, and the nation were 23.4%, 25.6%, and 25.7% respectively.

The City's population is 20.1% of Larimer County's total population. The City has experienced an annual population growth rate of 2.64% since 1990. However, the number of persons per household has declined since 1990. In 2000, the average number of persons per household was 2.55, compared to 2.62 in 1990.

Economics

Unemployment Rate for July 2007 (Not seasonally adjusted):

Loveland	2.9%	Larimer County	3.3%
Colorado	3.8%	United States	4.6%

Major Employers in Loveland by Employee Total (2007)

Thompson School District.....	2,232
Wal-Mart Distribution Center	1,225
Hach Company	1,100
McKee Medical Center.....	950
City of Loveland.....	814
Agilent Technologies.....	550

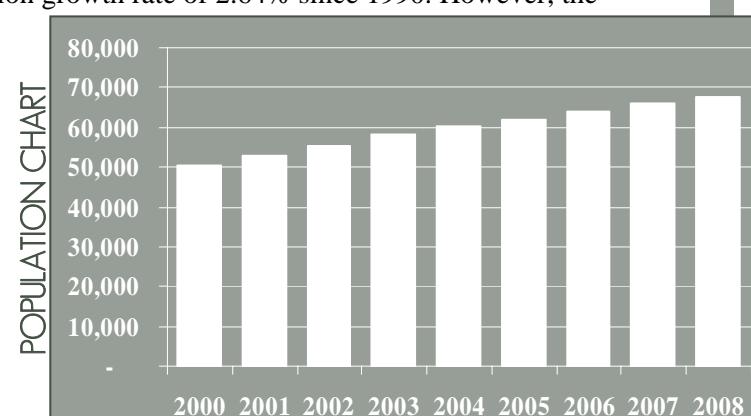
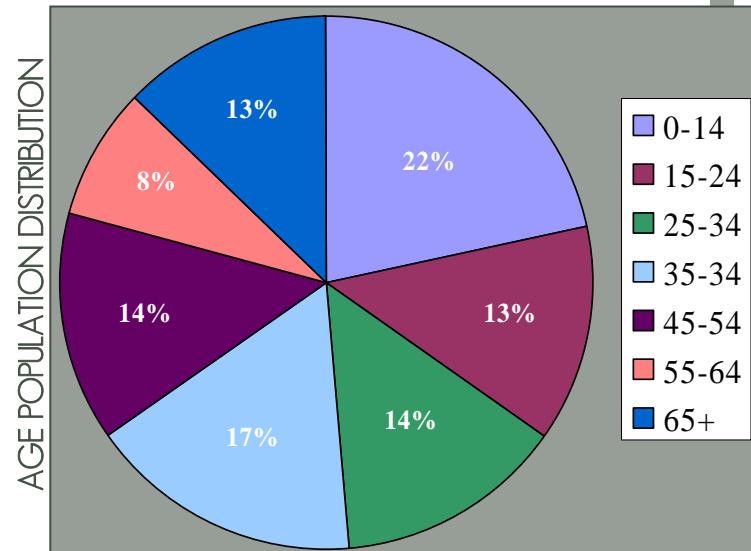
Family Income (2006 Estimate)*

Median family income (includes all earners in household).....\$62,300

Larimer County Income (2005)**

Average annually wages (all occupations)

\$36,608



LPR Construction Co.....	385
Kroll Factual Data, Inc.	375
Group Publishing	325
Quebecor.....	235
Big Thompson Medical Group, PC	223
Porter Industries.....	210

Housing Costs in Loveland (2nd Quarter 2007)

Average sale price for a detached single family home ***	\$240,707
Average apartment rental rates ****	\$847.21/month

Sources:

* U.S. Dept. of Housing and Urban Development
** Colorado Dept. of Labor and Employment ES202 Wage Data

*** The Group Inc., Real Estate Insider
**** Colorado Dept. of Local Affairs, Division of Housing

Taxes

City property tax levy for 2007 9.564 mills
City sales tax levy 3.0%

Larimer County sales tax levy 0.8%
State of Colorado sales tax levy 2.9%

Governing Body

Loveland operates as a home rule city according to a city charter and ordinances, under a city council-city manager form of government.

Voters select members of the City Council in elections on the first Tuesday in November of odd-numbered years. The Council has a total of nine members. Each of four city wards elects two councilors to serve staggered four-year terms. The mayor is elected at large to serve a two-year term. The mayor pro-tem is chosen by the Council from its membership.



City Council Members:

First Row from left to right: Steven Dozier, Ward III;
Dave Clark, Ward IV; JanBrown, Ward I; Gene
Pielin, Mayor Pro-Tem. Second Row: Daryle Klassen,
Ward I; Walt Skowron, Ward III; Larry Walsh,
Mayor; Larry Heckel, Ward IV; Glenn Rousey, Ward II.

Scope of Services

Loveland is a full service municipality. The major services provided by the City include:

→ Building	→ Loveland Public Library	→ Rialto Theater
→ Cemetery	→ Municipal Court	→ Solid Waste & Recycled
→ Community Planning	→ Mosquito Control	Materials Collection
→ Engineering	→ Parks & Recreation	→ Storm Water Utility
→ Fire & Rescue	→ Police	→ Streets Maintenance
→ Fort Collins–Loveland Airport	→ Power Utility	→ Wastewater Utility
→ Loveland Museum & Gallery	→ Public Transportation	→ Water Utility

Employees and Benefits

The City currently has 714.5 authorized regular full-time and part-time positions on a full-time equivalent basis. In addition, a varying number are employed on a temporary and seasonal basis as needed. Loveland neither recognizes nor bargains with any employee union.

The City determines employee compensation by performance within a market-based pay plan. Using market pay established through an independent survey as the mid-point, the salary range for each level is set at 12.5-20.0% above and below the mid-point.

Benefits include medical, dental, disability and life insurance, as well as a pension plan for all full-time regular employees. Part-time employees who work at least 20 hours per week are eligible to participate in benefit plans under a pro-rated cost-sharing arrangement.

Budget Process

Budget Administration

This budget has been structured and prepared using the guidelines of the Government Finance Officers Association (GFOA). Two publications, Governmental Accounting, Auditing and Financial Reporting (GAAFR) and the Governmental Accounting and Financial Reporting Standards as adopted by the Governmental Accounting Standards Board (GASB) guide the budget process. The City of Loveland prepares its budget on a calendar-year basis as required by the City Charter. The budget must be balanced or show a revenue surplus.

Basis of Accounting

The budget parallels the City's accounting system. A modified accrual basis is used for general government operations. Significant revenues are recorded when measurable and available. Expenditures are recorded when incurred. Records for the City's enterprise funds, proprietary funds, and non-expendable trust and pension funds are maintained on a full accrual basis. For budgetary purposes depreciation, accrued liabilities for accumulated leave balances, and market value adjustments to City investments are not included in calculating fund balances. Building and equipment repair and maintenance are budgeted for annually. Payments for accrued leave are paid within the existing budget as employees leave. Investments are held to maturity so market value during the term of the investment is not an issue to allocating resources.

Citizens' Finance Advisory Commission

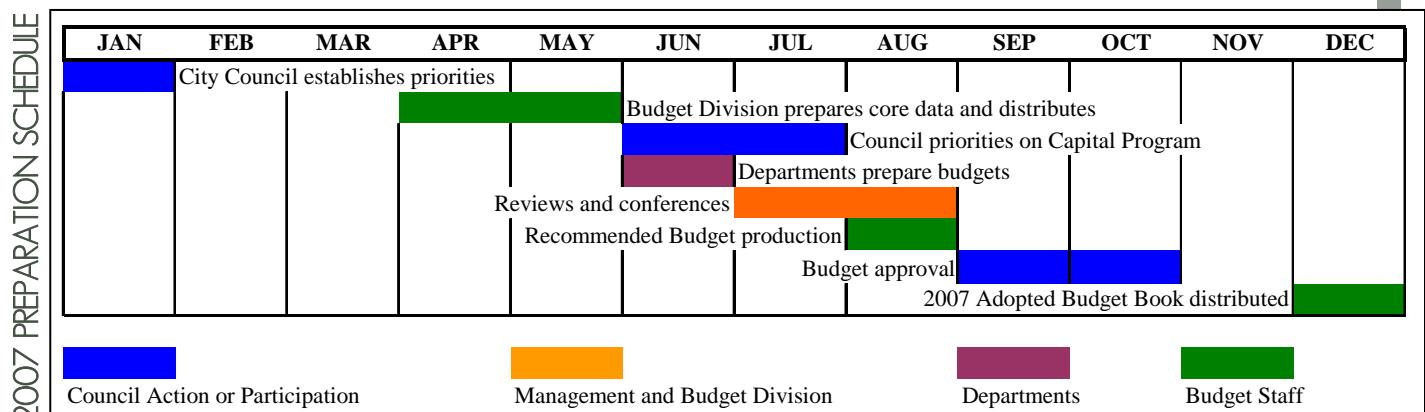
A Citizens' Finance Advisory Commission (CFAC) is appointed by City Council to participate in a review of the budget, evaluate all financial policies and report its findings to the Council. The commission consists of nine members who serve staggered terms of three years each. Its members are involved in the budget process and provide input to the Council during the adoption process.

2007 Budget Preparation Schedule

The budget process begins in January with the annual council retreat. At the retreat, City Council establishes the goals and objectives for the coming year, and direction on where future budgets should go.

In April, the capital planning process begins. Departments develop ten-year capital project lists. From these, the City Manager develops a five and ten-year capital program to present to Council in May for approval. This provides the base for developing the budget for the next year.

Also in April, the Budget Division prepares core data, such as salary information, health insurance rates, rates for vehicle maintenance and rental, workers' compensation and general liability rates. Along with this data, forecasts of current year revenue and preliminary revenue forecasts for the next year are completed. In late May, the core data is distributed, along with budget instructions for the upcoming year to the Departments.



Departments meet internally and with their respective advisory commissions to develop their budget requests. The requests are due back to the Budget Division in late June through the first week in July. The Budget Division compiles all the submissions in preparation for the budget conferences with the City Manager and the departments. The conferences are held late in July, with final decisions on what will be included in the Recommended Budget completed by early August. Through August, the Budget Division balances and prepares the Recommended Budget. The document is submitted to City Council in early September, with a study session on the Recommended Budget. The budget is submitted for approval on First Reading, after a public hearing early in October, with Second Reading and final approval occurring in late October or early November.

Budget Amendments

Because not all situations can be predicted during the budget process, an amendment process is necessary to keep current. The budget can be amended during the year by presenting an ordinance to Council for approval after a public hearing, on both First and Second Reading. In general, budget amendments, or supplemental budgets, are done for one-time items such as grants for specific projects that are received during the year. Unless critical to service delivery in the current year, amendments that create on-going costs are discouraged, with the preference to defer these type of items to the budget process, to be prioritized among all requests, rather than as a single issue.

The most significant amendment occurs in the spring after the fiscal year has been closed, to reappropriate the remaining balances in the capital program. Most capital projects are multi-year in nature, and due to weather conditions and other factors related to construction, forecasting spending in the current year is difficult. The City follows a practice of appropriating the total cost of a project in the first year of the project, unless there are clearly definable phases. The unspent balance is reappropriated each year until the project has been completed.

Financial Policies

The City of Loveland financial policies, compiled below, set forth the basic framework for the overall financial management of the City. These policies assist the City Council's decision-making process and provide guidelines for evaluating both current activities and proposals for future programs. These policies are reviewed annually and presented to Council for approval.

General Policies

City of Loveland will:

- Annually prepare a budget, submit it to Council for approval and publicly issue a budget document.
- Identify costs and funding sources before recommending approval of capital and operating budgets.
- Provide for sound financial planning, the best possible bond rating, funding of depreciation and adequate working capital in all funds.
- Take measures to protect against catastrophic losses through a combination of insurance, funded self-insurance, and cash reserves.
- Provide for recommended maintenance and replacement of facilities and equipment. Each department will prepare and annually update a maintenance and replacement plan.
- Follow the City of Loveland Charter when preparing the City's budget.
- View the budget as a dynamic rather than static plan which requires periodic adjustment as circumstances change. Approval of City Council is required for increases in total fund budgets and shifts in appropriations among departments in excess of \$25,000.
- Encourage citizen involvement in the budget process by having a Citizens' Finance Advisory Commission, public hearings and informal meetings.

Operating Budget Policies

City of Loveland will:

- Pay for all current year operating expenses with current year revenues and/or available fund balances.
- Provide for the adequate funding of all pension plans.
- Update operating expenditure projections for the budget year plus four years. Projections will include increased operating costs associated with future capital improvements.
- Establish and monitor performance indicators and productivity indicators associated with operating expenses.
- Maintain a positive cash balance in each operating fund at the end of each fiscal year.
- Attempt to maintain present service levels for all priority and essential services within existing Amendment 1 revenue limitations.

Capital Budget Policies

City of Loveland will:

- Update capital program projections for the budget year plus four years.
- The capital program is for projects and equipment with a cost equal to or greater than \$250,000.
- Evaluate the relative merit of each capital project according to Council's goals and priorities.
- Give priority to capital projects that are mandated by federal or state legislation.

Revenue Management Policies

City of Loveland will:

- Impose taxes, fees and rates at appropriate levels to fund their intended purposes. Maintain a balance to provide for a diversified and stable revenue system.
- Estimate annual revenues using an objective, analytical process.
- Update revenue projections for the budget year plus four years.
- Annually review costs of activities supported by taxes, rates, user fees, plant investment fees and capital expansion fees.
- Set fees and user charges for each enterprise fund that maintains the enterprise status pursuant to TABOR.

- Review new sources of revenue to fund operating and capital costs consistent with Council's goals and priorities.
- Allocate revenues from restricted funds in accordance with municipal code provisions.

Reserve Management Policies

City of Loveland will:

- Establish reserves from restricted cash accounts for growth-related development. The reserve balance will be equal to the unexpended balance of cash less current liabilities in each restricted account.
- Establish bond reserves based on requirements of individual bond ordinances.
- Establish capital reserves which accumulate funds for the planned construction or replacement of City infrastructure or for the acquisition of capital equipment not funded through growth-related fees. These amounts will be determined by five-year or longer capital programs.
- Establish other reserves related to special items as approved by City Council. This would include accumulating reserves to retire debt at an accelerated schedule.
- Maintain the General Fund unrestricted balance at 6% of General Fund revenue.

Definitions of Reserve Terms

- **Operating** - Reserves to cover unanticipated expenditures of a nonrecurring nature or to meet unexpected small increases in service delivery costs. These also cover operating carryover balances associated with cash flow needs and to provide an orderly adjustment to changes resulting from termination of revenue sources through actions of other governmental bodies. Reserve amounts are based on a percentage of the operating budget within each appropriate fund.
- **Emergency** - Reserves to cover costs associated with natural disasters or other unforeseen and declared emergency situations. Reserve amounts are based on a percentage of the operating budget in the general fund. This reserve satisfies the requirements of Amendment 1.
- **Liability** - Reserves to cover accrued liabilities from items such as vacation, sick leave or compensation time. Reserve amounts are based on a percentage of fund liabilities.
- **Equipment Replacement** - Provide for the replacement of fund assets such as office equipment and furniture, computers, vehicles, and tools and equipment used in operating the program. Items not included are City infrastructure, utility infrastructure and equipment covered under capital reserves, and the replacement of City buildings.
- **Designated** - Reserves for planned capital projects, or services, which will be appropriated in future years based on the capital plan, for operating needs, or for known debt payments in the future.
- **Restricted** - Reserves for funds restricted by ordinance or law. An example is impact fee reserves which may only be spent on capital projects that are the result of growth.

Transfers Policies

City of Loveland will:

- Classify the following City of Loveland activities as enterprises: *Golf, Power, Solid Waste, Storm Water, Wastewater, and Water*.
- Require that all City enterprises make payments to the City in lieu of taxes that are reasonable and proportionate to taxes paid to the City by private businesses unless the City Council grants exceptions. Transfer payments are based on percentage of certain revenues received by the fund. Specific transfers to the City from the affected funds are done on a monthly basis per the rates established as follows: Water, Wastewater, Storm Water, Power, and Solid Waste at 6% and Golf at 3%.
- Require that all departments furnish to other department such services, labor and materials as needed by the director of such department. Any labor or material shall be charged to the using department according to accounting procedures established by the City Manager. These charges are direct reimbursements for services provided and shall be calculated annually utilizing a cost of service analysis.

Investment Management Policies

City of Loveland will:

- Deposit funds only in financial institutions which are insured by the Federal Deposit Insurance Corporation

(FDIC) or are approved for full collateralization by the public deposit protection act or other state statutes.

- Pool cash from all legally permitted funds for investment purposes.
- Maximize the investment rate of return. Adhere to lawful investment options. Safety of the principal shall be the dominant requirement, followed by sufficient liquidity to meet operating requirements, and then yield.
- Place custody of the City's investment securities with a third-party financial institution for the purpose of safekeeping of securities.
- Provide monthly investment reports.

Debt Management Policies

City of Loveland will:

- Confine long-term borrowing to major capital improvements that cannot be financed from current revenues.
- Repay debt within the expected useful life of the project or sooner.
- Prohibit the use of long-term debt for operating expenses.
- Issue debt which is relative to payback ability. Borrowing must not overburden future tax payers. When applicable, state law is the controlling policy.
- When practical, borrow from other funds. Monies borrowed must be repaid with interest before needed for their intended purpose(s). Repayment schedules and reserve sources for repayment shall be validated before borrowing from any fund.
- Review debt at least annually for repayment or refinance opportunities. A repayment strategy shall be a part of all recommended bond issues.

Accounting, Auditing and Reporting Policies

City of Loveland will:

- Provide regular information concerning cash position and investment performance through its accounting system.
- Establish and maintain a high degree of accounting competency. Financial accounting and reporting will be done in accordance with methods prescribed by the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA), or their equivalents.
- Present monthly and annual reports to the City Council summarizing financial activity delineated by fund.
- Present a quarterly report on the status of major capital projects.
- Maintain financial systems to monitor expenditures, revenues and performance of all municipal programs on an ongoing basis.
- Provide full disclosure in annual financial statements and bond representations.
- Use an independent certified public accounting firm to perform an annual audit.
- Publicly issue a Comprehensive Annual Financial Report (CAFR).
- Comply with all required reporting requirements related to bond issuance terms.

Financial Information

Fund Accounting

Fund accounting is used throughout the City, both for budgeting and accounting. Under this system, money is divided into separate accounts, rather than being held in one central account. The City has 26 funds and each fund has been established for a specific purpose which is financially independent of other governmental activities.

For funds established for operations, maintenance and other ongoing activities, revenues flowing into the fund are spent during the same year. Unless there is a change in service levels, spending is similar year to year.

In capital funds, revenues accumulate for periodic capital needs, such as construction of a new park or an electric substation. The balance in those funds grows until an expenditure is made. Spending can vary greatly from year to year.

Appropriation and Expenditure

The total appropriation includes internal transfers, which are counted both as revenues and expenditures twice, and occasionally three times across the various funds. For these reasons the total appropriated amount in a fund can be significantly higher than actual spending. *The net City budget excludes internal transfers. It represents a close approximation of projected spending.*

Fund Types:

The City classifies funds into several types: General Fund, Internal Service Funds, Enterprise Funds, Special Revenue Funds and Fiduciary Funds.

The **General Fund** includes the majority of City services. City Council, City Manager, City Attorney, City Clerk, Sales and Use Tax Administration, Municipal Court, Community and Business Relations, Development Services, Police, Public Works, Fire and Rescue, Parks and Recreation, and Cultural Services are included. General Fund revenues include sales tax, use tax, property tax, user fees, fines, permits, licenses, internal transfers and intergovernmental revenue.

The **Internal Services Fund** provides support services to other City departments. It is financed by internal service charges included in the user agency operating budgets. Included in this fund are City Fleet, Vehicle Maintenance, Risk Management and Employee Benefits.

Enterprise Funds are self-supporting through user fees. They include Water, Wastewater, Storm Water, Power, Solid Waste and Golf.

Special Revenue Funds are established by federal/state law, or by municipal ordinance/resolution. Included are Capital Projects, Library, Local Improvements, Capital Expansion Fees, Park Improvement, Conservation Trust, Open Space, Community Development Block Grant, Art in Public Places, the General Improvement District # 1 (GID), the Loveland Special Improvement District #1 (SID), and the Loveland Urban Renewal Authority. Each has its own specific revenue source.

Fiduciary Funds are used to account for assets held by the City in a trustee capacity. Each fund is established by state law, municipal ordinance or resolution. They include Fire Pension and Cemetery Perpetual Care. *These funds are not included in the City's total budget summary table.*

The **Airport Fund** and the **Loveland Larimer Building Authority Fund (LLBA)** do not belong to any fund type, but are included in this document for informational purposes. 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 Airport as part of the administrative responsibilities. The LLBA was established by Larimer County

and the City of Loveland to construct and operate the new combined Police and Courts facility. *Neither of these funds is included in the City's total budget summary.*

Transfers

Because money is budgeted and accounted for in separate funds rather than being pooled in one account, transfers occur among funds. Transfers take three primary forms: payment in lieu of tax (PILT), direct charges and operating transfers.

Payment in Lieu of Tax (PILT) – Payment in lieu of tax, which is transferred from the Enterprise Funds to the General Fund, approximates property taxes a private enterprise would pay. The services supported by PILT are the same as those supported by property taxes. Police, fire and street maintenance services are examples. These charges are based on certain revenues received by the Enterprise Funds. The transfers are done on a monthly basis per the rates established by the intra-city transfers policies.

Direct Charges – Direct charges represent payments for support services provided by one City department to another City department. These charges are direct reimbursements for services provided and are calculated annually utilizing a cost of service analysis. Examples of support for which direct charges apply include Accounting, Human Resources and Information Technology.

Operating Transfers – This represents the transfer from one fund to another fund for operational purposes or for capital outlays without the expectation of any support services in return. One example is the transfers from the Enterprise funds to the General Fund for administrative services. These transfers also include the transfer from one fund to another for the purpose of capital outlays. One example is the transfer from the Capital Expansion Fees Fund to the Capital Projects Fund for the construction of new streets.

BUDGET OVERVIEW

This section shows the City's total proposed budget summary in both gross and net form and includes a discussion of the major revenues and expenses, and major factors that will impact both revenues and expenses. This section also includes a debt service summary.



Total City Budget

The 2008 budget is balanced in accordance with the City Charter, which requires appropriations to be within available resources or show surplus. This budget is in compliance with the provisions of Colorado's TABOR restrictions, and existing service levels are maintained.

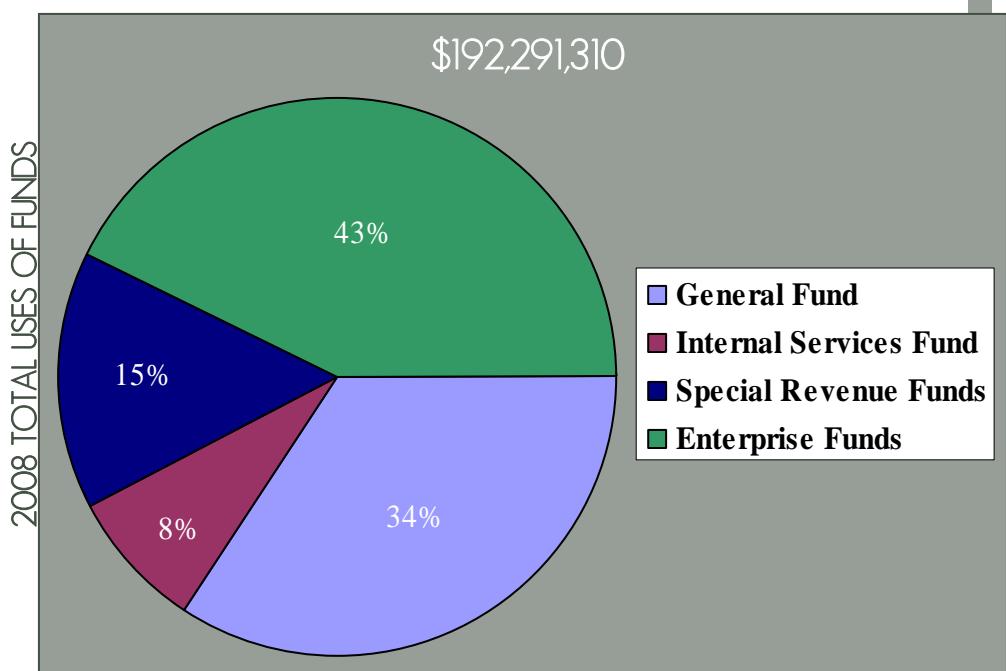
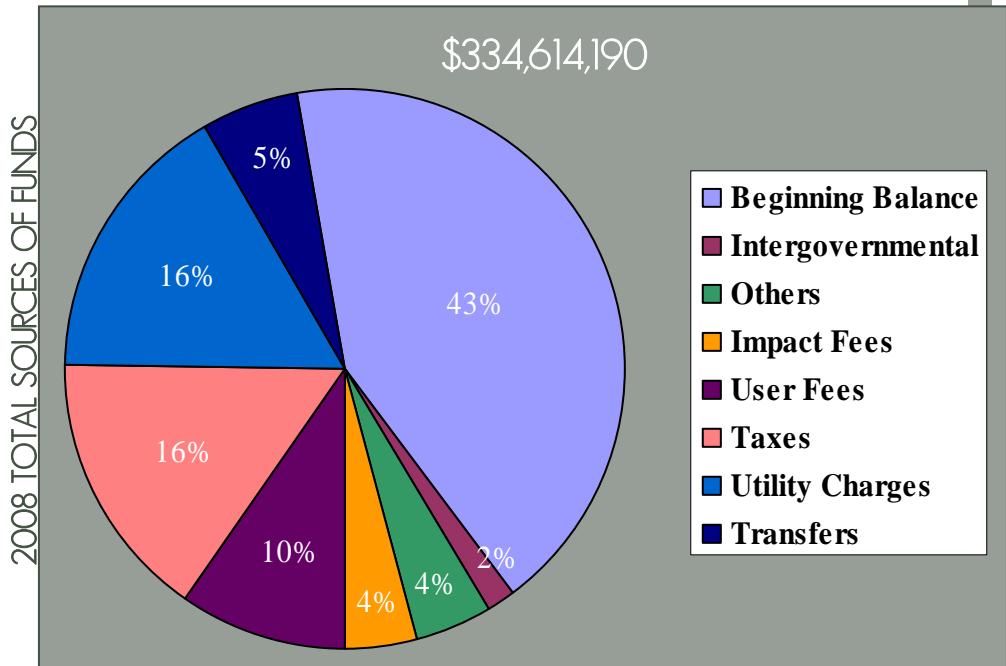
The total City budget as shown below is the combined budgets of all parts of the organization except for the Airport Fund, the Loveland-Larimer Building Authority, and Fiduciary Funds. The table below shows the gross City budget, as well as the net City budget, which excludes transfers, and represents projected actual expenditures.

Total Budget

	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget	'08 Budget / '07 Adopted % Change
REVENUE					
Beginning Balance	156,767,578	134,147,480	170,906,030	141,780,460	
Taxes	45,449,339	47,749,210	47,749,210	52,310,360	9.6%
Intergovernmental	5,595,586	5,508,890	6,899,380	5,849,810	6.2%
Impact Fees	18,273,629	12,038,590	12,038,590	13,730,540	14.1%
User Fees	30,039,274	29,625,540	29,638,430	32,698,070	10.4%
Lease Proceeds	-	-	-	2,674,000	-
Interest	7,103,399	4,815,120	4,832,840	5,924,220	23.0%
Others	3,260,162	1,843,110	2,005,950	1,948,300	5.7%
Utility Fees	52,613,454	52,396,480	52,396,480	55,883,320	6.7%
Utility Other	4,984,366	3,248,800	3,248,800	3,725,560	14.7%
Total Net Revenue	167,319,209	157,225,740	158,809,680	174,744,180	11.1%
Transfers	19,244,577	16,549,460	31,826,230	18,089,550	9.3%
Total Revenue	186,563,786	173,775,200	190,635,910	192,833,730	11.0%
Total Resources	343,331,364	307,922,680	361,541,940	334,614,190	
APPROPRIATIONS					
General Fund	54,840,361	59,797,260	67,946,990	65,465,650	9.5%
Enterprise	77,499,549	80,743,320	87,221,040	82,879,350	2.6%
Internal Service	13,431,071	14,834,500	15,380,330	15,465,530	4.3%
Special Revenue	26,654,377	25,736,580	49,213,120	28,480,780	10.7%
Total	172,425,358	181,111,660	219,761,480	192,291,310	6.2%
Less Transfers	19,244,577	16,549,460	31,826,230	18,089,550	9.3%
Total Net Appropriations	153,180,781	164,562,200	187,935,250	174,201,760	5.9%
Ending Balance	170,906,006	126,811,020	141,780,460	142,322,880	

Note: See *Reconciliation of Fund Structure Changes* in the Appendix for information concerning Restated amounts.

2008 Fund Information



Revenue Overview

Property Tax

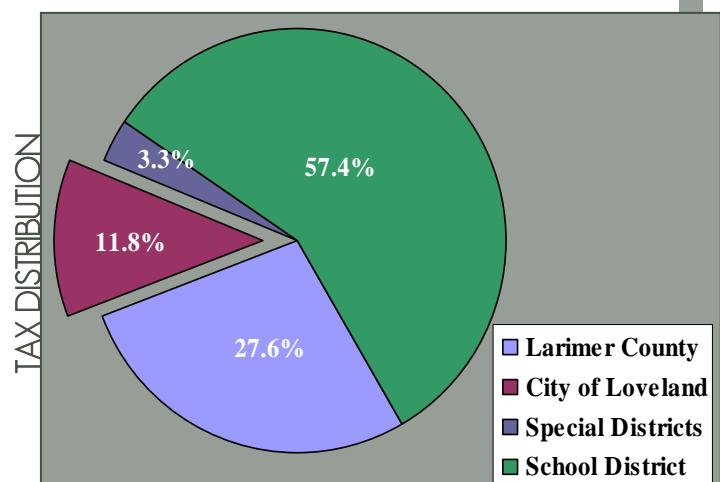
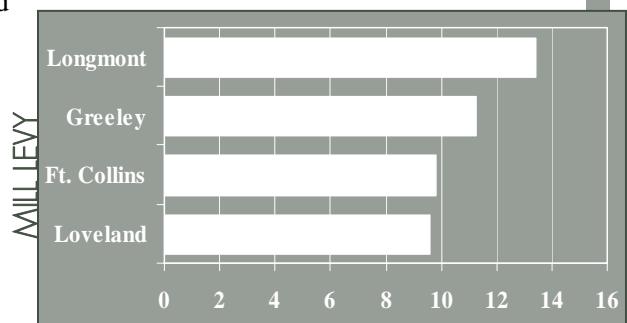
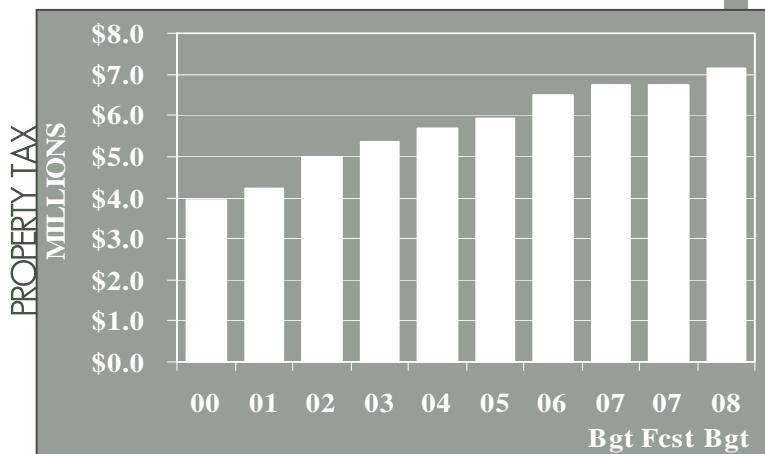
Loveland must comply with the TABOR limitation on property tax revenue (inflation plus local growth). In 1998, voters approved an allowance for the City to keep and spend all property tax revenue over the TABOR limit for the years 1998–2002 for street construction and youth services. In 2001, voters approved an allowance for the City to keep and spend all property tax revenue from 2003 through 2012 for police, fire, street construction and maintenance, and parks construction and maintenance.

The 2008 mill levy rate will remain at the 2007 level, which is 9.564 mills. A mill is one-tenth of one cent. In other words, one mill represents \$1 for every \$1,000 of assessed property value. The mill levy is multiplied by the assessed valuation of a property to calculate the property tax. The City's levy has been 9.564 since 1992 and Loveland continues to have one of the lowest city government property tax levies in Northern Colorado. On average, the City collects 97.5% of the total value.

An amendment to the Colorado State Constitution requires that a constant relationship between residential and business property tax revenues be maintained on a statewide basis. Commercial and industrial properties are assessed at 29.00% and residential properties at 7.96% of their market value. The result is for properties of equal value, a business pays over three times as much property tax as a residence.

A number of special districts also overlap portions of the City's boundaries and affect some properties. Loveland's City government sets only the City mill levy and has no control over mill levies set by other entities. The City of Loveland receives less than 12% of a homeowner's property tax dollars as shown in this pie chart.

Beginning in 2007, the City's growth in property tax revenue has begun to grow at slower rate, due to the creation of three Urban Renewal Authority (URA) project areas. The URA is funded with Tax Increment Revenues (TIF). Increased property values and the associated tax revenue from new growth stays within the URA. In 2008, the City's revenues are 8% lower than would otherwise be anticipated due to the TIF.



PROPERTY TAX LEVY FOR THE GENERAL FUND

	2005	2006	2007
Mill Levy	9.564	9.564	9.564
Net Valuation	\$700,960,076	\$725,327,831	792,903,332
Net Tax Revenue	\$6,569,900	\$6,798,290	7,431,660
(98% of Total – County Collection Fee is 2%)			

Sales and Use Tax

Sales tax is the largest revenue source in the taxes category. Beginning on January 1, 1998, the City began collecting its sales tax in-house instead of using the services provided by the State of Colorado. Loveland's current city sales tax rate is 3.0%. Through July 2007, sales tax collections were 7.0% higher than one year ago. The 2008 sales tax collections are projected to increase by 1.3% over the 2007 budgeted revenue. However, projected 2008 collections are 5.8% above the current forecast for 2007 sales tax revenue. The increase is primarily due to the continued build-out and operation of the Lifestyle Center, and the Centerra Project area west of the Interstate Highway. The conservative projection is based on the current economy, where the housing market continues to drag on the amount of discretionary income available, and concerns about increased competition for retail dollars from the surrounding area are growing.

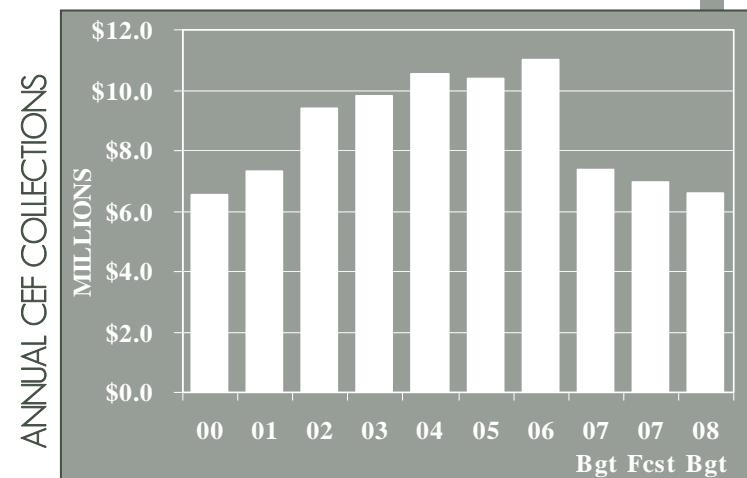
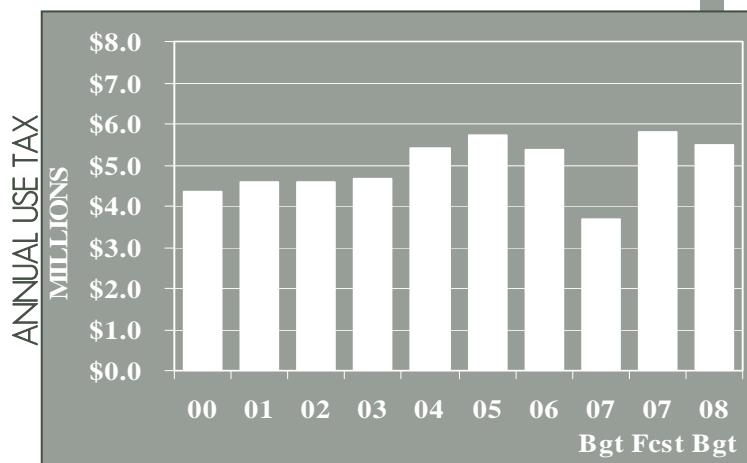
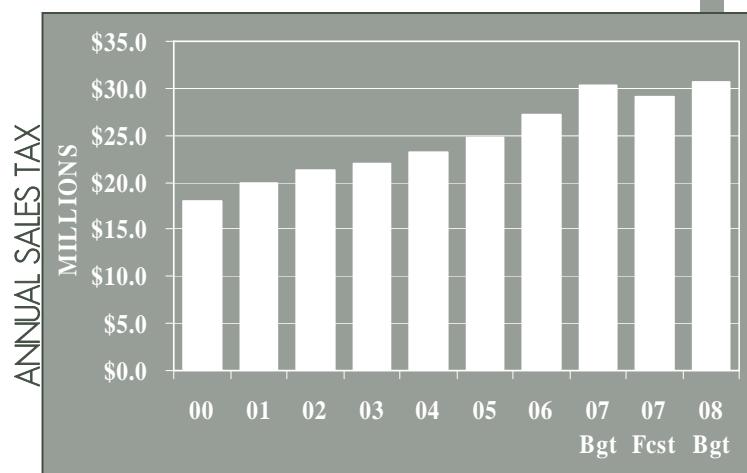
Use tax is also 3.0%, but only applies to building materials and motor vehicles. Use tax collections on building materials are projected to decrease by over 6.0% from 2007 forecasts. The decrease is based on the continuation of the current trends in residential and commercial building permits we are experiencing in 2007. Collections on motor vehicles are projected to be flat, compared to the 2007 Budget. This revenue source has been stable at about \$2.2 million in collections for the past three years, and this trend is expected to continue.

Other Taxes

- **Liquor occupational tax** – The projection is based on the number of businesses that sell liquor in the City; the revenues are very consistent from year to year.
- **Specific ownership tax** – A tax paid by owners of motor vehicles in lieu of personal property tax. For 2008, the revenues are projected to increase 2% compared to the 2007 forecast.
- **Cigarette tax** – A tax levied on the wholesaling of cigarettes. This source of revenues varies to a small degree from year to year.
- **Gas franchise tax** – A tax levied on the Public Service Company in granting the company the privilege to construct, purchase and operate within the City. The current tax levy is 3.0% of gross gas revenue.
- **Cable Television franchise tax** – A franchise fee levied on cable service providers to operate within the City. The current fee is 5.0% of the company's annual gross revenue.
- **Telephone Occupation tax** – A tax levied on telephone service providers that operate within the City. The levy is adjusted annually based on changes in the Consumer Price Index (CPI).

Impact Fees

Capital Expansion Fees (CEF) are imposed on every additional residential dwelling unit, square foot of retail, office, and institutional construction, as well as every acre of industrial development. These fees are intended to cover growth-related capital costs. The City also imposes System Impact Fees (SIF) on customers who increase utility demands that require future facilities expansion,



such as new water lines, additional treatment plant capacity, or a new substation. Because impact fees are paid at the time the Certificate of Occupancy is issued, there is a delayed impact on impact fee revenue collection. Revenue growth is projected to continue to decline compared to the current forecast for 2007 revenue due to the building slowdown in 2007.

User Fees

This category includes charges to citizens to access services provided by the City, and internal service charges, which are costs paid by one department to another for services rendered. Examples of these are charges for vehicle maintenance and from the Employee Benefit Fund for employee health care. One of the major sources of this revenue from citizens is fees for the use of the Hatfield Chilson Recreation/Senior Center. Through user fees, a substantial part of the cost of operating programs and facilities is borne by those who use them. There are modest fee increases for most Parks and Recreation fees. Other sources of this revenue include golf fees, solid waste fees, and the street maintenance fee. While golf fees are dependent on weather for available playtime, solid waste fees and the transportation fee are more directly tied to population and commercial growth. The 2008 budget includes a proposed increase of \$1 per month in the recycling fee and \$1.30 per month to the yard waste fee to fund the implementation of single stream recycling and increased yard waste disposal costs.

Interest

The cash balances in all funds are invested in interest-bearing investments of maturities appropriate to the projected cash requirements of the funds. In 2008, the projected interest rate is 4.5%.

Intergovernmental Revenues

These revenues are received from federal, state and county sources. The largest item is the Highway Users Tax Fund, which is derived from gasoline taxes. Distributions are made to cities based on the number of registered vehicles and number of miles of maintained streets. Legislation requires the City to establish a minimum annual contribution for street maintenance to remain eligible for tax proceeds. The 2008 budget includes an amount that exceeds the minimum requirement, and the tax proceeds are projected to remain steady. Other sources include: road and bridge taxes from Larimer County for road and bridge construction, maintenance and administration; ambulance dispatch service revenues from the Thompson Valley Hospital District; fire dispatch services for the City of Berthoud; the State Highway Maintenance Contract and Traffic Signal Maintenance Contract budgeted according to the stated amount of the contracts; and federal grants for mass transportation.

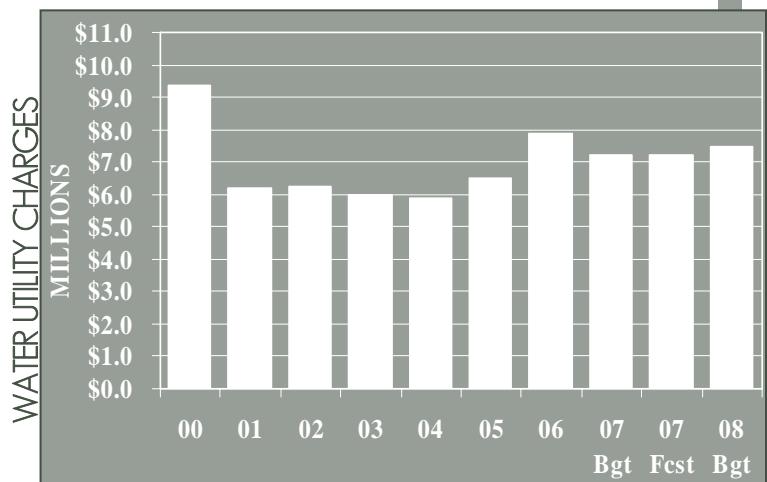
Utility Charges

These are revenues generated from the provision of basic utility services. The City provides four utility services: water, wastewater, storm water and power.

Water Utility Charges

In 2001, water fees were reduced 33%, due to the early debt repayment and restructuring the Windy Gap liability, in effect defeasing this liability by reserving fund balance for the repayment.

Revenues stabilized in 2004 after the severe drought the region experienced in 2003, and a small increase in usage was experienced in 2005. The 2006 revenue increase is due to a 1.0% annual fee increase was approved in 2006 as part of a 30-year annual program to fund the construction of a new reservoir. The program is recommended to continue in 2008.



Wastewater Utility Charges

The wastewater revenues included an 18.0% increase in the 2002 budget and another 15.0% increase in 2003 due to new EPA mandates that effectively reduce the treatment plant capacity. Revenues began to taper off due to conservation measures such as low-flow toilets in new construction. To meet the future operational needs and the Capital Program requirements an 8.0% increase was included in the 2006 budget as the first of a three-year program.

An increase in fees of 8.0% was implemented in 2007, and is proposed for 2008 to complete the program.

Storm Water Utility Charges

The storm water revenues included rate increases of 25.0% in 2001, and another 25.0% in 2002, to pay for federal discharge quality mandates and an accelerated capital program. No fee increases are included in the 2008 budget. The revenue increase projected in 2008 is due to residential and commercial growth.

Power Utility Charges

The utility implemented a power rate reduction in 1999 resulting in a 6.0% reduction in revenues

Due to increased wholesale costs; a 4.4% average retail rate increase was included in the 2005 budget. No rate increases are included in the 2008 budget.

Utility Others

These are revenues generated from sources other than regular utility charges. Some of the examples are Wheeling Power Fees, wholesale water sales and sale of water meters. These revenues are projected based on historical averages.

Other Revenues

These are miscellaneous revenues that do not belong to any of the above revenue categories. Revenues such as donations, proceeds on the sale of assets, and rents are included here.

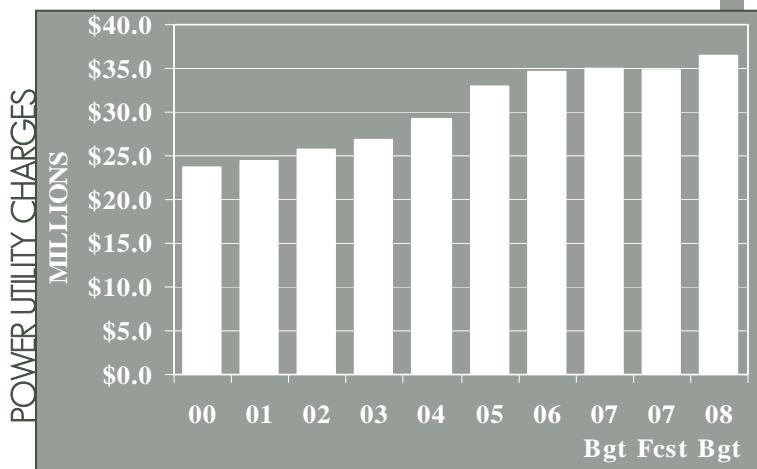
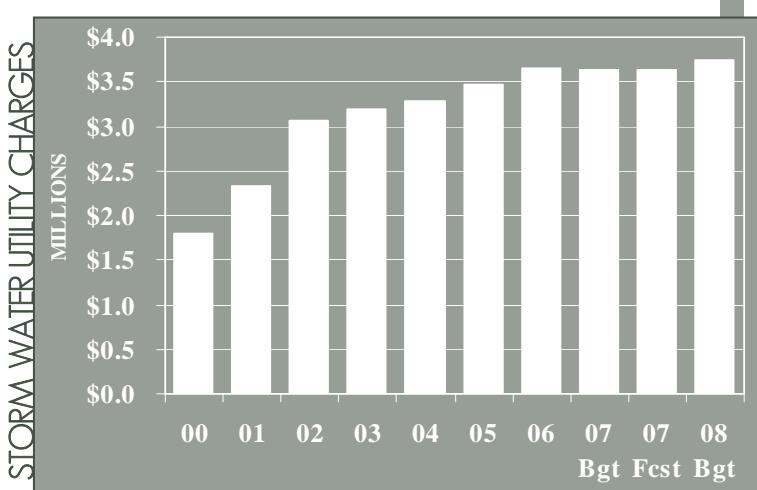
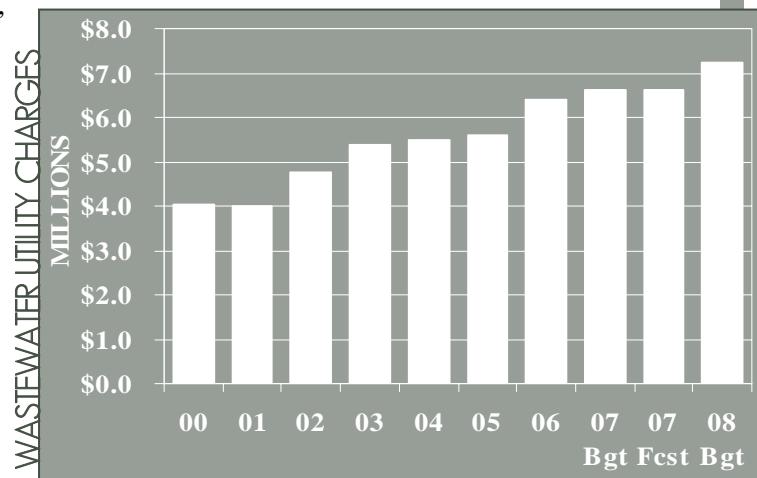
Transfers

Transfers occur between funds to pay for administrative services provided by other departments, for payments in lieu of taxes (PILT) which are charged to all Enterprise Funds based on a percentage of revenue received, or to combine funds received from different revenue sources within one fund to budget for a capital project.

Fund Balance

The beginning fund balance, while not a true "revenue", is a major source of funding for the 2008 budget. Fund balance is created from monies saved in previous years for specific capital projects or operating contingencies, and revenue received above the amounts appropriated for expenditure. Fund balance will increase in the 2008 budget due to conservative operation budgets, and where the City is in the Capital Program cycle. The fund balance will decline over the next five years as major capital projects, which are included in the Capital Program, are completed. See the Capital Program chapter for details on the Five-Year Program.

The 2007 Revised Budget includes capital projects, which were budgeted in prior years but not completed before 2007 and assumes these, as well as new 2007 projects, will be completed by year end. After the year ends, a supplemental budget will be presented to City Council to re-appropriate the ending balances of capital projects remaining incomplete.



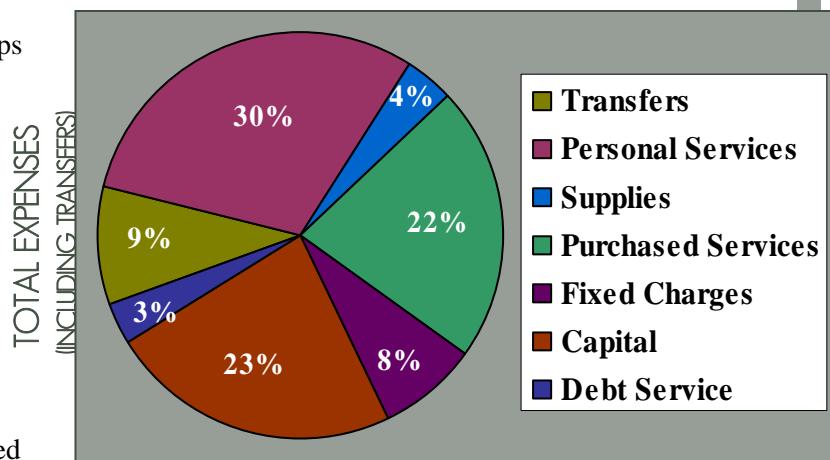
Expenditure Overview

Total City Expenses

The City divides expenditures into account groups to describe how it is spending its funds. The account groups are Personal Services, Supplies, Purchased Services, Fixed Costs, Debt Service, Transfers, and Capital. The Personal Services group includes all salaries, the City's contribution towards FICA and retirement accounts, the City's share of insurance benefits, workers' compensation costs, and other costs related to compensation and benefit packages. The Supplies group includes all office supplies, parts and materials necessary to provide the services funded in the budget. The Purchased Services group

includes all services provided to the City by outside sources. The Fixed Charges group includes insurance premium payments, vehicle rental and maintenance costs and other rental costs. The Debt Service group includes principal and interest costs associated with any approved debt issues. The Transfers group is for any transfer between City funds. The Capital group is for the purchase of items that cost more than \$2,500 and have a useful life of more than one year and all infrastructure and vertical construction projects.

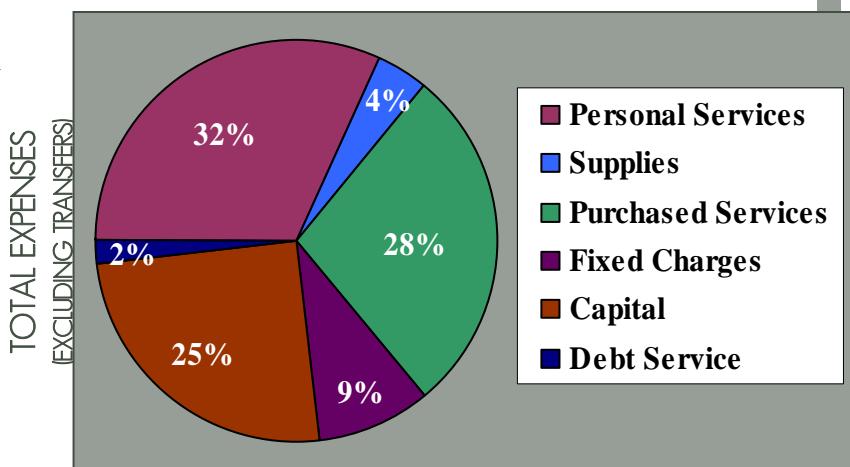
Of the City's total budget of \$192.3 million, the percentage attributed to each account group is shown above.



Net Total City Budget (Excluding Transfers)

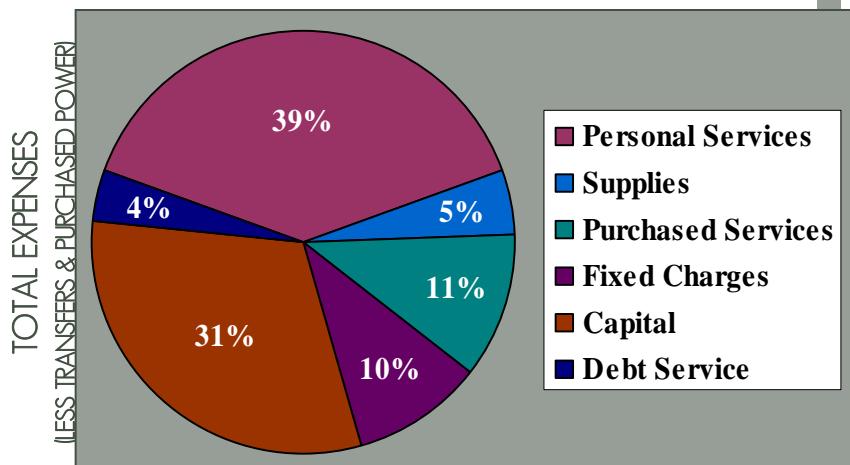
For the Total City Budget, the net budget is a more accurate indicator of actual City spending. The net budget does not include transfers between funds. This is necessary since using transfers double counts some revenues and expenses two or three times.

Of the Total Net City Budget of \$174.2 million, the percentage attributed to each account group is as shown.



Total City Expenses (Less Transfers & Purchased Power)

The Purchased Services percentage in the first chart, for analytical purposes, is overstated. The total Purchased Services cost includes the cost of purchased power of approximately \$26.65 million. This is the cost of electricity that is purchased from the Platte River Power Authority (PRPA) and then distributed and resold to the customers of the Power Utility. With purchased power excluded from the net City budget, the percentages attributed to each account group are as shown.



Operating Expenses

Operating costs make up 56.0% of the City's net budget and require on-going resources to fund these costs. The total operating costs are shown in the following chart. A discussion of each of the operating expense groups follows.

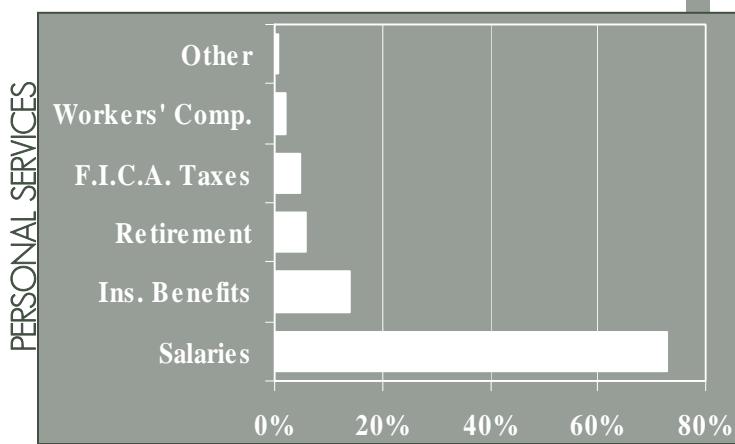
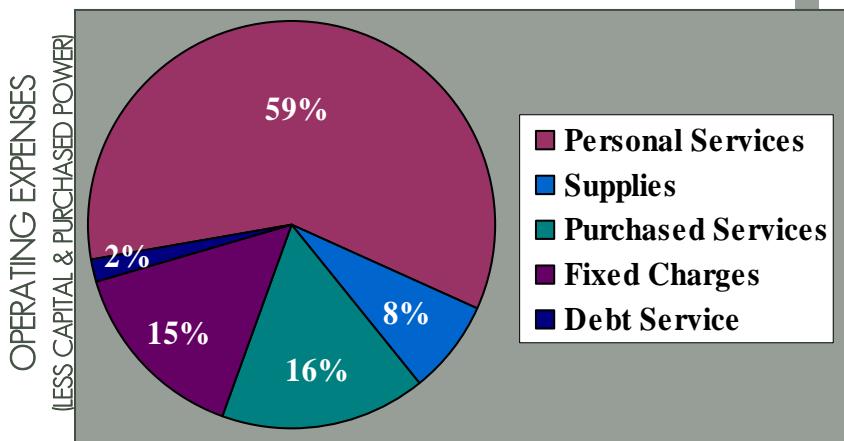
Personal Services

As can be seen by the above chart, personal services are the largest expense for City operations. The City offers a comprehensive compensation package that includes salary, retirement contributions, and insurance benefits. Of these costs, salary is the largest component, at 73.0% of the total personal services costs. Insurance benefit costs are 14.1% of the personal service costs.

Salary Costs

The City's pay system can be described as a market based pay plan with budgetary constraints. The pay plan is based upon comparing City of Loveland salaries to other public and private employer salaries in the Northern Colorado area, using data from the Mountain States Employers Council Northern Colorado Survey and Colorado Municipal League General and Executive Survey. Positions are grouped into pay levels based upon comparative factors of skill, effort, and responsibility. Each pay level

has a pay range. The midpoint of each pay range is the average of all salaries paid in other organizations included in salary surveys completed each year. However, an employee's salary is not automatically raised to reflect range movement. The change in an employee's salary is determined by a merit evaluation of their work performance. As a guideline, employees who are consistently meeting job standards would be paid a salary within the market level of performance. For 2008, an amount equal to 3.5% of salary costs has been budgeted for merit increases.



Retirement Costs

For general employees the City offers a pension plan based on the 401(a) provisions. The City contributes to an employee's plan on a graduated scale based on length of service. After six months of employment, the City contributes 5% of the employee's monthly base salary. This percentage is capped at 9% beginning with 21 years of services. The employee is required to contribute 3% of their base salary. An employee, after three years of service, will be vested in the City contribution. The City has separate pension plans for certified Fire employees and Police officers. In both plans, the City contributes 11% of the base monthly salary. In the Fire plan, the employee is required to contribute 9% and Police officers are required to contribute 7%. Fire employees vest in the City contribution after six years of service, and Police officers after five years of service. Employees are also offered a 457 Deferred Compensation Plan, to which they may contribute.

Insurance Benefit Costs

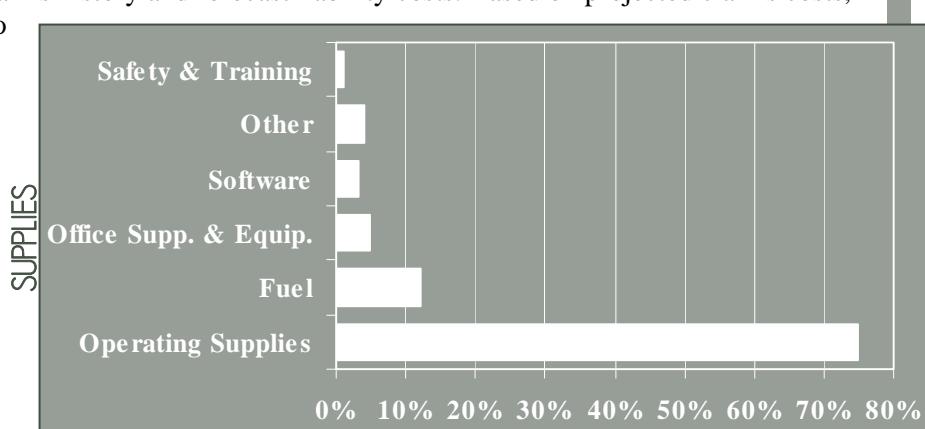
The City has self-insured medical coverage with three medical plan options, a Health Maintenance Organization (HMO), a Preferred Provider Organization (PPO) and a Health Reimbursement Account (HRA) Plan. All employees working 20 hours or more per week are eligible for medical benefits. Full-time employees receive full coverage and part-time employees receive coverage pro-rated depending on the number of hours worked. Due to the significant increases in medical costs, the City shifted more of the cost to the employee in 2006. The City will continue to contribute 80% of the claims cost for health care coverage and dental benefits to employees. Other benefit costs to the City include coverage for stop-gap insurance that places a cap on claims costs to the City, short-term and long-term disability, life insurance, and wellness costs.

Workers' Compensation

Workers' compensation premium costs and claims are managed by the Risk Management Division, and budgeted in the Risk and Insurance Internal Service Fund. Workers' compensation costs are then charged to each department based on the department's claims history and forecast liability costs. Based on projected claims costs, the total cost for the City is anticipated to increase 3.1% from 2007.

Supplies

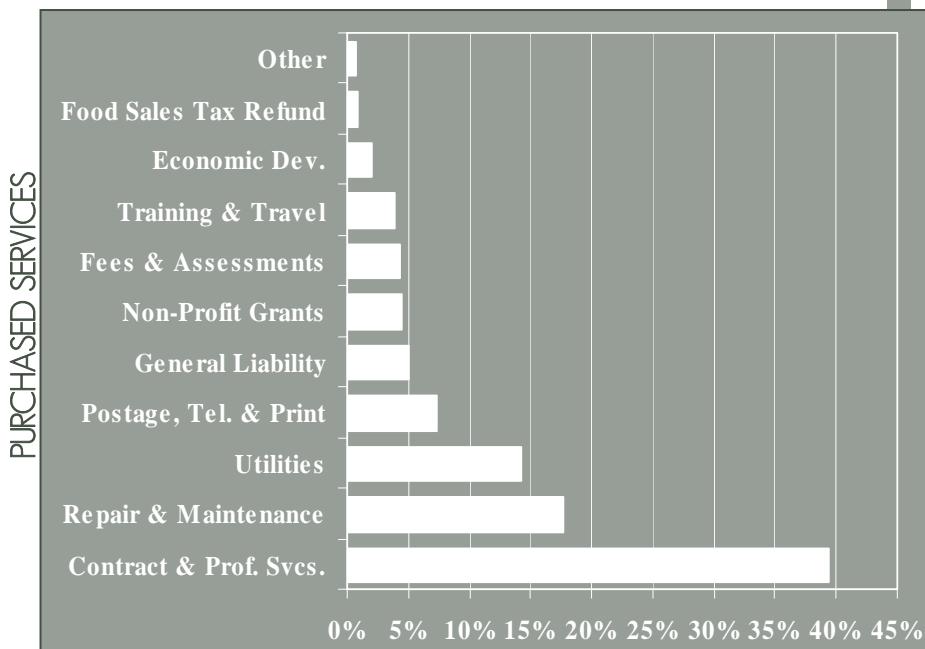
Eight percent (8%) of the operating budget is for supplies. Operating supplies such as parts, tools and equipment, paint, landscaping material, and street materials are 75% of this cost. Fuel is 12% of the total cost in 2008, office supplies and equipment are 5%, computer software is 3%, with the remainder in, training and safety supplies, and other miscellaneous supplies.



Purchased Services

This account group is for services provided by sources outside the City and is 16% of the operating budget. The two largest categories within this account group are contract and professional services and repair and maintenance. Contract and professional services is 39% of the total purchased services and includes payments for custodial services, engineering services, attorney services, and other contractual services.

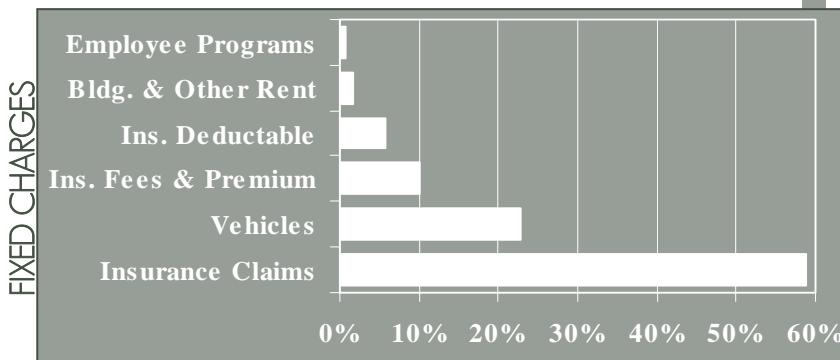
Repair and maintenance is 18% of the total for this category and funds the upkeep for the City's buildings, equipment, and grounds.



Other significant components of this account group are the charges for electric, water, sewer, gas and landfill charges (14%), postage, telephone and printing (7%), and general liability costs (4%).

Fixed Charges

Fixed charges are 15% of the operating budget and are comprised primarily of health, dental, workers' compensation and general liability claims costs, and vehicle maintenance and rental charges. Seventy-five percent (75%) of the fixed costs are for insurance fees and premiums, insurance deductibles, and insurance claims, which are managed through the Employee Benefit Fund and the Risk and Insurance Fund. Twenty-three percent (23%) of the Fixed Cost group is for vehicle maintenance and rental charges. The remainder of the cost is for employee wellness programs and building and equipment rentals.



Debt Service

This account group is for repayment on all bonded debt or any lease-purchase agreements and is 2% of the operating budget. All bonded debt is in the Golf Enterprise Funds. The Golf debt will be retired in 2010.

In 2001, the City paid the Water Enterprise general obligation bond debt off early with existing fund balance. A fund balance reserve with the full amount of the revenue bond debt in Water has been established to pay the raw water bonds for the Windy Gap Project. These bonds are not City debt, but a debt of the Northern Colorado Water Conservancy District. The City incurred a liability for a share of the debt payments. If the Enterprise were to not make the payments, the District could impose a mill levy on City residents to retire the debt. A reserve has been established to defease this obligation.

Not included in the operating budget discussion, but included in the debt category for the Total Budget, are debt payments through the Special Improvement District #1 (SID), and the Loveland Urban Renewal Authority (LURA).

The payments in the SID are for bonded debt to fund infrastructure improvements within the District. Funding for the District is from special assessments on property in the District. The City is the sponsoring agency for the District, but does not have any legal obligation towards this debt.

The payments in the LURA are for bonded debt incurred by the Metropolitan Improvement District, created on the east side of the City, to fund public improvements and regional improvements within the District. LURA funds, from tax increment financing will partially fund these projects based on the agreement with the Metropolitan District.

Debt Service & Financial Obligations

Payments on all of the City of Loveland's long-term obligations are included in debt service. This includes revenue bonds and lease purchase agreements. Also included are the City's obligations for debt issued by other entities for the Windy Gap project.

Outstanding bonds as of December 31, 2006, totaled \$1,071,140 for golf course construction. All bonds are considered to be self-supporting with revenues providing for adequate debt service coverage. Currently, the City's revenue bonds are rated as follows: *Moody's Investors Service, A1: Standard and Poor, A+*.

The City also has a number of lease-purchase agreements for equipment or facilities. Payments are made as part of operating budgets. Because of our financial planning practices and because the amounts are small, they do not adversely affect other parts of the operating budgets.

Legal Debt Limit

The City of Loveland is a home rule city. The Colorado Revised Statutes provides that general obligation indebtedness for all purposes shall not at any time exceed 3% of actual value, as determined by the County Assessor, of the taxable property in the City. The exception is debt that may be incurred in supplying water. The City's debt is within the legal debt limit as demonstrated by the table.

COMPUTATION OF LEGAL DEBT LIMIT

2007 Actual Value	6,801,200,171
Debt Limit: 3% of Actual Value	204,036,005
Amount of bonded debt applicable to debt limit	0

Bond Issues

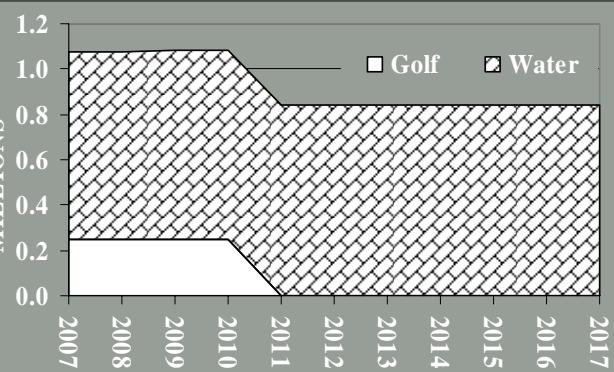
BOND BALANCES	Balance 12/31/06	Payments Due				Maturity Date
		2007	2008	2009	2010	
Revenue Bonds:						
Raw Water (1)	—	826,124	826,856	826,251	825,646	2017
Golf Course (2)	1,071,142	244,832	248,095	247,771	247,447	2010
Bond Total	1,071,142	1,074,956	1,074,951	1,074,026	1,074,026	

Notes:

1 The Municipal Subdistrict of the Northern Colorado Water Conservancy District holds the debt for the Windy Gap project. Loveland is responsible for 1/12 of the payments and has established a reserve to fund these payments.

2 The City of Loveland refunded the original Golf Course C.O.P.s with revenue bonds on Sept. 15, 1998.

COMBINED BOND ISSUES

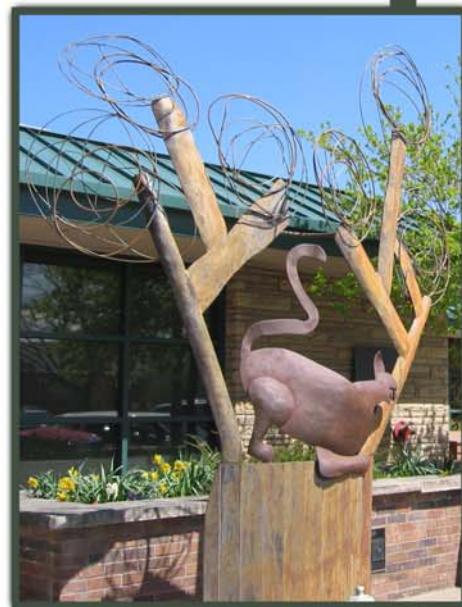


	-----Payment Due-----			Total	Max	Last
	2007	2008	Liability (1)	Payment	Payment	
Lease Purchases:						
Library computer system	55,143	55,143	183,466		2010	
Police Radios	104,605	-	104,605		2007	
Golf GPS System	71,460	71,460	308,345		2012	
Total	231,208	126,603	596,416			

Note: (1) This is the total payment liability from 2007 to the end of the payments.

FINANCIAL MASTER PLAN

This section summarizes the Financial Master Plan. For the complete document, please refer to the link listed on the Finance website at www.ci.loveland.co.us/Finance/FinanceMain.htm or contact the Finance Department.



Financial Master Plan Summary

The City of Loveland Charter requires, as a part of the budget submission, a 5-Year Capital Program. The Capital Program Chapter of this document satisfies this requirement. As policy, staff has expanded this requirement to include operations expense and has developed the City of Loveland Financial Master Plan.

This Financial Plan is updated annually in conjunction with the budget process, or as needed during the year. The Plan is used for discussions with Council on policy priorities at the beginning of the budget process, and provides a long-term planning tool for the City departments for service development. It also forecasts the resources that will be available for service increases or improvements. The Plan is designed to insure that operating revenues for new services, or new capital expansions, will be available in future years to maintain the new buildings or equipment or operate the expanded service after they have come online.

What is a Financial Master Plan?

- It is a multi-year planning instrument that enables the City to forecast the financial implications of emerging issues and trends and direct our resources to meet specific and achievable goals.
- It encompasses the policy direction and priorities of Council.
- It projects resources for the next five years and forecasts compliance with the Amendment 1, also known as TABOR (Taxpayers' Bill of Rights), restrictions.
- It is a living document that enables management and Council to make funding decisions for service delivery and capital requests in a more predictable manner.
- It is a flexible guide to the future revenues and expenditures in the City.
- It is the basis for the development of future budgets.
- It notifies Council when projected revenues are insufficient to cover the projected expenses for priority projects.

In order to balance the budgets, Council can make decisions based on a combination of the following options:

- Cut projected operating or capital expenses by a critical review of departmental budgets.
- Move projects or services funded in the plan to later years.
- Increase revenue by increasing or enacting new fees or by proposing new taxes to voters.
- Reduce the amount of required reserve.
- Adjust the assumptions used in the forecast model.

The Special Revenue Funds are primarily capital in nature and have dedicated funding sources, as do the Enterprise Funds, so these fund groups are not included in the plan. The Internal Service Funds are funded through internal services charges. The General Fund portion is included within the operating budgets of the General Fund Departments. For these reasons, only the General Fund portion is discussed in this chapter.

The Plan may change significantly from year to year, due to changes in the local economy that will impact the revenue stream, changes in Council policies or goals, or legislative changes at the state and federal level that impact service provisions or available revenues.

General Fund Overview

Forecast Assumptions

The forecast of the Consumer Price Index (CPI) and Local Growth Factor used for the TABOR limit are based on the historical average the City has experienced. Actual amounts are not known until the month of March following the end of an individual fiscal year. The forecasted rate for the CPI is 3.5% for 2007 and 2008, and 3.0% for the remaining years. The Local Growth Factor is 5.19% in 2007 based on the property valuations from the County Assessor, and forecasted to be 4.1% for the remaining years, which is the City's historical average.

Revenue Assumptions

- By State law, the Property Assessor is required to reassess all property values every two years to meet the requirements of the Gallagher Amendment to the State Constitution. Historically, the City has experienced growth in assessments of 5.8% in non-reassessment years and 13.6% in reassessment (Gallagher) years. The property tax revenues assume the millage rate will remain the same throughout the Plan and revenues will increase by the same amount as the property assessments.
- The City's sales tax base for 2008-2012 increases at a rate of 3.0% in 2009 and 2010; increasing to 3.5% in 2011 and 2012.
- The sales tax projections for the Lifestyle Center and the Centerra developments are based on the sales per square foot shown in the Master Financing Agreement between the City and the developer.
- Use taxes increase at a rate of 3.5% for 2008-2012.
- All other taxes increase 3.0% for 2009-2012.
- Intergovernmental revenue increases at a rate of 2.5% in 2009-2012.
- User fees increase by 3.5% each year of the Plan.
- PILT increases are projected at 3.0% for most years in the Plan.
- Interest is calculated at 4.5% of the beginning balance adjusted to assume that the combined TABOR and Council reserves will not exceed \$10 million for 2009-2012 based on the current investment instruments held by the City.
- The TABOR excess projections are preliminary and will vary depending on the CPI and local growth percentage for each year and actual revenues.

Expense Assumptions

- 2008 is the Recommended Budget for the departments.
- Department base budgets are increased 3.5% from the 2008 recommended amount.
- Included in the 2007 operating expense line is a transfer to the CEF Fund for \$499,220 for the reimbursement to the fund for incentives given in the Mirasol project.
- The street construction General Fund portion is funded at \$2 million in each year using TABOR revenues or General Fund revenues when TABOR reserves are not available. General Fund revenues will be required beginning in 2009.
- A portion of the Street Rehabilitation expenses are funded using TABOR revenues through 2009.
- All five years of the Capital Program and operating increases associated with these projects are included in the appropriate year.

Required Reserve Assumptions

- The required balance includes the TABOR 3% emergency operating reserve; a Council Contingency reserve of \$100,000; an unfunded liability reserve of \$125,000; an equipment replacement reserve of \$250,000; a library Reserve of \$366,840; a reserve for replacement of the Police Communication consoles of \$104,000; projected revenues which are above the TABOR cap and not currently designated toward specific projects; and the amount of Council Capital Reserve not currently designated for specific projects. The ability to keep and spend TABOR excess revenue and use this revenue for police, fire, street construction and maintenance, and parks construction and maintenance was approved by the voters in the November 2001 election. This approval expires at the end of the 2012 budget year.

- The TABOR 3% operating reserve is a requirement of Article X, Section 20 of the State Constitution, which mandates government reserve 3% of the current year operating costs, excluding bonded debt, to be used for declared emergencies only.
- The Contingency Reserve is established to provide a funding source for small one-time projects, which could not have been anticipated during the development of the annual budget.
- The unfunded liability reserve provides resources in the event payouts for accrued leave or other unfunded liabilities exceed budgeted resources in any one year.
- The Library Reserve is for donations or endowments given to the Library that have not yet been appropriated.
- The Police Communications Reserve is to begin saving for partial funding of the replacement of the dispatch communication consoles in 2013.
- The Council Capital Reserve was established by ordinance in 2005. The ordinance requires setting aside 5% of all tax revenue under the TABOR revenue cap for capital projects. The ordinance will sunset in 2009.
- In the forecast, the City is projected to go under the TABOR limit beginning 2009 and in all remaining years of the Plan. However, the projections are only under the limitation by a maximum of 2% in any one year. Changes in the economy or a small return to the building growth experienced in prior years will result in the City being over the limitation.

Analysis

The Plan as presented shows there is minimal funding available for operating increases other than to operate new facilities included in the Capital Program. The policy of having the unreserved balance equal 6% of revenue is met in all years. Based on supplemental requests that were included in the budget process and in developing the 2008 Capital Program there will be difficult decisions staff and City Council will have to make in the near term. Policy issues outside of the Capital Program that are being discussed by staff are:

- Increasing Police Department staffing due to growth in the City;
- Adequately funding street rehabilitation and transportation to meet projected growth;
- Increased staffing in all departments to maintain current service levels due to growth in the community; and,
- Providing adequate space for City employees.

There is not enough revenue in the Plan to fully fund all of these policy objectives. The decisions to balance this diverse set of requests will need to be made within the available dollars shown in the Plan to ensure the financial stability of the organization. As mentioned earlier, Council and staff can change the scenario presented in this plan by:

- Increased revenue as compared to the current assumptions;
- Increase the spacing between new capital projects, to reduce new operating costs over the short-term;
- A reduction in current programs; and/or,
- Reduce the scope of the Capital Program.

Finance Master Plan	2006 Actual	2007 Revised Budget	2008 Recommended
1 Beginning Fund Balance	\$18,075,903	23,847,700	\$16,667,230
2 REVENUES			
3 Property Tax	6,504,822	6,760,000	7,125,500
4 Current Sales Tax Base	27,173,651	27,225,350	26,574,770
4a Sales Tax Lifestyle Center	-	2,117,500	2,618,200
4b Sales Tax Centerra West	-	892,800	1,445,300
4c Sales Tax Centerra East	-	-	-
5 Use Tax	5,358,366	3,700,000	5,496,280
6 Other Tax	2,325,714	2,507,890	2,481,720
7 Intergovernmental	4,447,436	4,661,380	4,676,550
8 Licenses & Permits	3,033,930	1,819,200	3,023,300
9 User Fees	2,976,551	3,099,530	2,953,760
10 Fines & Forfeits	1,067,166	999,450	1,057,000
11 Interest	774,953	632,640	860,720
12 Others	1,236,509	409,790	401,260
13 Other transfers	-	124,430	-
14 Internal Service Transfers	2,281,460	2,291,740	2,366,180
15 PILT	3,431,596	3,524,820	3,690,840
16 TOTAL REVENUE	60,612,153	60,766,520	64,771,380
17 TOTAL REVENUE & SOURCES	\$78,688,056	\$84,614,220	\$81,438,610
EXPENSES			
18 Legislative	92,288	123,340	123,660
19 Executive & Legal	1,520,856	1,593,030	1,710,330
20 Community & Business Relations	947,325	1,361,480	1,398,910
21 Cultural Services	1,074,857	1,117,700	1,201,740
22 Development Services	2,255,325	2,710,960	2,523,590
23 Finance	1,482,666	1,546,290	1,727,950
24 Fire & Rescue	6,959,959	7,452,440	7,710,470
25 Human Resources	1,007,802	1,198,660	1,109,160
26 Information Technology	2,459,552	3,034,980	2,899,910
27 Library	2,182,277	2,428,580	2,355,190
28 Parks & Rec. (Fairgrounds annualization in 2009)	6,408,564	6,954,110	7,065,560
29 Police	12,653,667	14,074,160	14,592,080
30 Public Works	8,342,755	9,520,890	9,642,890
31 Non-Departmental	1,086,214	1,193,170	2,099,400
32 Transfers	-	2,537,130	105,100
33 Commercial Incentive Program	13,346	1,313,870	350,000
34 Mirasol Fee Waiver	-	499,220	-
35 Available inflated out	-	-	-
36 Available funds	-	-	-
37 TOTAL OPERATING	\$48,487,453	\$58,660,010	\$56,615,940
38 NET OPERATING REVENUE (LOSS)	\$12,124,700	\$2,106,510	\$8,155,440
CAPITAL			
39 Net Capital Expense	3,268,311	3,511,950	5,069,070
40 Street Construction projects	1,737,056	3,936,130	2,000,000
41 Payment to Wastewater for Dev. Incentives	382,749	-	-
42 Equipment Replacement	964,792	1,838,900	1,780,640
Executive & Legal	-	6,000	-
Finance	12,454	-	-
Development Services	-	1,750	-
Police	193,190	109,590	102,760
Fire & Rescue	84,597	203,840	159,860
Information Technology	-	-	405,030
Parks & Recreation	477,834	1,192,320	917,890
Cultural Services	14,381	9,800	62,700
Public Works	153,186	287,000	132,400
Non-Departmental	29,150	28,600	-
43 TOTAL CAPITAL EXPENDITURES	\$6,352,908	\$9,286,980	\$8,849,710
44 NET CHANGE IN FUND BALANCE	\$5,771,792	(\$7,180,470)	(\$694,270)
45 Ending Fund Balance	23,847,695	16,667,230	15,972,960
46 Required Balance	15,706,734	12,026,268	8,856,532
47 NET SURPLUS (DEFICIT)	\$8,140,961	\$4,640,962	\$7,116,428
Reserve Policy Req. (6% of Revenue)	\$3,636,729	\$3,645,991	\$3,886,283
Amount Above (Under) Policy	\$4,504,231	\$994,971	\$3,230,146

2009 Projected 2010 Projected 2011 Projected 2012 Projected

\$15,972,960	\$17,365,320	\$15,631,850	\$16,507,380
7,538,780	7,976,030	8,438,640	8,928,080
27,372,010	28,193,170	29,461,860	30,493,030
2,618,200	2,618,200	2,618,200	2,618,200
1,929,700	2,235,200	2,430,000	2,624,800
234,400	733,200	1,336,500	1,782,800
5,297,210	5,588,910	5,634,930	5,639,180
2,556,170	2,632,860	2,711,850	2,793,210
4,793,464	4,913,300	5,036,133	5,162,036
3,129,116	3,238,635	3,351,987	3,469,306
3,057,140	3,554,140	3,678,530	3,807,280
1,062,285	1,067,596	1,072,934	1,078,299
718,780	781,440	703,430	742,830
415,300	429,840	444,880	460,450
-	-	-	-
2,448,996	2,534,711	2,623,426	2,715,246
3,803,360	3,918,070	4,036,150	4,157,630
66,974,911	70,415,302	73,579,450	76,472,378
\$82,947,871	\$87,780,622	\$89,211,300	\$92,979,758

123,660	123,660	123,660	123,660
1,762,326	1,824,007	1,887,847	1,953,922
1,447,872	1,498,547	1,550,997	1,605,281
1,203,415	1,245,535	1,289,128	1,334,248
2,611,916	2,703,333	2,797,949	2,895,878
1,788,428	1,851,023	1,915,809	1,982,862
7,980,336	8,259,648	8,548,736	8,847,942
1,147,981	1,188,160	1,229,746	1,272,787
2,834,254	2,933,453	3,036,124	3,142,388
2,437,622	2,522,938	2,611,241	2,702,635
7,350,924	8,058,207	8,987,794	9,066,852
15,102,803	15,631,401	16,282,500	16,852,387
9,675,066	10,013,693	10,364,173	10,726,919
1,261,379	1,267,388	1,311,746	1,357,657
108,779	336,996	780,031	807,332
350,000	350,000	350,000	350,000
-	-	-	-
-	931,500	1,197,588	2,171,004
900,000	225,590	900,000	900,000
\$58,086,761	\$60,965,079	\$65,165,069	\$68,093,754
\$8,888,150	\$9,450,223	\$8,414,381	\$8,378,623

3,767,800	7,143,260	4,054,850	6,813,180
2,000,000	2,000,000	2,000,000	2,000,000
-	-	-	-
1,727,990	2,040,431	1,483,996	2,556,667
1,240	1,283	1,328	1,375
2,000	2,000	2,000	2,000
2,500	2,588	2,678	2,772
272,430	403,830	366,210	478,330
158,210	172,610	170,540	141,170
100,000	100,000	100,000	100,000
949,810	1,057,620	738,040	1,639,720
21,000	15,000	22,000	22,000
170,800	285,500	81,200	119,300
50,000	-	-	50,000
\$7,495,790	\$11,183,691	\$7,538,846	\$11,369,847
\$1,392,360	(\$1,733,468)	\$875,535	(\$2,991,223)

17,365,320	15,631,852	16,507,385	13,516,157
10,622,229	9,002,195	9,837,901	8,442,346
\$6,743,091	\$6,629,658	\$6,669,483	\$5,073,811
\$4,018,495	\$4,224,918	\$4,414,767	\$4,588,343
\$2,724,596	\$2,404,739	\$2,254,716	\$485,468

Finance Master Plan	2006 Actual	2007 Revised Budget	2008 Recommended
CALCULATION OF REQUIRED BALANCE			
48 TABOR Excess Reserves Beginning Balance 2003-2012	6,594,571	8,077,832	2,866,644
49 Projected Tabor Annual Excess	6,198,793	3,278,808	813,454
50 Street Construction	(1,737,056)	(3,936,130)	(2,000,000)
51 Transportation Fee	(1,165,482)	(1,297,890)	(1,427,740)
52 Fire Apparatus Replacement	(263,250)	-	-
53 Fairgrounds renovation	(56,850)	-	-
54 Barnes Expansion/Fairgrounds	(79,024)	(2,920,976)	-
55 Youth Sports Operating	(384,000)	-	-
56 Winona Pool Bath House Renovation	-	(112,500)	-
57 Public Works Paint truck	(240,000)	-	-
58 New Fire Fighters and equip for vol	(424,140)	-	-
59 New Police Officers	(365,730)	-	-
60 Streets-Freightliner	-	(105,000)	-
61 Traffic- Sign Truck & Equipment	-	(50,000)	-
62 Police Vehicles	-	(67,500)	-
63 TABOR Excess Reserve Ending Balance 2003-2012	8,077,832	2,866,644	252,357
64 Projected Tabor Annual Excess	-	-	-
65 TABOR Excess Reserve 2013	-	-	-
66 TABOR 3% Emergency	1,483,570	1,673,680	1,751,900
67 Council Contingency	72,430	100,000	100,000
68 Unfunded Liability	125,000	125,000	125,000
69 Equipment Replacement	250,000	250,000	150,000
70 Library Reserve	424,640	366,840	366,840
71 Police Communication Console Replacment	-	-	204,000
72 Required Reserves	2,355,640	2,515,520	2,697,740
73 Council Reserve Beginning Balance	3,631,360	5,273,262	6,644,104
74 Annual Council Set-Aside (5% Tax Revenue)	1,641,902	1,870,842	2,122,330
75 Fairground Development	-	(500,000)	-
76 Boys & Girls Club	-	-	(850,000)
77 Downtown Improvements	-	-	(2,010,000)
78 Council Reserve Ending Balance	5,273,262	6,644,104	5,906,434
79 REQUIRED BALANCE	15,706,734	12,026,268	8,856,532

2009 Projected 2010 Projected 2011 Projected 2012 Projected

252,357	-	-	-
-	-	-	-
-	-	-	-
(252,357)	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1,792,940	1,890,170	1,999,470	2,118,010
100,000	100,000	100,000	100,000
125,000	125,000	125,000	125,000
150,000	250,000	250,000	250,000
366,840	366,840	366,840	366,840
408,000	512,000	-	-
2,942,780	3,244,010	2,841,310	2,959,850
5,906,434	7,679,449	5,758,185	6,996,591
2,249,515	2,367,236	2,496,007	2,604,305
-	-	-	-
-	-	-	-
(476,500)	(4,288,500)	(1,257,600)	(4,118,400)
7,679,449	5,758,185	6,996,591	5,482,496
10,622,229	9,002,195	9,837,901	8,442,346

FUND SUMMARIES

This section provides summaries of the City's four fund types compiled in gross amount form showing the primary services provided and the major sources of revenue.

This section also includes:

- A list of the full time equivalent positions by department or division; and,
- The impact of Amendment I (TABOR) restrictions on the City's budget.



Fund Summaries

The following tables present revenue and expenditure summaries by department 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 Department Summary section.

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 provided 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, services to the development community, and public works functions that maintain the existing street system.

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

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

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 Services Fund	Enterprise Funds	Capital Projects Fund	Local Imp. Fund	CEF Fund	Park Imp. Fund
Beginning Balance	16,667,230	12,746,160	57,505,320	735,600	318,660	40,984,270	849,070
Revenues							
Taxes	45,741,770						
Intergovernmental	4,676,550	300,000					
Impact Fees			4,677,580			9,049,390	3,570
User Fees/Permits/Fines	7,034,060	15,654,220	9,596,770	1,427,740			42,280
Lease Proceeds			2,674,000				
Interest	860,720	525,320	2,417,150		14,340	1,744,630	26,000
Others	401,260	20,000	280,040				100,000
Utility Fees			55,883,320				
Utility Other			3,725,560				
Transfers	6,057,020	67,500	198,480	11,351,550		415,000	
Total Revenue	64,771,380	16,567,040	79,452,900	12,779,290	14,340	11,209,020	171,850
Total Resources	81,438,610	29,313,200	136,958,220	13,514,890	333,000	52,193,290	1,020,920
Appropriations							
Legislative	123,660						
Executive/Legal	1,710,330						
Comm. & Bus. Relations	1,398,910						
Cultural Services	1,264,440						
Development Services	2,523,590						
Finance	1,727,950	2,183,510	2,869,420				
Fire & Rescue	7,870,330			325,000			
Human Resources	1,109,160	9,482,830		100,000			
Information Technology	3,304,940			374,850		282,480	
Library	2,355,190						
Parks & Recreation	7,983,450		4,083,270			3,296,290	250,000
Police	14,694,840					67,500	
Public Works	9,775,290	3,799,190	13,334,600	11,979,440		4,000,000	
Water & Power			62,592,060				
Non-Departmental	2,099,400						
Transfers	7,524,170						
Total	65,465,650	15,465,530	82,879,350	12,779,290	-	7,646,270	250,000
Ending Balance	15,972,960	13,847,670	54,078,870	735,600	333,000	44,547,020	770,920

Special Revenue Funds

GID #1 Fund	Con. Trust Fund	Comm. Dev. Blk. Gnt. Fund	Cnty. Open Sp. Fund	Art in Pub. Places Fund	Loveland SID #1	Loveland URA	Total
51,380	3,354,630	-	6,315,480	239,200	1,928,600	84,860	141,780,460
36,570			1,486,850		734,990	4,310,180	52,310,360
	500,000	303,260		70,000			5,849,810
							13,730,540
							33,755,070
							2,674,000
2,310	120,000		105,000	18,140	86,790	3,820	5,924,220
			5,000	85,000			891,300
							55,883,320
							3,725,560
							18,089,550
38,880	620,000	303,260	1,596,850	173,140	821,780	4,314,000	192,833,730
90,260	3,974,630	303,260	7,912,330	412,340	2,750,380	4,398,860	334,614,190
							123,660
							1,710,330
							1,398,910
				301,320			1,565,760
		303,260					2,826,850
							6,780,880
							8,195,330
							10,691,990
							3,962,270
							2,355,190
	154,820		1,940,430				17,708,260
							14,762,340
24,500							42,913,020
							62,592,060
					777,890	4,303,000	7,180,290
							7,524,170
24,500	154,820	303,260	1,940,430	301,320	777,890	4,303,000	192,291,310
65,760	3,819,810	-	5,971,900	111,020	1,972,490	95,860	142,322,880

General Fund

	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget	'08 Budget / '07 Adopted % Change
REVENUE					
Beginning Balance	18,075,903	16,009,840	23,847,700	16,667,230	
Taxes	41,362,552	43,203,540	43,203,540	45,741,770	5.9%
Licenses & Permits	3,033,930	1,809,200	1,819,200	3,023,300	67.1%
Intergovernmental	4,447,436	4,254,870	4,661,380	4,676,550	9.9%
Charges for Service	2,976,551	3,099,530	3,099,530	2,953,760	(4.7%)
Fines & Penalties	1,067,166	999,450	999,450	1,057,000	5.8%
Interest	774,953	614,940	632,640	860,720	40.0%
Miscellaneous	1,236,509	446,950	409,790	401,260	(10.2%)
Transfers	5,713,056	5,940,990	5,940,990	6,057,020	2.0%
Total Revenue	60,612,153	60,369,470	60,766,520	64,771,380	7.3%
Total Resources	78,688,056	76,379,310	84,614,220	81,438,610	
APPROPRIATIONS					
Legislative	92,288	123,340	123,340	123,660	0.3%
Executive/Legal	1,520,856	1,703,820	1,599,030	1,710,330	0.4%
Community & Business Relations	947,325	1,219,190	1,361,480	1,398,910	14.7%
Cultural Services	1,089,238	1,117,470	1,127,500	1,264,440	13.2%
Development Services	2,255,325	2,483,590	2,712,710	2,523,590	1.6%
Finance	1,495,120	1,522,570	1,546,290	1,727,950	13.5%
Fire & Rescue	7,044,566	7,595,640	7,656,280	7,870,330	3.6%
Human Resources	1,007,802	1,198,660	1,198,660	1,109,160	(7.5%)
Information Technology	2,459,552	3,028,760	3,034,980	3,304,940	9.1%
Library	2,182,277	2,370,780	2,428,580	2,355,190	(0.7%)
Parks & Recreation	6,886,398	7,827,940	8,146,130	7,983,450	2.0%
Police	12,846,657	14,084,270	14,183,750	14,694,840	4.3%
Public Works	8,495,941	8,831,350	9,807,890	9,775,290	10.7%
Non-Departmental	1,115,364	1,231,480	1,231,070	2,099,400	70.5%
Transfers	5,401,652	5,458,400	11,789,300	7,524,170	37.8%
Total	54,840,361	59,797,260	67,946,990	65,465,650	9.5%
Ending Balance	23,847,695	16,582,050	16,667,230	15,972,960	
EXPENSE BY CATEGORY					
Personal Services	36,950,303	39,645,770	39,646,770	41,305,860	4.2%
Supplies	2,416,573	2,503,290	2,831,010	2,474,670	(1.1%)
Purchased Services	6,467,295	7,891,160	8,916,050	8,987,130	13.9%
Fixed Charges	2,095,749	2,223,440	2,285,930	2,501,230	12.5%
Debt/Lease	55,143	57,510	57,510	57,510	-
Transfers	5,401,652	5,458,400	11,789,300	7,524,170	37.8%
Capital	1,453,646	2,017,690	2,420,420	2,615,080	29.6%
Total	54,840,361	59,797,260	67,946,990	65,465,650	9.5%

General Fund

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

Nearly two thirds of the funding for these services is through taxes, primarily sales and use taxes. The other funding sources are State revenue sharing through motor vehicle fees and road and bridge taxes, federal grants, user fees, various licenses and permits, fines, 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 that would have been collected if these enterprises were private operations.

General Fund revenues are anticipated to increase 7.3% from the 2007 Adopted Budget. The increase is primarily due to higher building use tax and building permit fee revenues. The 2007 Budget took a very conservative approach to these revenues. 2008 projections are flat to the actual activity, which is down significantly to past history, but higher than originally anticipated. Modest growth is projected in retail sales; base sales tax revenues are projected to be flat reflecting the slowing of the economy, however the operation of the new Lifestyle Center at full build-out and the growth in the Centerra area is projected to bring increased revenue of over \$1 million resulting in combined sales tax revenues increasing by 1.3% over the 2007 Budget.

The services provided by the General Fund are labor-intensive. When transfers are excluded, personal services account for 71% of General Fund expenditures. Another 15% is in purchased services, primarily for repair and maintenance of City buildings, equipment and grounds. The remaining expenses are for supplies, vehicle maintenance and replacement and other equipment replacement.

Transfers account for 17% of the General Fund expenses. Ninety percent (90%) of the transfer expense is for capital projects with the remaining expenses for transfers to the Capital Expansion Fee (CEF) fund as part of the Council's Economic Incentive Program 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; and an unfunded liability reserve, a reserve for Library donations, and a reserve for the replacement of the Police Communication consoles. 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 policy of having the unrestricted balance equal 6% of revenue, by nearly \$3.4 million.

TABOR Emergency Reserve	1,747,400
TABOR Revenue Over Revenue Cap	252,360
Council Capital Reserve	5,906,430
Council Contingency Reserve	100,000
Equipment Replacement Reserve	250,000
Unfunded Liability Reserve	125,000
Library Reserve	366,840
Police Communications Console Reserve	104,000
Unrestricted Balance	7,270,930

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 \$252,360 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.

The Council Contingency Reserve is included each year for small projects that could not be foreseen in the budget development process. The Equipment Replacement Reserve is a contingency against a significant equipment failure. 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. The Police Communications Reserve is to begin building fund balance to partially fund the replacement of the communication consoles anticipated to occur in 2013.

Enterprise Funds

	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget	'08 Budget / '07 Adopted % Change
REVENUE					
Beginning Balance	72,923,088	58,963,990	72,911,940	57,505,320	
Impact Fees	7,256,408	4,642,010	4,642,010	4,677,580	0.8%
User Fees	8,395,305	8,985,260	8,985,260	9,596,770	6.8%
Interest	3,327,717	2,130,210	2,130,210	2,417,150	13.5%
Lease Proceeds	-	-	-	2,674,000	
Others	234,467	182,040	182,040	280,040	53.8%
Transfers	676,669	194,170	229,620	198,480	2.2%
Utility Charges	52,613,454	52,396,480	52,396,480	55,883,320	6.7%
Utility Other	4,984,366	3,248,800	3,248,800	3,725,560	14.7%
Total Revenue	77,488,386	71,778,970	71,814,420	79,452,900	10.7%
Total Resources	150,411,474	130,742,960	144,726,360	136,958,220	
APPROPRIATIONS					
Golf	3,291,271	3,702,590	3,862,280	4,083,270	10.3%
Power	41,278,928	41,061,730	41,267,080	43,727,410	6.5%
Solid Waste	4,120,244	5,903,520	6,098,520	7,501,010	27.1%
Storm Water	3,882,956	4,977,630	5,209,140	5,833,590	17.2%
Wastewater	8,448,534	7,985,810	9,351,020	10,394,080	30.2%
Water	16,477,616	17,112,040	21,433,000	11,339,990	(33.7%)
Total	77,499,549	80,743,320	87,221,040	82,879,350	2.6%
Ending Balance	72,911,925	49,999,640	57,505,320	54,078,870	
EXPENSE BY CATEGORY					
Personal Services	13,348,517	14,459,780	14,486,880	14,543,770	0.6%
Supplies	1,970,575	2,160,270	2,161,310	3,404,040	57.6%
Purchased Services	29,421,642	32,049,720	32,097,680	33,479,700	4.5%
Fixed Charges	903,359	1,021,500	1,021,500	1,078,190	5.5%
Debt	1,152,747	1,179,600	1,164,000	1,436,640	21.8%
Transfers	5,769,629	5,851,610	5,851,610	6,091,010	4.1%
Capital	24,933,080	24,020,840	30,438,060	22,846,000	(4.9%)
Total	77,499,549	80,743,320	87,221,040	82,879,350	2.6%

Enterprise Funds

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 Enterprise Fund Chapter. The capital projects for each fund are included in the Capital Program Chapter.

The Golf Enterprise Fund manages the three City-owned golf courses. The main source of revenues is from user fees paid by patrons of the golf courses. The fee schedule is set to recover all operating and capital costs involved in the operation of the three courses.

The Power Enterprise Fund includes all costs, operating, purchased power, and capital, associated with distributing electricity to City residents and businesses. The City of Loveland has the fourth lowest rate for electricity of all providers within Colorado.

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 manages a contract for mosquito control services. The fund is administered by the Public Works Department. The City of Loveland has been nationally recognized for the success of the "Pay As You Throw" Program and the high rate of materials recycled and removed from the waste stream.

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.

The Storm Water Enterprise Fund includes all costs, operating, and capital, associated with treating the City's storm water runoff and returning clean usable water to downstream users. The Fund is administered by the Public Works Department to more closely align the storm water management with street construction and maintenance.

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.

The Water and Power Department administers the Water Enterprise Fund, the Wastewater Enterprise Fund, and the Power Enterprise Fund. The consolidation of these three enterprises under one department results in administrative savings for each enterprise.

Internal Service Fund

	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget	'08 Budget / '07 Adopted % Change
REVENUE					
Beginning Balance	10,888,790	10,440,220	12,857,900	12,746,160	
Charges for Service	2,408,738	2,500,460	2,500,460	2,428,640	(2.9%)
Internal Service Charges	12,023,731	11,893,960	11,893,960	13,225,580	11.2%
Intergovernmental	38,000	-	70,100	300,000	-
Interest	520,897	392,540	392,540	525,320	33.8%
Miscellaneous	80,361	20,000	20,000	20,000	-
Transfers	328,450	268,500	391,530	67,500	(74.9%)
Total Revenue	15,400,177	15,075,460	15,268,590	16,567,040	9.9%
Total Resources	26,288,967	25,515,680	28,126,490	29,313,200	
APPROPRIATIONS					
Employee Benefits	7,158,470	9,259,580	9,259,580	9,482,830	2.4%
Fleet Management	1,376,710	852,270	1,309,740	858,490	0.7%
Vehicle Maintenance	2,729,846	2,747,840	2,825,640	2,940,700	7.0%
Risk & Insurance	2,166,045	1,974,810	1,985,370	2,183,510	10.6%
Total	13,431,071	14,834,500	15,380,330	15,465,530	4.3%
Ending Balance	12,857,896	10,681,180	12,746,160	13,847,670	
EXPENSE BY CATEGORY					
Personal Services	1,313,654	1,307,070	1,307,070	1,492,910	14.2%
Supplies	1,466,844	1,470,390	1,470,390	1,479,580	0.6%
Purchased Services	255,285	312,820	323,380	345,300	10.4%
Fixed Charges	8,927,562	10,753,200	10,753,200	11,131,490	3.5%
Transfers	243,900	107,020	107,020	112,390	5.0%
Capital	1,223,826	884,000	1,419,270	903,860	2.2%
Total	13,431,071	14,834,500	15,380,330	15,465,530	4.3%

Internal Service Funds

The Internal Service Funds provide benefits and risk administration, and fleet maintenance and replacement. Funding for these funds is from the General Fund and Enterprise Funds through internal service charges, and, in Fleet Services, payments from the Thompson School District R2-J for maintenance for the School District's fleet. Detailed expenses for the divisions in these funds are in the Department Summaries Section under the Finance, Human Resources and Public Works departments.

The Employee Benefits Fund, administered by the Human Resources Department, is for management of the City's self-insured benefit program. Revenues for the fund are from internal service charges in each department's budget, which covers 80% of the health benefit cost, 60% of the dental benefit cost, life insurance, disability costs, and wellness program costs. Employees will 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 administration costs.

The Fleet Services Funds provides vehicle maintenance and replacement of the City fleet. Revenues for the Fund are from internal service charges in each department's budget based on the amortization of existing vehicles, forecasted maintenance costs, and a payment from the Thompson School District for maintenance of the District's fleet. Reserves are carried within the fund for future vehicle replacement. The City does not use a fully funded replacement plan, but a revolving fund philosophy. The reserves are established to ensure the solvency of the fund over a ten year period. The Public Works Department manages the two funds.

The Risk & Insurance Fund is administered by the Finance Department. The City is self-insured for general liability and workers' compensation insurance, with purchased insurance for coverage over certain limits. Revenues for the fund are from internal service charges within each department's budget, based on the individual department's rolling five-year claims history, and the forecast insurance costs. The Risk Management Division also administers the City's Safety Program, to reduce workers' compensation liability, and provides assistance for environmental issues and federal compliance to the departments.

Special Revenue Funds

	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget	'08 Budget / '07 Adopted % Change
REVENUE					
Beginning Balance	54,879,797	48,733,430	61,288,490	54,861,750	
Property Tax	930,362	1,949,200	1,949,200	4,346,750	123.0%
Other Tax	3,156,425	2,596,470	2,596,470	2,221,840	(14.4%)
Intergovernmental	1,110,150	1,254,020	2,167,900	873,260	(30.4%)
Impact Fees	11,017,221	7,396,580	7,396,580	9,052,960	22.4%
User Fees	1,201,019	1,337,130	1,340,020	1,470,020	9.9%
Interest	2,479,832	1,677,430	1,677,450	2,121,030	26.4%
Others	641,659	194,670	394,670	190,000	(2.4%)
Transfers	12,526,402	10,145,800	25,264,090	11,766,550	16.0%
Total Revenue	33,063,070	26,551,300	42,786,380	32,042,410	20.7%
Total Resources	87,942,867	75,284,730	104,074,870	86,904,160	
APPROPRIATIONS					
Art in Public Places	411,634	487,970	487,970	301,320	(38.3%)
Capital Expansion Fees	8,381,753	7,086,320	13,912,370	7,646,270	7.9%
Capital Projects	14,278,755	11,250,230	25,883,950	12,779,290	13.6%
Community Dev. Block Grant	306,435	299,020	323,130	303,260	1.4%
Conservation Trust	169,992	1,258,490	2,447,460	154,820	(87.7%)
County Open Space	149,154	1,677,690	1,681,380	1,940,430	15.7%
Loveland GID #1	19,146	24,500	24,500	24,500	-
Park Improvement	197,193	400,100	1,200,100	250,000	(37.5%)
Loveland SID #1	1,901,465	1,354,500	1,354,500	777,890	(42.6%)
Loveland Urban Renewal Authority	838,850	1,897,760	1,897,760	4,303,000	-
Total	26,654,377	25,736,580	49,213,120	28,480,780	10.7%
Ending Balance	61,288,490	49,548,150	54,861,750	58,423,380	
EXPENSE BY CATEGORY					
Personal Services	574,500	595,460	595,460	376,780	(36.7%)
Supplies	150,361	31,050	31,050	30,150	(2.9%)
Purchased Services	394,815	354,610	382,410	401,730	13.3%
Fixed Charges	13,737	13,530	13,530	13,960	3.2%
Debt Service	2,438,350	3,007,260	3,007,260	4,939,290	64.2%
Transfers	7,861,296	5,132,430	14,078,300	4,361,980	(15.0%)
Capital	15,221,318	16,602,240	31,105,110	18,356,890	10.6%
Total	26,654,377	25,736,580	49,213,120	28,480,780	10.7%

Special Revenue Funds

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 Other Funds Chapter contains detailed explanations of the expenses in the special revenue funds.

The Art in Public Places Fund is to budget for art acquisition and maintenance. By City ordinance, 1% of the cost of all construction projects over \$50,000 is deposited into the fund.

The Capital Expansion Fee Fund (CEF) is where all impact fees are budgeted. Only capital projects that are fully funded by CEFs are budgeted as expenses in the fund. Projects that are partially funded by CEFs are budgeted in the Capital Projects Fund by transferring funds to the Capital Projects Fund. This method allows for a full accounting of all impact fees collected and their use, while at the same time showing the total cost of the capital projects.

The Capital Projects Fund is where all vertical construction, non-enterprise infrastructure, 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 Fund, and the Street Maintenance Fee. This allows for the full cost of a project to be budgeted, when the funding for the project is from different sources.

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 Conservation Trust Fund is for park and recreation projects funded by Colorado Lottery funds. Expenses are for the construction and maintenance of the recreational trail, which on completion, will circle the City. Lottery funds previously provided a portion of the funding for construction of the Hatfield Chilson Recreation Center and are used as one funding source for the construction of the new Youth Sports Complex.

The County Open Space Fund is for the City's share of revenue from the County Open Space Sales Tax. The funding is for the purchase and maintenance of open land for the City.

The Loveland General Improvement District (GID) #1 is a special district established with its own mill levy to maintain downtown public parking lots and street amenities.

The Park Improvement Fund is for the replacement of park amenities and infrastructure, such as shelters, pump stations, or other similar amenities or equipment. Revenue sources for the fund are park shelter use fees, ball field and tennis court rentals, and county fees collected within the urban growth area.

Fund Balance Summary

	2007 Adopted Ending Balance Restated	2007 Revised Ending Balance	2008 Ending Balance
General Fund	16,582,050	16,667,230	15,972,960
Internal Services			
Employee Benefits	1,388,090	3,667,420	3,717,160
Fleet Management	4,387,980	4,477,280	5,008,690
Fleet Maintenance	932,270	723,580	1,479,810
Risk & Insurance	3,972,840	3,877,880	3,642,010
Total	10,681,180	12,746,160	13,847,670
Special Revenue			
Capital Projects	780,320	735,600	735,600
Capital Expansion Fees	39,277,350	40,984,270	44,547,020
Local Improvement	318,330	318,660	333,000
Parks Improvement	940,860	849,070	770,920
Loveland GID #1	49,220	51,380	65,760
Conservation Trust	1,739,190	3,354,630	3,819,810
County Open Space	4,500,630	6,315,480	5,971,900
Art in Public Places	3,760	239,200	111,020
Loveland SID #1	1,900,390	1,928,600	1,972,490
Loveland Urban Renewal Authority	38,100	84,860	95,860
Total	49,548,150	54,861,750	58,423,380
Enterprise			
Golf	1,973,670	2,088,800	2,035,800
Water	28,733,810	32,609,820	33,070,650
Wastewater	5,751,440	8,735,490	6,955,720
Storm Water	1,474,230	2,033,940	670,870
Power	10,335,760	10,273,740	8,816,450
Solid Waste	1,730,730	1,763,530	2,529,380
Total	49,999,640	57,505,320	54,078,870
Total All Funds	126,811,020	141,780,460	142,322,880

Staffing Levels

This table represents a comparison of positions that are authorized in the budget for all funds from 2006 to 2008. The summary includes all full-time and part-time benefited positions, but does not include temporary or non-benefited positions.

Department	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget	'08 Budget - '07 Adopted Change
Executive & Legal	13.4	14.6	13.8	13.7	(0.9)
Community & Business Relations	6.9	8.8	9.8	9.5	0.7
Cultural Services	11.4	11.6	11.6	12.1	0.5
Development Services	28.8	29.3	29.3	29.3	-
Finance	16.1	16.1	15.8	16.7	0.6
Fire & Rescue	66.8	68.8	69.0	69.0	0.2
Human Resources	10.6	10.6	10.0	10.0	(0.6)
Information Technology	23.5	23.5	23.5	24.5	1.0
Library	27.6	27.6	27.6	27.6	-
Parks & Recreation	65.2	61.8	61.8	61.8	-
Police	124.0	134.0	134.0	136.0	2.0
Public Works	73.9	74.9	74.9	76.8	1.9
Total General Fund	468.2	481.6	481.1	487.0	5.4
Finance/Risk Management	3.8	3.8	3.8	4.0	0.2
Public Works/Vehicle Maint.	14.7	14.7	14.7	15.7	1.0
Total Internal Service Funds	18.5	18.5	18.5	19.7	1.2
Parks & Recreation/Golf	18.5	18.5	18.5	18.5	-
Public Works/Solid Waste	23.7	24.7	24.7	25.7	1.0
Public Works/Storm Water	11.1	12.1	14.8	15.9	3.8
Water & Power	122.0	119.0	119.0	119.0 *	-
Finance	33.0	34.0	34.0	34.5	0.5
Total Enterprise Funds	208.3	208.3	211.0	213.6	5.3
Parks & Recreation/Conservation Trust	1.0	0.9	0.9	0.9	-
Community Development Block Grant	0.7	0.5	0.5	0.8	0.3
Parks & Recreation/County Open Space	2.0	1.9	1.9	1.9	-
Cultural Services/Art in Public Places	0.8	0.8	0.8	0.8	-
Total Other Funds	4.5	4.1	4.1	4.4	0.3
Total City Employees (FTE)	699.5	712.5	714.7	724.7	12.2

TABOR Revenue

In 1992, Colorado passed a State Constitutional Amendment, known as TABOR, which imposed tax and spending limitations on governmental entities. Since the passage of TABOR, Loveland citizens have approved three ballot issues allowing the City to keep and spend for certain purposes, thus waiving the limits of TABOR. The first in 1994 authorized the City to receive and expend all revenues generated from 1993 through 1997. In the 1999 election, the voters again authorized the City to receive and expend all revenues generated from 1998 through 2002. The 1999 ballot issue stipulated that these monies be spent on street construction and youth services.

In 2002, voters once again authorized the City to receive and expend all revenues generated from 2003 through 2012. This ballot issue stipulated that these monies be spent on Police and Fire, street maintenance and construction, and park maintenance and construction. On the following page are the revenues that qualify under the ballot issue and the projects that have been funded with these revenues. These revenues have provided the General Fund contribution to the 2030 Transportation Plan, allowed for increased maintenance of existing streets, provided a portion of the funding to construct the new Fairgrounds Park, and provided funds for the replacement of fire apparatus and other large equipment purchases. Strong revenue between 2004-2006 was the result of the strong growth experienced during this time frame, with building permit revenues and building use tax revenues higher than average. With the slow down in residential construction, and a significant portion of the new retail in the Centerra development completed, these revenues are projected to return to normal levels in the coming years, reducing the amount that will be available for projects from this source.

Projects Funded from Revenues above TABOR Limit

Year:	Amount
2003 actual revenues above TABOR limit	1,307,281
2004 actual revenues above TABOR limit	4,370,851
2005 actual revenues above TABOR limit	6,841,751
2006 actual revenues above TABOR limit	6,198,790
2007 projected revenues above TABOR limit	3,278,800
2008 projected revenues above TABOR limit	813,450
Total	\$22,810,923
Projects:	Amount
Street Rehabilitation and Maintenance (2004 Budget)	975,180
Street Rehabilitation and Maintenance (2005 Budget)	2,909,800
Fire Apparatus Replacement (2005 Budget)	275,000
Fairgrounds Renovation (2005 Budget)	100,000
Street Construction (2005 Budget)	2,801,333
In-house Street Construction Engineering (2005 Budget)	489,490
Street Construction (2006 Budget)	2,000,000
Street Rehabilitation and Maintenance (2006 Budget)	2,613,710
Youth Sports Complex Operating Costs (2006 Budget)	384,000
Replace Street Paint Truck (2006 Budget)	240,000
Four New Firefighters and Volunteer Equipment (2006 Budget)	424,140
Four New Police Officers (2006 Budget)	365,730
Winona Pool Bathhouse Renovation (2006 Budget)	112,500
Fairgrounds/Barnes Park Expansion (2006 Budget)	3,000,000
Street Construction (2007 Budget)	2,000,000
Street Rehabilitation and Maintenance (2007 Budget)	831,733
Police Vehicle Upgrades (2007 Budget)	67,500
New Sign Service Truck (2007 Budget)	50,000
Replace 1986 Freightliner (2007 Budget)	105,000
Street Rehabilitation and Maintenance (2008 Budget)	813,450
Street Construction (2008 Budget)	2,000,000
Subtotal	\$22,558,566
Balance	\$252,357
Total	22,810,923

DEPARTMENT SUMMARIES

This section details revenues and operating expenditures for all departments. Descriptions of each department, its mission and goals, measurements to quantify the effectiveness or outcome of the program, a summary of authorized positions, revenue attributable to the departments, and any significant changes in departmental budgets are included.



The department and division summaries provide historical cost information along with the current and recommended budget. Revenues that are attributed to a department are also presented.



LEGISLATIVE

The City's vision statement:

"A vibrant community...
Surrounded by natural beauty...
Where you belong."



Legislative Summary

	'07 Adopted		'07 Revised Budget	'08 Budget	'08 Budget / '07 Adopted		'07 FTE	'08 FTE
	'06 Actual Restated	Budget Restated			% Change			
General Fund								
City Council	92,288	123,340	123,340	123,660	0.3%	-	-	-
EXPENSE BY CATEGORY								
Personal Services	66,269	77,190	77,190	77,510	0.4%			
Supplies	986	600	600	600	-			
Purchased Services	25,033	45,550	45,550	45,550	-			
Total	92,288	123,340	123,340	123,660	0.3%			

BUDGET VARIANCES

320 Increase in personal services due to final-phase salary increases approved for new members of Council in 2004, whereby the raises take effect after a member's term has expired.

320 Total Increase

Legislative

Overview

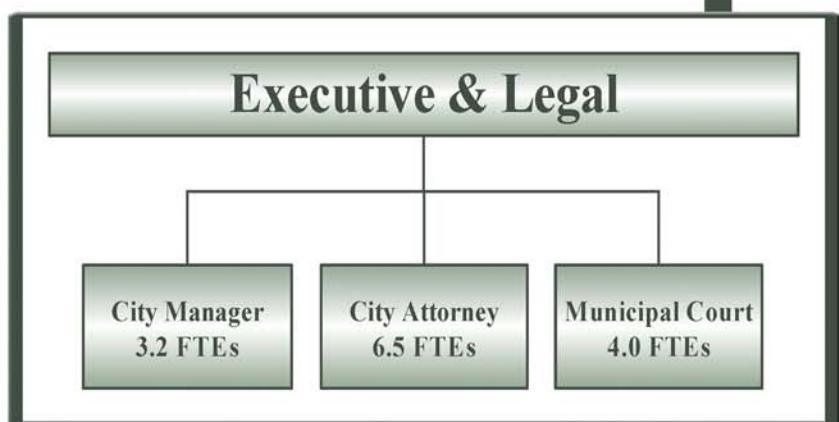
The City Council is the legislative and policy-making body of the city government. The Mayor and the Council members, working together as a single body, are entrusted with representing and interpreting the needs of Loveland citizens by balancing diverse public interests, establishing policies, and providing leadership and vision for the community. The Council appoints a City Manager to implement policies and manage the day-to-day operations of the Loveland municipal government. In addition, the Council appoints a City Attorney and a Municipal Judge. The Council also oversees the City's 21 citizen boards and commissions.

In elections, held the first Tuesday in November of odd-numbered years, voters select the Mayor and members of the City Council. The Council has a total of nine members. Each of four city wards elects two council members to serve staggered four-year terms. The Mayor, elected from the city at large, serves a two-year term. The Mayor Pro Tem is chosen by the affirmative vote of a majority of the entire Council. As compensation for their work on behalf of the citizens, Council members are paid \$600 per month; the Mayor Pro Tem, \$800 per month; and the Mayor, \$1,000 per month.

EXECUTIVE & LEGAL

The mission of the City Attorney's Office is to provide high-quality, prompt and cost-effective legal services to the City Council, City boards and commissions, and City staff and, in so doing, to benefit Loveland's citizens by protecting the City's legal and financial interest and by supporting the City's provision of municipal services; and, within the bounds of justice and professional responsibility, to vigorously prosecute in Loveland Municipal Court violations of the City Charter and Code.

The mission of the Municipal Court, created by the City Charter, is to provide due process and justice in an impartial, fair and efficient manner to its residents, visitors, and employees.



Department of Executive & Legal Summary

	'06 Actual Restated	'07 Adopted Budget Restated		'07 Revised Budget	'08 Budget	'08 Budget / '07 Adopted % Change		'07 FTE	'08 FTE
		Budget	Restated						
General Fund									
City Manager	572,262	596,160		491,370	539,730	(9.5%)	4.0	3.2	
City Attorney	651,825	766,810		766,810	789,560	3.0%	6.6	6.5	
Municipal Court	296,769	340,850		340,850	381,040	11.8%	4.0	4.0	
Total	1,520,856	1,703,820		1,599,030	1,710,330	0.4%	14.6	13.7	
REVENUE									
Municipal Court	990,790	922,000		922,000	977,000	6.0%			
Total	990,790	922,000		922,000	977,000	6.0%			
EXPENSE BY CATEGORY									
Personal Services	1,367,028	1,568,290		1,463,500	1,558,240	(0.6%)			
Supplies	16,812	33,110		33,110	30,500	(7.9%)			
Purchased Services	137,016	102,420		102,420	107,090	4.6%			
Capital	-	-		14,500	14,500	-			
Total	1,520,856	1,703,820		1,613,530	1,710,330	0.4%			

DIVISION

City Manager

DEPARTMENT

Executive & Legal

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
City Manager	572,262	596,160	491,370	539,730

EXPENSE BY CATEGORY

Personal Services	490,933	567,880	463,090	512,100
Supplies	5,820	6,600	6,600	5,400
Purchased Services	75,509	21,680	21,680	22,230
Total	572,262	596,160	491,370	539,730

FTE	3.8	4.0	3.2	3.2
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BUDGET VARIANCES

2,410 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

(109,060) Decrease in personal services due to the allocation of 75% of an Assistant City Manager position's time to the Finance Administration budget.

(1,060) Decrease in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

51,280 Normal Increases/Decreases

50,870 Personal Services

(1,200) Supplies

1,610 Purchased Services

(56,430) Total Decrease

City Manager

Overview

The City Manager is the chief executive officer of the City of Loveland. This position is appointed by the City Council and is responsible for the execution of City Council policies, directives, and legislative action.

Leadership in this capacity involves coordinating departmental functions and relationships with many external organizations to achieve alignment with City Council priorities for the community. This alignment effort is communicated in the annual budget and the 10-Year Financial Plan.

All City staff report to the City Manager, except the Municipal Court and the City Attorney. It is the City Manager's responsibility to integrate the talents of all department heads within a common vision that enables the organization to deliver service based on City Council direction. This management team works together to create an environment that encourages innovation, creativity, and growth. The City Manager encourages management and every employee to hold each other accountable for achieving excellence. A performance measurement system has been established to create a means of communication that will align expectations for service delivery and the actual service delivery using resources available. The elements of this system serve as a tool to assess the efficiency and effectiveness of resource allocation.

Many organizations external to the organization help to shape the community and set the path for the future. The City Manager is responsible for coordinating relationships with:

- other agencies, such as federal, state, county and other municipalities;
- other non-profit organizations;
- the City of Loveland's 21 boards and commissions; and,
- businesses and other private agencies.

It is critical to manage those relationships in a way that the citizens receive the most benefit today and in the future. It must pave the way to an efficient, results oriented government, which partners with all segments of the community to face the challenges of the future.

Objectives

- Articulate City Council goals and communicate initiatives intended to achieve those goals.
- Develop a performance measurement system to assist departments with goal setting.
- Develop citywide strategic plans to achieve City goals.

DIVISION

City Attorney

DEPARTMENT

Executive & Legal

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
City Attorney	651,825	766,810	766,810	789,560
EXPENSE BY CATEGORY				
Personal Services	611,152	701,550	701,550	729,370
Supplies	2,394	15,560	15,560	5,350
Purchased Services	38,279	49,700	49,700	54,840
Total	651,825	766,810	766,810	789,560
FTE	5.6	6.6	6.6	6.5

BUDGET VARIANCES

1,400 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

9,150 Increase in insurance benefits costs based on employee health plan choices and increased administrative costs.

(9,810) Decrease in supplies for the one-time cost of an office set-up for the Attorney position added in 2007.

1,000 Increase in purchased services for communication services.

2,720 Increase in purchased services for subscriptions due to an increased rate for the Westlaw service used for legal research.

620 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

700 Increase in purchased services for memberships and fees for an Attorney position added in 2007.

16,970 Normal Increases/Decreases

17,270 Personal Services

(400) Supplies

100 Purchased Services

22,750 Total Increase

City Attorney

Overview

The Loveland Home Rule Charter sets out the duties of the City Attorney as follows: "The City Attorney shall serve as the chief legal adviser for the City, shall advise the Council and other City officials in matters relating to their official powers and duties, and shall perform such other duties as may be designated by Council."

The Loveland Municipal Code also requires the City Attorney to appear for the City in all actions or suits in which the City is a party and s/he is authorized to make any and all affidavits or instruments in writing for the proper conduct in any suit in which, in her/his opinion, the City's interests require. The City Attorney must attend all meetings of the Council and draw all ordinances, contracts and other instruments when requested by the Council to do so. The City Attorney may appoint assistants as necessary and as authorized in the budget to serve under the direction and control of the City Attorney.

The City Attorney's office handles all prosecution in the Municipal Court. When matters are appealed from the Municipal Court to the District Court, this office handles the appeals. A vital part of handling Municipal Court matters is consultation with defendants in Municipal Court on their particular cases, which includes an education effort about law enforcement in general.

The City Attorney's office handles most legal matters for the City. Occasionally, certain areas that require specialized expertise are handled by outside counsel. When lawsuits are filed against the City on matters for which the City has liability insurance coverage, the insurance company retains an attorney to represent the City at the insurance company's expense. In these matters, the City Attorney assists the attorney retained by the insurance company with the defense of the lawsuits.

The City Attorney consults frequently with the City Manager regarding various matters which have legal implications for the City.

DIVISION
Municipal Court

DEPARTMENT
Executive & Legal

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Municipal Court	296,769	340,850	340,850	381,040
REVENUE				
Court Costs	46,130	45,800	45,800	50,000
Court Administration Fees	2,500	2,500	2,500	3,500
Court Summons Surcharge	80,490	60,000	60,000	75,000
Traffic Fines	701,913	700,000	700,000	700,000
Municipal Ordinance Fines	85,844	50,000	50,000	80,000
Parking Fines	42,896	44,000	44,000	45,000
Other Fines	13,813	7,200	7,200	8,500
Other Service Charges	17,204	12,500	12,500	15,000
Total	990,790	922,000	922,000	977,000
EXPENSE BY CATEGORY				
Personal Services	264,943	298,860	298,860	316,770
Supplies	8,598	10,950	10,950	19,750
Purchased Services	23,228	31,040	31,040	30,020
Capital	-	-	-	14,500
Total	296,769	340,850	340,850	381,040
FTE	4.0	4.0	4.0	4.0

BUDGET VARIANCES

320 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

4,600 Increase in personal services for insurance benefits due to employee plan choices and increased administrative costs.

(1,020) Decrease in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

14,500 Increase in capital based on the equipment replacement schedule. See page 19-2 of the General Fund Equipment Replacement chapter for more detail on equipment purchases.

12,990 Normal Increase

12,990 Personal Services

SUPPLEMENTS

8,800 **Improvement** - Increase in supplies for software and licenses to increase the efficiency of statistical reporting.

40,190 Total Increase

Municipal Court

Overview

The Municipal Court's authority and responsibility is established by the Home Rule Charter and State law. It functions to adjudicate and process Municipal Code and Charter violations.

The Court will process approximately 13,000 cases in 2008 with the following attendant responsibilities: maintain Traffic Violations Bureau for "decriminalized" traffic infractions; formal arraignment on all other charges with advisement of legal rights and procedures; provision of a trial by judge or jury for disputed violations; sentencing of convicted violators; keep records and report convictions as required; maintain administrative record keeping; issue and account for warrants for the arrest of non-compliant offenders; collect fines and costs; and set minimum fines and costs except as otherwise established by local or State law.

Objectives

- Process payments within one (1) business day.
- Conduct 100% further proceeding settings within 72 hours of receipt.
- Process all court events within 24 hours of court.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% payments processed within 1 day.	98%	95%	95%
% of proceeding settings within 72 hours of receipt.	97%	90%	90%
% of court events processed within 24 hours.	97%	90%	90%

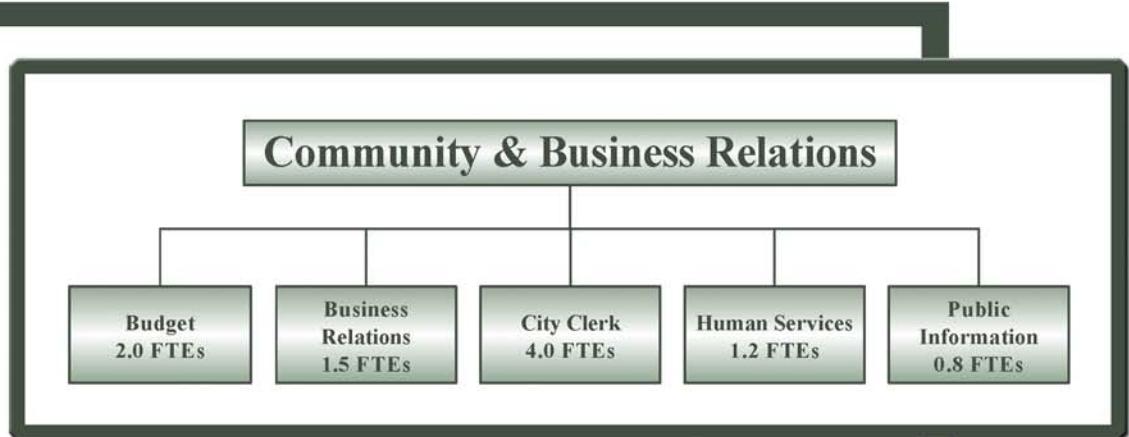
UNFUNDED SUPPLEMENTS

17,000 **Improvement** - Municipal Court - Increase to install cable and cameras and necessary electric lines to implement video arraignment of prisoners in the Larimer County Detention Center.

14,200 **Improvement** - Municipal Court - Increase to a scanner and software licenses for document imaging of files.

31,200 Total Unfunded Supplements

COMMUNITY & BUSINESS RELATIONS



Facilitate proactive, inclusive participation in planning and implementation efforts to generate community-wide partnerships that result in an environment of opportunity and sustainability of individual and business interests throughout Loveland and Northern Colorado.



Department of Community & Business Relations Summary

	'07 Adopted		'08 Budget / '07 Adopted % Change	'08 Budget /		
	'06 Actual Restated	Budget Restated		'08 Budget	'07 FTE	
General Fund						
Budget	108,396	116,470	197,540	205,250	76.2%	1.0
Business Relations	75,198	131,940	130,940	138,510	5.0%	1.5
City Clerk	316,400	326,270	326,270	362,830	11.2%	4.0
Human Services	447,331	500,970	563,190	541,710	8.1%	1.5
Public Information	-	143,540	143,540	150,610	4.9%	0.8
Total	947,325	1,219,190	1,361,480	1,398,910	14.7%	8.8
EXPENSE BY CATEGORY						
Personal Services	438,754	602,540	683,610	703,030	16.7%	
Supplies	22,680	17,320	17,320	43,240	149.7%	
Purchased Services	483,350	594,330	654,550	650,840	9.5%	
Fixed Charges	2,541	-	1,000	1,800	-	
Capital	-	5,000	5,000	-	(100.0%)	
Total	947,325	1,219,190	1,361,480	1,398,910	14.7%	

DIVISION

Budget

DEPARTMENT

Community & Business Relations

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Budget	108,396	116,470	197,540	205,250

EXPENSE BY CATEGORY

Personal Services	98,583	95,250	176,320	185,030
Supplies	551	1,100	1,100	1,100
Purchased Services	9,262	20,120	20,120	19,120
Total	108,396	116,470	197,540	205,250

FTE**1.0****1.0****2.0****2.0****BUDGET VARIANCES**

210 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

81,070 Increase in personal services for the mid-year transfer of the Financial Analyst position from Finance Administration.

90 Increase in purchased services for general liability based on the Division's historical experience and forecasted liability costs.

7,410 Normal Increases/Decreases

 8,500 Personal Services

 (1,090) Purchased Services

88,780 Total Increase

Budget

Overview

The Budget Division prepares and administers the City's annual operating budget and capital plan; forecasts and monitors the City's expenditures and revenues; forecasts the five-year operating and capital plans; and provides financial data, support and analysis to other City departments. In addition, this Division participates in policy analysis and formation and ensures City compliance with federal and state legislation that affect the budget. The Division has received the "Distinguished Budget Presentation Award" from the Government Finance Officers Association every year since 1985.

Objectives

- Collection and dissemination of data in timely and accurate manner.
- Accurate revenue projection.
- Accurate forecasting of current year expenses to reduce the number of year-end supplemental budgets.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% of adopted General Fund budget revenues to actual.	100.9%	95.0%	95.0%
% of current year General Fund revenue forecast to actual with 4 months of data.	101.5%	95.0%	95.0%
% of General Fund expenses forecast to actual with 4 months of data.	101.9%	105.0%	105.0%
% of General Fund unrestricted fund balance to total General Fund revenue.	16.9%	6.0%	6.0%

DIVISION

Business Relations

DEPARTMENT

Community & Business Relations

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Business Relations	75,198	131,940	130,940	138,510
EXPENSE BY CATEGORY				
Personal Services	31,375	80,750	80,750	87,130
Supplies	9,862	9,150	9,150	8,900
Purchased Services	33,961	42,040	41,040	42,480
Total	75,198	131,940	130,940	138,510
FTE	1.0	1.5	1.5	1.5

BUDGET VARIANCES

270 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

190 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

6,110 Normal Increases/Decreases

 6,110 Personal Services

 (250) Supplies

 250 Purchased Services

6,570 Total Increase

Business Relations

Overview

The mission of the Business Relations Division is to assist citizens, community groups and economic development organizations with the creation and retention of sustainable employment which contributes to the long term economic diversity of our community.

We accomplish this by:

- Promoting collaboration with our economic development partners at local, regional and state levels.
- Fostering an environment supportive of entrepreneurial endeavors.
- Supporting recruitment of primary jobs to the region.
- Marketing Loveland, Colorado and its strengths as a community with a proactive business climate and highly educated and trained workforce.

Objectives

- Establish effective and productive partnerships with the Downtown Loveland Association, Northern Colorado Economic Development Corporation, Loveland Center for Business Development, Loveland Chamber of Commerce, Fort Collins, Larimer County and the State of Colorado Office of Economic Development and International Trade.
- Establish effective and productive relationships within the City of Loveland.
- Establish a set of incentive criteria which guides and assists City Council and staff in formulating customized business assistance packages for new and existing entrepreneurs.
- Establish a brand identity for Loveland and utilize it in the re-creation of the business development brochure, website, and the business appreciation luncheon.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% prospect requests responded to within 24 hours.	100%	100%	100%
% satisfaction of clients assisted.	95%	95%	95%
# of clients assisted.	80	80	80
% of top 25 businesses satisfied with Business Relations assistance.	95%	95%	95%
# of primary jobs created due to Business Relations assistance.	150	150	150
# of non-primary jobs created due to Business Relations assistance.	300	300	300

DIVISION

City Clerk

DEPARTMENT

Community & Business Relations

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
City Clerk	316,400	326,270	326,270	362,830
EXPENSE BY CATEGORY				
Personal Services	266,664	247,880	247,880	259,050
Supplies	2,866	2,820	2,820	27,790
Purchased Services	44,329	70,570	69,570	74,990
Fixed Charges	2,541	-	1,000	1,000
Capital	-	5,000	5,000	-
Total	316,400	326,270	326,270	362,830
FTE	4.0	4.0	4.0	4.0

BUDGET VARIANCES

770 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

390 Increase in purchased services for general liability based on the Division's historical experience and forecasted liability costs.

(5,000) Decrease in capital due to the one-time purchase of equipment.

(9,600) Normal Increases/Decreases

- (9,600) Personal Services
- 330 Supplies
- (1,330) Purchased Services
- 1,000 Fixed Charges

SUPPLEMENTS

50,000 **Improvement** - Increase in personal services (\$20,000), supplies (\$24,640) and purchased services (\$5360) for implementation of a citywide Document Management Policy and Program.

36,560 Total Increase

City Clerk

Overview

The City Clerk Division maintains current files on all minutes, ordinances, resolutions, contracts, agreements, easements, titles and deeds for the City Council and management. The City Clerk attends and records all Council meetings, conducts municipal elections, issues licenses and permits, and operates the central switchboard. The City Clerk is also responsible for retaining e-mail documents sent to City Councilors deemed to be public record as well as scanning public records into the imaging system for citizen and employee access. Facilities reservations for the Council Chambers and the Conference room on the main floor of the Municipal Building are made through this Division. The City Clerk Division administers the Food Sales Tax and Utility Rebate Program.

Objectives

- Accurate and prompt retention and retrieval of records.
- Direction of citizen and staff calls to proper entity.
- To ensure that all employees involved have accurate training in order to comply with State Statutes relating to Municipal Elections.
- Provide licensees with accurate and timely processing of license applications and compliance with State of Colorado regulations relating to liquor/beer licensing.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% of permanent records available electronically.	90%	90%	95%
% of permanent records imaged within 30 days.	80%	85%	90%
% of citizen and staff requests responded to within 24 hours.	95%	95%	95%
% of liquor license applications processed within 1 week of approval by local authority.	100%	100%	100%

DIVISION
Human Services

DEPARTMENT
Community & Business Relations

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Human Services	447,331	500,970	563,190	541,710
EXPENSE BY CATEGORY				
Personal Services	42,132	96,260	96,260	85,250
Supplies	9,401	600	600	1,200
Purchased Services	395,798	404,110	466,330	454,460
Fixed Charges	-	-	-	800
Total	447,331	500,970	563,190	541,710
FTE	0.9	1.5	1.5	1.2

BUDGET VARIANCES

(4,270) Decrease in personal services due to the reallocation of salaries and benefits between Human Services and the Community Development Block Grant Fund, resulting in a decrease of .3 FTE.

150 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

800 Increase in fixed charges for governmental recording fees.

(5,940) Normal Increases/Decreases

(6,740) Personal Services

600 Supplies

200 Purchased Services

SUPPLEMENTS

50,000 **Improvement** - Increase in purchased services for the Human Relations Commission grant program.

40,740 Total Increase

Human Services

Overview

The City of Loveland provides funds for human service needs in the Community through the Human Services Grant Program. The Human Services Commission prepares an annual recommendation for allocation of the grant funds for City Council. The grant funds are allocated to a variety of non-profit human service agencies in Loveland that meet the annual goals set by the Human Services Commission.

The Human Services Division administers the City's affordable housing policies by tracking affordable housing development and working on policy development with the Affordable Housing Commission.

Objectives

- Increase number of respondents that indicate satisfaction with City's grant process and administration.
- Increase number of affordable housing units within the City at the same rate as there is growth in total housing.

Performance Measures	2006 Actual	2007 Budgeted	2008 Projected
% of agencies responding to a survey indicating "Satisfaction" with the City's grant process and administration.	97%	90%	90%
% increase in affordable housing units.	1.5%	2%	2%
% increase in total housing units.	3.6%	2%	(62%)
# of affordable housing units produced under City incentives.	6	25	5
# of housing units produced.	807	890	340
# of grant applications processed.	47	50	50

DIVISION
Public Information

DEPARTMENT
Community & Business Relations

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Public Information	-	143,540	143,540	150,610
EXPENSE BY CATEGORY				
Personal Services	-	82,400	82,400	86,570
Supplies	-	3,650	3,650	4,250
Purchased Services	-	57,490	57,490	59,790
Total	-	143,540	143,540	150,610
FTE	-	0.8	0.8	0.8
BUDGET VARIANCES				
(870) Decrease in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.				
600 Increase in supplies due to the Quality of Life survey to be conducted in 2008.				
300 Increase in purchased services for postage due to the Quality of Life survey to be conducted in 2008.				
2,000 Increase in purchased services for printing of the City Update newsletter, due to the reduction of Water & Power's contribution as well as increased print shop costs.				
5,040 Normal Increase				
5,040 Personal Services				
7,070 Total Increase				

Public Information

Overview

The Public Information Division provides the community and employees with accurate and timely information related to issues and activities of City government in a manner that facilitates participation.

Objectives

- Provide information to the Loveland community and beyond about City government programs, services, facilities and events.
- Ensure that employees have the opportunity to learn about City issues and activities.
- Provide effective information from the audience perspective.

UNFUNDED SUPPLEMENTS

40,000 **Improvement** - Business Relations - Loveland's share of a Regional Business Incubation Network, in partnership with Ft. Collins, Greeley, CSU and NCEDC.

14,000 **Improvement** - Business Relations - Increase to NCEDC funding.

21,750 **Improvement** - Human Services - Increase in the number of fee waivers for Habitat for Humanity.

75,750 Total Unfunded Supplements

CULTURAL SERVICES

The mission of the Cultural Services Department is to promote and enrich quality of life by providing diverse cultural experiences through history, all forms of artistic expression and in community celebration.



Department of Cultural Services Summary

	'07 Adopted			'08 Budget	'07 Adopted	'07 % Change	'08 FTE
	'06 Actual	Budget	'07 Revised				
General Fund							
Museum/Gallery	803,310	789,990	798,540	865,970	9.6%	8.3	8.3
Rialto Theater	285,928	327,480	328,960	398,470	21.7%	3.3	3.8
Total	1,089,238	1,117,470	1,127,500	1,264,440	13.2%	11.6	12.1
REVENUE							
Museum/Gallery	54,806	61,000	69,550	66,310	8.7%		
Rialto Theater	117,062	168,550	170,030	121,950	(27.6%)		
Total	171,868	229,550	239,580	188,260	(18.0%)		
EXPENSE BY CATEGORY							
Personal Services	783,419	802,450	802,450	858,680	7.0%		
Supplies	88,911	112,870	110,870	99,770	(11.6%)		
Purchased Services	199,066	178,680	190,710	229,620	28.5%		
Fixed Charges	13,140	13,670	13,670	13,670	-		
Capital	4,702	9,800	9,800	62,700	539.8%		
Total	1,089,238	1,117,470	1,127,500	1,264,440	13.2%		

Cultural Services

Overview

The Cultural Services Department presents diverse cultural programs to enrich the community, and visitors of all ages and backgrounds, through high quality and affordable performing arts, exhibits and events. The Department includes the Loveland Museum/Gallery, the Rialto Theater and the Art in Public Places Program. The Museum/Gallery serves as a regional cultural center by collecting Loveland's history and by presenting art and history exhibits and events. The historic Rialto Theater presents live theater, dance, concerts, films, lectures and children's programs. The Art in Public Places Program commissions work for public spaces and buildings and cares for the 200+ interior and exterior pieces in the City's collection.

Two citizen advisory boards, the Cultural Services Board and the Visual Arts Commission, assist the Department.

DIVISION
Museum/Gallery

DEPARTMENT
Cultural Services

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Museum/Gallery	803,310	789,990	798,540	865,970
REVENUE				
Donations	21,150	31,000	35,000	36,310
Gallery Sales	6,554	2,000	2,000	2,000
Museum Store Sales	8,599	11,000	11,000	9,000
Program Revenue	18,477	17,000	17,000	19,000
Other Revenue	26	-	4,550	-
Total	54,806	61,000	69,550	66,310
EXPENSE BY CATEGORY				
Personal Services	617,049	602,520	602,520	624,780
Supplies	74,644	92,810	90,810	80,810
Purchased Services	111,177	94,460	105,010	133,680
Fixed Charges	440	200	200	200
Capital	-	-	-	26,500
Total	803,310	789,990	798,540	865,970
FTE	8.6	8.3	8.3	8.3

BUDGET VARIANCES

1,230 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

(16,000) Decrease in supplies due to a one-time cost for the Poet Laureate performance in 2007.

(900) Decrease in purchased services for general liability costs based on the Division's historical experiences and forecasted liability costs.

2,500 Increase in purchased services due to increased printing costs for the newsletter.

26,500 Increase in capital based on the equipment replacement schedule. See page 19-1 of the General Fund Equipment Replacement chapter for more detail on equipment purchases.

21,030 Normal Increase

21,030 Personal Services

SUPPLEMENTS

5,000 **Improvement** - Increase in purchased services to fund the Outdoor Concert Series, presented at Peters' Park and Foote Lagoon, to offset the loss of State grant funding.

4,000 **Improvement** - Increase in supplies to purchase storage cabinets and moving supplies for use in the new Museum building.

32,620 **Improvement** - Increase in purchased services for the traveling art exhibit, "*Gee's Bend Quilts and Beyond*". Private donations of 50% (\$16,310) must be received before any of this supplement may be expended.

75,980 Total Increase

Museum/Gallery

Overview

Museum/Gallery: The mission of the Museum/Gallery is to serve as a regional cultural center by collecting, preserving and interpreting Loveland's history; and by presenting exemplary art and history exhibits, programs and events for the enrichment of visitors of all ages and backgrounds.

Objectives

- Offer exhibits which may be described as diverse, educational and/or make an aesthetic impact, encouraging return visits from patrons. A 10% increase in attendance due to return visits is desired.
- 5% increase in "out of town" visitors.
- Increase youth and teen class participation.
- Increase the number of classes offered.
- Offer events that are diverse, well attended, entertaining, and community oriented at no cost to the public.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% increase in the number of return visits per year.	5%	10%	5%
% increase in the number of "out of town" visitors.	5%	5%	5%
% increase in event attendance.	5%	5%	5%
% increase in youth and teen program participation.	5%	5%	5%

DIVISION
Rialto Theater

DEPARTMENT
Cultural Services

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Rialto Theater	285,928	327,480	328,960	398,470
REVENUE				
Ticket Sales	47,462	38,500	38,500	48,400
Restoration Fee	15,447	15,000	15,000	15,000
Rental	20,429	17,500	17,500	18,500
Concessions	17,092	15,800	15,800	15,800
Donations	7,546	71,000	72,480	11,000
Other	9,086	10,750	10,750	13,250
Total	117,062	168,550	170,030	121,950
EXPENSE BY CATEGORY				
Personal Services	166,370	199,930	199,930	233,900
Supplies	14,267	20,060	20,060	18,960
Purchased Services	87,889	84,220	85,700	95,940
Fixed Charges	12,700	13,470	13,470	13,470
Capital	4,702	9,800	9,800	36,200
Total	285,928	327,480	328,960	398,470
FTE	2.8	3.3	3.3	3.8

BUDGET VARIANCES

280 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

(3,000) Decrease in supplies due to the one-time workstation setup expense for new Technical Assistant position in 2007.

120 Increase in purchased services for general liability costs based on the Division's historical experiences and forecasted liability costs.

1,200 Increase in purchased services for bank processing fees due to increased volume of credit card sales.

26,400 Increase in capital based on the equipment replacement schedule. See page 19-1 of the General Fund Equipment Replacement chapter for more detail on equipment purchases.

8,400 Normal Increases/Decreases

- 8,400 Personal Services
- (500) Supplies
- 500 Purchased Services

SUPPLEMENTS

27,690 **Workload** - Increase in personal services (\$25,290) and supplies (\$2,400) for the addition of a .5 FTE Administrative Assistant position at the Rialto Theater, due to the need for increased clerical support.

9,900 **Improvement** - Increase in purchased services for artist fees, due to the increasing cost of securing high-quality performers. This increase is expected to be offset by increased ticket sale revenue.

70,990 Total Increase

Rialto Theater

Overview

Since the renovation and reopening in February 1996, the historic theater has become a popular venue for theater, dance, concerts, movies, lectures, and children's programming. Rental use of the theater continues to grow as well, and several community performing arts groups have adopted the Rialto as their home theater.

Objectives

- Increase in the actual number of events each year by 2%.
- Increase attendance by 5% per year.
- Diverse program is perceived as balancing a number of different genres/styles each year.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% increase in events.	-12%	2%	2%
% increase in attendance.	0%	5%	5%
% cost recovered from Rialto revenue.	43%	37%	40%

UNFUNDED SUPPLEMENTS

17,200 **Improvement** - Museum/Gallery - Completion of Mariano Medina's Cabin exhibit.

2,000 **Improvement** - Museum/Gallery - Additional travel costs related to staff training and professional conferences.

1,750 **Improvement** - Rialto Theater - Membership in the Western Arts Alliance and fee to attend the Alliance conference.

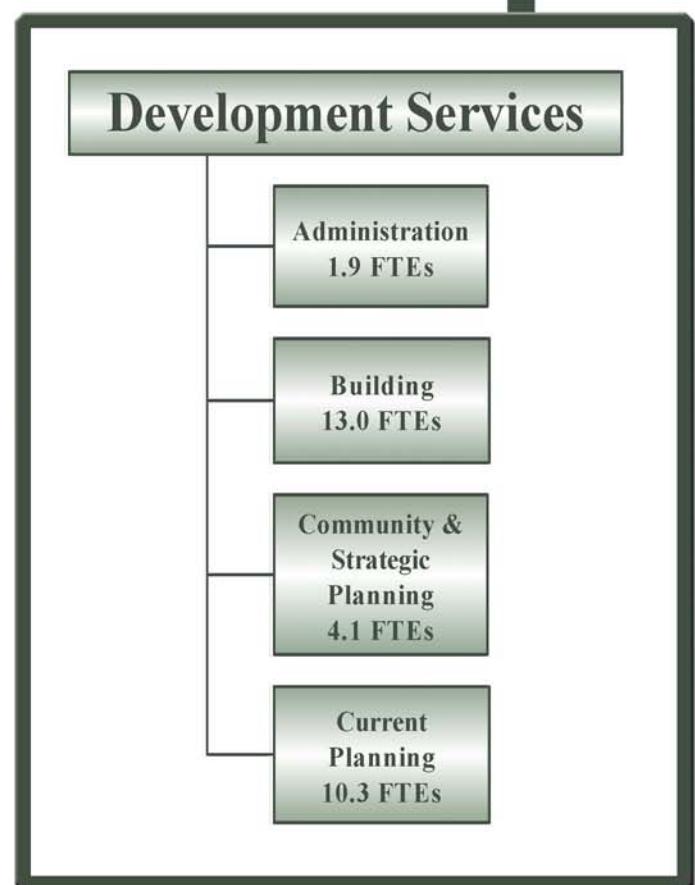
3,500 **Improvement** - Museum/Gallery - Cost to reprint "Germans from Russia" booklet for sale in the Museum gift shop.

1,000 **Improvement** - Museum/Gallery - Purchase of additional items for resale in the Museum gift shop.

25,450 Total Unfunded Supplements

DEVELOPMENT SERVICES

The mission of the Development Services Department is to improve the community livability in the City of Loveland. This is accomplished through comprehensive community planning that preserves and enhances the City's quality of life and natural environment, quality plan review and inspections that ensure safety.



Department of Development Services Summary

	'07 Adopted			'08 Budget /			
	'06 Actual Restated	Budget Restated	'07 Revised Budget	'08 Budget	'07 Adopted % Change	'07 FTE	'08 FTE
General Fund							
Administration	229,983	205,670	205,670	215,610	4.8%	1.9	1.9
Building	1,093,717	1,115,060	1,083,560	1,117,300	0.2%	13.0	13.0
Community & Strategic Planning	233,701	354,420	583,540	363,980	2.7%	4.1	4.1
Current Planning	697,924	808,440	839,940	826,700	2.3%	10.3	10.3
Total	2,255,325	2,483,590	2,712,710	2,523,590	1.6%	29.3	29.3
REVENUE							
Building	2,679,240	1,541,200	1,541,200	2,766,700	79.5%		
Community & Strategic Planning	2,500	-	230,480	-	-		
Current Planning	76,054	60,000	60,000	67,000	11.7%		
Total	2,757,794	1,601,200	1,831,680	2,833,700	77.0%		
EXPENSE BY CATEGORY							
Personal Services	2,007,644	2,162,860	2,163,860	2,217,390	2.5%		
Supplies	24,290	47,630	47,630	47,040	(1.2%)		
Purchased Services	186,304	213,410	438,030	214,710	0.6%		
Fixed Charges	37,087	42,690	42,690	44,450	4.1%		
Capital	-	17,000	20,500	-	(100.0%)		
Total	2,255,325	2,483,590	2,712,710	2,523,590	1.6%		

Development Services

Overview

The Development Services Department enhances community livability by: providing a well-planned, sustainable, vital, and safe built community environment; protecting the heritage and natural beauty of the region; facilitating development, urban renewal and historic preservation; promoting attractive and diverse neighborhoods that provide a full range of housing opportunities; facilitating the development of properly located commercial, industrial, and institutional uses; while encouraging organizational transparency and public involvement in the planning and development process.

DIVISION
Administration**DEPARTMENT**
Development Services

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Administration	229,983	205,670	205,670	215,610
EXPENSE BY CATEGORY				
Personal Services	219,661	193,450	193,450	203,230
Supplies	2,398	4,650	4,650	4,150
Purchased Services	7,924	7,570	7,570	8,230
Total	229,983	205,670	205,670	215,610
FTE	2.5	1.9	1.9	1.9

BUDGET VARIANCES

420 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

160 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

9,360 Normal Increases/Decreases

9,360 Personal Services

(500) Supplies

500 Purchased Services

9,940 Total Increase

Administration

Overview

The Administration Division, through the Department Director, provides leadership and management, determines staffing and budgetary needs, and establishes program guidelines for the Department.

DIVISION

Building

DEPARTMENT

Development Services

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Building	1,093,717	1,115,060	1,083,560	1,117,300
REVENUE				
Building Permits	2,638,901	1,500,000	1,500,000	2,724,200
Contractor License Fee	33,574	30,000	30,000	31,000
Other Fees	6,765	5,200	5,200	5,500
Weed Mowing	-	6,000	6,000	6,000
Total	2,679,240	1,541,200	1,541,200	2,766,700
EXPENSE BY CATEGORY				
Personal Services	929,715	920,320	920,320	958,590
Supplies	10,319	11,020	11,020	13,770
Purchased Services	119,855	128,500	93,500	108,620
Fixed Charges	33,828	38,220	38,220	36,320
Capital	-	17,000	20,500	-
Total	1,093,717	1,115,060	1,083,560	1,117,300
FTE	13.0	13.0	13.0	13.0
BUDGET VARIANCES				
9,650	Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.			
2,450	Increase in supplies for the purchase of updated code books.			
8,000	Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.			
1,500	Increase in purchased services for increased postage costs.			
1,920	Increase in purchased services for increased cellular phone costs.			
(31,000)	Decrease in purchased services due to transferring the administration of the Weed Control in-house.			
(1,900)	Decrease in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.			
(17,000)	Decrease in capital due to the one-time purchase of a vehicle for use by code administration.			
28,620	Normal Increases/Decreases			
28,620	Personal Services			
300	Supplies			
(300)	Purchased Services			
2,240	Total Increase			

Building

Overview

The Building Division is to establish and administer the minimum requirements to safeguard the public health, safety and general welfare through structural strength, means of egress facilities, stability, sanitation, adequate light and ventilation, energy conservation, and safety to life and property from fire and other hazards attributed to the build environment and to provide safety to fire fighters and emergent responders during emergency operations. Working in a multifaceted permitting process, staff provides project guidance and review services to the development community, coordinates the work of various City review agencies, and provides staff support to the Construction Advisory Board (CAB) and City Council.

Objectives

- Process building permit applications in a timely and consistent manner.
- Provide a proactive approach to code enforcement.
- Provide timely and efficient site inspections.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% of average turn-around time for plans in 3 weeks (commercial).	83%	90%	90%
% of code enforcement cases settled without court action.	99%	90%	90%
# of building sites inspected per day per FTE inspector.	12.3	11.0	12.0
% of code complaints/inquiries responded to within 24 hours.	NA	95%	95%

DIVISION

Community & Strategic Planning

DEPARTMENT

Development Services

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Community & Strategic Planning	233,701	354,420	583,540	363,980

REVENUE

Intergovernmental	2,500	-	230,480	-
Total	2,500	-	230,480	-

EXPENSE BY CATEGORY

Personal Services	223,911	308,680	309,680	321,260
Supplies	2,315	21,710	21,710	18,870
Purchased Services	7,475	24,030	252,150	23,850
Total	233,701	354,420	583,540	363,980

FTE	3.0	4.1	4.1	4.1
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BUDGET VARIANCES

210 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

(3,000) Decrease in supplies for the one-time cost of an office setup for the Economic Research Specialist position added in 2007.

(20) Decrease in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

12,370 Normal Increases/Decreases

12,370 Personal Services

160 Supplies

(160) Purchased Services

9,560 Total Increase

Community & Strategic Planning

Overview

The Community & Strategic Planning Division manages a proactive community-wide planning program, which defines long-term strategies for maintaining and enhancing the quality of life in Loveland. The Community Vision is accomplished through the development of key planning documents and various City programs in collaboration with citizens, elected officials, and other City departments. Staff participates in regional planning projects involving multi-jurisdictions in Northern Colorado to identify opportunities to jointly address land use and growth issues on a regional scale. The Division's goal is to provide the Community with services that balance existing resources with the public interest, encouraging quality planning for Loveland's future.

Objectives

- Increase level of effective communication.
- Keep Comprehensive Plan current.
- Implement redevelopment programs for the downtown in a timely fashion.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% respondents to survey indicating effective communication of planning initiatives.	91%	80%	80%
% of projects in yearly work program advanced to decision point by Management / Council / or other decision maker.	85%	85%	85%
% of downtown initiatives and projects in yearly work program advanced to decision point by Management / Council / or other decision maker.	80%	85%	85%
% of Historic Preservation Commission packets sent to Commissioners 5 days or more in advance of meeting.			

DIVISION
Current Planning

DEPARTMENT
Development Services

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Current Planning	697,924	808,440	839,940	826,700
REVENUE				
Annexation Filing Fee	9,814	10,000	10,000	15,000
Planning Filing Fee	66,240	50,000	50,000	52,000
Total	76,054	60,000	60,000	67,000
EXPENSE BY CATEGORY				
Personal Services	634,357	740,410	740,410	734,310
Supplies	9,258	10,250	10,250	10,250
Purchased Services	51,050	53,310	84,810	74,010
Fixed Charges	3,259	4,470	4,470	8,130
Total	697,924	808,440	839,940	826,700
FTE	10.3	10.3	10.3	10.3

BUDGET VARIANCES

(6,540) Decrease in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

3,000 Increase in personal services for overtime, based on the Division's historical experience.

(1,140) Decrease in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

500 Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.

(2,560) Normal Increases/Decreases

(2,560) Personal Services

(3,160) Purchased Services

3,160 Fixed Charges

SUPPLEMENTS

25,000 **Improvement** - Increase in purchased services for professional services related to Title 18 Code Amendments.

18,260 Total Increase

Current Planning

Overview

The Current Planning Division coordinates the City's development review process. In facilitating this multifaceted process, staff provides project guidance and review services to the development community, coordinates the work of various City review agencies, ensures outreach to interested citizens, and provides staff support to the Planning Commission and City Council. In sum, the Current Planning Division is responsible for managing procedures that implement City Council ordinances, policies and visions relating to land development.

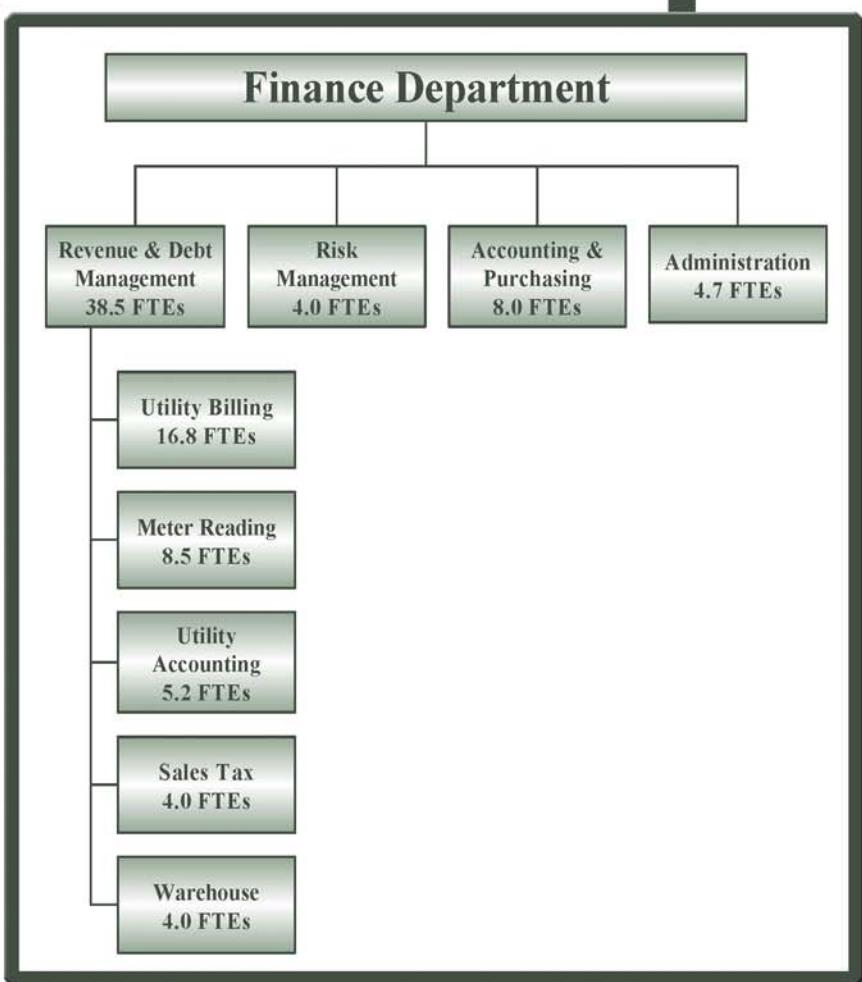
Objectives

- Implement the Comprehensive Master Plan (CMP) Land Use Map through zoning review process.
- Provide review comments to development applicants in timely manner.
- Improve understanding of neighborhood concerns and assist developers in designing projects that are compatible with existing neighborhoods.

Performance Measures	2006 Actual	2007 Budgeted	2008 Projected
% of development applications where City Council takes action in accordance with City staff recommendation.	100%	95%	95%
% of times applicant received written comments from DRT within 3 weeks of application submittal date.	90%	90%	90%
% of development applications where neighborhood issues are resolved as indicated by no filing of an appeal.	98%	95%	95%

FINANCE DEPARTMENT

The mission of the Finance Department is to ensure that the City government is a financially sound organization and to enhance the decision-making process by providing timely and accurate forecasts and reports to City management, City Council, and the general public, and to provide effective and efficient services to the citizens and City departments.



Department of Finance Summary

	'07 Adopted		'08 Budget / '07 Adopted % Change	'08 Budget / '07 Adopted % Change		
	'06 Actual Restated	Budget Restated		'08 Budget	'07 FTE	'08 FTE
General Fund						
Administration	629,438	470,380	494,100	580,590	23.4%	5.1
Accounting/Purchasing	534,228	574,420	574,420	666,090	16.0%	7.0
Sales Tax Administration	331,454	477,770	477,770	481,270	0.7%	4.0
Subtotal	1,495,120	1,522,570	1,546,290	1,727,950	13.5%	16.1
Internal Service Fund						
Risk & Insurance	2,166,045	1,974,810	1,985,370	2,183,510	10.6%	3.8
Subtotal	2,166,045	1,974,810	1,985,370	2,183,510	10.6%	3.8
Enterprise Fund						
Utility Accounting	635,078	502,460	502,460	528,980	5.3%	5.2
Utility Billing	1,163,378	1,291,440	1,291,440	1,403,010	8.6%	16.3
Meter Reading	525,536	614,340	614,340	599,020	(2.5%)	8.5
Warehouse	279,763	304,670	304,670	338,410	11.1%	4.0
Subtotal	2,603,755	2,712,910	2,712,910	2,869,420	5.8%	34.0
Total	6,264,920	6,210,290	6,244,570	6,780,880	9.2%	53.9
REVENUE						
General Fund						
Sales Tax Administration	143,007	214,610	214,610	217,530	1.4%	
Subtotal	143,007	214,610	214,610	217,530	1.4%	
Internal Service Fund						
Risk & Insurance	1,780,350	1,716,870	1,716,870	1,947,640	13.4%	
Subtotal	1,780,350	1,716,870	1,716,870	1,947,640	13.4%	
Total	1,923,357	1,931,480	1,931,480	2,165,170	12.1%	
EXPENSE BY CATEGORY						
Personal Services	3,581,084	3,574,790	3,598,510	3,919,800	9.7%	
Supplies	51,503	77,880	84,740	67,240	(13.7%)	
Purchased Services	618,221	908,990	899,820	999,340	9.9%	
Fixed Charges	2,005,464	1,584,630	1,584,630	1,751,300	10.5%	
Capital	8,648	64,000	76,870	43,200	(32.5%)	
Total	6,264,920	6,210,290	6,244,570	6,780,880	9.2%	

Finance

Overview

The Finance Department is comprised of the following divisions: Administration, Accounting & Purchasing, Risk Management, Sales Tax Administration, Utility Accounting, Utility Billing, Meter Reading, and Warehouse.

The Department's primary functions include financial operations and reporting, purchasing, sales tax licensing, sales, use, and retail fee collection, meter reading and customer service billing operations, accounts payable, financial policy and procedure development, risk management, internal and performance auditing, lease and debt financing, long-range financial planning, government and enterprise accounting, investment management and reporting, rate and fee setting, and managing the warehouse inventory.

The Department produces the Comprehensive Annual Financial Report (CAFR), long-range financial plans, monthly financial reports, and quarterly summary reports. The CAFR is the official statement of the City's financial position containing detailed accounting of revenues, expenditures, and financial condition. The Department provides financial data for the development of the annual budget.

DIVISION
Administration

DEPARTMENT
Finance

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
General Fund				
Administration	629,438	470,380	494,100	580,590
EXPENSE BY CATEGORY				
Personal Services	610,378	412,210	435,930	479,330
Supplies	6,608	12,200	14,960	6,200
Purchased Services	10,452	45,970	36,760	95,060
Fixed Charges	2,000	-	-	-
Capital	-	-	6,450	-
Total	629,438	470,380	494,100	580,590
FTE	6.1	5.1	4.8	4.7

BUDGET VARIANCES

2,160 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

20,120 Increase in personal services due to the mid-year reclassification of an existing Internal Auditor position to a Compliance Manager.

112,210 Increase in personal services due to the allocation of 75% of an Assistant City Manager position's time to the Finance Administration budget from the City Manager's budget.

(81,070) Decrease in personal services for the mid-year transfer of the Financial Analyst position from Finance Administration to the Budget Division.

(9,890) Decrease in personal services due to moving the 10% allocation of the Utility Accounting Manager position's time to the Water & Power Enterprise Funds.

36,000 Increase in purchased services for banking services, due to the change in banking providers and related billing procedures.

7,090 Increase in purchased services for general liability costs based on the Division's historical experiences and forecasted liability costs.

23,590 Normal Increases/Decreases

23,590 Personal Services

(6,000) Supplies

6,000 Purchased Services

110,210 Total Increase

Administration

The Finance Administration Division coordinates the financial support services provided by the Finance Department, manages the City's investment portfolio, manages the fleet replacement fund and the warehouse operations, and develops financial planning tools to guide resource allocation decisions.

DIVISION

Accounting/Purchasing

DEPARTMENT

Finance

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
General Fund				
Accounting	471,651	496,360	496,360	586,880
Purchasing	62,577	78,060	78,060	79,210
Total	534,228	574,420	574,420	666,090
EXPENSE BY CATEGORY				
Personal Services	471,329	488,330	488,330	579,700
Supplies	5,511	9,450	9,450	9,400
Purchased Services	57,388	76,640	76,640	76,990
Total	534,228	574,420	574,420	666,090
FTE	7.0	7.0	7.0	8.0

BUDGET VARIANCES

950 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

69,200 Increase in personal services due to transfer of the Payroll Administrator position from Human Resources.

300 Increase in purchased services for general liability based on the Division's historical experience and forecasted liability costs.

21,220 Normal Increases/Decreases

21,220 Personal Services

(50) Supplies

50 Purchased Services

91,670 Total Increase

Accounting / Purchasing

Overview

Accounting is responsible for the disbursement of City funds and for providing accurate, timely and informative financial information to a variety of users. This Division prepares the Comprehensive Annual Financial Report (CAFR) and has been awarded the “Certificate of Achievement for Excellence in Financial Reporting” by the Government Finance Officers Association every year since 1980.

Purchasing uses professional, effective, efficient, and flexible practices to manage the City’s procurement of goods and services and ensure compliance with City and state laws.

Objectives

- Pay vendors in an accurate and timely manner.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% of bills paid within 1 week of receipt.	99%	98%	98%
% of checks reissued due to error.	0.5%	0.5%	0.5%
# of account payable transactions per FTE.	16,750	17,000	17,250

DIVISION

Sales and Use Tax Administration

DEPARTMENT

Finance

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
General Fund				
Sales Tax Collection	326,697	460,170	460,170	337,890
Fee Collection	4,757	17,600	17,600	143,380
Total	331,454	477,770	477,770	481,270
REVENUE				
Sales Tax Collection Fee	116,138	184,610	184,610	192,530
PIF/RSF Fees	26,869	30,000	30,000	25,000
Total	143,007	214,610	214,610	217,530
EXPENSE BY CATEGORY				
Personal Services	197,001	279,050	279,050	292,910
Supplies	7,559	25,210	29,310	15,980
Purchased Services	126,894	173,510	162,990	172,380
Capital	-	-	6,420	-
Total	331,454	477,770	477,770	481,270
FTE	3.0	4.0	4.0	4.0

BUDGET VARIANCES

750 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

(10,800) Decrease in supplies for one-time office setup for an Auditor position added in 2007.

440 Increase in purchased services for general liability based on the Division's historical experience and forecasted liability costs.

13,110 Normal Increases/Decreases

13,110 Personal Services

1,570 Supplies

(1,570) Purchased Services

3,500 Total Increase

Sales & Use Tax Administration

Overview

The Sales & Use Tax Administration Division processes receipts from sales and use tax returns, monitors compliance with the City's sales and use tax ordinances, and performs audits to enforce the ordinances when necessary. The Division strives to educate and assist businesses in voluntary compliance with the requirements of the Sales and Use Tax Ordinance.

In 2005, the City began collecting the Public Improvement Fees (PIF) and Retail Sales Fees (RSF) that are associated with the Centerra Project. According to the collection agreement, the City will be reimbursed for costs associated with fee collection and enforcement that correspond to the retail establishments in the Project. The Division will audit all of the new businesses in the Project over the next three years for compliance with the City Sales and Use Tax Ordinance and other tax and fee requirements of the development agreement.

Objectives

- Enter sales tax returns for the month no later than the 1st business day of the next month.
- Issue sales tax licenses within a week of receiving the application.
- Respond to audits resulting in vendor assessments made by contract auditors by deadline due dates.
- Contact delinquent vendors within a week of notification of delinquency.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% of months all sales tax returns processed by the 1 st business day of the next month.	95%	92%	92%
% of sales tax licenses issued within a week of receiving application.	90%	95%	95%
% of delinquent vendors contacted by the 5 th business day of the month.	100%	90%	90%

DIVISION
Risk & Insurance

DEPARTMENT
Finance

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Internal Service Fund				
Risk & Insurance	2,166,045	1,974,810	1,985,370	2,183,510
REVENUE				
Beginning Balance	4,532,074	4,230,780	4,146,380	3,877,880
Interest	195,695	169,230	169,230	174,510
Workers' Compensation	916,680	868,070	868,070	916,680
General Liability Charges	654,525	679,570	679,570	856,450
Transfer from the General Fund	13,450	-	-	-
Subtotal	1,780,350	1,716,870	1,716,870	1,947,640
Total	6,312,424	5,947,650	5,863,250	5,825,520
EXPENSE BY CATEGORY				
Personal Services	283,404	300,060	300,060	327,210
Supplies	19,269	5,630	5,630	8,060
Purchased Services	70,533	118,340	128,900	132,800
Fixed Charges	1,792,839	1,550,780	1,550,780	1,715,440
Total	2,166,045	1,974,810	1,985,370	2,183,510
Ending Balance	4,146,379	3,972,840	3,877,880	3,642,010
FTE	3.8	3.8	3.8	4.0

BUDGET VARIANCES

(1,340) Decrease in fixed charges for liability insurance based on the forecasted claims costs.

166,000 Increase in fixed charges for workers' compensation due to increased premium costs and forecasted increase in claims costs.

11,240 Normal Increases/Decreases
 11,240 Personal Services
 2,430 Supplies
 (2,430) Purchased Services

SUPPLEMENTS

15,910 **Workload** - Increase in personal services to increase an existing Administrative Specialist position from .8 to 1.0 FTE.

16,890 **Improvement** - Increase in purchased services for the first year of a three-year baseline survey of City-owned buildings for materials containing asbestos.

208,700 Total Increase

Risk Management

Overview

The Risk Management Division is responsible for protecting the operating effectiveness of the City by minimizing the costs associated with the City's property, liability, workers' compensation and environmental exposures. This is accomplished through identification and evaluation of the City's risks, implementation of appropriate safety, environmental and loss control programs, risk financing measures and claims management.

Objectives

- Reduce cost of claims as a percentage of payroll.
- Improve claim efficiency and processing by assuring claims are reported within 1 business day of receipt.
- Contact employees within 2 business days after receiving notification of lost time due to a work-related injury.
- 90% of workers' compensation claims are closed within 90 days.
- Meet applicable local, state, and federal regulations for environmental compliance and reduce the potential of fines.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
Workers' compensation claims per FTE.	0.12	0.15	0.14
% of insurance carrier loss control requirements complied.	100%	96%	98%
Workers' compensation losses as % of total City payroll.	1.6%	1.5%	1.5%
# of major federal or state environmental inspection violations.	0	0	0
# of minor federal or state environmental inspection violations.	3	4	3
% of the cost for environmental remediation recovered where available.	NA	50%	50%

DIVISION
Utility Accounting

DEPARTMENT
Finance

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Enterprise Fund				
Utility Accounting	635,078	502,460	502,460	528,980
EXPENSE BY CATEGORY				
Personal Services	416,141	401,060	401,060	427,780
Supplies	454	2,500	2,500	2,300
Purchased Services	44,412	98,900	98,900	98,900
Fixed Charges	174,071	-	-	-
Total Operating	635,078	502,460	502,460	528,980
Total Utility Accounting	635,078	502,460	502,460	528,980
FTE	5.2	5.2	5.2	5.2

BUDGET VARIANCES

(40,000) Decrease in purchased services for the one-time cost of a rate study for the Water and Wastewater Utilities.

40,000 Increase in purchased services for a rate study in Power Utility.

26,520 Normal Increases/Decreases
26,720 Personal Services
(200) Supplies

26,520 Total Increase

Utility Accounting

Overview

The Utility Accounting Division is responsible for the annual budget, monthly financial reports, year-end financial processing, daily process of source documents, payroll processing, and tracking projects costs for the Water and Power Utilities. In addition, the Division is responsible for providing accounting and long-range financial planning services for the Public Works and Police Departments. This Division will have ongoing interactions with the Loveland Utilities Commission, City Council, and the Citizens' Finance Advisory Committee.

Objectives

- Bill or refund 85% of all Power Aid-To-Construction work orders within 45 days of completion of project.
- Complete preparation of all monthly financial statements within 5 business days of month-end close 90% of the time, and with a 90% accuracy rate.
- Process 90% of all accounts payable source documents received by the end of business on Friday, and paperwork to the Accounting Division for processing.

Performance Measures	2006 Actual	2007 Budgeted	2008 Projected
% of Aid-To-Construction work orders billed or refunded within 45 days of completion of project.	85%	85%	80%
% of monthly financial statement preparation completed within 5 business days of the month-end close and accuracy rate.	90%	90%	90%
% of accounts payable source documents received by the end of business on Friday, processed and to the Accounting Division for processing.	90%	90%	90%

DIVISION

Utility Billing

DEPARTMENT

Finance

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Enterprise Fund				
Utility Billing	1,163,378	1,291,440	1,291,440	1,403,010
EXPENSE BY CATEGORY				
Personal Services	883,787	926,590	926,590	999,900
Supplies	6,387	10,340	10,340	12,600
Purchased Services	263,529	353,280	353,280	381,860
Fixed Charges	1,027	1,230	1,230	1,150
Total Operating	1,154,730	1,291,440	1,291,440	1,395,510
Capital	8,648	-	-	7,500
Total Capital	8,648	-	-	7,500
Total Utility Billing	1,163,378	1,291,440	1,291,440	1,403,010
FTE	15.3	16.3	16.3	16.8

BUDGET VARIANCES

(7,700) Decrease in purchased services for postage.

38,000 Increase in purchased services for bad debt and collection costs.

52,470 Normal Increases/Decreases

52,010 Personal Services

2,260 Supplies

(1,720) Purchased Services

(80) Fixed Charges

SUPPLEMENTS

21,300 **Improvement** - Increase in personal services for the addition of a half-time position due to the increase in the number of billing customers.

104,070 Total Increase

Utility Billing

Overview

Utility Billing is responsible for providing customer service and processing monthly statements and payments for all electric, water, wastewater, storm drainage, solid waste, and street maintenance consumers.

Objectives

- Process and mail monthly bills, process payments daily, respond to customer and City inquiries, collect account receivables, provide financial and consumptive data to customers and departments.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% of bills mailed within 4 days of scheduled bill date.	99%	98%	98%
% of payments processed on day of receipt.	100%	100%	100%
% of telephone responses in less than 15 seconds.	100%	100%	100%
% of bad debt write off to electric revenue billed.	.159%	0.650%	0.750%

DIVISION

Meter Reading

DEPARTMENT

Finance

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Enterprise Fund				
Meter Reading	525,536	614,340	614,340	599,020
EXPENSE BY CATEGORY				
Personal Services	481,581	504,700	504,700	536,100
Supplies	2,497	6,150	6,150	6,150
Purchased Services	10,254	11,050	11,050	10,050
Fixed Charges	31,204	28,440	28,440	30,220
Total Operating	525,536	550,340	550,340	582,520
Capital	-	64,000	64,000	16,500
Total Capital	-	64,000	64,000	16,500
Total Meter Reading	525,536	614,340	614,340	599,020
FTE	8.5	8.5	8.5	8.5

BUDGET VARIANCES

32,180 Normal Increases/Decreases
 31,400 Personal Services
 (1,000) Purchased Services
 1,780 Fixed Charges

32,180 Total Increase

Meter Reading

Overview

Meter Reading is responsible for reading all electric and water meters monthly, and connecting and disconnecting services daily, as well as monitoring for meter divisions.

Objectives

- Produce accurate and timely meter readings and trouble reports, and provide minor meter property service orders in a timely, efficient and customer friendly manner.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
Cost to read meter.	\$0.52	\$0.53	\$0.55
% of accurate meter reads.	99.9%	99.9%	99.9%
% of porch light service orders completed within 5 days.	90%	90%	90%

DIVISION

Warehouse

DEPARTMENT

Finance

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Enterprise Fund				
Warehouse	279,763	304,670	304,670	338,410
EXPENSE BY CATEGORY				
Personal Services	237,463	262,790	262,790	276,870
Supplies	3,218	6,400	6,400	6,550
Purchased Services	34,759	31,300	31,300	31,300
Fixed Charges	4,323	4,180	4,180	4,490
Total Operating	279,763	304,670	304,670	319,210
Capital	-	-	-	19,200
Total Capital	-	-	-	19,200
Total Warehouse	279,763	304,670	304,670	338,410
FTE	4.0	4.0	4.0	4.0

BUDGET VARIANCES

14,540 Normal Increases
 14,080 Personal Services
 150 Supplies
 310 Fixed Charges

14,540 Total Increase

Warehouse

Overview

Warehouse responsibilities include storing and delivering inventory items used by all City departments, disposal of obsolete items, oversee non-inventory yard materials (i.e.; transformers), procurement of all overhead and underground utility materials, maintain recycle metal program, purchase and store Power Division specialty tools and conduct a rubber goods testing program to comply with safety requirements for electric line workers. This section will also coordinate fleet replacement and annual safety inspections for the Water and Power utility vehicles.

Objectives

- Provide timely and accurate availability of materials while maintaining the most cost effective functional inventory.

Performance Measures

Accuracy percentage for transactions entered on the iSeries

	2006 Actual	2007 Budgeted	2008 Projected
	98.6%	98.0%	98.0%

UNFUNDED SUPPLEMENTS

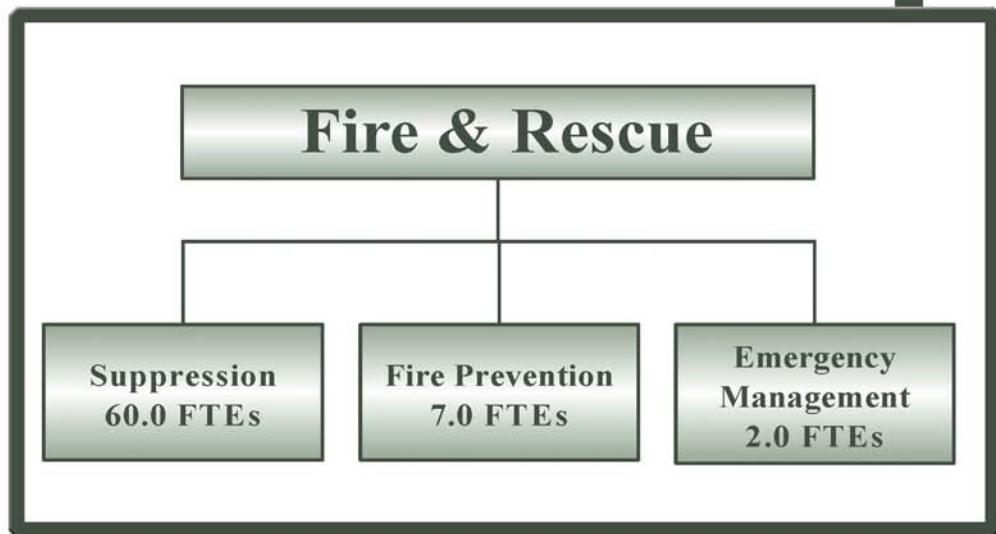
26,600 **Workload** - Purchasing - The addition of a .5 FTE administrative position.

63,540 **Workload** - Administration - The addition of a 1.0 FTE LURA Compliance Manager position to manage agreements related to Centerra.

90,140 Total Unfunded Supplements

FIRE & RESCUE SERVICES

Through commitment, compassion and courage, the mission of the Loveland Fire & Rescue Department is to protect and save life and property.



Fire & Rescue Department Summary

	'07 Adopted		'08 Budget /		'07 FTE	'08 FTE
	'06 Actual Restated	Budget Restated	'07 Revised Budget	'08 Budget		
General Fund						
Suppression	6,225,770	6,589,670	6,650,310	6,729,280	2.1%	60.8
Fire Prevention	796,869	867,230	867,230	888,840	2.5%	7.0
Emergency Management	21,927	138,740	138,740	252,210	81.8%	1.0
Total	7,044,566	7,595,640	7,656,280	7,870,330	3.6%	68.8
REVENUE						
Suppression	781,814	836,000	896,640	1,046,800	25.2%	
Fire Prevention	94,583	94,000	94,000	103,000	9.6%	
Emergency Management	-	-	8,000	8,000	-	
Total	876,397	930,000	998,640	1,157,800	24.5%	
EXPENSE BY CATEGORY						
Personal Services	6,144,858	6,522,690	6,522,690	6,715,900	3.0%	
Supplies	214,858	237,010	225,010	236,410	(0.3%)	
Purchased Services	339,160	427,770	438,920	470,530	10.0%	
Fixed Charges	216,969	200,830	262,320	284,130	41.5%	
Capital	128,721	207,340	207,340	163,360	(21.2%)	
Total	7,044,566	7,595,640	7,656,280	7,870,330	3.6%	

Fire & Rescue

Overview

The Loveland Fire and Rescue Department is a combination department consisting of 110 firefighters and three Civilian paid staff members. In addition, the fire department has 11 non-firefighting volunteers utilized under the Fire Corp program. The department responds to 5,346 emergency calls per year and operates out of six fire stations. The Department also provides services to the Loveland Rural Fire Protection District, with the District paying its proportional cost of the Loveland Fire and Rescue Department's staffing and operating costs.

The Department has four distinct divisions of labor: Administration, Emergency Management, Fire Prevention, and Special Operations. Administration provides coordination of all fire department business needs from budgeting, strategic planning, accounts payable and payroll. The Emergency Management Division administers the overall City emergency plan, coordinates emergency preparedness, conducts practice disaster drills, and works with the community and businesses to educate and assist in planning. The Fire Prevention Division conducts fire inspections of businesses, plan review on new construction, and provides public education to all groups and ages. Special Operations takes on further division labor but basically this is the emergency response part of the Department. The services provided by Loveland Fire Rescue include fire & emergency medical response, wild land firefighting, special operations team (dive, hazmat, collapse, rope rescue, SWAT, and confined space) and aircraft crash rescue.

The members of the department are committed professionals and this makes the department very successful. Our people are the most important resource because of the service they provide. To ensure the Department's success in 2007 a performance management initiative was initiated. Performance management links the budgeting process to outcomes or goals of performance. The doctrine of performance management is to make sure there is solid plan, make sure the plan is achieving results, and finally take another course of action if the performance measurements are not achieved. It is not about doing more with less but rather doing what matters most with what you have for resources.

Objectives

- Update, amend and adopt as necessary the Fire Department's service delivery.
- Review and periodically update the Fire and Rescue Strategic Plan.
- Provide fire and rescue facilities in a timely and cost-effective manner to meet the needs of the community in accordance with established levels-of-service and in coordination with other entities, where possible.
- Provide programs and activities aimed at fire suppression, proactive fire prevention, homeland security, regional training delivery, and emergency services.
- Review and periodically update the Loveland Emergency Management Plan and the Northern Colorado Regional Hazards Mitigation Plan.
- Review and periodically update the Loveland Emergency Management Plan and the Northern Colorado Regional Hazards Mitigation Plan.
- Maintain an Emergency Management Response System which may prevent some disasters and reduce the impacts of unpreventable emergency or natural disasters affecting Loveland.
- Assess the community's risks and vulnerabilities and identify means to mitigate and recover from the effects of disasters.

DIVISION

Suppression

DEPARTMENT

Fire & Rescue

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Suppression	6,225,770	6,589,670	6,650,310	6,729,280
Total	6,225,770	6,589,670	6,650,310	6,729,280
REVENUE				
Charges for Services	16,895	15,000	15,000	36,070
Rural Fire District	625,833	751,000	811,640	869,000
Rural Fire - Pension	129,451	50,000	50,000	121,730
Rural Fire - Special Payment	9,635	20,000	20,000	20,000
Total	781,814	836,000	896,640	1,046,800
EXPENSE BY CATEGORY				
Personal Services	5,475,239	5,710,750	5,710,750	5,786,750
Supplies	179,635	200,940	188,940	198,340
Purchased Services	279,632	318,830	329,980	345,560
Fixed Charges	185,964	155,310	216,800	238,770
Capital	105,300	203,840	203,840	159,860
Total	6,225,770	6,589,670	6,650,310	6,729,280
FTE	59.8	60.8	60.0	60.0

BUDGET VARIANCES

103,770 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

2,720 Increase in personal services for FLSA premium pay costs.

(91,390) Decrease in personal services due to the transfer of one position to the Emergency Management Division mid-year in 2007.

(8,500) Decrease in supplies for the one-time cost of an upgrade to the fire alerting system in Station 2.

60,640 Increase in purchased services (\$23,150) and fixed costs (\$37,490) for radio and vehicle repair as part of the new Intergovernmental Agreement with the Loveland Rural Fire District.

3,310 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

45,870 Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.

(70,000) Decrease in capital due to the one-time cost of purchasing extraction tools.

26,020 Increase in capital based on the equipment replacement schedule. See page 19-1 of the General Fund Equipment Replacement chapter for more detail on equipment purchases.

60,900 Normal Increases/Decreases

- 60,900 Personal Services
- 5,900 Supplies
- (6,000) Purchased Services
- 100 Fixed Charges

SUPPLEMENTS

6,270 **Improvement** - Increase in purchased services for digital cell phone service for the Battalion Chiefs and each station.

139,610 Total Increase

Fire Suppression

Overview

The Fire Suppression Division provides fire suppression and emergency medical services, including dive rescue, rope rescue, wildland firefighting, aircraft rescue/firefighting, hazardous materials and technical rescue expertise. The Department's training is part of Special Operations and oversees all training programs in Fire & Rescue. In addition, the Operations Division supports the Prevention Division and Emergency Management Division with public education and other programs.

The Department continues to see an increase in emergency medical calls, structure fires and hazardous materials calls. The nature of emergency calls within the City determines the services Fire & Rescue provides. The areas impacted by service delivery are personnel, equipment, fire engines, the number of fire stations and most of all, response time. The response time is an important measurement of service delivery. Fire & Rescue has gone to great lengths to assess the components of emergency response to meet community expectations. Loveland's service level is measured by time and capability of emergency responders. Every operational decision made in the Department is to ensure the maintenance or improvement of response time and on scene capability.

Objectives

- Update, amend and adopt as necessary the service delivery.
- Have in place an apparatus and equipment replacement plan.
- Provide fire/rescue facilities necessary to meet the future needs of the community.
- Acquire and maintain capacity to deal with potential fire & medical incidents, hazardous materials, and technical rescue incidents.

Performance Measures

- Maintain EMS core response time of 5 minutes 55 seconds 61% and 95% in 8 minutes through joint measurement of LFR and TVEMS.
- Deliver 3 fire engines to a working structure fire in 8 minutes or less 90% of the time.
- Deliver 6 firefighters to a working structure fire 95% of the time within 8 minutes.
- Control 90% of all single family residential structure fires within 15 minutes from the receipt of the alarm.
- Contain commercial fires to the business of origination 95% of the time.
- Maintain 95% accuracy of the apparatus plan in timely replacement, operational needs and types.
- Provide Special Operations team rescue efforts within 30 minutes in the city limits from time of request 95%.

DIVISION
Fire Prevention

DEPARTMENT
Fire & Rescue

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Fire Prevention	796,869	867,230	867,230	888,840

REVENUE

Fire Works Permits	13,850	14,000	14,000	10,000
Fire Permit & Inspection Fees	35,856	28,000	28,000	37,500
Rural Fire Inspection Fees	11,102	5,000	5,000	8,500
Special Event Fees	29,015	45,000	45,000	45,000
Contractor Licenses	2,310	2,000	2,000	2,000
Total	94,583	94,000	94,000	103,000

EXPENSE BY CATEGORY

Personal Services	664,126	701,240	701,240	720,220
Supplies	31,403	29,070	29,070	29,070
Purchased Services	46,914	98,400	98,400	106,890
Fixed Charges	31,005	38,520	38,520	32,660
Capital	23,421	-	-	-
Total	796,869	867,230	867,230	888,840

FTE	7.0	7.0	7.0	7.0
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BUDGET VARIANCES

490 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

1,950 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

(8,460) Decrease in purchased services for telephone costs based on forecast usage.

(5,860) Decrease in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.

18,490 Normal Increase

18,490 Personal Services

SUPPLEMENTS

15,000 **Workload** - Increase in purchased services to outsource peak period plan review services to maintain turn-around time targets.

21,610 Total Increase

Fire Prevention

Overview

The Fire Prevention Division's focus is primarily to safeguard citizens' lives and property through inspection of buildings as part of code enforcement effort, and implementation of business occupancy risk reduction efforts. This is accomplished through the plan review processes, code compliance inspections, follow-up of citizen complaints, and the regulation of storage and handling of hazardous materials. The Division also initiates fire cause and origin investigations, and where arson is suspected, provides evidence to the district attorney in prosecutions.

The Fire Prevention Bureau strives to provide high quality customer service and fire safety public education to the community through presentations, and demonstrations of fire safety. Our public education programs span the entire age-range with something for all ages.

2007 has been a busy year of change and progress. The restructuring of our division is starting to pay off with improved consistencies, more certifications, and improved customer service. We have moved to a new mobile software device that the inspectors use in the field. Enabling them to better track their inspections, and present the customer with a clear and concise inspection report. Our new construction inspectors now have the ability to post inspection results from the field offering contractors a quicker turn around on their final approvals.

DIVISION

Emergency Management

DEPARTMENT

Fire & Rescue

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Emergency Management	21,927	138,740	138,740	252,210
REVENUE				
State Grant	-	-	8,000	8,000
Total	-	-	8,000	8,000
EXPENSE BY CATEGORY				
Personal Services	5,493	110,700	110,700	208,930
Supplies	3,820	7,000	7,000	9,000
Purchased Services	12,614	10,540	10,540	18,080
Fixed Costs	-	7,000	7,000	12,700
Capital	-	3,500	3,500	3,500
Total	21,927	138,740	138,740	252,210
FTE	-	1.0	2.0	2.0

BUDGET VARIANCES

91,390 Increase in personal services due to the transfer of one Fire Lieutenant position from the Suppression Division mid-year 2007.

4,380 Normal Increases/Decreases
 6,840 Personal Services
 (2,500) Supplies
 40 Purchased Services

SUPPLEMENTS

12,000 **Improvement** - Increase in supplies and purchased services for emergency management operations.

5,700 **Workload** - Increase in fixed costs for the striping and painting of a hybrid replacement vehicle.

113,470 Total Increase

Emergency Management

Overview

This Division is responsible for the Loveland Emergency Response Plan, training department directors and senior managers, developing and equipping the Emergency Operations Center (EOC), and providing training exercises that assess the emergency management capabilities of the City. This function includes developing plans for public notification capabilities and coordinating emergency management activities with county, state and federal agencies.

Objectives

- Develop Comprehensive Emergency Response Plan and Emergency Operations Center for the City that is not only local but also regional.
- Continue training for City employees for local and regional preparedness in the event of a major incident and compliance with Homeland Security guidelines.
- Maintain continuity of operations with surrounding communities and regional affiliates.
- Develop a Public Education Program that will deliver essential information to all areas of the community. This includes businesses, faith-based and public & private school sectors, and the general public of all ages.



UNFUNDED SUPPLEMENTS

17,250 **Improvement** - Purchase of audio and visual equipment for briefings or training at the Emergency Operations center.

141,450 **Workload** - Purchase of laptop computers for fire engines and staff vehicles for better communication with the CAD system.

32,490 **Improvement** - Purchase of classroom cameras for video conferencing, so that training can be done in the stations reducing the time apparatus is on the road.

42,170 **Improvement** - Change out hoses and nozzles to smaller lines and a special nozzle that reduces reaction force, requiring less manpower to manage.

38,650 **Workload** - Increase to remodel Station 4 to accommodate new airport personnel.

8,000 **Improvement** - Increase to the Fireworks budget for music and due to increased costs.

75,000 **Improvement** - Purchase Structural Firefighting Gear washers in each station.

2,800 **Improvement** - Purchase four 800 MHz headsets for the mobile Command Vehicle.

35,000 **Improvement** - Purchase of an 800Mhz repeater to be placed in the Battalion Chief Command Vehicle for better radio reliability.

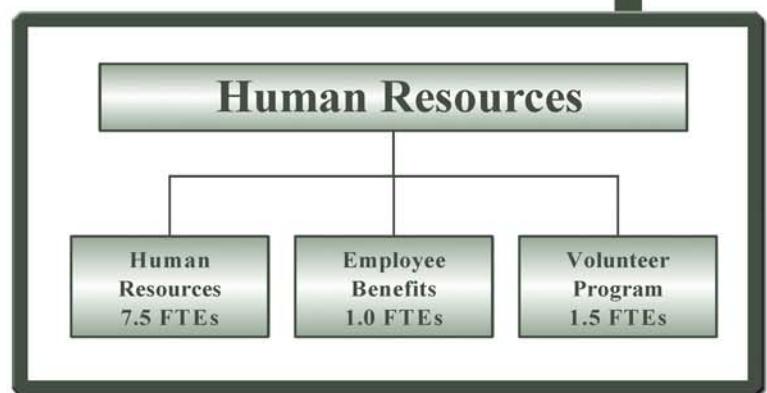
15,000 **Improvement** - Purchase of a forklift for the Training Center for moving vehicles and wood supplies for burn training.

19,950 **Improvement** - Replace chairs and tables at the Training Center.

427,760 Total Unfunded Supplements

HUMAN RESOURCES

We in Human Resources seek new and better ways to help recruit, develop, support and retain individuals who provide quality services for the City's customers.



Department of Human Resources Summary

	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget	'08 Budget / '07 Adopted % Change	'07 FTE	'08 FTE
General Fund							
Human Resources	1,007,802	1,198,660	1,198,660	1,109,160	(7.5%)	10.6	10.0
Subtotal	1,007,802	1,198,660	1,198,660	1,109,160	(7.5%)	10.6	10.0
Internal Services Fund							
Employee Benefits	7,158,470	9,259,580	9,259,580	9,482,830	2.4%	-	-
Subtotal	7,158,470	9,259,580	9,259,580	9,482,830	2.4%	-	-
Total	8,166,272	10,458,240	10,458,240	10,591,990	1.3%	10.6	10.0
REVENUE							
Internal Service Fund							
Employee Benefits	9,437,799	9,152,040	9,152,040	9,532,570	4.2%		
Total	9,437,799	9,152,040	9,152,040	9,532,570	4.2%		
EXPENSE BY CATEGORY							
Personal Services	729,182	842,630	842,630	767,270	(8.9%)		
Supplies	22,815	30,650	30,650	29,760	(2.9%)		
Purchased Services	218,098	275,380	275,380	292,130	6.1%		
Fixed Charges	7,187,754	9,309,580	9,309,580	9,502,830	2.1%		
Capital	8,423	-	-	-	-		
Total	8,166,272	10,458,240	10,458,240	10,591,990	1.3%		

DIVISION
Human Resources

DEPARTMENT
Human Resources

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
General Fund				
Human Resources	1,007,802	1,198,660	1,198,660	1,109,160
EXPENSE BY CATEGORY				
Personal Services	723,558	842,630	842,630	767,270
Supplies	22,815	30,650	30,650	29,760
Purchased Services	185,158	205,380	205,380	212,130
Fixed Charges	67,848	120,000	120,000	100,000
Capital	8,423	-	-	-
Total	1,007,802	1,198,660	1,198,660	1,109,160
FTE	10.6	10.6	10.0	10.0

BUDGET VARIANCES

1,740 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Department's experience rating and forecasted liability costs.

(69,200) Decrease in personal services due to the transfer of the Payroll Administrator position to the Finance Department.

860 Increase in purchased services for general liability costs based on the Department's historical experiences and forecasted liability costs.

(20,000) Decrease to unemployment due to a leveling off of the historical trend. This is a State imposed cost beyond the City's direct control.

(7,900) Normal Increases/Decreases

- (7,900) Personal Services
- (890) Supplies
- 890 Purchased Services

SUPPLEMENTS

5,000 **Improvement** - Increase in purchased services to increase employee tuition reimbursement for continuing education.

(89,500) Total Decrease

Human Resources

Overview

The Human Resources Department provides the following services to the City and its employees and volunteers: recruitment, selection and orientation; compensation plan development; benefits development and administration; counseling and discipline; policy development, record keeping; background checks, development and compliance with administrative regulations, training and employee development; Employee Recognition Program; and the Community Volunteer Program.

Objectives

Recruitment and Retention

- Improve recruitment efforts targeting highly qualified applicants (e.g. complete implementation of applicant tracking software).
- Improve retention rate for benefited employees with more than 4 years of service.
- Increase participation in the Volunteer Program, including the retention of long term volunteers.
- Reduce voluntary resignations.

Training and Performance Management

- Resolve Open Doors appeals more efficiently and effectively.
- 100% participation in compliance training.
- Design and implement enhanced supervisory training.
- Recognize exceptional performance and address marginal/ineffective performance.

Classification and Compensation

- Review 33% of positions for 2008 Compensation Plan.
- Review executive level total compensation and alignment with market.

Payroll

- Complete transition of payroll functions transfer to the Finance Department.
- Convert payroll cycle to bi-weekly payroll effective January, 2008.

Performance Measures	2006 Actual	2007 Budgeted	2008 Projected
% of voluntary resignations compared to total # of benefit-eligible employees.	5.68%	4.00%	5.00%
% of new employees retained after 6 months.	91.5%	95.0%	95.0%
% of new employees retained after 3 years.	NA	95%	90%
% of managers using applicant tracking system.	NA	90%	95%
% participation in compliance training.	NA	100%	100%
% of increased participation in Volunteer Program.	-3%	5%	3%

DIVISION
Employee Benefits

DEPARTMENT
Human Resources

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Internal Service Fund				
Employee Benefits	7,158,470	9,259,580	9,259,580	9,482,830
REVENUE				
Beginning Balance	1,495,624	1,495,630	3,774,950	3,667,410
Interest	132,669	59,830	59,830	149,330
City Contribution - Health Insurance	6,484,970	6,147,230	6,147,230	6,352,360
City Contribution - Life Insurance	292,863	229,410	229,410	303,390
City Contribution - Dental Insurance	297,708	301,110	301,110	317,410
City Contribution - Disability	226,129	180,000	180,000	266,240
City Contribution - Wellness	154,832	214,000	214,000	215,200
Employee Contribution - Health Ins.	1,626,243	1,831,860	1,831,860	1,740,040
Employee Contribution - Dental Ins.	198,367	177,400	177,400	177,400
COBRA Health	22,015	10,000	10,000	10,000
COBRA Dental	2,003	1,200	1,200	1,200
Total	9,437,799	9,152,040	9,152,040	9,532,570
Total Resource	10,933,423	10,647,670	12,926,990	13,199,980
EXPENSE BY CATEGORY				
Personal Services	5,624	-	-	-
Purchased Services	32,940	70,000	70,000	80,000
Fixed Charges	7,119,906	9,189,580	9,189,580	9,402,830
Total	7,158,470	9,259,580	9,259,580	9,482,830
Ending Balance	3,774,953	1,388,090	3,667,410	3,717,150
BUDGET VARIANCES				
25,540	Increase in fixed costs for disability insurance premiums based on forecasted liability costs.			
20,160	Increase in fixed costs for health and dental plan administration fees.			
93,630	Increase in fixed costs for stop-loss premiums and fees.			
39,570	Increase in life insurance premiums based on forecasted liability costs.			
(10,000)	Decrease in wellness costs based on projected participation.			
44,350	Increase in fixed costs for dental claims based on forecasted costs.			
10,000	Normal Increase			
10,000	Purchased Services			
223,250	Total Increase			

Employee Benefit Fund

Overview

The Human Resources Department is responsible for the administration of the Employee Benefit Fund. This Fund provides a competitive benefit package to employees. For medical and dental insurance, the City is self-insured, with external insurance protection beyond a certain limit for individual cases and total claims. The City subsidizes the medical and dental portion of this fund at 80% with employees being responsible for the remaining 20%.

The City's overall benefit liability has continued to grow at above industry trend over the last few years, especially in the area of catastrophic claims (individual medical claims above \$25,000). Specifically, claims costs have been increasing at an average rate of 20% since 2000. The implementation of employee contributions for employee-only coverage and plan design changes have resulted in a much improved financial condition of the Employee Benefit Fund. The plan currently has a healthy fund balance and revenues are projected to be over claims and administrative costs again this year.

The benefits focus for 2008 will be on educating employees on consumer driven health care, as well as introducing wellness initiatives. These two components will assist in managing the increase in health care costs. The consumer driven health care approach increases the responsibility of the employee to understand the rationale behind specific treatments and services, as well as educate them on the true cost of those services. The long term benefit of this nationwide trend is that health care providers will be required to provide easy access to cost of care data to consumers, which will allow employees to make educated, cost-conscious decisions relative to their health care spending. The City will continue to research and implement changes to the medical benefits plan in an effort ensure sustainable, quality programs that are competitive in the marketplace.

Objectives

- Introduce the concept of consumer driven health care through education and possible plan implementation.
- Evaluate the new HRA plan
- Maintain an adequate health care plan financial reserve.
- Enhance wellness program to track and increase participation.
- Manage the increase in aggregate claim cost and claim cost per employee.
- Present a recommendation regarding retiree medical benefits to City Council for possible implementation in January, 2008.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% participation in educational open enrollment activities.	NA	90%	90%
% participation in City-sponsored wellness activities.	NA	35%	45%
Maintain 80/20 cost share on medical/dental.	NA	Yes	Yes
Maintain a medical plan reserve great than 1.5M.	NA	Yes	Yes

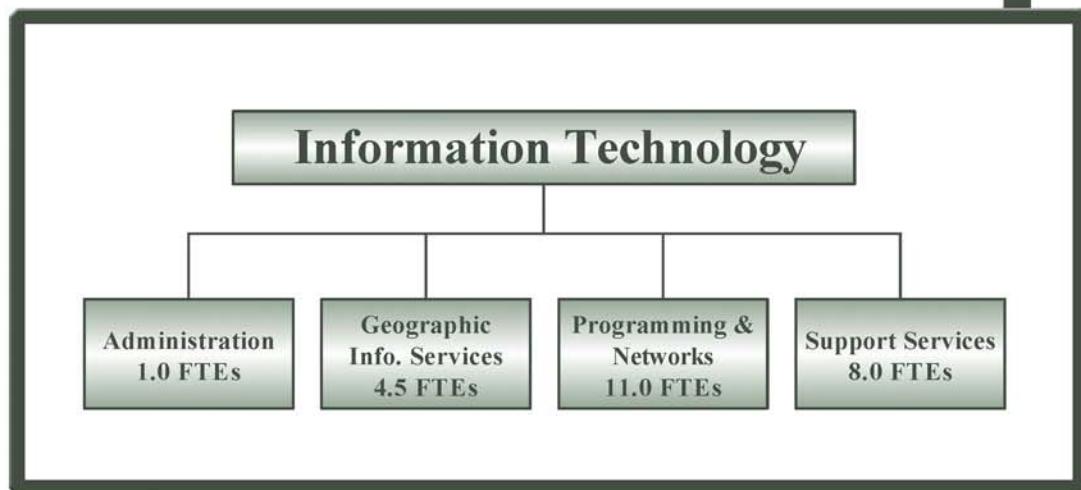
UNFUNDED SUPPLEMENTS

58,770 **Improvement** - Human Resources - Increase in advertising to consolidate employment advertising City-wide.

58,770 Total Unfunded Supplements

INFORMATION TECHNOLOGY

The mission of the Information Technology Department is to provide interactive government services using effective communication and technology-savvy employees throughout the organization who align technology initiatives with the City's services delivery objectives using a collaborative approach to building a roadmap for future success.



Department of Information Technology Summary

	'07 Adopted			'08 Budget /			
	'06 Actual Restated	Budget Restated	'07 Revised Budget	'08 Budget	'07 Adopted '07 % Change	'07 FTE	'08 FTE
General Fund							
Administration	162,829	183,390	183,390	197,570	7.7%	1.0	1.0
Geographic Information Services	264,006	327,700	327,700	453,170	38.3%	3.5	4.5
Programming & Networks	961,132	982,380	985,360	1,113,150	13.3%	11.0	11.0
Support Services	1,071,585	1,535,290	1,538,530	1,541,050	0.4%	8.0	8.0
Total	2,459,552	3,028,760	3,034,980	3,304,940	9.1%	23.5	24.5
EXPENSE BY CATEGORY							
Personal Services	1,725,445	1,860,710	1,860,710	2,054,750	10.4%		
Supplies	63,771	72,230	75,210	89,170	23.5%		
Purchased Services	466,998	641,360	641,360	576,890	(10.1%)		
Capital	203,338	454,460	457,700	584,130	28.5%		
Total	2,459,552	3,028,760	3,034,980	3,304,940	9.1%		

Information Technology

Overview

The Information Technology (IT) Department is comprised of the divisions of Administration, Geographic Information Services, Networks and Programming, and Support Services. The Department is responsible for organization-wide strategic and operational technical planning, providing customer service to City staff and citizens to enable efficient use of technical resources, and to lead the effort of using the organization's technical resources, both equipment and personnel, in the most effective manner possible. IT provides a technology training lab that is equipped and ready to provide training opportunities for City staff and City partners, such as Loveland's Business Development Center.

DIVISION
Administration

DEPARTMENT
Information Technology

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Administration	162,829	183,390	183,390	197,570
EXPENSE BY CATEGORY				
Personal Services	133,160	135,550	135,550	148,330
Supplies	19,920	29,640	29,640	29,640
Purchased Services	9,749	18,200	18,200	19,600
Total	162,829	183,390	183,390	197,570
FTE	1.0	1.0	1.0	1.0

BUDGET VARIANCES

3,340 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Department's experience rating and forecasted liability costs.

1,400 Increase in purchased services for general liability costs based on the Department's historical experiences and forecasted liability costs.

9,440 Normal Increase

9,440 Personal Services

14,180 Total Increase

Administration

Overview

The Administration Division, through the Department Director, provides leadership, determines budgetary needs including staffing, and establishes program guidelines for the Department. Administration guides the annual development of the IT work plan using strategic and procedural objectives and guidelines.

Objectives

- Ensure monthly Department team meetings are held with other departments focusing on customer service, project updates, and service concerns.
- Ensure annual work plan is developed, agreed to, published, and accomplished.
- Enlist IT Department internal coordination and cooperation to meet customer satisfaction goal of at least 80% satisfaction with services provided.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% of projects completed on time and within budget.	90%	90%	90%
% of customer satisfaction.	80%	80%	80%

DIVISION

Geographic Information Services

DEPARTMENT

Information Technology

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Geographic Information Services	264,006	327,700	327,700	453,170

EXPENSE BY CATEGORY

Personal Services	213,839	276,860	276,860	388,330
Supplies	13,237	14,540	14,540	26,040
Purchased Services	29,254	36,300	36,300	38,800
Capital	7,676	-	-	-
Total	264,006	327,700	327,700	453,170
FTE	3.5	3.5	3.5	4.5

BUDGET VARIANCES

24,890 Normal Increase

24,890 Personal Services

SUPPLEMENTS

100,580 **Improvement** - Increase in personal services (\$86,580), supplies (\$11,500) and purchased services (\$2,500) for the addition of a 1.0 FTE Senior GIS Specialist position to implement the asset management system and other future projects.

125,470 Total Increase

Geographic Information Services

Overview

The Geographic Information Services Division is responsible for the maintenance of the City's centralized land-based information and geographic information services. With this information, the Division provides City mapping and data products for many areas within the City. The Division also creates custom computer programs for use by City staff to assist in analyzing geographic information and other land-related data. The Division assists with the support of computers and related technical issues for the Department, and maintains some data fields in the land-based applications on the City's mainframe computer. Addressing for property within the City is done in the Division.

Objectives

- Ensure timely land-based information is available for interactive government services and other computer applications reliant upon land-based information.
- Ensure that Geographic Information System is available to all users at all times.
- Provide a GIS and mapping service to City departments that do not have their own GIS capabilities.
- Provide delivery of street and address data for the City's 911/computer aided dispatching system on a monthly basis to conform to the Larimer Emergency Telephone Authority's (LETA) objectives.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% of lots entered into the Geographic Information System within 5 weeks of approval.	98%	90%	95%
% of time the Geographic Information System is available to users.	99.8%	99.0%	99.0%
% of special projects completed within the timeframe given.	99%	90%	95%
% of updates submitted on an as needed, at least monthly, basis for new street and address information compiled for 911 computer-aided dispatch databases.	100%	100%	100%

DIVISION

Programming & Networks

DEPARTMENT

Information Technology

SECTION SUMMARY:	'06 Actual	'07 Adopted	'07 Revised	'08 Budget
	Restated	Budget Restated	Budget	
Programming & Networks	961,132	982,380	985,360	1,113,150
EXPENSE BY CATEGORY				
Personal Services	930,614	943,370	943,370	999,140
Supplies	12,433	14,350	17,330	14,350
Purchased Services	18,085	24,660	24,660	24,660
Capital	-	-	-	75,000
Total	961,132	982,380	985,360	1,113,150
FTE	11.0	11.0	11.0	11.0

BUDGET VARIANCES

150,000 Increase in capital for the Phone Switch Upgrade to the City phone system.

75,000 Increase in capital based on the equipment replacement schedule. See page 19-1 of the General Fund Equipment Replacement chapter for more detail on equipment purchases.

(94,230) Normal Increase

55,770 Personal Services

130,770 Total Increase

Programming & Networks

Overview

The Programming and Networks Division provides server hardware and server, desktop, laptop, and core business application software support to City departments. The Division assists in the areas of networking, computers (servers, desktops, laptops, PDAs), email, web services, security, storage, and other technology issues. The City's networking infrastructure, including the PRPA fiber backbone, is managed and maintained by this Division. Application support is provided to Utility Billing, Public Safety, Accounting, Payroll, the Public Library, Development Services, Parks and Recreation, Public Works, and the Utility functions of the City.

Objectives

- Ensure that systems are available 7 days a week from 6AM-10PM with 1% or less unscheduled downtime.
- Ensure that network data backups are completed 100% of the time.
- Ensure file restoration is accomplished as needed 100% of the time.
- Use server refresh plans to make sure the network servers do not become technically obsolete by replacing one-third of the server inventory annually.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% of time network is up and available.	99%	99%	99%
% of time data recovery is successful.	100%	100%	100%

DIVISION
Support Services

DEPARTMENT
Information Technology

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Support Services	1,071,585	1,535,290	1,538,530	1,541,050
EXPENSE BY CATEGORY				
Personal Services	447,832	504,930	504,930	518,950
Supplies	18,181	13,700	13,700	19,140
Purchased Services	409,910	562,200	562,200	493,830
Capital	195,662	454,460	457,700	509,130
Total	1,071,585	1,535,290	1,538,530	1,541,050
FTE	8.0	8.0	8.0	8.0

BUDGET VARIANCES

6,500 Increase in supplies due to the increased cost of printer ribbons and toner cartridges.

(1,000) Decrease in supplies due to the reduction in number of Verisign licenses required for City website operation.

(8,830) Decrease in purchased services due to the removal of the City Answer Line (\$4,200) and other discontinued maintenance agreements (\$4,630).

8,400 Increase in purchased services due to a rate increase in maintenance costs for existing scanning software licenses.

560 Increase in purchased services for maintenance agreements as a result of an increased number of licenses.

35,870 Increase in purchased services due to additional maintenance agreements required for new hardware and software.

(228,800) Decrease in purchased services (\$104,370) and capital (\$124,430) due to the one-time costs of implementing the Development Services software in 2007.

150,000 Increase in capital based on the equipment replacement schedule. See page 19-1 of the General Fund Equipment Replacement chapter for more detail on equipment purchases.

19,100 Increase in capital due to the addition of Police laptop and server software licenses.

10,000 Increase in capital due to the addition of the System Center Operations Center and Cy Block software.

13,960 Normal Increases/Decreases

14,020 Personal Services

(60) Supplies

5,760 Total Increase

Support Services

Overview

Support Services is responsible for providing voice telecommunications, document management, help desk, computer and peripheral hardware support, and card access support for City customers. The Division supports and maintains the City's phone switches, PhoneMail, help desk, desktop and laptop computers, printers, document imaging, and card access security.

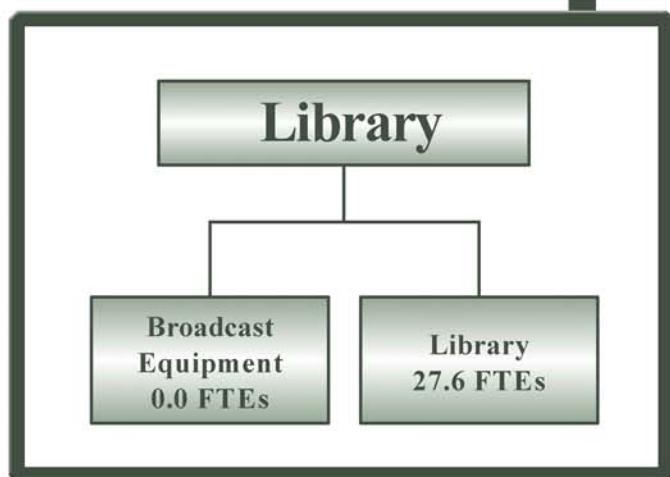
Objectives

- Ensure that urgent and high priority help desk calls are resolved in 1 working day by using help desk procedures for follow-up.
- Ensure that standard calls are resolved in 3 working days or less by using help desk procedures for follow-up.
- Replace one-fourth of the desktop and laptop inventory annually.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% of initial response within 24 hours.	83%	95%	85%
% of high priority calls resolved in 1 day.	83%	95%	85%
% standard calls resolved in 3 working days or less.	73%	95%	75%

LOVELAND PUBLIC LIBRARY

The mission of the Loveland Public Library is to serve as the information center of the community, to be accessible and active in outreach to the people of all ages and background, information, educating, entertaining, and culturally enriching them and bridging the past to the future and connecting one community resource with another with a diverse collection of resources and services. The Library seeks to fulfill this mission by emphasizing excellent customer service in a welcoming environment.



Loveland Public Library Summary

	'07 Adopted			'08 Budget	'07 Adopted % Change	'08 Budget /	
	'06 Actual Restated	Budget Restated	'07 Revised Budget			'07 FTE	'08 FTE
General Fund							
Broadcast Equipment	-	-	-	50,000	-	-	-
Library	2,182,277	2,370,780	2,428,580	2,305,190	(2.8%)	27.6	27.6
Total	2,182,277	2,370,780	2,428,580	2,355,190	(0.7%)	27.6	27.6
REVENUE							
Broadcast Equipment	-	-	-	50,000	-	-	-
Library	134,046	127,950	127,950	138,000	7.9%		
Total	134,046	127,950	127,950	188,000	46.9%		
EXPENSE BY CATEGORY							
Personal Services	1,769,903	1,961,610	1,961,610	1,904,000	(2.9%)		
Supplies	257,054	172,050	217,350	187,250	8.8%		
Purchased Services	85,423	157,980	170,480	154,130	(2.4%)		
Fixed Charges	1,154	2,330	2,330	2,300	(1.3%)		
Debt Service/Lease Payments	55,143	57,510	57,510	57,510	-		
Capital	13,600	19,300	19,300	50,000	159.1%		
Total	2,182,277	2,370,780	2,428,580	2,355,190	(0.7%)		



DIVISION
Broadcast Equipment

DEPARTMENT
Loveland Public Library

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Broadcast Equipment	-	-	-	50,000
REVENUE				
PEG Fee	-	-	-	50,000
Total	-	-	-	50,000
EXPENSE BY CATEGORY				
Capital	-	-	-	50,000
Total	-	-	-	50,000

BUDGET VARIANCES

50,000 Increase in capital for broadcast equipment used to televise Council meetings, utilizing revenue from the new PEG fee included in the Cable Franchise negotiations.

50,000 Total Increase

Broadcast Equipment

Overview

The City Council approved a new franchise agreement with Comcast in 2007. The franchise agreement indicates that Comcast will pass on to their customers a fifty cent per account monthly fee to contribute to capital equipment necessary to broadcast public, education and governmental programming, referred to as a PEG fee. The fee is expected to generate \$108,000 annually, based on the current number of subscribers. In June, 2007 the City received \$100,000 up front and Comcast will retain revenues collected from the PEG fee until that \$100,000 is reimbursed. The City retained \$65,000, gave \$25,000 to Thompson School District, and \$10,000 to Aims Community College. This initial disbursement will be reimbursed by July and the City expects to begin receiving the PEG fee at that time. Assuming that the subscriber base stays constant, the \$50,000 will double in 2009.

DIVISION

Library

DEPARTMENT

Loveland Public Library

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Library	2,182,277	2,370,780	2,428,580	2,305,190

REVENUE

Charges for Service	10,714	13,000	13,000	13,000
Fines	88,833	89,950	89,950	95,000
Donations	34,492	25,000	25,000	30,000
Miscellaneous Revenue	7	-	-	-
Total	134,046	127,950	127,950	138,000

EXPENSE BY CATEGORY

Personal Services	1,769,903	1,961,610	1,961,610	1,904,000
Supplies	257,054	172,050	217,350	187,250
Purchased Services	85,423	157,980	170,480	154,130
Fixed Charges	1,154	2,330	2,330	2,300
Debt Service/Lease Payments	55,143	57,510	57,510	57,510
Capital	13,600	19,300	19,300	-
Total	2,182,277	2,370,780	2,428,580	2,305,190

FTE

27.6 27.6 27.6 27.6

BUDGET VARIANCES

3,900 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Department's experience rating and forecasted liability costs.

(57,090) Decrease in personal services for temporary salaries, based on the Department's historical experience and forecasted costs.

1,350 Increase in purchased services for general liability costs based on the Department's historical experiences and forecasted liability costs.

(30) Decrease in fixed costs for vehicle maintenance and rental based on projected maintenance costs.

(19,300) Decrease in capital due to the one-time purchase of equipment.

(4,420) Normal Increases/Decreases

(4,420) Personal Services

5,200 Supplies

(5,200) Purchased Services

SUPPLEMENTS

10,000 **Improvement** - Increase in supplies for additional Library books and materials.

(65,590) Total Decrease

Library

Overview

The Library offers a wide array of materials, programs and services to the residents of Loveland and the area through its 20-year old, 32,000-square foot building and outreach services minivan. Many of the measures of public library service indicate the Library to be a very busy and well- used City service.

The Colorado State Library's "2005 Statistics from Public Libraries Located in Metropolitan Areas Serving Populations Between 25,000 and 99,999" reports Loveland's rank among the 26 reporting libraries as follows:

Inputs (Resources available to provide service)

- FTE staff per 1,000 served: 21 of 26, or 25% below the median or middle city.
- Materials expenditure per capita: 15 of 26, or 14% below the median.
- Volumes per capita: 21 of 26, or 27% below the median of 3.24 volumes per capita.
- FTE staff per 1,000 items circulated: 25 of 26, or 50% below the median.

Outputs (Measures of Library activity)

- Circulation/borrowing per capita: 5 of 26, or 63% above median.
- Reference questions answered per capita: 5 of 26, or 111% above median.
- Turnover, or how many times each item owned is borrowed: 2 of 26, or 79% above the median.
- Visits per capita: 8 of 26, or 17% above median of 6.25 visits per capita.

This information is found at http://www.lrs.org/public/stats_2005.php and can be compared with previous year's information.

Objectives

- Add more customer service-oriented content to the Library web page and keep information on the web page current and relevant.
- Increase visits to online services by residents.
- Maintain pre-school literacy experiences of the target population. (Birth-5).
- Maintain Library circulation of materials per capita.
- Increase teen attendance in Library programs by 5% over 2006 base number.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
Library-wide materials borrowing per capita.	11.69	11.70	11.75
% increase in number of web page hits.	3.5%	5.0%	5.0%
% increase in Library visits.	-3.0%	2.0%	2.0%
% increase in public use of Library catalog online.	90.4%	25.0%	20.0%

UNFUNDED SUPPLEMENTS

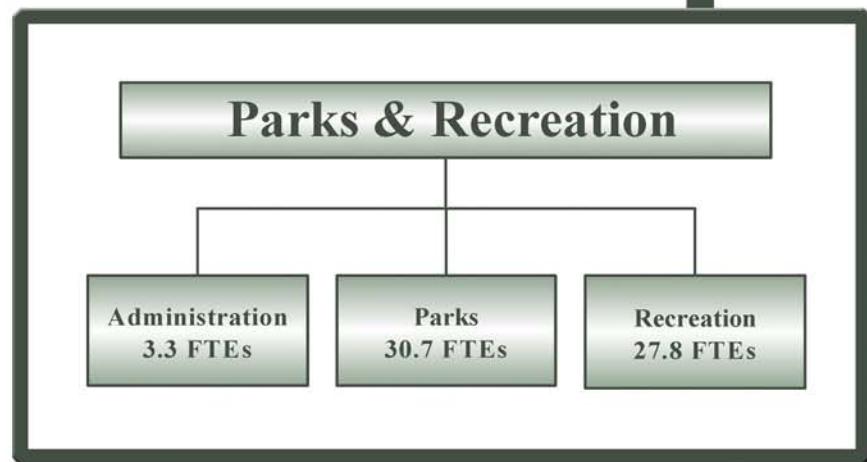
81,000 **Improvement** - Library - Addition of four positions, Library Aides to keep the Library open one hour later.

5,000 **Improvement** - Library - Increase to training budget.

86,000 Total Unfunded Supplements

PARKS & RECREATION

The mission of the Loveland Parks & Recreation Department is to provide leisure facilities, programs, activities and opportunities for the citizens of the community.



Department of Parks & Recreation Summary

	'07 Adopted		'08 Budget / '07 Adopted % Change	'08 Budget / '07 FTE '08 FTE		
	'06 Actual Restated	Budget Restated		'08 Budget	'07 FTE	'08 FTE
General Fund						
Administration	579,936	527,220	527,220	443,180	(15.9%)	3.3
Parks	3,408,774	3,867,200	4,123,270	4,234,310	9.5%	30.7
Recreation	2,897,688	3,433,520	3,495,640	3,305,960	(3.7%)	27.8
Total	6,886,398	7,827,940	8,146,130	7,983,450	2.0%	61.8
REVENUE						
Administration	55	-	-	-	-	-
Parks	180,255	216,040	216,040	201,480	(6.7%)	
Recreation	2,166,873	2,330,440	2,330,440	2,253,050	(3.3%)	
Total	2,347,183	2,546,480	2,546,480	2,454,530	(3.6%)	
EXPENSE BY CATEGORY						
Personal Services	4,960,278	5,495,650	5,495,650	5,605,920	2.0%	
Supplies	568,685	521,180	521,180	526,650	1.0%	
Purchased Services	684,274	701,910	701,910	607,380	(13.5%)	
Fixed Charges	222,726	235,070	235,070	244,610	4.1%	
Capital	450,435	874,130	1,192,320	998,890	14.3%	
Total	6,886,398	7,827,940	8,146,130	7,983,450	2.0%	

Parks & Recreation

Overview

The Parks and Recreation Department is responsible for all the public recreational and parks areas including development, programming and operations. The Department operates the Hatfield Chilson Recreation/Senior Center, Winona Pool, a mountain park, one 9-hole and two 18-hole public golf courses and 318 acres of park land. The citywide natural/open space areas as well as a 15.5 mile off-road recreational trail system are managed through the Department.

The Department offers both competitive and recreational athletic programs including adult volleyball, basketball, softball and soccer. Organized youth sports are available in softball, football, basketball, baseball, volleyball, in-line hockey, lacrosse and soccer. An extensive number of recreational classes and instructional programs are provided for all ages in arts and crafts, as well as hobby and cultural activities. The Hatfield Chilson Recreation Center offers aquatics, athletic, fitness and recreational activities and facilities for both structured and drop-in use.

During 2008, the Department has a goal of generating \$6.4 million in user fees. Recreational programs, athletic events, leagues, activities and uses of the Hatfield Chilson Recreation Center and Winona Pool is estimated to generate a 75% Recreation Division cost recovery with \$2.5 million in revenues. An additional \$3.9 million is projected from user fees from Golf activities. The Department operates on a modified “user pay” philosophy and recovers expenditures with revenues where possible and within market conditions. Cost recovery policies are used to assist in Department fee and budget decisions, and vary by activity.

Objectives

- Construction and opening of Fairgrounds Park.
- Planning and design of expanded/renovated Chilson Recreation Center.
- Planning and design of recreational trail underpass on north Highway 287.

DIVISION
Administration

DEPARTMENT
Parks & Recreation

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Administration	579,936	527,220	527,220	443,180
REVENUE				
Miscellaneous	55	-	-	-
Total	55	-	-	-
EXPENSE BY CATEGORY				
Personal Services	443,446	431,540	431,540	377,210
Supplies	8,354	21,200	21,200	21,200
Purchased Services	97,870	74,480	74,480	44,770
Capital	30,266	-	-	-
Total	579,936	527,220	527,220	443,180
FTE	3.3	3.3	3.3	3.3

BUDGET VARIANCES

(78,010) Decrease in personal services for workers' compensation due to the re-allocation of the Department's cost by division, based on the Division's experience rating and forecasted liability costs. Workers' compensation costs for all Parks and Recreation divisions were formerly combined within Administration.

(29,710) Decrease in purchased services for general liability costs due to the re-allocation of the Department's cost by division, based on the Division's historical experiences and forecasted liability costs. General liability costs for all divisions were formerly combined within Administration.

23,680 Normal Increase

23,680 Personal Services

(84,040) Total Decrease

Administration

Objectives

This Division is responsible for the overall management, operation and maintenance of the City's parks, natural areas and open spaces, the Loveland Cemetery, recreational trails, 3 golf courses, recreation facilities and programs, and the special use and public ground areas.

DIVISION

Parks

DEPARTMENT

Parks & Recreation

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Cemetery	243,329	267,270	267,270	210,670
Grounds	923,229	952,550	1,086,460	1,027,610
Mountain Parks	133,633	157,490	157,490	157,760
Operations	928,267	698,710	698,710	938,590
Planning	193,292	225,270	225,270	227,050
Projects/Fleet Maintenance	614,030	658,170	780,330	630,410
Public Grounds Maintenance	372,994	391,400	391,400	400,370
Sports Field Maintenance	-	516,340	516,340	641,850
Total	3,408,774	3,867,200	4,123,270	4,234,310

REVENUE

Cemetery	157,407	191,540	191,540	176,780
Operations	5,981	8,500	8,500	7,700
Sports Field Maintenance	16,867	16,000	16,000	17,000
Total	180,255	216,040	216,040	201,480

EXPENSE BY CATEGORY

Personal Services	2,125,718	2,417,340	2,417,340	2,512,320
Supplies	380,742	315,990	315,990	355,870
Purchased Services	326,272	342,680	342,680	416,400
Fixed Charges	205,053	218,750	218,750	227,670
Capital	370,989	572,440	828,510	722,050
Total	3,408,774	3,867,200	4,123,270	4,234,310

FTE	31.0	30.7	30.7	30.7
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BUDGET VARIANCES

23,880 Increase in personal services for workers' compensation due to the re-allocation of the Department's cost by division, based on the Division's experience rating and forecasted liability costs. Workers' compensation costs for all Parks and Recreation divisions were formerly combined within Administration.

(14,000) Decrease in supplies, transferred to purchased services for cost of Safety Programs.

15,950 Increase in purchased services for general liability costs due to the re-allocation of the Department's cost by division, based on the Division's historical experiences and forecasted liability costs. General liability costs for all divisions were formerly combined within Administration.

17,000 Increase in purchased services for tree trimming, based upon the historical experience of the Department.

16,000 Increase in purchased services for safety programs, transferred from supplies (\$14,000) and from fixed charges (\$2,000).

(2,000) Decrease in fixed costs, transferred to purchased services for cost of Safety Programs.

5,420 Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.

83,610 Increase in capital based on the equipment replacement schedule. See page 19-2 of the General Fund Equipment Replacement chapter for more detail on equipment purchases.

71,100 Normal Increases/Decreases

- 71,100 Personal Services
- 10 Supplies
- (10) Purchased Services

SUPPLEMENTS

109,650 **Improvement** - Increase in supplies (\$53,870), purchased services (\$24,780) and capital (\$31,000) for a partial year of operations of Fairgrounds Park, which is anticipated to open in September, 2008.

40,500 **Workload** - Increase in capital (\$35,000) and fixed charges (\$5,500) for the replacement and maintenance cost of two cost-plus vehicles.

367,110 Total Increase

Parks

Overview

Cemetery – Manages and maintains the 46-acre City of Loveland Cemetery, which is comprised of Lakeside Cemetery and Loveland Burial Park.

Mountain Park – Performs resource management and maintenance functions at the 420 acre Viestenz-Smith Mountain Park.

Parks Maintenance – Loveland maintains 28 developed parks, covering 318 acres. Site amenities include 22 softball fields, 24 playgrounds, 14 reservable picnic shelters, 4 racquetball courts and 21 tennis courts. Maintenance of these parks is divided into the Operations, Grounds and Sports Turf sections for management purposes.

	2007 FTE	2008 FTE
Cemetery	3.6	2.6
Grounds	6.5	6.5
Mountain Park	1.7	1.7
Sports Turf	4.5	5.5
Operations/Fleet	7.2	7.2
Fleet Maintenance	2.0	2.5
Public Grounds	2.2	2.2
Planning	3.0	2.5
Total	30.7	30.7

Parks Planning – Performs planning and construction management of parks, recreation areas, and trails projects.

Fleet Maintenance – Performs in-house park repair services and maintains turf and construction equipment used in the parks system.

Public Grounds – Provides grounds maintenance around public buildings, fire stations and special use areas including McWhinney-Hahn Sculpture Park, the Civic Center Complex, Service Center, various detention ponds and public areas.

Objectives

- Extend useful life of cemetery by increasing lots available for burials.
- Maintain existing service levels and provide high quality park facilities for safe public use.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
Developed park acreage maintained.	318	318	358
Operating cost / developed park acre.	\$6,586	\$7,160	\$6,700
Cemetery operation cost recovery.	65%	70%	70%

DIVISION

Recreation

DEPARTMENT

Parks & Recreation

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Adult Athletics	275,993	328,890	328,890	336,790
Concessions/Batting Cages	142,532	223,430	208,650	62,030
Hatfield Chilson Recreation Center	1,389,739	1,672,180	1,734,300	1,649,200
Outdoor Aquatics	107,618	166,730	166,730	151,670
Recreation Programs	475,306	507,170	516,440	516,670
Special Recreation Services	246,086	245,540	245,540	280,660
Youth Athletics	260,414	289,580	295,090	308,940
Total	2,897,688	3,433,520	3,495,640	3,305,960
REVENUE				
Adult Athletics	319,105	327,540	327,540	336,790
Concessions/Batting Cages	141,090	165,500	165,500	54,160
Hatfield Chilson Recreation Center	1,020,826	1,124,400	1,124,400	1,104,400
Outdoor Aquatics	119,413	134,500	134,500	136,500
Recreation Programs	252,211	257,000	257,000	258,350
Special Recreation Services	92,532	100,500	100,500	112,350
Youth Athletics	221,696	221,000	221,000	250,500
Total	2,166,873	2,330,440	2,330,440	2,253,050
EXPENSE BY CATEGORY				
Personal Services	2,391,114	2,646,770	2,646,770	2,716,390
Supplies	179,589	183,990	183,990	149,580
Purchased Services	260,132	284,750	284,750	146,210
Fixed Charges	17,673	16,320	16,320	16,940
Capital	49,180	301,690	363,810	276,840
Total	2,897,688	3,433,520	3,495,640	3,305,960
FTE	30.9	27.8	27.8	27.8

BUDGET VARIANCES

51,910 Increase in personal services for workers' compensation due to the re-allocation of the Department's cost by division, based on the Division's experience rating and forecasted liability costs. Workers' compensation costs for all Parks and Recreation divisions were formerly combined within Administration.

13,000 Increase in personal services for additional instructor payments in the Recreation Center Division.

(113,290) Decrease in personal services (\$71,110), supplies (\$37,910) and purchased services (\$4,280) in the Concessions Division, due to outsourcing of the concession operations. Revenue estimates have also been decreased to reflect this operational change, but since net concession profits will be received from the vendor no net loss to the City is anticipated.

2,700 Increase in supplies in the Outdoor Aquatics Division, due to the increased cost of chemicals.

16,190 Increase in purchased services for general liability costs due to the re-allocation of the Department's cost by division, based on the Division's historical experiences and forecasted liability costs. General liability costs for all divisions were formerly combined within Administration.

(15,570) Decrease in purchased services in the Recreation Program Division, due to a reduction in printing costs for the brochure.

2,480 Increase in purchased services in the Recreation Program Division, for increased postage costs.

2,560 Increase in purchased services in the Recreation Program Division, for increased cost of advertising.

(139,110) Decrease in purchased services in the Chilson Recreation Center Division, due to consolidating utility costs within the Facilities Maintenance Division in the Public Works Department.

620 Increase in fixed costs for vehicle maintenance and rental based on projected maintenance costs and fuel prices.

(39,850) Decrease in capital based on the equipment replacement schedule. See page 19-2 of the General Fund Equipment Replacement chapter for more detail on equipment purchases.

75,800 Normal Increases/Decreases

- 75,810 Personal Services
- 800 Supplies
- (810) Purchased Services

SUPPLEMENTS

15,000 **Improvement** - Increase in capital for the purchase of concession equipment at Fairgrounds Park.

(127,560) Total Decrease

Recreation

Overview

Adult Athletics - Adult Athletics is supported by user fee revenues to provide coordination and supervision for adult athletic programming. Adult programs include: competitive leagues and tournaments in basketball, volleyball, in-line hockey, soccer, and softball.

Batting Cages/Concessions – Management of privately funded and operated food concession contract at Winona Pool, Centennial Park and Loveland Sports Park, as well as the concessions at Barnes Park and vending at select sites.

The Barnes Park Batting Cages feature softball and baseball pitching machines, which are open during league and tournament play.

Hatfield Chilson Recreation/Senior Center – This multi-purpose facility is designed for all ages of guests for programmed instruction or drop-in use. The Recreation Center includes 2 gymnasiums, an indoor running track, an aerobics room, weight training areas, 3 racquetball courts, a steam room and whirlpool, and a 25-meter indoor pool with a water slide. The adjacent Senior Center provides a large reservable banquet room for dances, socials, meals and meetings, a game room, billiard area, lounge and kitchen.

Outdoor Aquatics - Outdoor Aquatics a supervised swimming area at Lake Loveland at no admission charge to the public. Winona Pool is an outdoor swimming pool with a water slide and leisure pool for younger children. Both are open for use during the summer months.

Recreation Programs - Outdoor recreation programs include horseback riding, canoeing, skiing, camping and rock climbing for all ages. A diverse selection of activities in crafts and cultural arts, dance, music, computers, cooking, martial arts and financial planning are offered as instructional programming.

Special Recreation Services - Provides social, educational, recreational, and health-related programs and services to Loveland's senior population.

Youth Athletics - Offers year-round instruction in softball, football, basketball, baseball, tennis, volleyball, gymnastics, in-line hockey, lacrosse and soccer.

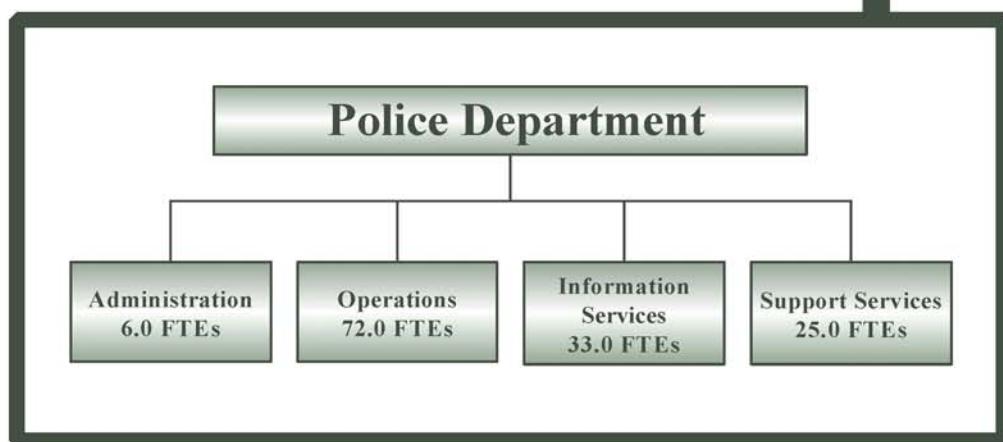
Objectives

- Meet and exceed City Council and Department cost recovery goals through effective and efficient financial management of resources.
- Expand use and operations of Loveland Sports Park.
- Utilize new technologies to enhance customer services.
- Enhance program opportunities by expanding programs and leagues.

Performance Measures	2006 Actual	2007 Budgeted	2008 Projected
% of direct cost recovered in recreation programs/facilities.	78%	75%	75%
% cost recovery at Hatfield Chilson Recreation Center through user fees & charges.	75%	75%	75%
Average daily attendance at Hatfield Chilson Recreation Center.	1,001	1,100	1,100
LSP Reservations/Rentals.	921	1,650	1,850
% registrations processed by automated systems.	42%	45%	50%
# of new programs and leagues.	10	15	15

POLICE DEPARTMENT

The Loveland Police Department exists for the purpose of providing an enhanced level of safety in our community, protecting the rights guaranteed to all people by the Constitution, and improving the quality of life of each citizen.



Police Department Summary

	'07 Adopted		'08 Budget / '07 Adopted % Change	'08 Budget / '07 Adopted % Change		
	'06 Actual Restated	Budget Restated		'08 Budget	'07 FTE	'08 FTE
General Fund						
Administration	879,892	1,417,540	1,417,540	1,467,050	3.5%	6.0
Operations	6,938,489	7,390,330	7,416,260	7,778,530	5.3%	72.0
Information Services	2,908,524	3,006,890	3,086,630	2,995,990	(0.4%)	33.0
Support Services	2,119,752	2,269,510	2,263,320	2,453,270	8.1%	23.0
Total	12,846,657	14,084,270	14,183,750	14,694,840	4.3%	134.0
REVENUE						
General Fund						
Administration	14,785	8,000	8,000	9,000	12.5%	
Operations	214,145	188,000	188,000	145,000	(22.9%)	
Information Services	143,025	144,900	205,740	163,870	13.1%	
Total	371,955	340,900	401,740	317,870	(6.8%)	
EXPENSE BY CATEGORY						
Personal Services	10,804,166	11,394,290	11,394,290	11,953,480	4.9%	
Supplies	224,916	339,070	372,620	265,560	-21.7%	
Purchased Services	725,208	1,503,820	1,564,820	1,413,430	-6.0%	
Fixed Charges	693,570	738,430	738,430	786,270	6.5%	
Capital	398,797	108,660	113,590	276,100	154.1%	
Total	12,846,657	14,084,270	14,183,750	14,694,840	4.3%	

Police

Overview

The Police Department provides services for the citizens of Loveland by enforcement of state laws, local laws and ordinances. In 2006, the Department responded to 67,902 calls for service. This was a 2% increase over 2005 (66,300), and a 21% increase over calls for service in 2004 (53,873). Calls for police service are expected to increase at a noteworthy rate as the City of Loveland continues to develop in size and population. The Department strives to maintain peace and order throughout the community by providing education, preventing criminal activity, and responding in a timely and effective manner to reports of criminal violations. In 1992, the Department became a nationally accredited law enforcement agency. Since that time, the agency has maintained this prestigious designation by being successfully re-accredited in 1997, 2000, 2003 and 2006.

Objectives

- Identify community problems and intervene as problem solvers using available resources.
- Protect those in harm's way.
- Assist the safe and free movement of people and traffic within the community.
- Educate the community in their responsibilities as citizens and our role as Police Officers.
- Work as a team within our department, within the City organization, and with other agencies.

DIVISION
Administration

DEPARTMENT
Police

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Administration	876,927	1,411,540	1,411,540	1,461,050
Journey Conference	2,965	6,000	6,000	6,000
Total	879,892	1,417,540	1,417,540	1,467,050

REVENUE

Police Training	2,500	1,000	1,000	1,000
Police Auction	12,285	7,000	7,000	8,000
Total	14,785	8,000	8,000	9,000

EXPENSE BY CATEGORY

Personal Services	860,025	629,650	629,650	662,280
Supplies	7,924	36,430	34,930	31,850
Purchased Services	11,943	745,760	747,260	739,620
Capital	-	5,700	5,700	33,300
Total	879,892	1,417,540	1,417,540	1,467,050

FTE	6.0	6.0	6.0	6.0
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BUDGET VARIANCES

1,000 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

(5,000) Decrease in supplies for office furniture and equipment for the one-time cost to convert a conference room to an office for the Street Crimes Unit.

(3,390) Decrease in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

27,600 Increase in capital based on the equipment replacement schedule. See pages 19-2 & 19-3 of the General Fund Equipment Replacement chapter for more detail on equipment purchases.

29,300 Normal Increases/Decreases

31,630 Personal Services

420 Supplies

(2,750) Purchased Services

49,510 Total Increase

Administration

Overview

This executive level unit includes the Office of the Chief of Police and the Office of Professional Standards. Our Professional Standards section handles internal and citizen complaints against police employees, and oversees the

personnel function, department Training Sergeant and Accreditation. The unit is staffed by a police lieutenant and is responsible for investigation of serious complaints, tracking, assigning, and reporting on all complaints, investigations, and commendations received by the department. The Lieutenant also conducts annual staff inspections of department divisions and their units. The unit administers the department pay plan and supervises the training, accreditation, and personnel units. The Training Unit is responsible for managing, assigning, and reporting on all police employee training assignments and mandatory training classes and attendance. It also oversees the animal control services by contract. The section is staffed by a police sergeant, who also serves as the Department Public Information Officer. Personnel are responsible for handling all police employee recruitment, selection, and hiring. The section is staffed by a police sergeant who also conducts department policy reviews, personnel performance system audits, and recommends policy and procedure changes when required. Our Accreditation section is responsible for administration and management of the Department's International Accreditation Program. The section is staffed by a civilian, who maintains ongoing audits of department policy and procedures, and modifies required directives to insure compliance with Accreditation Standards. The section is also the liaison to the Commission on Accreditation of Law Enforcement Agencies and manages tri-annual onsite audits by Commission assessors.

	2007 FTE	2008 FTE
Administration	6.0	6.0
Total	6.0	6.0

Objectives

- To insure prompt investigations of citizen complaints.
- To increase citizen perception of safety within the community.

Performance Measures	2006 Actual	2007 Budgeted	2008 Projected
% of citizen complainants contacted by a supervisor within 5 days of assignment.	95%	92%	95%
% investigation completed within 30 days.	95%	77%	95%
% citizens who respond to survey that they feel safe.	NA	100%	100%

DIVISION

Operations

DEPARTMENT

Police

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Operations Administration	287,321	282,010	284,710	294,120
Patrol	6,030,237	6,521,870	6,545,100	6,876,470
Traffic	620,931	586,450	586,450	607,940
Total	6,938,489	7,390,330	7,416,260	7,778,530
REVENUE				
Special Events	87,615	125,000	125,000	100,000
State & Federal Grants	89,706	49,000	49,000	29,000
Charges for Service	16,074	14,000	14,000	16,000
Other	20,750	-	-	-
Total	214,145	188,000	188,000	145,000
EXPENSE BY CATEGORY				
Personal Services	5,880,670	6,311,580	6,311,580	6,615,410
Supplies	152,043	200,680	221,780	123,500
Purchased Services	148,275	123,490	123,390	136,650
Fixed Charges	693,570	704,830	704,830	752,670
Capital	63,931	49,750	54,680	150,300
Total	6,938,489	7,390,330	7,416,260	7,778,530
FTE	65.0	72.0	72.0	72.0

BUDGET VARIANCES

86,230 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

41,040 Increase in personal services for overtime based on historical experience.

(80,620) Decrease in supplies due to the one-time costs of equipping three new Officer positions added in 2007.

9,230 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

47,840 Increase in fixed costs for vehicle maintenance and rental based on projected maintenance costs.

(4,000) Decrease in capital costs due to the one-time purchase of new equipment.

100,550 Increase in capital based on the equipment replacement schedule. See pages 19-2 & 19-3 of the General Fund Equipment Replacement chapter for more detail on equipment purchases.

187,930 Normal Increases

 176,560 Personal Services

 3,440 Supplies

 3,930 Purchased Services

 4,000 Capital

388,200 Total Increase

Operations

Overview

This Division manages the following sections: Patrol, Traffic, Chaplains and Explorer Scouting. Patrol provides front line law enforcement services to the community 24 hours per day, 365 days per year. Lieutenants command each of the three patrol shifts. Patrol officers are assigned a patrol car on a 24 hour

take-home basis. This program has been successful in increasing the visibility of police and in reducing fleet costs. This division also includes the Bicycle Program, Street Crimes Unit, Mounted Patrol Unit, K-9 Unit, SWAT, Bomb Squad, Traffic Unit and the Chaplains Program. Traffic officers are assigned to address the frequent traffic complaints coming into the City, as well as, increasing traffic enforcement to lower accident rates. One sergeant is assigned to oversee the traffic unit.

	2007 FTE	2008 FTE
Operations Administration	2.0	2.0
Traffic	6.0	6.0
Patrol	64.0	64.0
Total	72.0	72.0

Objectives

- To arrive on scene to emergency calls within 4 minutes of dispatch.
- To reduce number of speeders in school zones throughout city.
- Through public education and enforcement, increase motorist compliance regarding the use of the seat belt. The measure will be visual pre and post enforcement surveys, at specific locations, to count seat belt compliance numbers among motorists.

Performance Measures	2006 Actual	2007 Budgeted	2008 Projected
% of emergency calls from dispatch to arrival where police arrive on scene within 4 minutes.	60%	85%	85%
% reduction of speeders in school zones as measured by traffic engineering before and after providing law enforcement and presence.	NA	10%	10%
% increase in motorist compliance with the use of seat belts within a 3 month period.	13%	5%	5%

DIVISION
Information Services

DEPARTMENT
Police

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Administrative Services	589,540	402,130	402,130	446,430
Communications	1,639,899	1,834,910	1,895,250	1,806,010
Records	679,085	769,850	789,250	743,550
Total	2,908,524	3,006,890	3,086,630	2,995,990

REVENUE

Grants	16,141	-	60,840	-
Dispatch Services	125,304	143,400	143,400	162,370
Records	1,580	1,500	1,500	1,500
Total	143,025	144,900	205,740	163,870

EXPENSE BY CATEGORY

Personal Services	2,043,449	2,356,680	2,356,680	2,419,210
Supplies	41,770	42,040	71,380	38,340
Purchased Services	488,439	554,960	605,360	456,770
Capital	334,866	53,210	53,210	81,670
Total	2,908,524	3,006,890	3,086,630	2,995,990

FTE

31.0 **33.0** **33.0** **33.0**

BUDGET VARIANCES

19,010 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

12,250 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

(104,000) Decrease in purchased services due to completion of the lease purchase of the dispatch communication consoles and equipment.

(19,100) Decrease in capital for software replacement for the transfer of laptop licensing funds to the Information Technology Department to consolidate software license management.

47,560 Increase in capital based on the equipment replacement schedule. See pages 19-2 & 19-3 of the General Fund Equipment Replacement chapter for more detail on equipment purchases.

33,380 Normal Increases/Decreases

43,520 Personal Services

(3,700) Supplies

(6,440) Purchased Services

(10,900) Total Decrease

Information Services

Overview

This Division is responsible for dispatching all First Responders Services in southern Larimer County, managing Police Records, and for technology project management and crime analysis. Loveland is the answering point for 911 calls in all of southern Larimer County, covering in excess of 200 square miles and

handling an estimated 81,943 Police, Fire, and EMS calls in 2007. Our Records Section is responsible for typing police reports, recording summonses, and maintaining case reports; maintaining and dispersing criminal history information on persons; compiling statistical information; and acting as the receptionist and front desk report taker for the Police Department. Our Crime Analyst provides pertinent information relative to crime patterns and trend correlation to assist operational and administrative personnel in planning the deployment of resources for the prevention and suppression of criminal activities.

	2007 FTE	2008 FTE
Administration Services	3.0	3.0
Communications	20.0	20.0
Records	10.0	10.0
Total	33.0	33.0

Objectives

- To dispatch all 911 calls in a timely manner.
- To provide police reports to all customers within 2 business days of request.

Performance Measures	2006 Actual	2007 Budgeted	2008 Projected
Dispatch of emergency units to all 911 or emergency request for service of all P1 calls within 2 minutes from the first keystroke into CAD to dispatch of units.	71%	90%	90%
Dispatch of emergency units to all 911 or emergency request for service of all P2 calls within 3 minutes from the first keystroke into CAD to dispatch of units.	82%	90%	90%
% of time police reports were available to all customers (citizens & police) within 2 business days.	46%	80%	80%

DIVISION
Support Services

DEPARTMENT
Police

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Community Policing	85,789	115,680	119,660	123,180
Community Resources	333,006	365,960	365,960	395,160
Drug Free Grant	164,826	147,220	147,220	156,000
Investigations	880,927	878,220	878,220	985,150
Special Investigations	279,815	363,230	353,060	337,360
Services Administration	194,209	195,940	195,940	203,840
Technical Support	181,180	203,260	203,260	252,580
Total	2,119,752	2,269,510	2,263,320	2,453,270

EXPENSE BY CATEGORY

Personal Services	2,020,022	2,096,380	2,096,380	2,256,580
Supplies	23,179	59,920	44,530	71,870
Purchased Services	76,551	79,610	88,810	80,390
Fixed Charges	-	33,600	33,600	33,600
Capital	-	-	-	10,830
Total	2,119,752	2,269,510	2,263,320	2,453,270
FTE	22.0	23.0	23.0	25.0

BUDGET VARIANCES

80 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

(1,050) Decrease in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

(35,210) Decrease in one-time cost to equip a new Detective position added in 2007.

86,530 Normal Increases/Decreases
 83,190 Personal Services
 3,910 Supplies
 (570) Purchased Services

SUPPLEMENTS

50,340 **Improvement** - Increase in personal services (\$36,020), supplies (\$5,400), purchased services (\$2,000) and capital costs (\$6,920) for the addition of a new Criminalist position in the Technical Support Division. A vehicle for the position is funded in the CEF Fund at \$42,500.

83,070 **Workload** - Increase in personal services (\$40,910), supplies (\$37,850), purchased services (\$400) and capital costs (\$3,910) for the addition of a new General Detective position in the Investigations Division. A vehicle for the position is funded in the CEF Fund at \$25,000.

183,760 Total Increase

Support Services

Overview

This Division provides the Department support services through the following work groups: Investigations Unit, Special Investigations Unit, Community Resource Unit and the Technical Support Unit. Our Investigations Unit handles major crime scenes and follow-up investigations in the areas of crimes against persons and property, juvenile investigations, sexual offenses, and check fraud. The Community Resource Unit is comprised of School Resource Officers, a Crime Prevention Officer, and Senior Volunteers. The officers provide an important interface with citizens in crime prevention, enforcement and education. The Technical Support Unit is responsible for collecting, transporting, storing, and processing property and evidence for the department. The Special Investigations Unit is a part of the Larimer County Drug Task Force. We have consolidated this mission with other law enforcement agencies in the region to better coordinate drug enforcement throughout each of our jurisdictions.

	2007 FTE	2008 FTE
Community Policing	1.0	1.0
Community Resources	4.0	4.0
Drug Free Grant	2.0	2.0
Investigations	9.0	10.0
Special Investigations	3.0	3.0
Services Administration	2.0	2.0
Technical Support	2.0	3.0
Total	23.0	25.0

Objectives

- To have 70% of total cases assigned to the Investigations Unit be successfully cleared.
- Reduce the number of criminal acts of violence that occur in Loveland's schools.

Performance Measures	2006 Actual	2007 Budgeted	2008 Projected
% of total cases assigned to the Investigations Unit for follow-up that were successfully investigated and cleared.	82%	72%	72%
% decrease of harassment cases that occur in Loveland middle schools.	NA	NA	NA

UNFUNDED SUPPLEMENTS

160,320 **Workload** - Add one new FTE, a Sergeant for General Investigations.

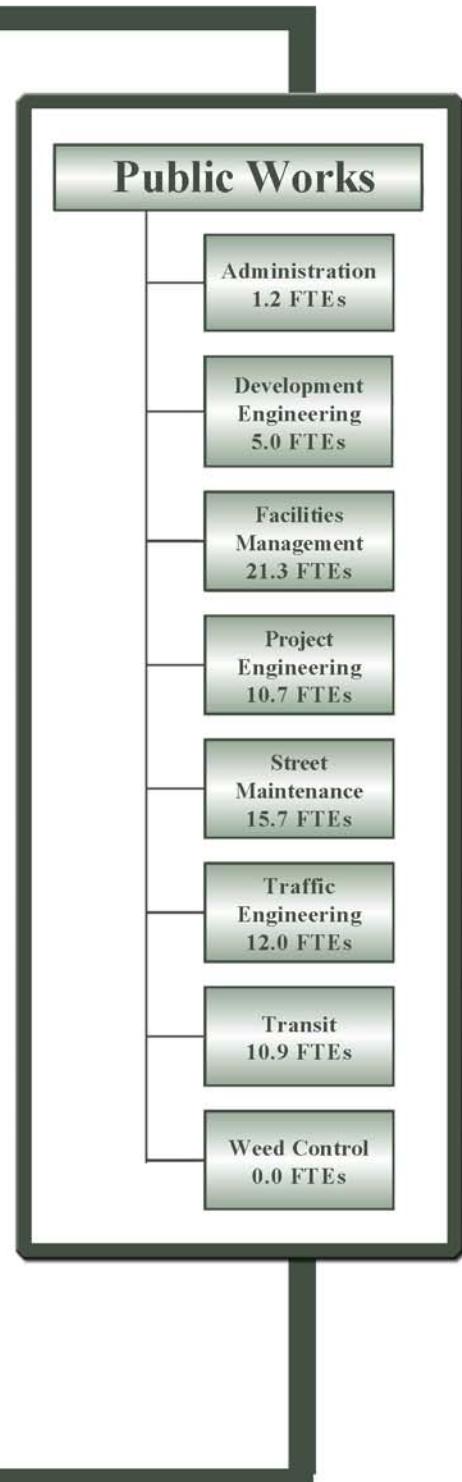
160,320 **Workload** - Add one new FTE, a Detective/Polygrapher for General Investigations.

160,320 **Improvement** - Add one new FTE, a Technology Specialist for electronic forensic investigations.

480,960 Total Unfunded Supplements

PUBLIC WORKS

The Department of Public Works' mission is to ensure Loveland remains a pleasant, safe, and economically-viable community for all its citizens and visitors by providing and maintaining reliable and cost-effective transportation systems, storm drainage, solid waste management, City facilities and equipment.



Department of Public Works Summary

	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget	'08 Budget / '07 Adopted % Change	'07 FTE	'08 FTE
General Fund							
Administration	132,101	133,680	133,680	138,940	3.9%	1.2	1.2
Development Engineering	424,408	465,980	465,980	471,010	1.1%	5.0	5.0
Facilities Management	2,974,604	3,036,160	3,036,160	3,334,130	9.8%	21.3	21.3
Project Engineering	689,499	707,830	717,830	729,710	3.1%	9.8	10.7
Street Maintenance	2,121,076	2,174,430	3,080,970	2,541,910	16.9%	14.7	15.7
Traffic Engineering	1,209,296	1,406,570	1,466,570	1,480,600	5.3%	12.0	12.0
Transit	931,951	906,700	906,700	1,078,990	19.0%	10.9	10.9
Weed Control *	13,006	-	-	-	-	-	-
Subtotal	8,495,941	8,831,350	9,807,890	9,775,290	10.7%	74.9	76.8
Internal Service Fund							
Fleet Management	1,376,710	852,270	1,309,740	858,490	0.7%	-	-
Vehicle Maintenance	2,729,846	2,747,840	2,825,640	2,940,700	7.0%	14.7	15.7
Subtotal	4,106,556	3,600,110	4,135,380	3,799,190	5.5%	14.7	15.7
Total	12,602,497	12,431,460	13,943,270	13,574,480	9.2%	89.6	92.5
REVENUE							
General Fund							
Project Engineering	2,893,618	2,752,390	2,792,390	2,941,270	6.9%		
Street Maintenance	125,750	67,390	67,390	35,390	(47.5%)		
Traffic Engineering	68,676	146,700	146,700	146,350	(0.2%)		
Transit	323,267	421,500	421,500	434,500	3.1%		
Subtotal	3,411,311	3,387,980	3,427,980	3,557,510	5.0%		
Internal Service Fund							
Fleet Management	1,363,987	1,153,160	1,346,290	1,389,900	20.5%		
Vehicle Maintenance	2,818,041	3,053,390	3,053,390	3,696,930	21.1%		
Subtotal	4,182,028	4,206,550	4,399,680	5,086,830	20.9%		
Total	7,593,339	7,594,530	7,827,660	8,644,340	13.8%		
EXPENSE BY CATEGORY							
Personal Services	5,904,899	6,182,280	6,182,280	6,703,450	8.4%		
Supplies	2,304,694	2,281,120	2,534,150	2,302,310	0.9%		
Purchased Services	1,828,408	1,775,280	2,438,790	2,053,350	15.7%		
Fixed Charges	851,140	879,760	879,760	1,033,720	17.5%		
Transfers	243,900	107,020	107,020	112,390	5.0%		
Capital	1,469,456	1,206,000	1,801,270	1,369,260	13.5%		
Total	12,602,497	12,431,460	13,943,270	13,574,480	9.2%		

* As of 2007, Weed Control has been moved to the Building Division of the Development Services Department.

Public Works

Overview

The Department of Public Works provides planning, design, construction, and maintenance services for the general public and the City's internal operations. The use of City facilities for meetings and special events is coordinated and supported by Public Works. Management, maintenance, and administration and purchasing of all City vehicles and equipment as well as maintenance of Thompson School District buses and vehicles is included in the department responsibilities.

The public services provided include: transportation system design; street construction management and inspection; pavement management; traffic engineering and installation, operations, and maintenance for all traffic signals, signs, and pavement markings; storm water collection systems design and maintenance; street maintenance and repair; snow and ice removal; fixed route and paratransit bus service; solid waste management and recycling; and mosquito control.

DIVISION
Administration

DEPARTMENT
Public Works

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
General Fund				
Administration	132,101	133,680	133,680	138,940
EXPENSE BY CATEGORY				
Personal Services	99,913	106,200	106,200	112,610
Supplies	8,806	5,060	5,060	5,060
Purchased Services	23,382	22,420	22,420	21,270
Total	132,101	133,680	133,680	138,940
FTE	1.0	1.2	1.2	1.2

BUDGET VARIANCES

- (1,390) Decrease in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
- (1,150) Decrease in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

7,800 Normal Increase
 7,800 Personal Services
5,260 Total Increase

Administration

Overview

The Administration Division, through the Department Director, provides leadership and management, determines staffing and budgetary needs, coordinates a departmental public relations program, and directs project development and completion. The public relations program includes staff liaisons with the City Council, planning commission, citizen and various citizen advisory boards including the Transportation Advisory Board.

DIVISION

Development Engineering

DEPARTMENT

Public Works

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
General Fund				
Development Engineering	424,408	465,980	465,980	471,010
EXPENSE BY CATEGORY				
Personal Services	403,440	440,870	440,870	445,270
Supplies	4,790	5,300	5,300	5,300
Purchased Services	16,178	19,810	19,810	20,440
Total	424,408	465,980	465,980	471,010
FTE	5.0	5.0	5.0	5.0

BUDGET VARIANCES

1,220 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

630 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

3,180 Normal Increase

3,180 Personal Services

5,030 Total Increase

Development Engineering

Overview

Development Engineering represents the community interests in the evaluation of anticipated traffic impacts from new land development projects. This Division updates and maintains the City's street design and construction standards, as well as the policies regarding acceptable levels of traffic congestion to ensure that adequate transportation infrastructure is provided by new developments. The Development Engineering staff advises the Planning Commission and City Council on transportation issues at public hearings, as well as providing technical information and process assistance to citizens, developers, realtors, attorneys, and consulting engineers.

Objectives

- Ensure that Transportation Engineering Division review of commercial building permits is completed within 15 working days.
- Ensure that Transportation Engineering Division review of planning and zoning major development applications is completed by the due date.
- Enhance communications with citizen groups and development community groups with the result being improved products and processes.
- Ensure that all phone calls are returned by the end of the next business day.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% of use-by-right commercial building permits reviewed within 15 business days.	98%	90%	90%
% of discretionary reviews that are completed by the due date established by the Development Review Schedule.	97%	90%	90%
% of calls returned by the end of the next business day.	99%	95%	95%

DIVISION

Facilities Management

DEPARTMENT

Public Works

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
General Fund				
Support Services	498,324	539,550	539,550	587,500
General Building Maintenance	2,021,525	2,037,140	2,037,140	2,145,840
Service Center	183,493	151,970	151,970	154,180
Chilson Recreation Center	204,318	209,400	209,400	348,510
Golf Courses	66,944	98,100	98,100	98,100
Total	2,974,604	3,036,160	3,036,160	3,334,130

EXPENSE BY CATEGORY

Personal Services	1,346,602	1,390,150	1,390,150	1,500,370
Supplies	296,025	254,800	254,800	276,280
Purchased Services	1,200,842	1,283,490	1,283,490	1,448,420
Fixed Charges	104,725	107,720	107,720	109,060
Capital	26,410	-	-	-
Total	2,974,604	3,036,160	3,036,160	3,334,130
FTE	21.3	21.3	21.3	21.3

BUDGET VARIANCES

3,700 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

4,500 Increase in supplies for janitorial supplies due to increased costs.

16,980 Increase in supplies for parts due to increased costs.

1,820 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

139,110 Increase in purchased services for utility costs due to a transfer from the Parks and Recreation Division of the Chilson Recreation Center utility costs to centralize management of the utility costs.

1,340 Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.

106,520 Normal Increase

106,520 Personal Services

SUPPLEMENTS

24,000 **Workload** - Increase in purchased services for utilities at City buildings due to anticipated price increases.

297,970 Total Increase

Facilities Management

Overview

The Facilities Management Division (FM) manages the operation and construction of all the City's physical facilities. It schedules, coordinates, and supports meetings within City facilities, and provides full mail service to all City employees. Facilities Management also provides technical and specialized trade and construction support to City facilities.

Objectives

- Extend the life cycle of the City's building systems and equipment through consistent preventive maintenance programs.
- Ensure the City's costs to support and maintain its buildings are consistent with best-in-class measures from the International Facility Management Association.
- Respond quickly and effectively to all FM customer requests.

Performance Measures	2006 Actual	2007 Budgeted	2008 Projected
% of preventive maintenance on building systems and equipment completed within the manufacturer's recommended guidelines.	96%	90%	90%
Cost per square foot to maintain each key City facility.	\$4.34	\$4.48	\$4.60
% of all priority and emergency customer requests responded to within 1 day of notification.	100%	95%	95%
% of all customer requests completed on or before the date that the project was originally scheduled for completion.	93%	90%	90%
% of weekly communication updates to customers whose projects are past their due date.	90%	95%	95%

DIVISION
Project Engineering

DEPARTMENT
Public Works

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
General Fund				
Project Engineering	689,499	707,830	717,830	729,710
REVENUE				
Highway Users Tax	1,951,952	1,785,920	1,785,920	1,900,000
County Road & Bridge Tax	669,857	684,570	684,570	706,760
Motor Vehicle Fees	219,376	228,990	228,990	264,510
Street Cut Permits	-	-	30,000	30,000
New Street Inspection Fee	52,433	52,910	52,910	30,000
Concrete Program	-	-	10,000	10,000
Total	2,893,618	2,752,390	2,792,390	2,941,270
EXPENSE BY CATEGORY				
Personal Services	512,684	570,430	570,430	590,560
Supplies	21,031	16,150	16,150	30,550
Purchased Services	113,418	79,720	89,720	78,870
Fixed Charges	30,977	41,530	41,530	29,730
Capital	11,389	-	-	-
Total	689,499	707,830	717,830	729,710
FTE	9.8	9.8	9.8	10.7

BUDGET VARIANCES

(170) Decrease in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

(850) Decrease in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

(11,800) Decrease in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.

34,700 Normal Increases

20,300 Personal Services

14,400 Supplies

SUPPLEMENTS

- **Improvement** - Increase in personal services and operating costs for the addition of one new Senior Civil Engineer position. 90% of the costs will be charged to the Transportation Capital Projects for in-house design work and 10% will be charged to the Storm Water Enterprise fund, resulting in a net cost of zero to the General Fund.

21,880 Total Increase

Project Engineering

Overview

The Project Engineering Division is involved with most aspects of street design, construction, safety and maintenance. This Division manages the design and construction of capital street and bridge projects. Updating and implementing the Long-Range Transportation Master Plan is one of the major responsibilities of this Division.

Objectives

- Identify projects and estimated budgets within 15% of actual costs.
- Acquire needed right-of-way in advance to avoid construction delays.
- Improve pavement rating of arterials and collector streets to a rating of 90.
- Improve local streets to a rating of 85.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
Center line miles of City streets.	314	323	332
% of total miles of streets resurfaced by contractors.	8.5%	8.1%	8.5%
% of total miles of streets resurfaced with chipseal.	3.9%	5.7%	5.8%
% of total miles of street resurfaced by overlay/reconstruction.	3.1%	1.2%	1.5%
% of total miles of cul de sac overlays.	0.8%	0.6%	0.6%
% of total miles of streets resurfaced by a paving train rebuild.	0.7%	0.6%	0.6%
% of actual cost to construction projects budgets.	100%	90%	90%
Rating of arterial and collector streets on a yearly basis.	88.9	90.0	90.0
Rating of local streets.	91.5	85.0	85.0
Capital expenditures per capita.	\$123.86	\$100.00	\$100.00
Capital expenditure per accepted mile of street.	\$25,294	\$20,000	\$20,000

DIVISION
Street Maintenance

DEPARTMENT
Public Works

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
General Fund				
Street Maintenance	2,121,076	2,174,430	3,080,970	2,541,910
Weed Control	13,006	-	-	-
Total	2,134,082	2,174,430	3,080,970	2,541,910
REVENUE				
State Highway Maintenance	8,965	26,890	26,890	26,890
Waste Hauler License	6,500	6,500	6,500	6,500
Street Cut Permits	97,552	30,000	30,000	-
Weed Mowing	12,733	-	-	-
Rotomill Charges	-	2,000	2,000	-
Street Patch Fee	-	2,000	2,000	2,000
Total	125,750	67,390	67,390	35,390
EXPENSE BY CATEGORY				
Personal Services	1,133,800	1,167,470	1,167,470	1,278,980
Supplies	320,381	284,550	537,580	285,600
Purchased Services	173,956	78,040	731,550	178,750
Fixed Charges	366,305	409,370	409,370	467,180
Capital	139,640	235,000	235,000	331,400
Total	2,134,082	2,174,430	3,080,970	2,541,910
FTE	14.7	14.7	14.7	15.7

BUDGET VARIANCES

8,100 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

2,000 Increase in supplies for chemicals to control weeds and for de-icing based on the Division's historical experience.

1,210 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

(13,190) Decrease in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.

(210,600) Decrease in capital based on the equipment replacement schedule. See page 19-3 of the General Fund Equipment Replacement chapter for more detail on equipment purchases.

39,870 Normal Increases/Decreases

- 41,870 Personal Services
- (1,500) Supplies
- (500) Purchased Services

SUPPLEMENTS

60,000 **Improvement** - Increase in fixed costs for rental costs of the Madison Avenue Facility to store de-icing chemicals.

131,000 **Improvement** - Increase in maintenance costs (\$1,000) and capital costs (\$130,000) for the purchase of a snow blower attachment for a City loader.

249,090 **Workload** - Increase of in personal services (\$61,540), supplies (\$550), fixed costs (\$10,000) and capital (\$177,000) for the addition of one Equipment Operator position and a dump truck with snow-fighting attachments.

100,000 **Workload** - Increase in purchased services for tree trimming costs due to the phase-out of the in-house services provided by the Power Utility.

367,480 Total Increase

Street Maintenance

Overview

The Street Maintenance Division's activities include street patching and repair, minor asphalt overlays, asphalt milling, alley and road shoulder maintenance, roadside mowing and weed spraying. The Division provides major support for the annual Street Resurfacing Program - a citywide street reconstruction and resurfacing program planned and managed by the Projects Engineering Division. The Division is also responsible for winter roadway maintenance. Crews plow snow, apply de-icing and anti-icing chemicals, load and haul snow/ice from the downtown district and other confined areas, and clear designated sidewalks. Contractors are used for some routine sidewalk snow removal. For major storms, contractors are used to supplement City plowing efforts and assist with post-storm cleanup.

Objectives

- Rebuild at least 15% of City alleys with recycled asphalt & X-Hesion.
- Crack-seal at least 8.5% of residential/collector streets annually.
- Improve pothole repair response time.
- Ensure arterials and highways are plowed within 8 hours of snow's end.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% alleys reconstructed with recycled asphalt & X-Hesion.	21.8%	15%	15.0%
% of City-owned streets crack-sealed by City crews.	6.2%	8.5%	8.5%
% potholes repaired within 3 business days of call.	95%	95%	95%
% Priority 1 snow routes plowed within 8 hrs. of snow's end.	100%	100%	100%

DIVISION
Traffic Engineering

DEPARTMENT
Public Works

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
General Fund				
Traffic Engineering	1,209,296	1,406,570	1,466,570	1,480,600
REVENUE				
Traffic Signal Maintenance	68,676	137,350	137,350	146,350
Ambulance District Payment	-	9,250	9,250	-
Recycled Materials	-	100	100	-
Total	68,676	146,700	146,700	146,350
EXPENSE BY CATEGORY				
Personal Services	850,939	923,330	923,330	981,590
Supplies	179,360	233,850	233,850	211,350
Purchased Services	32,385	48,560	48,560	49,830
Fixed Charges	95,336	113,830	113,830	129,830
Capital	51,276	87,000	147,000	108,000
Total	1,209,296	1,406,570	1,466,570	1,480,600
FTE	11.0	12.0	12.0	12.0

BUDGET VARIANCES

2,250 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

11,000 Increase in supplies for paint due to the increase in lane miles to be maintained.

(9,500) Decrease in supplies for office furniture and equipment based on historical experience.

(10,000) Decrease in supplies for signal system maintenance based on software license agreements.

530 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

10,000 Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.

6,000 Increase in fixed costs for the lease and utilities for the space in the 451 Railroad Building used for the sign shop.

60,000 Increase in capital for the School Zone Safety Program added mid-year in 2007.

(35,000) Decrease in capital for the one-time cost of a service sign truck purchased in 2007.

(4,000) Decrease in capital based on the equipment replacement schedule. See page 19-3 of the General Fund Equipment Replacement chapter for more detail on equipment purchases.

42,750 Normal Increases/Decreases

- 56,010 Personal Services
- (14,000) Supplies
- 740 Purchased Services

74,030 Total Increase

Traffic Engineering

Overview

The Traffic Engineering Division is responsible for the installation, operations, and maintenance of all traffic control devices in the public right of way in the City. City-wide programs of responsibility include the Signal System including the Traffic Operations Center, Sign Program, and Markings Program. The Division issues City Right-of-Way Work Permits for anything from sidewalk replacements to major street detours for construction projects. The Division's main goal is the safety of people using all forms of transportation. Safety projects such as the installation of new traffic signals and school zone flashers are sometimes federally funded by various grants through the Colorado Department of Transportation (CDOT). Grant administration duties include applications, design, contract administration, construction engineering and inspections.

This Division is also responsible for promoting and planning alternative transportation services and the Traffic Calming Program for neighborhoods. This includes coordination with the regional Smart Trips Program to encourage vehicular travel reduction through carpooling and bicycling programs.

Objectives

- Reduce injury accidents and arterial corridor delays.
- Maintain or reduce arterial corridor travel times.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
Injury accidents per million vehicle miles traveled.	0.757	0.800	0.800
<i>Afternoon peak travel time (in minutes & seconds):</i>			
Eisenhower Ave. from Rocky Mtn. Blvd. to Wilson Ave.	12:00	12:10	12:20
U.S. 287 from State Hwy. 402 to 71 st Street.	11:00	11:05	11:10
Taft Ave. from State Hwy. 402 to 57 th Street.	8:20	8:20	8:25
29 th Street from Madison Ave. to Wilson Ave.	5:50	5:50	5:55
Traffic operations cost per capita.	\$18.57	\$18.50	\$18.50
Traffic operations cost per centerline street mile.	\$3,700	\$3,700	\$3,600

DIVISION

Transit

DEPARTMENT

Public Works

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
General Fund				
Transit	931,951	906,700	906,700	1,078,990
REVENUE				
Paratransit Fares	4,022	4,000	4,000	4,000
Fixed Route Fares	28,330	21,000	21,000	21,000
Medicaid	20,302	20,000	20,000	20,000
Advertising	15,623	18,000	18,000	18,000
Federal Grants	236,186	323,500	323,500	393,270
Special Events	1,245	-	-	-
Pass Fares	17,559	35,000	35,000	20,000
Total	323,267	421,500	421,500	476,270
EXPENSE BY CATEGORY				
Personal Services	532,895	576,820	576,820	628,370
Supplies	26,726	16,650	16,650	16,650
Purchased Services	116,435	118,760	118,760	123,270
Fixed Charges	238,980	194,470	194,470	284,700
Capital	16,915	-	-	26,000
Total	931,951	906,700	906,700	1,078,990
FTE	11.1	10.9	10.9	10.9
BUDGET VARIANCES				
2,190	Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.			
(700)	Decrease in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.			
5,210	Increase in purchased services for the City's share of the costs of the Foxtrot route due to the elimination of Federal Transit Authority (FTA) operating grants.			
90,230	Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.			
49,360	Normal Increase			
	49,360 Personal Services			
SUPPLEMENTS				
26,000	Improvement - Increase in capital for the purchase of automated vehicle locator equipment. FTA grants will fund \$20,800 of this request.			

172,290 Total Increase

Transit

Overview

The Transit Division operates three paratransit buses, one mid-sized bus and one low-floor heavy-duty transit bus to provide quality, low-cost transportation to Loveland residents.

Objectives

- Arrive at fixed route transfer points and primary stops within 3 minutes of schedule. Average productivity benchmark for the fixed route system is 6-12 trips per hour.
- Increase average paratransit vehicle occupancy. Average productivity benchmark for the paratransit system is 1-3 trips per hour.

Performance Measures	2006 Actual	2007 Budgeted	2008 Projected
Net General Fund cost as a percentage of total cost.	46.0%	52.6%	57.0%
Cost per revenue hour:			
Total Cost	\$54.71	\$30.00	\$58.61
Paratransit	\$45.05	\$19.00	\$48.26
Cost per revenue mile:			
Total Cost	\$3.60	\$4.00	\$5.36
Fixed Route	\$4.01	\$3.00	\$4.30
Paratransit	\$6.92	\$5.50	\$7.41
Cost per passenger:			
Total Cost	\$8.30	\$10.00	\$8.30
Fixed Route	\$4.95	\$7.00	\$4.95
Paratransit	\$25.00	\$34.82	\$25.00
Passengers per revenue mile:			
Total	1.66	4.00	1.78
Fixed Route	1.23	7.30	1.32
Paratransit	5.03	1.60	5.39
Passengers per revenue hour:			
Total	6.59	6.82	7.06
Fixed Route	13.66	14.14	14.63
Paratransit	1.29	1.34	1.39

DIVISION
Fleet Management

DEPARTMENT
Public Works

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Internal Service Fund				
Fleet Management	1,376,710	852,270	1,309,740	858,490
REVENUE				
Beginning Balance	4,453,457	4,087,090	4,440,730	4,477,280
Interest	192,533	163,480	163,480	201,480
Federal Transportation Authority Grant	38,000	-	70,100	300,000
Vehicle rent	738,093	701,180	701,180	800,920
Transfers	315,000	268,500	391,530	67,500
Sale of Assets	80,361	20,000	20,000	20,000
Subtotal	1,363,987	1,153,160	1,346,290	1,389,900
Total	5,817,444	5,240,250	5,787,020	5,867,180
EXPENSE BY CATEGORY				
Supplies	2,764	-	-	-
Transfers	150,120	10,270	10,270	14,580
Capital	1,223,826	842,000	1,299,470	843,910
Total	1,376,710	852,270	1,309,740	858,490
Ending Balance	4,440,734	4,387,980	4,477,280	5,008,690
BUDGET VARIANCES				
4,310	Increase in transfers due to the transfer schedule to the Enterprise Funds for the purchase of equipment.			
(172,090)	Decrease in capital for replacement vehicle purchases based on the replacement schedule.			
(268,500)	Decrease in capital due to the one-time cost of new vehicles and equipment approved in the 2007 Budget.			
SUPPLEMENTS				
375,000	Workload - Increase in capital to replace a Transit bus. \$300,000 of this cost will be funded utilizing a Federal Transit Authority (FTA) capital grant.			
67,500	Improvement - Increase in capital for two Police vehicles for new personnel approved in the 2008 Budget. Funding for the vehicles is from the Capital Expansion Fee (CEF) fund.			
6,220	Total Increase			

City Fleet

Overview

The City Fleet Fund accrues funds for future replacement of vehicles and equipment. Annually, funds are set aside for future replacement of (currently) 41% of all City vehicles.

Objectives

- Evaluate and develop recommendations for increasing utilization and lowering operating costs of primary vehicles/equipment and rotating replaced vehicles with remaining life into existing cost-plus vehicles within the fleet.

DIVISION
Vehicle Maintenance

DEPARTMENT
Public Works

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Internal Service Fund				
Vehicle Maintenance	2,729,846	2,747,840	2,825,640	2,940,700
REVENUE				
Beginning Balance	407,635	626,720	495,830	723,580
School District	504,011	450,000	450,000	500,000
Rural Fire District	56,099	30,000	30,000	-
Internal Service Charges	2,257,931	2,573,390	2,573,390	3,196,930
Total Revenue	2,818,041	3,053,390	3,053,390	3,696,930
Total Resources	3,225,676	3,680,110	3,549,220	4,420,510
EXPENSE BY CATEGORY				
Personal Services	1,024,626	1,007,010	1,007,010	1,165,700
Supplies	1,444,811	1,464,760	1,464,760	1,471,520
Purchased Services	151,812	124,480	124,480	132,500
Fixed Charges	14,817	12,840	12,840	13,220
Transfers	93,780	96,750	96,750	97,810
Capital	-	42,000	119,800	59,950
Total	2,729,846	2,747,840	2,825,640	2,940,700
Ending Balance	495,830	932,270	723,580	1,479,810
FTE	14.7	14.7	14.7	15.7

BUDGET VARIANCES

1,630 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

(14,000) Decrease in supplies for parts based on current usage and forecast costs.

13,000 Increase in supplies for vendor parts due to increased maintenance work being work outsourced.

7,600 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

1,060 Increase in transfers to the Internal Support Services fund for the vehicle maintenance shop allocation of facility maintenance costs.

17,950 Increase in capital for replacement of shop equipment.

90,140 Normal Increases

- 89,080 Personal Services
- 260 Supplies
- 420 Purchased Services
- 380 Fixed Charges

SUPPLEMENTS

75,480 **Improvement** - Increase in personal services (\$67,980) and supplies (\$7,500) for the addition of one Fleet Analyst position to improve efficiency and reduce operating costs.

192,860 Total Increase

Vehicle Maintenance

Overview

The Vehicle Maintenance Division performs preventive, scheduled and unscheduled maintenance on all City vehicles and the Thompson Valley School District R2-J bus fleet. The Division is responsible for all vehicle specifications and equipment recommendations. A standard parts inventory is maintained to provide all preventive maintenance parts and some specialized parts to reduce unscheduled downtime on essential equipment.

Complete fleet management services include: vehicle specifications, formal bidding and purchasing, outfitting, planning life cycles and preventive maintenance schedules, standardized equipment selection and amortizing replacement funding, and disposing of depreciated and obsolete vehicles and equipment. These services are provided to the following departments or divisions: Police, Facility Maintenance, Parks and Recreation, Streets, Engineering, Traffic, Transit, Building Inspection and Planning.

Maintenance and repair services are provided only to the following departments or divisions: Thompson School District Transportation and Operations, Meter Readers, Water and Power, Warehouse, Technical Services, Golf, Transit, Storm Drainage, Street Sweeping, Solid Waste and Fire.

VM staff consists of two work shifts to provide repair and maintenance service to all vehicles from 7AM – 10PM five days a week. Emergency response is available 24 hours a day, seven days a week.

Objectives

- To provide a safe, reliable, efficient and cost effective fleet services to all City of Loveland vehicles and equipment.
- To benchmark fleet and shop performance against industry best practices.
- To organize business processes and performance to better compare against the private sector.

Major Business Changes:

- Implement CCG/FASTER Fleet Information Management System from 06-13-07 to year-end and accomplish the following improvements in fleet management and customer service;
 - Improve communication to customers of preventative maintenance (PM) scheduled to improve customer compliance.
 - Better track repairs between scheduled PM to better measure PM effectiveness.
 - Improve tracking of fleet availability and down-time to benchmark against industry best practices.
 - Improve tracking of parts availability upon-demand, benchmark against industry best practices.
 - Conversion of parts inventory to ABC categories and bar-code entire parts inventory.
 - Reduce mechanic job-order work history research by 600 hours lost productivity per year.
 - Implement “paperless” records system with more and better comprehensive cost reports to customers.
 - Improve mechanic productivity from current 76% direct labor billed to 79% direct labor billed by year-end 2008.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
# of vehicles serviced and repaired.	600	637	620
% customer compliance for scheduled PM appointments.	89%	90%	95%
ASE Blue Seal Shop Certification.	100%	100%	100%
% of job orders completed as scheduled work.	67%	70%	70%
% of direct labor hours billed to job orders.	76%	79%	79%
% of vehicle returned for same symptom within 30-days.	NA	NA	< 2%
Heavy duty equipment availability % as duty-ready 24/7.	NA	NA	90%
Light duty vehicles available % as duty-ready 24/7.	NA	95%	92%
Begin tracking parts inventory in-stock and stock-out rates.	NA	NA	80%

UNFUNDED SUPPLEMENTS

62,670 **Workload** - Facilities Management - Increase in repair and maintenance budget of 15% for increased construction material costs.

65,000 **Improvement** - Street Maintenance - Purchase of a tractor with bucket and dragbox for alley repair.

25,000 **Improvement** - Traffic Engineering. - Purchase of a trail-mounted Crash Attenuator to improve work zone safety.

64,410 **Improvement** - Transit - Upgrade Transit radios to 800 MHz.

15,000 **Improvement** - Street Maintenance - Purchase of 6 800 MHz handheld radios for communications in emergencies.

30,000 **Improvement** - Street Maintenance - Purchase of a trailer with pre-loaded emergency traffic control devices.

40,000 **Workload** - Traffic Engineering - Increase to consolidate utility locates. Proposed to be funded in the Water & Power Department. This would free up one Traffic Engineering staff member to do more signal repair and maintenance.

50,000 **Improvement** - Street Maintenance - Purchase of a portable emergency generator from Water & Power.

14,000 **Workload** - Traffic Engineering - Increase of one Intern position to gather traffic data.

40,000 **Workload** - Street Maintenance - Increase in salary and overtime for snow removal employee costs from other divisions.

40,000 **Improvement** - Facility Management - Professional services to create electronic facility site plans.

12,500 **Improvement** - Facility Management - Upgrade the CAD software.

41,340 **Workload** - Facilities Management - Increase of one FTE, a Building Attendant position.

66,600 **Workload** - Facilities Management - Increase in custodial services budget.

28,190 **Improvement** - Vehicle Maintenance - Add one .5 FTE for increased Service Writer duties.

594,710 Total Unfunded Supplements

NON-DEPARTMENTAL

This section is for costs that are not part of any City department. The majority of the expenses are for transfers to other funds for the General Fund's portion of their costs. Other expenses include funding for the Loveland Center for Business Development, the School Crossing Guard Program, and the Food Sales Tax and Utility Rebate Program.



Non-Departmental Summary

	'07 Adopted			'08 Budget /			
	'06 Actual Restated	Budget Restated	'07 Revised Budget	'08 Budget	'07 Adopted % Change	'07 FTE	'08 FTE
City Services	6,101,762	6,218,410	12,548,900	8,260,290	32.8%	-	-
Community Support	415,254	500,070	500,070	1,363,280	172.6%	-	-
Total	6,517,016	6,718,480	13,048,970	9,623,570	43.2%	-	-
REVENUE							
Taxes	41,357,563	43,203,540	43,203,540	45,691,770	5.8%		
Licenses & Permits	81,903	23,500	23,500	21,600	(8.1%)		
Intergovernmental	100,879	40,000	40,000	50,000	25.0%		
Charges for Service	42,656	41,380	41,380	48,070	16.2%		
Interest	574,420	586,020	586,020	860,720	46.9%		
Miscellaneous	258,563	155,400	155,400	150,000	(3.5%)		
Transfers	5,713,056	5,940,990	5,940,990	6,057,020	2.0%		
Total	48,129,040	49,990,830	49,990,830	52,879,180	5.8%		
EXPENSE BY CATEGORY							
Supplies	33,998	56,350	56,350	56,350	-		
Purchased Services	1,078,975	1,171,630	1,171,220	2,039,550	74.1%		
Fixed Charges	2,391	3,500	3,500	3,500	-		
Transfers	5,401,652	5,458,400	11,789,300	7,524,170	37.8%		
Capital	-	28,600	28,600	-	(100.0%)		
Total	6,517,016	6,718,480	13,048,970	9,623,570	43.2%		

Non - Departmental

Overview

Non-Departmental costs are those which cannot be attributed to a specific department. Transfers to other funds are the largest contributor to this budget. The transfers are for the costs of capital improvements that are generally funded, and economic incentives, and impact fee waivers. Also included in the Non-Departmental Section is the payment to the Loveland-Larimer Building Authority for the City's share of the facility maintenance costs for the Loveland-Larimer Police & Courts Building, payments to the School District for the School Crossing Guard Program, funding for the Loveland Center for Business Development, and the City's share of the partnership in the Engaging Loveland Program. Funding is also included for approved economic development incentive agreements and funding for economic development incentives that the Council budgets for annually and allocates on a case-by-case basis. The 2008 budget for this account remains at the \$350,000 established by Council policy in previous years.

DIVISION

City Services

DEPARTMENT

Non-Departmental

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
City Services	6,101,762	6,218,410	12,548,900	8,260,290
REVENUE				
Property Tax	6,504,822	6,760,000	6,760,000	7,125,500
Specific Ownership Tax	642,392	651,270	651,270	757,630
Sales Tax	27,173,651	30,235,650	30,235,650	30,638,270
Use Tax Auto	2,157,728	2,200,000	2,200,000	2,200,000
Use Tax Building	3,200,637	1,500,000	1,500,000	3,296,280
Franchise Tax	1,440,169	1,621,620	1,621,620	1,440,000
Other Tax	238,164	235,000	235,000	234,090
Licenses & Permits	81,903	23,500	23,500	21,600
State Severance Tax	100,879	40,000	40,000	50,000
Charges for Service	23,976	24,270	24,270	30,400
Community Building Use	18,680	17,110	17,110	17,670
Interest	574,420	586,020	586,020	860,720
PILT - Water Fund	467,768	424,820	424,820	434,580
PILT - Wastewater Fund	380,446	397,160	397,160	433,900
PILT - Storm Water Fund	218,322	218,530	218,530	225,090
PILT - Power Fund	2,006,254	2,094,000	2,094,000	2,184,000
PILT - Golf Fund	107,755	105,000	105,000	107,760
PILT - Solid Waste Fund	251,051	285,310	285,310	305,510
IS Charge GID	12,000	12,000	12,000	12,000
IS charge - Water Fund	432,280	433,860	433,860	452,130
IS Charge - Wastewater Fund	300,330	299,480	299,480	309,080
IS Charge - Storm Water	140,930	136,520	136,520	141,750
IS Charge - Power	915,500	927,630	927,630	956,270
IS Charge - Golf	171,740	171,910	171,910	175,470
IS Charge - VM	93,780	96,750	96,750	97,810
IS Charge - Solid Waste	214,900	213,590	213,590	221,670
Transfer From CEF Fund	-	124,430	124,430	-
Miscellaneous	258,563	155,400	155,400	150,000
Total	48,129,040	49,990,830	49,990,830	52,879,180
EXPENSE BY CATEGORY				
Supplies	33,998	56,350	56,350	56,350
Purchased Services	663,721	671,560	671,150	676,270
Fixed Charges	2,391	3,500	3,500	3,500
Transfers	5,401,652	5,458,400	11,789,300	7,524,170
Total	6,101,762	6,189,810	12,520,300	8,260,290

BUDGET VARIANCES

5,120 Increase in purchased services for the payment to the Loveland-Larimer Building Authority for the City's share of the maintenance costs of the Loveland-Larimer Police and Courts Building.

2,402,490 Increase in transfers for the transfer to the Capital Projects Fund based on the Capital Program, which includes the transfer of the Street Rehabilitation Program to the Capital Projects Fund.

65,000 Increase in transfers for the transfer to the Water, Wastewater and Power funds for a Habitat for Humanity fee waiver for six houses.

(229,220) Decrease in transfers to the CEF Fund for waivers associated with the Mirasol Development incentives, which are scheduled to be completed in 2007.

(172,500) Decrease in the transfer to the Fleet Fund for vehicle purchases.

(410) Normal Decrease

(410) Purchased Services

2,070,480 Total Increase

City Services

Overview

The City Services Division is used to budget for City costs that cannot be attributed to a specific department and for transfers from the General Fund to other funds. The transfers are primarily capital in nature. Examples of items included in the purchased services accounts are funding for citywide dues to national and state associations, such as the National League of Cities and the Colorado Municipal League; professional services for special projects that may occur during the year; and funding for the fireworks and Fourth of July celebration; printing costs for the Council agenda packets and legal notices; and the citywide drug testing program.

Within the transfer accounts the transfer to Capital Projects fund for the General Fund portion of the Transportation Program and Street Rehabilitation Program, and any other General Fund capital projects. Also included in the transfers category is the Council Incentive Program. Annually, this Program is funded at \$350,000, with the remaining balance reappropriated in the following year. In 2007, the revised budget amount is about \$1.3 million. Council reviews and approves incentive packages to businesses on a case-by-case basis. A transfer to the Water & Power Utilities is also budgeted to pay for the General Fund's share of utility billing costs since the Transportation Fee is collected through the utility bills and for PIF and SIF fee waivers for Habitat for Humanity to construct six houses.

DIVISION

Community Support

DEPARTMENT

Non-Departmental

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Community Support	415,254	500,070	500,070	1,363,280

EXPENSE BY CATEGORY

Purchased Services	415,254	500,070	500,070	1,363,280
Total	415,254	500,070	500,070	1,363,280

BUDGET VARIANCES

5,000 Increase in purchased services for the contribution to the Loveland Center for Business Development based on the Center's budget.

(16,790) Decrease in purchased services for the second year of the City's contribution to the Engaging Loveland project, based on the agency's budget. This is the second year of a three-year commitment. At the end of three years, the agency is to be self-sufficient.

850,000 Increase in purchased services for the City's contribution to the Boys & Girls Club construction fund for the new facility.

25,000 Increase in purchased services for an increase to the contribution to the Fort Collins-Loveland Airport, for additional personnel approved mid-year in 2007.

863,210 Total Increase

Community Support

Overview

The Community Support Division is used to budget for City contributions to outside agencies and the City's Food Sales Tax and Utility Rebate Program. The following agencies and associated funds included within this budget are shown below:

- Loveland Center for Business Development - \$110,000;
- Boys & Girls Club Capital Fund - \$850,000;
- Special projects in partnership with the Loveland Chamber of Commerce - \$37,000;
- School Guard Crossing Program - \$60,000;
- Engaging Loveland, Inc. - \$71,280; and,
- Fort Collins-Loveland Airport - \$85,000.

GENERAL FUND EQUIPMENT REPLACEMENT

This section provides a summary of equipment replacement purchases for the General Fund departments over a five-year period.



General Fund Equipment Replacement

Description	2008	2009	2010	2011	2012
<u>Cultural Services</u>					
Plotter (Museum)	7,500	-	-	-	-
Walk Behind Forklift (Museum)	19,000	-	-	-	-
Replace Audio Console (Rialto)	35,000	-	-	-	-
Replace/Refurbish Lighting (Rialto)	1,200	7,000	-	-	1,200
Replace Copier (Museum)	-	13,000	-	-	13,000
Replace Popcorn Machine (Rialto)	-	6,000	-	-	7,000
Replace/Motorize Movie Screen (Rialto)	-	8,000	-	-	-
Replace/Upgrade Fly System (Rialto)	-	-	15,000	-	-
Replace Ice Machine (Rialto)	-	-	-	3,000	-
Replace Stage Drapes (Rialto)	-	-	-	10,000	-
Motorize Grand Drape (Rialto)	-	-	-	8,000	-
Replace Speakers (Rialto)	-	-	-	8,000	-
Replace Copier (Rialto)	-	-	-	-	7,000
Subtotal Cultural Services	62,700	34,000	15,000	29,000	28,200
<u>Development Services</u>					
Printer (Administration)	-	2,500	-	-	-
Subtotal Development Services	-	2,500	-	-	-
<u>Fire & Rescue</u>					
Copier	-	15,600	10,800	11,110	-
Special Operations	26,860	28,600	28,810	29,650	30,000
EMS Equipment	10,000	-	9,500	9,780	10,000
Hose & Nozzles	20,000	20,000	20,000	20,000	-
Printer/FAX Machine	4,000	4,500	4,500	5,000	5,150
Self Contained Breathing Apparatus	25,000	25,000	25,000	25,000	25,000
Small Equipment	39,000	30,000	39,000	35,000	36,020
Communications	35,000	35,000	35,000	35,000	35,000
Servers	-	6,500	-	8,000	6,500
Subtotal Fire & Rescue	159,860	165,200	172,610	178,540	147,670
<u>Information Technology</u>					
Server Replacement	55,000	50,000	50,000	50,000	50,000
Storage Infrastructure Upgrade	20,000	10,000	10,000	20,000	10,000
iSeries Upgrade	-	100,000	-	-	-
Phone Switch Replacement	150,000	-	-	-	-
Network Infrastructure Upgrade	-	-	150,000	-	-
Backup Device Replacement	-	-	-	-	30,000
Server Replacements (GIS)	-	13,500	-	-	13,500
Global Positioning Unit (GIS)	-	-	-	5,000	-
Scanner/Copier and Plotter (GIS)	-	-	45,000	-	-
Subtotal Information Technology	225,000	173,500	255,000	75,000	103,500

Description	2008	2009	2010	2011	2012
<u>Library</u>					
III Upgrade Hardware/Software	-	-	-	200,000	-
Microfiche/Film/Printer	-	10,000	-	-	-
3-M Self Check	-	-	20,000	-	-
Subtotal Library	-	10,000	20,000	200,000	-
<u>Municipal Court</u>					
Printer	-	-	1,750	-	-
Copier	12,000	-	-	-	-
FAX Machine	2,500	-	-	-	-
Subtotal Municipal Court	14,500	-	1,750	-	-
<u>Non-Departmental</u>					
Copiers	-	-	3,600	-	-
Subtotal Non-Departmental	-	-	3,600	-	-
<u>Parks & Recreation</u>					
Parks Maintenance Equipment	209,730	223,780	219,440	240,330	572,660
Chilson Equipment	237,540	376,320	359,250	308,670	275,170
Recreation Equipment	24,300	42,100	100,240	16,400	31,110
Irrigation Systems	215,100	130,000	205,290	95,000	230,600
Playground Equipment	159,300	110,230	120,700	-	116,930
Asphalt Repairs at Park Locations	32,200	36,600	-	17,640	343,670
Hard-Court Resurfacing	39,720	30,780	42,700	-	9,580
Copiers/Printers/Office Equipment	-	-	10,000	60,000	60,000
Subtotal Parks & Recreation	917,890	949,810	1,057,620	738,040	1,639,720
<u>Police</u>					
Horse (Mounted Patrol)	-	-	-	-	5,690
Computer Software/Hardware	28,600	5,820	6,950	8,120	9,340
CAD/RMS Software/Hardware	47,700	-	-	-	-
Motorola Handheld Radios	40,000	49,850	52,090	54,430	56,880
Motorola Mobile Radios	40,000	49,850	52,090	54,430	56,880
Radio Repeaters	-	49,850	-	-	-
Printers	4,770	-	5,210	-	5,690
Copiers	28,530	42,390	39,070	-	31,290
Intoxilizer	5,960	-	-	-	-
SWAT Equipment	5,960	6,230	6,510	6,800	7,110
SIU Transmitter	-	-	3,260	-	-
Hostage Phone	6,000	-	-	-	-
Radar Units	5,960	6,230	6,510	6,800	7,110
Bulletproof Vests	10,500	13,080	13,670	14,290	14,930
Canine	5,960	-	6,510	-	7,110
Cameras	-	-	3,260	-	-
Taser Equipment	4,170	4,360	4,560	4,760	4,980
Varda Alarm	5,960	-	-	-	7,110

Description	2008	2009	2010	2011	2012
<u>Police</u>					
FAX Machine	2,380	2,490	2,600	2,720	-
Packset Batteries	3,580	3,740	3,910	4,080	4,270
Handguns/Shotguns	11,450	11,960	12,500	13,060	13,650
Radio Consoles	-	-	156,270	163,300	170,650
Communications Chairs	-	-	-	4,080	-
Building Security Cameras	6,000	7,480	7,810	8,170	8,530
Dept Shared Laptop	1,790	-	1,950	2,040	-
Video Enhancement Equipment	-	-	-	-	14,000
In-Car Video Camera	-	-	-	-	34,000
Subtotal Police	265,270	253,330	384,730	347,080	459,220
<u>Public Works</u>					
Pothole Spray Patcher (Streets)	-	-	200,000	-	-
Cold Planer (Streets)	-	-	-	503,000	-
Side/Rear Flail-Type Mowers (Streets)	-	27,000	-	-	-
Weed Sprayer System (Streets)	-	-	3,500	-	-
Slide-In Asphalt Distributor (Streets)	-	31,200	-	-	-
Pickup Plow (Streets)	-	-	5,900	-	-
Pickup Plow (Streets)	-	-	-	-	6,300
Pickup Plow (Streets)	-	-	5,900	-	-
Pickup Plow (Streets)	-	-	-	-	6,300
Pickup Plow (Streets)	-	5,700	-	-	-
Plow (Streets)	-	19,000	-	-	-
Plow (Streets)	18,000	-	-	-	-
Plow (Streets)	-	19,000	-	-	-
Sander (Streets)	-	23,200	-	-	-
Sander (Streets)	-	-	5,500	-	-
Broom, 9" (Streets)	-	10,000	-	-	-
Straight Plow (Streets)	3,000	-	-	-	-
Broom/Tank (Streets)	-	-	15,400	-	-
Smoke Collector (Streets)	-	-	6,000	-	-
Welder (Streets)	3,400	-	-	-	-
Self-Propelled Mower (Streets)	-	6,600	-	-	-
Self-Propelled Mower (Streets)	-	-	-	7,200	-
Signal Replacement (Traffic)	48,000	48,000	48,000	48,000	48,000
Subtotal Public Works	72,400	189,700	290,200	558,200	60,600
Total General Fund	1,717,620	1,778,040	2,200,510	2,125,860	2,438,910

Equipment Replacement

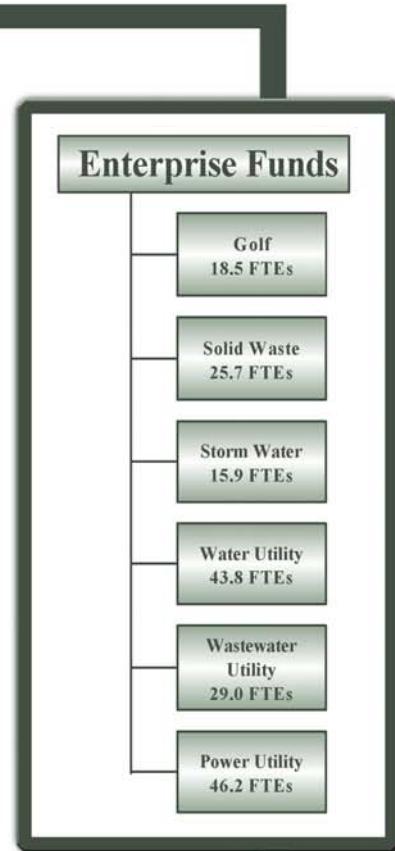
Overview

As a general policy, the City budgets to fund the depreciation schedule to keep equipment current and reduce maintenance costs. Included in these schedules are the planned small equipment replacements for General Fund agencies with unit costs below \$250,000. Major equipment that exceeds the \$250,000 threshold is budgeted in the Capital Program.

ENTERPRISE FUNDS

This section contains all Enterprise Funds that are self-supporting through user fees. They include Water, Wastewater, Storm Water, Power, Solid Waste and Golf.

As in the Department Summaries section, information on goal objectives, measurements to the effectiveness of "outcome" of the services provided, authorized positions, revenues funding the Enterprise and significant changes to the Enterprise's budget are also included.



Golf Enterprise Fund Summary

	'07 Adopted			'08 Budget /			
	'06 Actual Restated	Budget Restated	'07 Revised Budget	'08 Budget	'07 Adopted % Change	'07 FTE	'08 FTE
Golf Administration/Support	1,192,892	1,314,640	1,290,580	1,320,570	0.5%	5.5	5.5
Olde Course/Cattail Creek	851,809	914,370	926,850	940,150	2.8%	5.0	5.0
Mariana Butte	978,288	1,189,130	1,211,210	1,239,300	4.2%	8.0	8.0
Total	3,022,989	3,418,140	3,428,640	3,500,020	2.4%	18.5	18.5

REVENUE

Beginning Balance	1,640,038	1,736,990	2,011,810	2,088,800		
Olde Course	1,118,078	1,183,340	1,183,340	1,183,340	-	
Mariana Butte	1,841,633	2,090,440	2,090,440	2,121,440	1.5%	
Cattail Creek	345,163	354,190	354,190	354,190	-	
Interest	93,217	60,000	60,000	120,000	100.0%	
Miscellaneous	264,947	251,300	251,300	251,300	-	
Subtotal	3,663,038	3,939,270	3,939,270	4,030,270	2.3%	
Total	5,303,076	5,676,260	5,951,080	6,119,070		

EXPENSE BY CATEGORY

Personal Services	1,679,290	1,874,560	1,890,160	1,943,840	3.7%
Supplies	414,140	508,630	509,670	523,980	3.0%
Purchased Services	317,741	394,800	404,260	409,390	3.7%
Fixed Charges	5,763	10,800	10,800	10,800	-
Debt Service/Lease Payments	326,560	352,440	336,840	328,780	(6.7%)
Transfers	279,495	276,910	276,910	283,230	2.3%
Total Operating	3,022,989	3,418,140	3,428,640	3,500,020	2.4%
Capital	268,282	284,450	433,640	583,250	105.0%
Total Capital	268,282	284,450	433,640	583,250	105.0%
Total Golf	3,291,271	3,702,590	3,862,280	4,083,270	10.3%
Ending Balance	2,011,805	1,973,670	2,088,800	2,035,800	

Golf

Overview

The City operates three golf courses. The Olde Course and Mariana Butte are par 72, 18-hole golf courses and Cattail Creek is a par 3, 9-hole golf course. This Fund accounts for the operation, maintenance and capital construction projects of all the golf courses, and supervision of golf activities through contractual golf professionals or self-operated concession and pro shop areas.

The golf courses operate as an Enterprise Fund, generating operating and ongoing capital funding needs through user fees, charges and investment of funds.

Objectives

- Recover 125% of the operating and maintenance needs to ensure continuation of the funding for Capital Projects and Equipment Replacement programs.
- Maintain a consistent speed of play that provides for an efficient use of the facility and an enjoyable round for patrons.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% of revenue exceeding operating expense.	21%	20%	20%
% of rounds within predetermined speed of play.	74%	90%	92%
% automated tee times.	85%	85%	85%

DIVISION
Golf Administration/Support

DEPARTMENT
Parks & Recreation

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Golf Administration	848,615	904,180	892,330	904,990
Golf Support	344,277	410,460	398,250	415,580
Total	1,192,892	1,314,640	1,290,580	1,320,570

EXPENSE BY CATEGORY

Personal Services	524,741	616,660	592,600	622,680
Supplies	74,553	80,750	80,750	79,750
Purchased Services	57,979	73,410	73,410	75,980
Fixed Charges	1,039	1,650	1,650	1,650
Debt Service/Lease Payments	255,085	265,260	265,260	257,280
Transfers	279,495	276,910	276,910	283,230
Total Operating	1,192,892	1,314,640	1,290,580	1,320,570
Capital	22,066	53,050	63,660	63,000
Total Capital	22,066	53,050	63,660	63,000
Total Golf Administration/Support	1,214,958	1,367,690	1,354,240	1,383,570
FTE	5.5	5.5	5.5	5.5

BUDGET VARIANCES

(9,090) Decrease in personal services for workers' compensation due to the allocation of the City's cost based on the Department's experience rating and forecasted liability costs.

1,570 Increase in purchased services for general liability costs based on the Department's historical experiences and forecasted liability costs.

(7,980) Decrease in debt service and lease payments based on the debt schedule.

2,760 Increase in transfer for PILT payments to the General Fund based on the revenue estimates.

3,560 Increase in transfers to the Internal Service Fund based on the allocation for internal service budgets.

15,110 Normal Increases/Decreases

- 15,110 Personal Services
- (1,000) Supplies
- 1,000 Purchased Services

5,930 Total Increase

DIVISION
Olde Course/Cattail Creek

DEPARTMENT
Parks & Recreation

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Olde Course/Cattail Creek Maintenance	681,207	731,140	752,920	765,120
Olde Course Clubhouse	120,911	133,330	124,030	125,030
Cattail Creek Clubhouse	49,691	49,900	49,900	50,000
Total	851,809	914,370	926,850	940,150
EXPENSE BY CATEGORY				
Personal Services	488,221	517,560	528,840	539,540
Supplies	144,677	156,830	157,570	161,430
Purchased Services	181,984	194,630	201,890	200,630
Fixed Charges	2,762	4,350	4,350	4,350
Debt Service/Lease Payments	34,165	41,000	34,200	34,200
Total Operating	851,809	914,370	926,850	940,150
Capital	243,021	69,100	195,680	329,550
Total Capital	243,021	69,100	195,680	329,550
Total Olde Course/Cattail Creek	1,094,830	983,470	1,122,530	1,269,700
FTE	5.0	5.0	5.0	5.0

BUDGET VARIANCES

4,000 Increase in supplies due to projected increase in cost of fuel and Department's usage.

8,000 Increase in purchased services due to projected increase in utility charges, based on the Department's experience.

(7,000) Decrease in purchased services for professional services, based on the Department's experience.

5,000 Increase in purchased services due to charges for increased credit card use.

(6,800) Decrease in debt service and lease payments based on the debt schedule.

22,580 Normal Increases

21,980 Personal Services

600 Supplies

25,780 Total Increase

DIVISION
Mariana Butte

DEPARTMENT
Parks & Recreation

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Mariana Butte Maintenance	682,045	741,350	753,600	779,170
Mariana Butte Clubhouse	296,243	447,780	457,610	460,130
Total	978,288	1,189,130	1,211,210	1,239,300

EXPENSE BY CATEGORY

Personal Services	666,328	740,340	768,720	781,620
Supplies	194,910	271,050	271,350	282,800
Purchased Services	77,778	126,760	128,960	132,780
Fixed Charges	1,962	4,800	4,800	4,800
Debt Service/Lease Payments	37,310	46,180	37,380	37,300
Total Operating	978,288	1,189,130	1,211,210	1,239,300
Capital	3,195	162,300	174,300	190,700
Total Capital	3,195	162,300	174,300	190,700
Total Mariana Butte	981,483	1,351,430	1,385,510	1,430,000
FTE	8.0	8.0	8.0	8.0

BUDGET VARIANCES

1,000 Increase in supplies due to projected increase in cost of chemicals.

5,500 Increase in supplies due to projected increase in cost of fuel and Department's usage.

3,000 Increase in supplies for tools and equipment, based in the Department's experience.

1,500 Increase in supplies for clothing, due to full-time staffing in the pro shop.

5,500 Increase in purchased services due to projected increase in utility charges, based on the Department's experience.

(8,880) Decrease in debt service and lease payments based on the debt schedule.

42,550 Normal Increases

41,280 Personal Services

750 Supplies

520 Purchased Services

50,170 Total Increase

Solid Waste Enterprise Fund Summary

	'06 Actual Restated	'07 Adopted Budget Restated		'08 Budget	'07 Adopted % Change	'08 Budget / '07 FTE	
		'07 Revised Budget	'08 Budget			'07 FTE	'08 FTE
Refuse	2,000,523	2,165,020	2,165,020	2,315,140	6.9%	12.8	13.3
Recycling	1,038,333	1,061,790	1,061,790	2,408,060	126.8%	8.3	8.6
Yard Waste	735,135	935,610	935,610	1,063,110	13.6%	3.6	3.8
Mosquito Control	182,655	199,100	199,100	206,700	3.8%	-	-
Total	3,956,646	4,361,520	4,361,520	5,993,010	37.4%	24.7	25.7
REVENUE							
Beginning Balance	2,549,550	2,673,560	2,901,360	1,763,530			
Charges for Services	4,356,541	4,719,990	4,719,990	5,290,500	12.1%		
Interest	105,746	105,700	105,700	79,360	(24.9%)		
Financing Proceeds	-	-	-	2,674,000	-		
Miscellaneous	9,767	135,000	135,000	223,000	65.2%		
Subtotal	4,472,054	4,960,690	4,960,690	8,266,860	66.6%		
Total	7,021,604	7,634,250	7,862,050	10,030,390			
EXPENSE BY CATEGORY							
Personal Services	1,699,764	1,792,670	1,792,670	1,886,900	5.3%		
Supplies	172,639	270,930	270,930	1,449,700	435.1%		
Purchased Services	738,397	895,100	895,100	936,270	4.6%		
Fixed Charges	782,542	825,120	825,120	833,160	1.0%		
Debt Service	-	-	-	281,000	-		
Transfers	563,304	577,700	577,700	605,980	4.9%		
Total Operating	3,956,646	4,361,520	4,361,520	5,993,010	37.4%		
Capital	163,598	1,542,000	1,737,000	1,508,000	(2.2%)		
Total Capital	163,598	1,542,000	1,737,000	1,508,000	(2.2%)		
Total Solid Waste	4,120,244	5,903,520	6,098,520	7,501,010	27.1%		
Ending Balance	2,901,360	1,730,730	1,763,530	2,529,380			

Solid Waste

Overview

The City of Loveland provides solid waste collection and curbside recycling service to nearly all single-family and to half of all multi-family dwellings within City limits. The Solid Waste Management Program is operated as an Enterprise Fund using full cost accounting principles with all direct and indirect costs covered by user fees. A six percent (6%) payment in lieu of taxes (PILT) is made to the General Fund annually. In 2008, these PILT charges will be about \$305,000.

The Solid Waste Management Program is popular with the community as noted by the City's annual Community Satisfaction Survey. The Program has received numerous solid waste management awards and honors, and was one of 18 communities selected by the United States Environmental Protection Agency for inclusion in a detailed report entitled *Cutting the Waste Stream in Half: Community Record-Setters Show How*.

Objectives

- Reduce complaints regarding missed setouts.
- Resolve all complaints in 1 business day.
- Reduce the number of injuries to field staff.
- Reduce at-fault accidents by employees.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
Missed setouts per 10,000 collections.	2.79	3.25	3.50
% of complaints resolved in 1 business day.	100%	95%	95%
% of field personnel with no OSHA recordable injuries.	90%	95%	95%
% of field personnel with no at-fault accidents.	71%	95%	95%

DIVISION

Refuse

DEPARTMENT

Public Works

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Refuse	2,000,523	2,165,020	2,165,020	2,315,140
REVENUE				
Charges for Services	2,255,970	2,303,300	2,303,300	2,438,600
Interest	57,103	55,000	55,000	43,680
Miscellaneous	9,412	97,500	97,500	203,000
Total	2,322,485	2,455,800	2,455,800	2,685,280
EXPENSE BY CATEGORY				
Personal Services	860,406	890,100	890,100	896,360
Supplies	85,743	175,190	175,190	306,280
Purchased Services	330,490	397,300	397,300	396,140
Fixed Charges	410,143	398,610	398,610	421,150
Transfers	313,741	303,820	303,820	295,210
Total Operating	2,000,523	2,165,020	2,165,020	2,315,140
Capital	163,598	691,200	801,200	8,000
Total Capital	163,598	691,200	801,200	8,000
Total Refuse	2,164,121	2,856,220	2,966,220	2,323,140
FTE	11.8	12.8	12.8	13.3

BUDGET VARIANCES

3,000 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

(3,530) Decrease in supplies for cart purchases based on projected replacement and customer growth.

1,130 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

15,000 Increase in purchased services for disposal costs based on anticipated landfill price increases and projected volumes.

(12,650) Decrease in purchased service for repair and maintenance based on historical experience.

22,540 Increase in fixed costs for vehicle maintenance based on projected fuel costs and maintenance costs.

(490) Decrease in transfers for PILT based on projected revenue.

(8,120) Decrease in transfers for internal services based on the allocated costs.

(691,200) Decrease in capital due to one-time equipment purchases.

(22,170) Normal Increases/Decreases

- (20,150) Personal Services
- 2,620 Supplies
- (4,640) Purchased Services

SUPPLEMENTS

8,000 **Improvement** - Increase in capital to purchase a pressure washer to wash trash carts.

23,410 **Improvement** - Increase in personal services due to the addition of one Administrative Clerk position. The total cost of the supplement is \$52,050 allocated between the Refuse, Recycling, and Yard Waste Divisions.

132,000 **Improvement** - Increase in supplies to purchase 3,400 refuse carts to fully automate refuse collection.

(533,080) Total Decrease

Refuse

Overview

Refuse collection by City ordinance operates under a volume-based rate system. For City service, residents can choose among two disposal options: prepaid tags for customer refuse bags, or subscription-based refuse carts. City carts come in three different sizes, giving customers more choice and more control over their disposal costs. City rates compare quite favorably with private waste haulers' rates within Loveland and surrounding communities.

Objectives

- Increase tons collected per refuse collector.
- Increase number of stops per day by refuse collector.
- Decrease missed collections due to collector error.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
Tons collected per single-family refuse collector.	3,110	2,631	2,670
Single-family stops per day per refuse collector.	1,041	881	894
Missed collections per 10,000 due to collector error.	3.59	3.50	3.50
Operating cost per customer for refuse collection.	\$95.56	\$102.36	\$105.94

DIVISION

Recycling

DEPARTMENT

Public Works

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Enterprise Fund				
Recycling	1,038,333	1,061,790	1,061,790	2,408,060
REVENUE				
Charges for Services	1,147,324	1,425,910	1,425,910	1,585,900
Interest	32,781	35,700	35,700	26,210
Miscellaneous	355	10,500	10,500	-
Financing Proceeds	-	-	-	2,674,000
Total	1,180,460	1,472,110	1,472,110	4,286,110
EXPENSE BY CATEGORY				
Personal Services	572,770	522,060	522,060	554,860
Supplies	49,137	51,180	51,180	1,092,270
Purchased Services	49,499	63,390	63,390	76,680
Fixed Charges	202,265	244,840	244,840	218,900
Debt Service	-	-	-	281,000
Transfers	164,662	180,320	180,320	184,350
Total Operating	1,038,333	1,061,790	1,061,790	2,408,060
Capital	-	46,200	100,200	1,500,000
Total Capital	-	46,200	100,200	1,500,000
Total Recycling	1,038,333	1,107,990	1,161,990	3,908,060
FTE	8.3	8.3	8.3	8.6

BUDGET VARIANCES

1,200 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

670 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

10,000 Increase in disposal costs based on anticipated fees to recycle tires, electronics and appliances.

(25,940) Decrease in fixed costs for vehicle maintenance based on projected fuel costs and maintenance costs.

6,690 Increase in transfers for PILT based on projected revenue.

(2,660) Decrease in transfers for internal services based on the allocated costs.

(46,200) Decrease in capital due to the one-time cost of relocating the waste oil collection tank and the purchase of a loader.

16,680 Normal Increases

- 13,390 Personal Services
- 670 Supplies
- 2,620 Purchased Services

SUPPLEMENTS

18,210 **Improvement** - Increase in personal services due to the addition of one Administrative Clerk position. The total cost of the supplement is \$52,050 allocated between the Refuse, Recycling, and Yard Waste Divisions.

1,040,420 **Improvement** - Increase in supplies to purchase twenty three thousand 64-gallon carts to prepare for the implementation of single stream recycling city-wide. Funding for the purchase will be financed with either a lease purchase or revenue bond over a seven year period, the estimated life span of the carts.

1,500,000 **Improvement** - Increase in capital to replace six recycling trucks to automate the cart pickup as part of the implementation of single stream recycling city wide in 2009. Funding for the purchase will be financed with either a lease purchase or revenue bond over a five year period, the estimated life span of the trucks.

281,000 **Improvement** - Increase in debt service costs for the first year payment of principal and interest on financing the purchase of carts and trucks to implement single stream recycling city-wide. The full year annual payment will be \$561,000, running through 2012. Financing the purchase will allow the utility to implement the service, reduce the amount of fee increases and spread the increases over time and still stay within projected revenues. Without the financing, either fees would have to be raised significantly over the short term or the service implementation would need to be delayed for several years.

2,800,070 Total Increase

Recycling

Overview

Mandatory monthly environmental fees fund the City's recycling, green waste composting, household hazardous waste collection, community large item disposal program, and solid waste planning programs. Over 50% of the community's residential wastes are recycled annually, which extends the life of the Larimer County Landfill.

Objectives

- Increase the percentage of city-collected discards recycled/composted.
- Revitalize our recycling education and promotion program.
- Increase the number of single-family customers that recycle.
- Decrease the number of missed collections due to collector error.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% of City-collected waste recycled/composted.	50%	50%	52%
Pounds recycled per City-served customer.	671	681	691
Single-family stops per day per recyclables collector.	1,041	1,057	1,073
Missed collections per 10,000 due to collector error.	1.18	2.00	2.00
Operating cost per customer for recycling services.	\$49.64	\$50.24	\$52.00

DIVISION

Yard Waste

DEPARTMENT

Public Works

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Enterprise Fund				
Yard Waste	735,135	935,610	935,610	1,063,110
REVENUE				
Charges for Services	764,446	794,280	794,280	1,069,500
Interest	15,862	15,000	15,000	9,470
Miscellaneous	-	27,000	27,000	20,000
Total	780,308	836,280	836,280	1,098,970
EXPENSE BY CATEGORY				
Personal Services	266,588	380,510	380,510	435,680
Supplies	37,759	44,560	44,560	51,150
Purchased Services	183,263	252,910	252,910	274,450
Fixed Charges	165,124	166,670	166,670	178,110
Debt Service				
Transfers	82,401	90,960	90,960	123,720
Total Operating	735,135	935,610	935,610	1,063,110
Capital	-	804,600	835,600	-
Total Capital	-	804,600	835,600	-
Total Yard Waste	735,135	1,740,210	1,771,210	1,063,110
FTE	3.6	3.6	3.6	3.8

BUDGET VARIANCES

1,200 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

6,140 Increase in supplies for carts and bins based on the estimated replacement needs.

450 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

15,000 Increase in purchased services for yard waste hauling services based on projected costs.

11,440 Increase in fixed costs for vehicle maintenance based on projected fuel costs and maintenance costs.

14,000 Increase in transfers for PILT based on projected revenue.

18,760 Increase in transfers for internal services based on the allocated costs.

(804,600) Decrease in capital due to the one-time cost of purchasing a loader and replacing six collection vehicles.

22,340 Normal Increases

- 15,800 Personal Services
- 450 Supplies
- 6,090 Purchased Services

SUPPLEMENTS

10,430 **Improvement** - Increase in personal services due to the addition of one Administrative Clerk position. The total cost of the supplement is \$52,050 allocated between the Refuse, Recycling, and Yard Waste Divisions.

27,740 **Improvement** - Increase in personal services for the addition of a seasonal equipment operator for yard waste collections.

(677,100) Total Decrease

Yard Waste

Overview

Yard wastes – i.e. grass clippings, leaves, garden trimmings, tree branches – comprise nearly one-third of our community's annual residential waste stream. If properly separated for composting, these materials are easily converted into valuable soil amendments and landscape mulches. Compost derived from green wastes contains valuable nutrients and increases the water holding capacity and “workability” of our area's heavy clay soils. The City of Loveland is partnered with A-1 Organics, a Northern Colorado company that manufactures and markets a variety of landscaping products.

Objectives

- Increase pounds collected / received and composted per residential customer.
- Increase stops per day per yard waste collector.
- Decrease missed collections due to collector error.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
Single-family stops per day per yard waste collector.	870	907	920
Pounds composted per single-family customer.	1,225	1,243	1,262
Missed collections per 10,000 due to collector error.	19.46	15.00	15.00
Operating cost per customer for yard waste collection.	\$35.20	\$44.27	\$45.82

DIVISION
Mosquito Control

DEPARTMENT
Public Works

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Mosquito Control	182,655	199,100	199,100	206,700
REVENUE				
Charges for Services	188,801	196,500	196,500	196,500
Total	188,801	196,500	196,500	196,500
EXPENSE BY CATEGORY				
Purchased Services	175,145	181,500	181,500	189,000
Fixed Charges	5,010	15,000	15,000	15,000
Transfers	2,500	2,600	2,600	2,700
Total Operating	182,655	199,100	199,100	206,700
Total Mosquito Control	182,655	199,100	199,100	206,700

BUDGET VARIANCES

7,600 Normal Increases

7,500 Purchased Services

100 Transfers

7,600 Total Increase

Mosquito Control

Overview

2007 was the 21st year that Colorado Mosquito Control, Inc. (CMC), a private contractor, operated this seasonal mosquito management program for the City of Loveland. By contracting with one of the country's premier mosquito control consultants, municipal personnel have been freed up to perform other duties at a net cost savings to the City. Additionally, Loveland residents receive the finest in mosquito control strategies, expertise, mapping, equipment and materials.

The program is funded via a \$.60 per month fee assessed to all Loveland dwelling units. The Streets and Solid Waste Manager administers this seasonal program.

To reduce both mosquito nuisance levels as well as the threat from mosquito-borne diseases, CMC employs a variety of cultural and biological control choices first, with low toxicity chemical sprays used only as a last resort.

Specifically, the foundation and focus of Loveland's mosquito control program is primarily larvae-based – i.e. find and treat, on a weekly basis, the hundreds of larvae-containing water pockets and pools within an 80 square mile area. An effective control of larvae prevents their development into adult mosquitoes, thereby reducing the need to fog-spray with insecticides.

With the introduction of mosquitoes carrying West Nile Virus (WNV) into Colorado beginning in 2002, each aspect of the mosquito management program has changed significantly in an attempt to minimize the number of WNV human cases in Loveland.

Storm Water Enterprise Fund Summary

	'07 Adopted			'08 Budget /			
	'06 Actual Restated	Budget Restated	'07 Revised Budget	'08 Budget	'07 Adopted % Change	'07 FTE	'08 FTE
Administration/Engineering	948,238	889,910	939,910	1,045,520	17.5%	5.0	6.7
Collections	560,846	545,720	545,720	593,850	8.8%	4.8	5.7
Street Sweeping	215,918	241,550	241,550	551,720	128.4%	2.3	3.5
Total	1,725,002	1,677,180	1,727,180	2,191,090	30.6%	12.1	15.9

REVENUE

Beginning Balance	2,172,743	2,124,780	2,916,000	2,033,940		
Utility Charges	3,648,084	3,642,170	3,642,170	3,751,430	3.0%	
Utility Other	52,283	65,500	65,500	71,010	8.4%	
Impact Fees	741,657	529,000	529,000	546,000	3.2%	
Interest	110,346	84,990	84,990	100,040	17.7%	
Transfers	66,100	4,420	4,420	1,040	(76.5%)	
Miscellaneous	7,738	1,000	1,000	1,000	-	
Subtotal	4,626,208	4,327,080	4,327,080	4,470,520	3.3%	
Total	6,798,951	6,451,860	7,243,080	6,504,460		

EXPENSE BY CATEGORY

Personal Services	990,585	881,340	892,840	1,137,350	29.0%
Supplies	62,928	71,310	71,310	85,600	20.0%
Purchased Services	129,294	191,980	230,480	218,100	13.6%
Fixed Charges	117,943	112,500	112,500	113,200	0.6%
Transfers	424,252	420,050	420,050	431,840	2.8%
Total Operating	1,725,002	1,677,180	1,727,180	1,986,090	18.4%
Capital	2,157,954	3,300,450	3,481,960	3,847,500	16.6%
Total Capital	2,157,954	3,300,450	3,481,960	3,847,500	16.6%
Total Storm Water	3,882,956	4,977,630	5,209,140	5,833,590	17.2%
Ending Balance	2,915,995	1,474,230	2,033,940	670,870	

Storm Water

Overview

The Storm Water Utility is responsible for the design, construction, maintenance and repair of the Storm Water Collection System within the City and operates as an Enterprise Fund.

Objectives

- Continue the storm water minor capital improvement project construction and maintenance projects in order to solve the community's backlog of nuisance drainage problems.
- Complete preliminary engineering design and begin final engineering design of the Washington Avenue Outfall Phase 4 storm drainage improvements to improve existing flooding problems within the area located between 7th Street, Highway 34, Washington Avenue, and Garfield Avenue.
- Begin and complete final engineering design of the Airport Basin Master Plan Improvements from the regional detention pond (Airport Authority responsibility) to the north side of County Road 30.
- Begin and complete final engineering design of the North Monroe Avenue storm drainage improvements near 50th Street to improve existing flooding problems along Monroe Avenue.
- Begin and complete final engineering in-house design of the Madison Avenue Outfall storm drainage extension to 1st Street and St. Louis Avenue to serve the proposed Civil Center expansion.
- Continue final engineering design of the Boyd Lake Outlet Ditch maintenance stability improvements to transport both irrigation water and storm water from Highway 34 to the Big Thompson River in a non-erosive manner.
- Complete the Garfield & Harrison Avenue Outfall to the Big Thompson River Drainage Master Plan Update in order to improve existing flooding problems between Garfield & Colorado Avenues and between 1st & 12th Streets.
- Begin and complete the Dry Creek (37th Street (west of Highway 287) to Monroe Avenue) Drainage Master Plan Update in order to re-evaluate the original master planned channel improvements in light of development activity that has occurred adjacent to Dry Creek since 1987. In addition, 37th Street is planned to cross Dry Creek in several years and needs to be included within the document.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
# of minor construction/repair projects completed.	4	5	5
# of arterial/highway curb miles of streets.	159	159	164
# of times arterials swept.	12	12	12
# of collector/residential curb miles of streets.	483	490	495
# of times collector/residential streets swept.	4.68	6.00	6.00
# of times downtown district swept and/or flushed.	17	20	20
% drainage inlets vacuumed.	100%	100%	100%
% of actual project cost to budget.	90%	90%	90%
Total capital expenditures per capita.	\$34.05	\$53.79	\$66.00

DIVISION

Administration/Engineering

DEPARTMENT

Public Works

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Administration/Engineering	948,238	889,910	939,910	1,045,520
EXPENSE BY CATEGORY				
Personal Services	411,963	334,180	345,680	457,870
Supplies	17,525	29,600	29,600	23,700
Purchased Services	91,605	106,080	144,580	132,110
Transfers	424,252	420,050	420,050	431,840
Total Operating	948,238	889,910	939,910	1,045,520
Total Administration/Engineering	948,238	889,910	939,910	1,045,520
FTE	5.0	5.0	6.6	6.7

BUDGET VARIANCES

930 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

34,400 Increase in personal service due to the increase in hours for an engineer position from half-time to full time, mid-year in 2007.

(6,000) Decrease in supplies for parts and supplies based on historical experience.

(34,000) Decrease in purchased services due to the transfer of personal services for the increase in time for the engineer position.

430 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

49,000 Increase in purchased services for early flood warning system maintenance and the Wernimont Pond 404 Permit maintenance.

6,560 Increase in transfers for PILT based on the revenue estimates.

5,230 Increase in transfers to the Internal Service Fund based on the allocation for internal service budgets.

87,640 Normal Increases

 76,940 Personal Services

 100 Supplies

 10,600 Purchased Services

SUPPLEMENTS

11,420 **Improvement** - Increase in personal services for the addition of one Senior Civil Engineer position. 90% of the costs will be charged to the Transportation Capital Projects for in-house design work and 10% will be charged to the Storm Water Enterprise fund.

155,610 Total Increase

DIVISION

Collections

DEPARTMENT

Public Works

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Collections	560,846	545,720	545,720	593,850
EXPENSE BY CATEGORY				
Personal Services	467,992	405,790	405,790	452,800
Supplies	24,001	22,580	22,580	23,150
Purchased Services	32,952	77,850	77,850	79,900
Fixed Charges	35,901	39,500	39,500	38,000
Total Operating	560,846	545,720	545,720	593,850
Total Collections	560,846	545,720	545,720	593,850
FTE	3.8	4.8	5.7	5.7

BUDGET VARIANCES

3,880 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.

1,120 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.

43,130 Normal Increases/Decreases

43,130 Personal Services
570 Supplies
930 Purchased Services
(1,500) Fixed Charges

48,130 Total Increase

DIVISION
Street Sweeping

DEPARTMENT
Public Works

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Street Sweeping	215,918	241,550	241,550	551,720
EXPENSE BY CATEGORY				
Personal Services	110,630	141,370	141,370	226,680
Supplies	21,402	19,130	19,130	38,750
Purchased Services	4,737	8,050	8,050	6,090
Fixed Charges	79,149	73,000	73,000	75,200
Total Operating	215,918	241,550	241,550	346,720
Capital	-	-	-	205,000
Total Street Sweeping	215,918	241,550	241,550	551,720
FTE	2.3	2.3	2.5	3.5

BUDGET VARIANCES

2,200 Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.

21,430 Normal Increases/Decreases
 23,770 Personal Services
 (380) Supplies
 (1,960) Purchased Services

SUPPLEMENTS

286,540 **Workload** - Increase in personal services (\$61,540), supplies (\$20,000) and capital (\$205,000) for the addition of one Equipment Operator position and a new street sweeper due to additional curb miles to be swept.

310,170 Total Increase

Water Enterprise Fund Summary

	'06 Actual Restated	'07 Adopted Budget Restated		'07 Revised Budget		'08 Budget / '07 Adopted % Change		'08 FTE	
Water Utility	6,304,346	7,263,350		7,263,350		7,123,470	(1.9%)	43.8	43.8
Water Finance	501,301	564,860		564,860		580,500	2.8%	7.7	7.9
Total	6,805,647	7,828,210		7,828,210		7,703,970	(1.6%)	51.5	51.7
REVENUE									
Beginning Balance	43,892,165	33,897,130		42,094,100		32,609,820			
Utility Charges	7,904,994	7,225,610		7,225,610		7,469,280	3.4%		
Utility Other	1,414,612	1,536,300		1,536,300		1,002,050	(34.8%)		
Impact Fees	3,433,133	1,826,810		1,826,810		1,861,770	1.9%		
Interest	1,881,296	1,354,310		1,354,310		1,459,580	7.8%		
Miscellaneous	3,911	3,840		3,840		3,840	-		
Transfers	41,600	1,850		1,850		4,300	132.4%		
Subtotal	14,679,546	11,948,720		11,948,720		11,800,820	(1.2%)		
Total	58,571,711	45,845,850		54,042,820		44,410,640			
EXPENSE BY CATEGORY									
Personal Services	3,172,412	3,255,970		3,255,970		3,376,110	3.7%		
Supplies	677,860	657,470		657,470		678,430	3.2%		
Purchased Services	1,073,538	2,067,900		2,067,900		1,749,030	(15.4%)		
Fixed Charges	155,602	161,030		161,030		186,830	16.0%		
Debt Service	826,187	827,160		827,160		826,860	(0.0%)		
Transfers	900,048	858,680		858,680		886,710	3.3%		
Total Operating	6,805,647	7,828,210		7,828,210		7,703,970	(1.6%)		
Capital	9,671,969	9,283,830		13,604,790		3,636,020	(60.8%)		
Total Capital	9,671,969	9,283,830		13,604,790		3,636,020	(60.8%)		
Total Water	16,477,616	17,112,040		21,433,000		11,339,990	(33.7%)		
Ending Balance	42,094,095	28,733,810		32,609,820		33,070,650			

DIVISION

Water Utility

DEPARTMENT

Water & Power

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Water Utility	6,304,346	7,263,350	7,263,350	7,123,470
REVENUE				
Utility Charges	7,904,994	7,225,610	7,225,610	7,469,280
Utility Other	1,414,612	1,536,300	1,536,300	1,002,050
Impact Fees	3,433,133	1,826,810	1,826,810	1,861,770
Interest	1,881,296	1,354,310	1,354,310	1,459,580
Miscellaneous	3,911	3,840	3,840	3,840
Transfers	41,600	1,850	1,850	4,300
Total	14,679,546	11,948,720	11,948,720	11,800,820
EXPENSE BY CATEGORY				
Personal Services	2,745,726	2,804,700	2,804,700	2,890,210
Supplies	675,379	652,210	652,210	672,110
Purchased Services	1,009,751	1,967,320	1,967,320	1,668,950
Fixed Charges	147,255	153,280	153,280	178,630
Debt Service	826,187	827,160	827,160	826,860
Transfers	900,048	858,680	858,680	886,710
Total Operating	6,304,346	7,263,350	7,263,350	7,123,470
Capital	9,671,969	9,269,110	13,590,070	3,629,130
Total Capital	9,671,969	9,269,110	13,590,070	3,629,130
Total Water Utility	15,976,315	16,532,460	20,853,420	10,752,600
FTE	43.3	43.8	43.8	43.8

BUDGET VARIANCES

15,620 Increase in personal services for workers' compensation costs due to the allocation of the City's cost based on the Department's experience rating and forecasted liability costs.

(26,000) Decrease in personal services for the Water enterprise's allocation of an Equipment Operator position that will be held vacant in 2008.

(13,700) Decrease in personal services due to the increase in staff time allocated to the Wastewater Enterprise.

(8,000) Decrease in personal services due to the elimination of a temporary position in GIS.

50,000 Increase in supplies for chemicals due to increasing costs to supply the Water Treatment Plant.

(23,400) Decrease in supplies for laboratory and safety supplies at the Water Treatment Plant.

11,750 Increase in purchased service for general liability based on the Department's historical experience and forecasted liability costs.

(373,000) Decrease in purchased services for the Windy Gap assessment due to a non-utilization credit. In 2007 the budget planned for an order to pump 4,000 acre feet. This order will not be placed.

(80,000) Decrease in purchased services for legal engineering and other services.

140,000 Increase in purchased services for the Cross Connection Control Program.

(37,070) Decrease in purchased services for professional services.

(7,000) Decrease in purchased services for street repairs.

(8,870) Decrease in purchased services for repair and maintenance.

(17,300) Decrease in purchased services for inspecting /locating services.

28,000 Increase in purchased services for utility costs at the Water Treatment Plant due to improvements at the Floc-Sed building.

30,000 Increase in purchased services for hauling and disposal of residuals from the Water Treatment Plant.

19,500 Increase in fixed costs for equipment rental to rent a loader for staging the residuals for hauling at the Water Treatment Plant.

9,760 Increase in transfers for PILT based on the revenue projections.

18,270 Increase in the transfer for internal services based on the allocations.

131,560 Normal Increases/Decreases

- 117,590 Personal Services
- (6,700) Supplies
- 15,120 Purchased Services
- 5,850 Fixed Charges
- (300) Debt Service

(139,880) Total Decrease

Water Utilities

Overview

The Water Utilities Division consists of groups and programs responsible for the day-to-day operations, engineering, and management for the Department's two water-related utilities: Water and Wastewater. The Division also provide some support services to the Power Operations Division such as utility locates, inspection, and Geographical Information Systems (GIS).

The following sections comprise the Water Utilities Division:

- **Construction and Inspection** is responsible for locating water, wastewater, storm water and electric utilities and construction inspections for all water, wastewater and electric construction. This section also coordinates small construction projects.
- **Engineering** reviews all new development proposals with respect to water and wastewater design and construction. This section manages the capital projects for both water utilities.
- **Information Technology** operates the Department's computerized drafting and the GIS. The water, wastewater and electric system maps are all maintained and updated by this section. They also are responsible for the Department's information technology needs such as specialized software applications, databases, development and maintenance, survey fieldwork and computer networks.
- **Maintenance and Operations** is comprised of equipment operators who maintain the water transmission and distribution systems and the wastewater collection system. They repair water line leaks, clean treated water tanks, flush fire hydrants and inspect, wash and repair sewer lines.
- **Technical Services** provides technicians who maintain and repair all water and wastewater treatment plant controls such as pumps, motors, valves, electrical systems, and electronic components. They also are responsible for all the wastewater lift stations and water pumping stations throughout the City.
- **Treatment Operations** provides water treatment and production, wastewater treatment and reclamation, and water quality laboratories. Certified plant operators at both plants monitor treatment processes, perform process testing, and notify technicians when equipment needs to be repaired or replaced. Laboratory personnel perform various analyses of the water to insure proper treatment is accomplished.
- **Water Resources** is primarily responsible for the raw water planning and water supply activities of the Department. Responsibilities include everything from day-to-day administration of water rights to long-range planning for future water needs. This section works closely with the Loveland Utilities Commission in matters concerning water resources.
- **Water Metering** is responsible for repairing and maintaining water meters, assisting contractors with new water taps, inspecting new lawn irrigation systems, testing meters and providing customer service.
- **Customer Relations** provides responsible utility solutions to the key partners and commercial customers within the community so they can grow and prosper in a dynamic community. This section offers four value-added services: key accounts program, commercial support program, resource efficiency program, and the industrial pretreatment program.

Objectives

- 90% of customer survey respondents indicate they are satisfied or very satisfied with their water service.
- Maintain or decrease number of waterline breaks per mile on the water distribution system.
- Meet or exceed all applicable local, state, and federal regulations in the treatment and distribution of water.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
# of leaks or breaks per 100 miles of distribution system.	18.4	25.0	25.0
# of major state or federal violations per year.	0	0	0
# of minor state or federal violations per year.	1	3	3
Water treatment cost per 1,000 gallons.	\$0.35	\$0.37	\$0.37
Maintenance costs per 100 miles of piping system.	\$537,296	\$580,000	\$580,000
% of unaccounted for lost treated water.	15.5%	16.0%	16.0%
# of property damage incidents that exceed \$1,000.	0	2	2
# of personal injury accidents resulting in lost work time.	6	0	0

DIVISION
Water Finance

DEPARTMENT
Finance

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Utility Billing	209,740	227,930	227,930	243,780
Meter Reading	120,872	126,570	126,570	133,980
Warehouse	55,975	60,940	60,940	63,840
Utility Accounting	114,714	149,420	149,420	138,900
Total	501,301	564,860	564,860	580,500

EXPENSE BY CATEGORY

Personal Services	426,686	451,270	451,270	485,900
Supplies	2,481	5,260	5,260	6,320
Purchased Services	63,787	100,580	100,580	80,080
Fixed Charges	8,347	7,750	7,750	8,200
Total Operating	501,301	564,860	564,860	580,500
Capital	-	14,720	14,720	6,890
Total Capital	-	14,720	14,720	6,890
Total Water Finance	501,301	579,580	579,580	587,390
FTE	7.6	7.7	7.7	7.9

BUDGET VARIANCES

(20,000) Decrease in purchased services for the one-time cost of a Cost of Service Rate Study.

28,240 Normal Increases/Decreases
 27,230 Personal Services
 1,060 Supplies
 (500) Purchased Services
 450 Fixed Charges

SUPPLEMENTS

7,400 **Workload** - Increase in personal services for the allocation to the Water Enterprise for the addition of a half-time position in the Utility Billing Division.

15,640 Total Increase

Wastewater Enterprise Fund Summary

	'07 Adopted			'08 Budget /			
	'06 Actual Restated	Budget Restated	'07 Revised Budget	'08 Budget	'07 Adopted % Change	'07 FTE	'08 FTE
Wastewater Utility	4,142,222	4,647,010	4,647,010	4,886,200	5.1%	29.0	29.0
Wastewater Finance	197,108	239,260	239,260	231,280	(3.3%)	3.4	3.5
Total	4,339,330	4,886,270	4,886,270	5,117,480	4.7%	32.4	32.5
REVENUE							
Beginning Balance	9,644,744	5,937,290	10,286,550	8,735,490			
Utility Charges	6,397,626	6,619,300	6,619,300	7,231,610	9.3%		
Utility Other	195,461	9,500	9,500	6,500	(31.6%)		
Impact Fees	1,697,600	936,200	936,200	1,019,810	8.9%		
Interest	435,967	233,800	233,800	356,340	52.4%		
Miscellaneous	(943)	300	300	(2,700)	(1,000.0%)		
Transfers	364,629	860	860	2,750	219.8%		
Subtotal	9,090,340	7,799,960	7,799,960	8,614,310	10.4%		
Total	18,735,084	13,737,250	18,086,510	17,349,800			
EXPENSE BY FUND							
Personal Services	2,010,216	2,145,940	2,145,940	2,233,920	4.1%		
Supplies	223,636	260,780	260,780	273,450	4.9%		
Purchased Services	1,254,687	1,656,160	1,656,160	1,709,780	3.2%		
Fixed Charges	170,015	126,750	126,750	157,350	24.1%		
Transfers	680,776	696,640	696,640	742,980	6.7%		
Total Operating	4,339,330	4,886,270	4,886,270	5,117,480	4.7%		
Capital	4,109,204	3,099,540	4,464,750	5,276,600	70.2%		
Total Capital	4,109,204	3,099,540	4,464,750	5,276,600	70.2%		
Total Wastewater	8,448,534	7,985,810	9,351,020	10,394,080	30.2%		
Ending Balance	10,286,550	5,751,440	8,735,490	6,955,720			

DIVISION
Wastewater Utility

DEPARTMENT
Water & Power

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Wastewater Utility	4,142,222	4,647,010	4,647,010	4,886,200
REVENUE				
Utility Charges	6,397,626	6,619,300	6,619,300	7,231,610
Utility Other	195,461	9,500	9,500	6,500
Impact Fees	1,697,600	936,200	936,200	1,019,810
Interest	435,967	233,800	233,800	356,340
Miscellaneous	(943)	300	300	(2,700)
Transfers	364,629	860	860	2,750
Total	9,090,340	7,799,960	7,799,960	8,614,310
EXPENSE BY CATEGORY				
Personal Services	1,839,102	1,965,400	1,965,400	2,039,250
Supplies	222,839	259,040	259,040	271,320
Purchased Services	1,230,859	1,600,470	1,600,470	1,676,650
Fixed Charges	168,646	125,460	125,460	156,000
Transfers	680,776	696,640	696,640	742,980
Total Operating	4,142,222	4,647,010	4,647,010	4,886,200
Capital	4,104,204	3,096,980	4,462,190	5,275,040
Total Capital	4,104,204	3,096,980	4,462,190	5,275,040
Total Wastewater Utility	8,246,426	7,743,990	9,109,200	10,161,240
FTE	28.5	29.0	29.0	29.0

BUDGET VARIANCES

(24,000) Decrease in personal services for the Wastewater Enterprise's allocation of an Equipment Operator position that will be held vacant in 2008.

13,700 Increase in personal services due to the increase in staff time allocated to the Wastewater Enterprise.

(6,300) Decrease in personal services due to the elimination of a temporary position in GIS.

5,800 Increase in personal services for workers' compensation costs due to the allocation of the City's cost based on the Department's experience rating and forecasted liability costs.

12,000 Increase in supplies for sand, gravel and asphalt.

57,270 Increase in purchased service for general liability based on the Department's historical experience and forecasted liability costs.

22,000 Increase in purchased services for sludge hauling at the Wastewater Treatment Plant.

17,000 Increase in purchased services for street repairs.

(17,300) Decrease in purchased services for inspecting/locating services.

40,000 Increase in fixed costs for insurance deductibles for the sewer backup claims program.

(9,000) Decrease in fixed costs for equipment rental at the Wastewater Treatment Plant.

36,740 Increase in the transfer for PILT based on the revenue estimates.

9,600 Increase in the transfer for internal services based on the allocations.

81,680 Normal Increases/Decreases

- 84,650 Personal Services
- 280 Supplies
- (2,790) Purchased Services
- (460) Fixed Charges

239,190 Total Increase

Wastewater

Overview

The Wastewater Utilities Division consists of all groups and programs responsible for the day-to-day operations, engineering, and management for the Department's two water-related utilities: Water and Wastewater. Groups within the Division also provide some support services to the Power Operations Division such as utility locates, inspection, and GIS.

The following sections comprise the Wastewater Utilities Division:

- Construction and Inspection
- Technical Services
- Engineering
- Treatment Operations
- Information Technology
- Water Resources
- Maintenance and Operations
- Water Metering

Objectives

- Have 90% of respondents on customer surveys indicate they are satisfied or very satisfied with their wastewater service.
- Maintain or decrease number of sewage backups per mile on the sewage collection system.
- Meet or exceed all applicable local, state, and federal regulations in the collection and treatment of wastewater.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
# of collection system plugs or backups per 100 miles of collection system.	4	8	8
# of major violations of state or federal regulations per year.	0	0	0
# of minor violations of state or federal regulations per year.	1	4	4
Wastewater treatment cost per 1,000 gallons.	\$1.00	\$0.93	\$0.93
Maintenance cost per 100 miles of piping system.	\$272,716	\$260,000	\$385,000
# of personal property damage incidents exceeding \$1,000.	9	3	3
# of personal injury accidents resulting in lost work time per year.	0	0	0

DIVISION

Wastewater Finance

DEPARTMENT

Finance

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Utility Billing	106,390	119,230	119,230	126,430
Meter Reading	21,021	22,020	22,020	23,300
Utility Accounting	69,697	98,010	98,010	81,550
Total	197,108	239,260	239,260	231,280
EXPENSE BY CATEGORY				
Personal Services	171,114	180,540	180,540	194,670
Supplies	797	1,740	1,740	2,130
Purchased Services	23,828	55,690	55,690	33,130
Fixed Charges	1,369	1,290	1,290	1,350
Total Operating	197,108	239,260	239,260	231,280
Capital	5,000	2,560	2,560	1,560
Total Capital	5,000	2,560	2,560	1,560
Total Wastewater Finance	202,108	241,820	241,820	232,840
FTE	3.3	3.4	3.4	3.5

BUDGET VARIANCES

(20,000) Decrease in purchased services for the one-time cost of a Cost of Service Rate Study.

9,120 Normal Increases/Decreases
 11,230 Personal Services
 390 Supplies
 (2,560) Purchased Services
 60 Fixed Charges

SUPPLEMENTS

2,900 **Workload** - Increase in personal services for the allocation to the Wastewater Enterprise for the addition of a half-time position in the Utility Billing Division.

(7,980) Total Decrease

Power Enterprise Fund Summary

	'07 Adopted			'08 Budget /			
	'06 Actual Restated	Budget Restated	'07 Revised Budget	'08 Budget	'07 Adopted % Change	'07 FTE	'08 FTE
Power Utility	30,820,157	32,706,370	32,706,370	33,718,340	3.1%	46.2	46.2
Power Finance	1,896,698	1,844,790	1,844,790	2,014,440	9.2%	22.9	23.1
Total	32,716,855	34,551,160	34,551,160	35,732,780	3.4%	69.1	69.3

REVENUE

Beginning Balance	13,023,848	12,594,240	12,702,120	10,273,740		
Utility Charges	34,662,750	34,909,400	34,909,400	37,431,000	7.2%	
Utility Other	3,322,010	1,637,500	1,637,500	2,646,000	61.6%	
Impact Fees	1,384,018	1,350,000	1,350,000	1,250,000	(7.4%)	
User Fees	468,943	386,000	386,000	396,000	2.6%	
Interest	701,145	291,410	291,410	301,830	3.6%	
Miscellaneous	213,994	41,900	41,900	54,900	31.0%	
Transfers	204,340	187,040	222,490	190,390	1.8%	
Subtotal	40,957,200	38,803,250	38,838,700	42,270,120	8.9%	
Total	53,981,048	51,397,490	51,540,820	52,543,860		

EXPENSE BY CATEGORY

Personal Services	3,796,250	4,509,300	4,509,300	3,965,650	(12.1%)
Supplies	419,372	391,150	391,150	392,880	0.4%
Purchased Services	25,907,985	26,843,780	26,843,780	28,457,130	6.0%
Fixed Charges	(328,506)	(214,700)	(214,700)	(223,150)	3.9%
Transfers	2,921,754	3,021,630	3,021,630	3,140,270	3.9%
Total Operating	32,716,855	34,551,160	34,551,160	35,732,780	3.4%
Capital	8,562,073	6,510,570	6,715,920	7,994,630	22.8%
Total Capital	8,562,073	6,510,570	6,715,920	7,994,630	22.8%
Total Power	41,278,928	41,061,730	41,267,080	43,727,410	
Ending Balance	12,702,120	10,335,760	10,273,740	8,816,450	

DIVISION

Power Utility

DEPARTMENT

Water & Power

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Power Utility	30,820,157	32,706,370	32,706,370	33,718,340
REVENUE				
Utility Charges	34,662,750	34,909,400	34,909,400	37,431,000
Utility Other	3,322,010	1,637,500	1,637,500	2,646,000
Impact Fees	1,384,018	1,350,000	1,350,000	1,250,000
User Fees	468,943	386,000	386,000	396,000
Interest	701,145	291,410	291,410	301,830
Miscellaneous	213,994	41,900	41,900	54,900
Transfers	204,340	187,040	222,490	190,390
Total	40,957,200	38,803,250	38,838,700	42,270,120
EXPENSE BY CATEGORY				
Personal Services	2,375,078	3,045,970	3,045,970	2,405,570
Supplies	410,094	372,760	372,760	373,730
Purchased Services	25,642,646	26,505,520	26,505,520	28,048,230
Fixed Charges	(529,415)	(239,510)	(239,510)	(249,460)
Transfers	2,921,754	3,021,630	3,021,630	3,140,270
Total Operating	30,820,157	32,706,370	32,706,370	33,718,340
Capital	8,558,425	6,463,850	6,669,200	7,959,880
Total Capital	8,558,425	6,463,850	6,669,200	7,959,880
Total Power Utility	39,378,582	39,170,220	39,375,570	41,678,220
FTE	50.2	46.2	46.2	46.2

BUDGET VARIANCES

(210,000) Decrease in personal services due to budgeting to keep 3 FTEs in the line Crew Division vacant in 2008.

(576,620) Decrease in personal services for operating costs due to an increase in the amount of labor that can be capitalized.

1,600 Increase in purchased services for general liability based on the Department's historical experience and forecasted liability costs.

1,650,000 Increase in purchased services for purchased power based on the projected costs and demand.

(17,000) Decrease in purchased services for contract inspecting/locating services.

(78,000) Decrease in purchased services for contracted tree trimming services.

90,000 Increase in transfers for PILT based on the revenue projections.

28,640 Increase in the transfer for internal services based on the allocations.

123,350 Normal Increases/Decreases

- 146,220 Personal Services
- 970 Supplies
- (13,890) Purchased Services
- (9,950) Fixed Charges

1,011,970 Total Increase

Power Utility

Overview

The Power Operations Division maintains the City's electric distribution system and in 2006, the average service availability for the electrical system was 99.9946%. The City is a retail distributor of electricity to over 30,000 customers in and around Loveland, as well as a wholesale distributor of electricity to Xcel Energy. Loveland owns and maintains the distribution system as well as a small hydroelectric generating plant in the Big Thompson Canyon.

Over 99% of the electricity is purchased from Platte River Power Authority (PRPA). The municipalities of Estes Park, Fort Collins, Longmont and Loveland formed PRPA in 1973. Approximately 35% of the electricity consumed by the four cities is hydroelectric.

The Power Operations Division operates and maintains the entire electric utility infrastructure. The Division plans, designs, and builds the system improvements to meet the customer's electrical needs to the highest degree possible. In 2006, the Division designed and constructed approximately \$3,100,000 in customer aid to construction projects. In 2007, the Division anticipates designing and constructing over \$2,000,000 in distribution system improvement and expansion projects.

Objectives

- To continue our high level of reliability by; keeping the average number of sustained outages per customer per year to less than 0.40. (SAIFI) When there is an outage, keep the average time to restore service to less than 30 minutes. (CAIDI) Maintaining a high level of power quality by keeping the number of momentary interruptions per customer to less than 0.50 per year. (MAIFI) Having a service availability of 99.9950% or greater. (ASAI)
- To keep our non-purchased power expenses reasonable. This will be monitored by dividing the total operating expenses less purchased power by the number of kilowatt hours sold.
- To continue to work safely by keeping the number of incident reports that are related to worker compensation injuries to no more than 2 per year. In addition, have 2 or less incident reports per year that are related to property damage.

Performance Measures	2006 Actual	2007 Budgeted	2008 Projected
System Average Interruption Frequency Index (SAIFI). <i>Note: the national average = 1.5</i>	0.401	0.30	0.40
Customer Average Interruption Duration Index (CAIDI). <i>Note: the national average = 81</i>	28.56	30.00	30.00
Average Number of momentary interruptions per customer per year (MAIFI). <i>Note: the national average = 6.6</i>	0.512	0.50	0.50
Average Service Availability Index (ASAI).	99.9946	99.995	99.995
Non-purchased power expenses per kilowatt hour sold.	0.015	0.017	0.016
# of incident reports related to workers' compensation.	7	3	2
# of staff preventable personal property damage incidents.	1	1	2

DIVISION
Power Finance

DEPARTMENT
Finance

SECTION SUMMARY:	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget
Utility Billing	838,600	944,280	944,280	1,025,300
Meter Reading	383,643	401,750	401,750	425,240
Warehouse	223,788	243,730	243,730	255,370
Utility Accounting	450,667	255,030	255,030	308,530
Total	1,896,698	1,844,790	1,844,790	2,014,440

EXPENSE BY FUND

Personal Services	1,421,172	1,463,330	1,463,330	1,560,080
Supplies	9,278	18,390	18,390	19,150
Purchased Services	265,339	338,260	338,260	408,900
Fixed Charges	200,909	24,810	24,810	26,310
Total Operating	1,896,698	1,844,790	1,844,790	2,014,440
Capital	3,648	46,720	46,720	34,750
Total Capital	3,648	46,720	46,720	34,750
Total Power Finance	1,900,346	1,891,510	1,891,510	2,049,190
FTE	22.1	22.9	22.9	23.1

BUDGET VARIANCES

(7,700) Decrease in purchased services for postage in Utility Billing/Customer Service Division.

38,000 Increase in purchased services for bad debt and collection costs.

40,000 Increase in purchased services for a rate study in 2008.

88,350 Normal Increases

85,750 Personal Services
760 Supplies
340 Purchased Services
1,500 Fixed Charges

SUPPLEMENTS

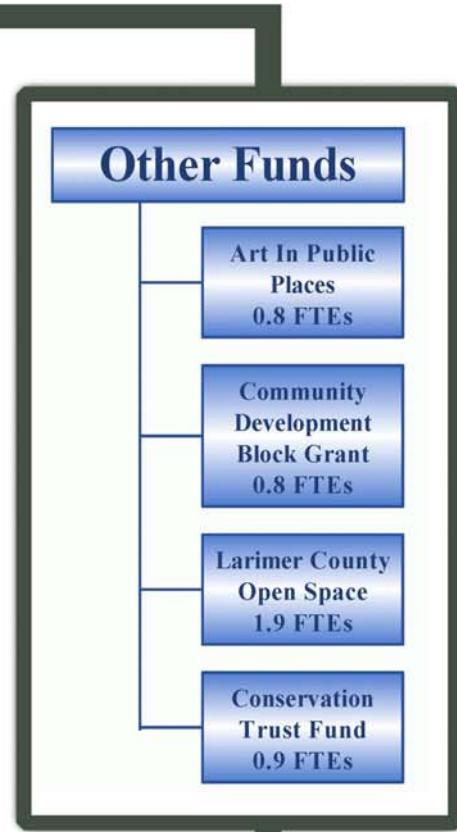
11,000 **Workload** - Increase in personal services for the allocation to the Power Enterprise for the addition of a half-time position in the Utility Billing Division.

169,650 Total Increase

OTHER FUNDS

This section contains information on the Special Revenue funds. Each has its own specific revenue source. These funds provided funding for a specific program or activity.

Two funds included here are the Airport Fund and the Loveland-Larimer Building Authority Fund (LLBA) which do not belong to any fund type, but are included in this document for informational services.



Airport Fund Summary

	'07 Adopted			'08 Budget /			
	'06 Actual Restated	Budget Restated	'07 Revised Budget	'08 Budget	'07 Adopted % Change	'07 FTE	'08 FTE
Airport Fund	4,213,650	1,680,670	3,858,670	6,369,470	279.0%	3.8	5.0

REVENUE

Beginning Balance	609,188	593,910	385,200	317,820		
Airport Revenue	682,930	680,760	680,760	722,760	6.2%	
Contributions from Gov'ts.	3,281,827	1,145,000	3,087,530	5,420,000	373.4%	
Gifts and Donations	-	-	-	310,000	-	
Interest	24,904	23,000	23,000	18,500	(19.6%)	
Subtotal	3,989,661	1,848,760	3,791,290	6,471,260	250.0%	
Total	4,598,849	2,442,670	4,176,490	6,789,080		

EXPENSE BY FUND

Personal Services	257,717	282,480	282,480	362,420	28.3%	
Supplies	28,932	23,500	23,500	24,000	2.1%	
Purchased Services	367,047	198,040	243,180	197,250	(0.4%)	
Fixed Charges	42,778	52,700	52,700	41,190	(21.8%)	
Transfers	23,450	23,450	23,450	23,450	-	
Capital	3,493,726	1,100,500	3,233,360	5,721,160	419.9%	
Total	4,213,650	1,680,670	3,858,670	6,369,470	279.0%	
Ending Balance	385,199	762,000	317,820	419,610		

BUDGET VARIANCES

64,060 Increase in personal services due to the addition of one position mid-year.

1,840 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Department's experience rating and forecasted liability costs.

(3,610) Decrease in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.

4,620,660 Increase in capital for the capital improvement program.

5,850 Normal Increases/Decreases

14,040 Personal Services

500 Supplies

(790) Purchased Services

(7,900) Fixed Charges

4,688,800 Total Increase

Airport

Overview

The Fort Collins–Loveland Municipal Airport's mission is to provide a safe and efficient air transportation facility for use by the aviation community and general public; to meet Federal Aviation Administration (FAA) safety standards; and to implement a plan for airport development that will continue to meet the needs of our communities.

The Fort Collins–Loveland Municipal Airport was developed by the two cities in the mid-1960s. The cities jointly oversee management of the airport. An Airport Director, who reports to both city Airport Liaisons, provides on-site management of the day-to-day operations. The City Managers, Airport Liaisons and the Airport Steering Committee are responsible for making major decisions similar to other operations of the City. An intergovernmental agreement specifies that the Liaisons from each City will provide supervision of the Airport Director and the City of Loveland will provide administrative support. Each city receives fair compensation for its services to ensure that costs are being shared equally.

Airport revenues cover operating costs and capital projects. Each city has historically contributed equal funding of \$60,000 for airport operating and capital costs. In 2008 and 2009 the Cities are being asked to increase their contributions to \$85,000 each to provide funding for a new full time airport employee. In 2010 the airport's budget will be required to cover the additional FTE costs and the Cities contributions will drop back to \$60,000 each. The new FTE is a Supervisor of Operations and Maintenance and is being hired to meet FAA requirements to ensure safe operations and maintenance of the Airport. These contributions are included in airport revenues. Airport development and improvement funds are also received, for eligible projects, from the FAA and the Colorado Department of Transportation, Division of Aeronautics.

The Airport negotiates land leases for the construction of hangars. The leases provide land rent revenues and, because they attract more aircraft to the airport, increase fuel sales which financially benefit the airport. Ownership of the hangars reverts to the Airport at the end of the lease, providing the Airport with revenue producing infrastructure.

Beginning midyear in 2003, commercial service returned to the airport with flights to Las Vegas, Nevada by Allegiant Airlines. At the beginning of 2007 Allegiant reduced their flight schedule from 5 to 4 flights per week. It is estimated that this schedule will remain in place during 2008.

Because Loveland provides support services for the Airport, the City adopts the Airport budget and includes it in this document. The Airport publishes no separate budget document.

Objectives

- Become self-sufficient by 2010.
- Increase availability of Airport ground for hangar construction.
- Maximize FAA and State Grant funding to maintain and expand the Airport.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% increase in fuel sales.	-10%	5%	3%
% increase in operating revenue.	-3%	10%	5%
% increase in ground rental income.	0%	5%	6%

Art in Public Places Fund Summary

	'06 Actual Restated	'07 Adopted		'08 Budget Budget	'07 Adopted % Change	'08 Budget / '07 FTE	
		Budget Restated	'07 Revised Budget			'07 FTE	'08 FTE
Art in Public Places	411,634	487,970	487,970	301,320	(38.3%)	0.8	0.8
REVENUE							
Beginning Balance	768,609	320,250	555,690	239,200			
Grants	-	70,000	70,000	70,000	-		
1% for the Arts	175,384	90,270	90,270	85,000	(5.8%)		
Interest	22,331	11,210	11,210	18,140	61.8%		
Other Revenues	1,000	-	-	-	-		
Subtotal	198,715	171,480	171,480	173,140	1.0%		
Total	967,324	491,730	727,170	412,340			
EXPENSE BY CATEGORY							
Personal Services	18,551	43,960	43,960	42,810	(2.6%)		
Supplies	2,682	4,000	4,000	3,400	(15.0%)		
Purchased Services	40,267	58,000	58,000	55,400	(4.5%)		
Capital	350,134	382,010	382,010	199,710	(47.7%)		
Total	411,634	487,970	487,970	301,320	(38.3%)		
Ending Balance	555,690	3,760	239,200	111,020			
BUDGET VARIANCES							
(2,600) Decrease in purchased services based upon expected art installations.							
(182,300) Decrease in capital requests based upon the Capital Program.							
(1,750) Normal Decreases							
(1,150) Personal Services							
(600) Supplies							
(186,650) Total Decrease							

Art in Public Place

Overview

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 purchased through the Program must be displayed in a public place, or with the owner's agreement, on private property that has substantial public exposure. A majority of the work in the collection has been donated by Loveland High Plains Art Council and other organizations, corporations, and individuals. The current value is over \$6 million.

Community Development Block Grant Fund Summary

	'07 Adopted		'08 Budget / '07 Adopted	'08 FTE
	'06 Actual Restated	Budget Restated		
CDBG	306,435	299,020	323,130	303,260

REVENUE

Grant Revenue	306,435	299,020	323,130	303,260	1.4%
Total	306,435	299,020	323,130	303,260	1.4%

EXPENSE BY CATEGORY

Personal Services	63,831	51,920	51,920	57,520	10.8%
Supplies	2,190	600	600	400	(33.3%)
Purchased Services	240,414	246,500	270,610	245,340	(0.5%)
Total	306,435	299,020	323,130	303,260	1.4%

BUDGET VARIANCES

4,270 Increase in personal services due to the reallocation of salaries and benefits between Human Services and the Community Development Block Grant Fund, resulting in an increase of .3 FTE.

(900) Decrease in purchased services due to changing the subscription provider from which information is received concerning HUD changes at the Federal level. No change in service level is anticipated.

(1,350) Decrease in purchased services due to the reduction of schooling expense and associated travel expense. Staff will utilize in-house training opportunities whenever possible, which are available at no cost.

(1,000) Decrease in purchased services due to the reduction of advertising expense to the minimum level necessary to meet HUD requirements for legal noticing.

2,590 Increase in grants due to increased grant revenue.

630 Normal Increases/Decreases

- 1,330 Personal Services
- (200) Supplies
- (500) Purchased Services

4,240 Total Increase

Community Development Block Grant

Overview

The City receives Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development. Congress limits these funds to be used primarily to address the needs of low and moderate income persons, to eliminate slum and blight, and meet urgent Community needs. Each year, the Human Services Commission advises the City Council on the allocation of funds for projects that meet goals established in the 5-year Consolidated Plan that guides the way the City expends CDBG dollars. For the past several years, the City Council has used the majority of CDBG funds to meet affordable housing and homeless needs in the Community.

Objectives

- Provide a grant allocation process and grant fund administration program to assist non-profit agencies that satisfies HUD requirements.
- Utilize grant funds to address the three goals of the 5-year Consolidated Plan:
 - Provide services to homeless persons through shelter, case management and permanent housing;
 - Create and maintain housing opportunities for households with low income; and,
 - Provide services that provide tools for self-sufficiency.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
% of agencies responding to a survey indicating satisfaction with the City's grant process.	97%	90%	90%
# of homeless families assisted through CDBG-funded programs.	81	75	75
# of housing units created, purchased or rehabilitated annually through CDBG-funded projects.	19	20	20
# of households with low income assisted with tools for self-sufficiency through CDBG-funded programs.	91	75	75
# of grant applications processed.	7	8	8

Conservation Trust Fund Summary

	'07 Adopted			'08 Budget	'08 Budget /		
	'06 Actual Restated	Budget Restated	'07 Revised Budget		'07 Adopted	'07 % Change	'08 FTE
Conservation Trust	169,992	1,258,490	2,447,460	154,820	(87.7%)	0.9	0.9
REVENUE							
Beginning Balance	4,503,041	2,372,680	5,177,090	3,354,630			
Lottery Proceeds	636,332	515,000	515,000	500,000	(2.9%)		
Interest	207,707	110,000	110,000	120,000	9.1%		
Subtotal	844,039	625,000	625,000	620,000	(0.8%)		
Total	5,347,080	2,997,680	5,802,090	3,974,630			
EXPENSE BY CATEGORY							
Personal Services	93,148	100,850	100,850	121,060	20.0%		
Supplies	13,528	15,650	15,650	15,650	-		
Purchased Services	4,739	3,460	3,460	4,150	19.9%		
Fixed Charges	12,781	13,530	13,530	13,960	3.2%		
Transfers	-	1,000,000	2,008,970	-	(100.0%)		
Capital	45,796	125,000	305,000	-	(100.0%)		
Total	169,992	1,258,490	2,447,460	154,820	(87.7%)		
Ending Balance	5,177,088	1,739,190	3,354,630	3,819,810			
BUDGET VARIANCES							
16,220	Increase in personal services for workers' compensation due to the re-allocation of the Department's cost by division, based on the Division's experience rating and forecasted liability costs. Workers' compensation costs for all Parks and Recreation divisions were formerly combined within Administration.						
690	Increase in purchased services for general liability costs based on the Department's historical experiences and forecasted liability costs.						
430	Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.						
(1,000,000)	Decrease in transfers to the Capital Projects Fund for partial funding of the Fairgrounds Park project.						
(125,000)	Decrease in capital due to one-time construction projects.						
3,990	Normal Increase						
3,990	Personal Services						
(1,103,670)	Total Decrease						

Conservation Trust

Overview

Revenues are derived from State Lottery and Lotto proceeds and are restricted for recreational facilities and park projects. City Council dedicated these funds in 1988 for the construction of the recreational trail system loop.

Objectives

- Increase recreation trail miles to achieve recommended service levels in the Master Plan.
- Planning and design for Highway 287 Underpass and adjacent trail in North Loveland.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
Miles of developed trail.	15.50	16.50	19.25
Maintenance cost per trail mile.	\$6,882	\$8,090	\$7,250

General Improvement District #1 Summary

	'07 Adopted		'08 Budget /		'07 FTE	'08 FTE
	'06 Actual Restated	Budget Restated	'07 Revised Budget	'08 Budget		
GID #1	19,146	24,500	24,500	24,500	-	-
REVENUE						
Beginning Balance	24,151	37,390	39,550	51,380		
Real Property	32,363	34,830	34,830	36,570	5.0%	
Interest on Investments	2,180	1,500	1,500	2,310	54.0%	
Subtotal	34,543	36,330	36,330	38,880	7.0%	
Total	58,694	73,720	75,880	90,260		
EXPENSE BY CATEGORY						
Supplies	79	2,000	2,000	2,000	-	
Purchased Services	7,067	10,500	10,500	10,500	-	
Transfers	12,000	12,000	12,000	12,000	-	
Total	19,146	24,500	24,500	24,500		
Ending Balance	39,548	49,220	51,380	65,760		

General Improvement District #1

Overview

This fund is managed by the Public Works Department. Revenues are provided by an ad valorem tax on all properties within the District's boundaries. The tax provides funding for the construction of parking and pedestrian improvements within the District. The mill levy for the District will remain unchanged at 2.684 mills.

Loveland Larimer Building Authority Summary

	'07 Adopted			'08 Budget /			'08 FTE
	'06 Actual Restated	Budget Restated	'07 Revised Budget	'08 Budget	'07 Adopted % Change	'07 FTE	
Building Operations	438,309	445,390	445,390	452,030	1.5%	2.0	2.0
Grounds Maintenance	13,659	14,250	14,250	14,250	-	-	-
Total	451,968	459,640	459,640	466,280	1.4%	2.0	2.0

REVENUE

Larimer County Contribution	92,620	105,720	105,720	107,240	1.4%
Transfer from General Fund	359,348	353,920	353,920	359,040	1.4%
Total	451,968	459,640	459,640	466,280	1.4%

EXPENSE BY CATEGORY

Personal Services	114,288	117,950	117,950	124,590	5.6%
Supplies	1,962	1,250	1,250	1,250	-
Purchased Services	306,026	340,440	340,440	340,440	-
Fixed Charges	29,692	-	-	-	-
Total	451,968	459,640	459,640	466,280	1.4%

BUDGET VARIANCES

6,640 Normal Increase

6,640 Personal Services

6,640 Total Increase

Loveland Larimer Building Authority

Overview

The Loveland Larimer Building Authority was created to construct and operate the new Police & Courts Facility located at Monroe Avenue and 10th Street. This will be the fifth year the facility is in operation. The contribution from the City and the County is determined based on the square footage each entity occupies in the facility. The two FTEs include a building attendant and a facilities maintenance technician, which are supervised through the Public Works Department, Facility Maintenance Division. Operating costs include janitorial supplies, parts and supplies (other than janitorial), custodial costs, utilities, and repair and maintenance. Beginning in 2005, the Parks and Recreation Department began management of the grounds maintenance at the site.

Park Improvement Fund Summary

	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget	'08 Budget / '07 Adopted % Change	'07 FTE	'08 FTE
Park Improvement	197,193	400,100	1,200,100	250,000	(37.5%)	-	-
REVENUES							
Beginning Balance	1,920,167	1,146,830	1,855,040	849,070			
County Fees	3,598	2,000	2,000	3,570	78.5%		
User Fees	35,537	42,130	42,130	42,280	0.4%		
Interest	83,924	50,000	50,000	26,000	(48.0%)		
Other Revenue	9,006	100,000	100,000	100,000	-		
Subtotal	132,065	194,130	194,130	171,850	(11.5%)		
Total	2,052,232	1,340,960	2,049,170	1,020,920			
EXPENSE BY CATEGORY							
Supplies	-	100	100	-	(100.0%)		
Transfers	-	400,000	1,200,000	-	(100.0%)		
Capital	197,193	-	-	250,000	-		
Total	197,193	400,100	1,200,100	250,000	(37.5%)		
Ending Balance	1,855,039	940,860	849,070	770,920			

BUDGET VARIANCES

(400,000) Decrease in transfers due to transfers to the Capital Projects Fund for partial funding of the Youth Sports Park.

250,000 Increase in capital due to park facility and repairs as needed.

(100) Normal Decrease

(100) Supplies

(150,100) Total Decrease

Park Improvement Fund

Overview

The Parks & Recreation Department administers and manages the Parks and Recreation Improvement Program which is earmarked for the capital repair and replacement of existing park infrastructure.

Larimer County Open Space Fund Summary

	'07 Adopted		'08 Budget /		'07 Adopted	'07 FTE	'08 FTE
	'06 Actual Restated	Budget Restated	'07 Revised Budget	'08 Budget			
Larimer County Open Space	149,154	1,677,690	1,681,380	1,940,430	15.7%	1.9	1.9

REVENUE

Beginning Balance	5,030,503	4,616,220	6,434,760	6,315,480			
County Open Space Taxes	1,420,812	1,457,700	1,457,700	1,486,850	2.0%		
Interest on Investments	121,539	100,000	100,000	105,000	5.0%		
Miscellaneous	11,056	4,400	4,400	5,000	13.6%		
Subtotal	1,553,407	1,562,100	1,562,100	1,596,850	2.2%		
Total	6,583,910	6,178,320	7,996,860	7,912,330			

EXPENSE BY CATEGORY

Personal Services	138,761	152,840	152,840	155,390	1.7%		
Supplies	2,085	8,700	8,700	8,700	-		
Purchased Services	8,308	36,150	39,840	36,340	0.5%		
Capital	-	1,480,000	1,480,000	1,740,000	17.6%		
Total	149,154	1,677,690	1,681,380	1,940,430	15.7%		
Ending Balance	6,434,756	4,500,630	6,315,480	5,971,900			

BUDGET VARIANCES

420 Increase in personal services for workers' compensation due to the allocation of the City's cost based on the Department's experience rating and forecasted liability costs.

190 Increase in purchased services for general liability costs based on the Department's historical experiences and forecasted liability costs.

260,000 Increase in capital due to projected costs for land acquisition and projects.

2,130 Normal Increase

2,130 Personal Services

262,740 Total Increase

Larimer County Open Space

Overview

The Parks & Recreation Department administers and manages the Open Space Program to identify, acquire, and maintain areas in conformance with the Natural Areas Plan. Funding is from a portion of the Larimer County Open Space sales tax of .25 cents, which was approved through 2018. There are currently 1,957 acres of open lands preserved through this funding source.

Objectives

- Increase amount of open lands in and surrounding Loveland.
- Complete management and maintenance plans for current sites.

Performance Measures	2006	2007	2008
	Actual	Budgeted	Projected
# of acres of open space preserved.	1,957	1,957	1,987
Open space operational cost.	\$149,154	\$201,380	\$200,430
Open space operational cost per acre.	\$76.22	\$102.90	\$100.87

Loveland Special Improvement District #1

	'07 Adopted			'08 Budget /		
	'06 Actual Restated	Budget Restated	'07 Revised Budget	'08 Budget	'07 Adopted % Change	'07 FTE
Loveland SID #1	1,901,465	1,354,500	1,354,500	777,890	(42.6%)	-

REVENUE

Beginning Balance	2,135,462	2,034,730	2,062,940	1,928,600		
Assessments	1,735,613	1,138,770	1,138,770	734,990	(35.5%)	
Interest	93,334	81,390	81,390	86,790	6.6%	
Subtotal	1,828,947	1,220,160	1,220,160	821,780	(32.6%)	
Total	3,964,409	3,254,890	3,283,100	2,750,380		

EXPENSE BY CATEGORY

Debt Service	1,599,500	1,109,500	1,109,500	686,290	(38.1%)
Capital	301,965	245,000	245,000	91,600	(62.6%)
Total	1,901,465	1,354,500	1,354,500	777,890	(42.6%)
Ending Balance	2,062,944	1,900,390	1,928,600	1,972,490	

BUDGET VARIANCES

(153,400) Decrease in capital due to completion of approved projects.

(423,210) Decrease in debt service cost due to the early repayment of bonds.

(576,610) Total Decrease

Loveland Special Improvement District #1

Overview

The City serves as the sponsoring agency for the Special Improvement District #1. 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.

The revenue projection for 2008 reflects adjustment made to the assessments due to the Refunding Bond Ordinance approved by Council on June 19, 2007. The refunding reduced the debt service cost by over \$2 million.

Loveland Urban Renewal Authority Fund Summary

	'07 Adopted		'08 Budget	'08 Budget /		'07	'08
	'06 Actual	Budget		'07 Adopted	% Change		
	Restated	Restated	Budget			FTE	FTE
Downtown Project Area	-	-	-	-	-	-	-
Finley Block Project Area	-	-	-	-	-	-	-
U.S. 34 Crossroads Project Area	838,850	1,897,760	1,897,760	4,303,000	126.7%	-	-
Total	838,850	1,897,760	1,897,760	4,303,000	126.7%	-	-
REVENUE							
Beginning Balance	1,867	19,890	66,650	84,860			
Property Tax Increment	897,999	1,914,370	1,914,370	4,310,180	125.1%		
Sales Tax Increment	-	-	-	-	-		
Interest	5,637	1,600	1,600	3,820	138.8%		
Subtotal	903,636	1,915,970	1,915,970	4,314,000	125.2%		
Total	905,503	1,935,860	1,982,620	4,398,860			
EXPENSE BY CATEGORY							
Purchased Services	-	-	-	50,000	-		
Debt	838,850	1,897,760	1,897,760	4,253,000	124.1%		
Total	838,850	1,897,760	1,897,760	4,303,000	126.7%		
Ending Balance	66,653	38,100	84,860	95,860			

Loveland Urban Renewal Authority

Overview

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. The following pages display the budgets for each project area.

	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget	'08 Budget / '07 Adopted % Change	'07 FTE	'08 FTE
Downtown	-	-	-	-	-	-	-
REVENUE							
Beginning Balance							
Beginning Balance	1,867	19,890	11,500	14,380			
Property Tax Increment	9,616	2,080	2,080	2,180	4.8%		
Sales Tax Increment	-	-	-	-	-		
Interest	21	800	800	650	(18.8%)		
Subtotal	9,637	2,880	2,880	2,830	(1.7%)		
Total	11,504	22,770	14,380	17,210			
EXPENSE BY CATEGORY							
Capital	-	-	-	-	-		
Total	-	-	-	-	-		
Ending Balance	11,504	22,770	14,380	17,210			

Downtown Project Area

Overview

In 2002, Downtown was the first project area approved in Loveland. Revenue from the tax increment of both property taxes and sales taxes will be retained by LURA to fund revitalization improvements within this project area.

LURA has developed a Downtown Façade Improvement Program to assist in improving the condition and appearance of downtown buildings. The program provides tax increment financing, in the form of annual grant installments, for façade improvements that increase the assessed value of an existing property.

The grant is intended to:

- Promote improvements to structures in the Loveland Urban Renewal Area and eliminate and prevent conditions that cause blight;
- Preserve the unique character of downtown's historic buildings by providing leverage to private investment and historic preservation monies;
- Encourage aesthetic improvements to facades of non-historic buildings by providing leverage to private investment monies.

The grant program will be implemented when adequate funds are available from the tax increment in the project area.

	'06 Actual Restated	'07 Adopted Budget Restated	'07 Revised Budget	'08 Budget	'08 Budget / '07 Adopted % Change	'07 FTE	'08 FTE
Finley Block	-	-	-	-	-	-	-
REVENUE							
Beginning Balance							
Property Tax Increment	-	14,530	14,530	8,000	(44.9%)		
Sales Tax Increment	-	-	-	-	-		
Interest	-	800	800	690	(13.8%)		
Subtotal	-	15,330	15,330	8,690	(43.3%)		
Total	-	15,330	15,330	24,020			
EXPENSE BY CATEGORY							
Debt	-	-	-	-	-		
Total	-	-	-	-	-		
Ending Balance	-	15,330	15,330	24,020			

Finley Block Project Area

Overview

The most recent project area established is also in downtown Loveland. Finley Block Project, also known as Lincoln Place, is a one-block area that was originally included in the first project area. Lincoln Place will provide residential apartments, retail shopping and public parking on what is locally known as the “Walgreen’s” block. Both sales tax and property increment financing will be used to fund the public improvements.

	'07 Adopted			'08 Budget /			
	'06 Actual Restated	Budget Restated	'07 Revised Budget	'08 Budget	'07 Adopted % Change	'07 FTE	'08 FTE
U.S. 34 Crossroads	838,850	1,897,760	1,897,760	4,303,000	-	-	-

REVENUE

Beginning Balance	-	-	55,150	55,150		
Property Tax Increment	888,383	1,897,760	1,897,760	4,300,000	126.6%	
Interest	5,616	-	-	2,480	-	
Subtotal	893,999	1,897,760	1,897,760	4,302,480	126.7%	
Total	893,999	1,897,760	1,952,910	4,357,630		

EXPENSE BY CATEGORY

Purchased Services	-	-	-	50,000	-	
Debt	838,850	1,897,760	1,897,760	4,253,000	124.1%	
Total	838,850	1,897,760	1,897,760	4,303,000	126.7%	
Ending Balance	55,149	-	55,150	54,630		

BUDGET VARIANCES

50,000 Increase in purchased services for administration fees due to the City.

2,355,240 Increase in debt costs for the transfer to the Metropolitan District to repay bonds, based on the revenue estimates.

2,405,240 Total Increase

U.S. 34 Crossroads Project Area

Overview

In January, 2004 the LURA approved the second project area. The U.S. 34/Crossroads Corridor Renewal Plan approves property tax increment financing for partial funding of specific public improvements within the Centerra development area and regional improvements adjacent to Centerra. The tax increment financing will remain in effect for 25 years or until the financing obligations are paid in full, whichever occurs first.

Public improvements within the renewal area include:

- Roadway and utility infrastructure.
- Railroad crossings.
- Irrigation ditch relocations.
- Natural area, open space and public recreational improvements.

Regional improvements include:

- I-25 and Crossroads Boulevard interchange improvements.
- Interim I-25 and U.S. 34 interchange improvements.
- County Road 5 and U.S. 34 structure.
- County Road 3E and U.S. 34 structure.
- Final I-25 and U.S. 34 interchange improvements.

CAPITAL PROGRAM

This section contains a 5-Year Capital Program for the City. It describes the major 2008 projects and their financial impact on the operating budget.



Capital Program

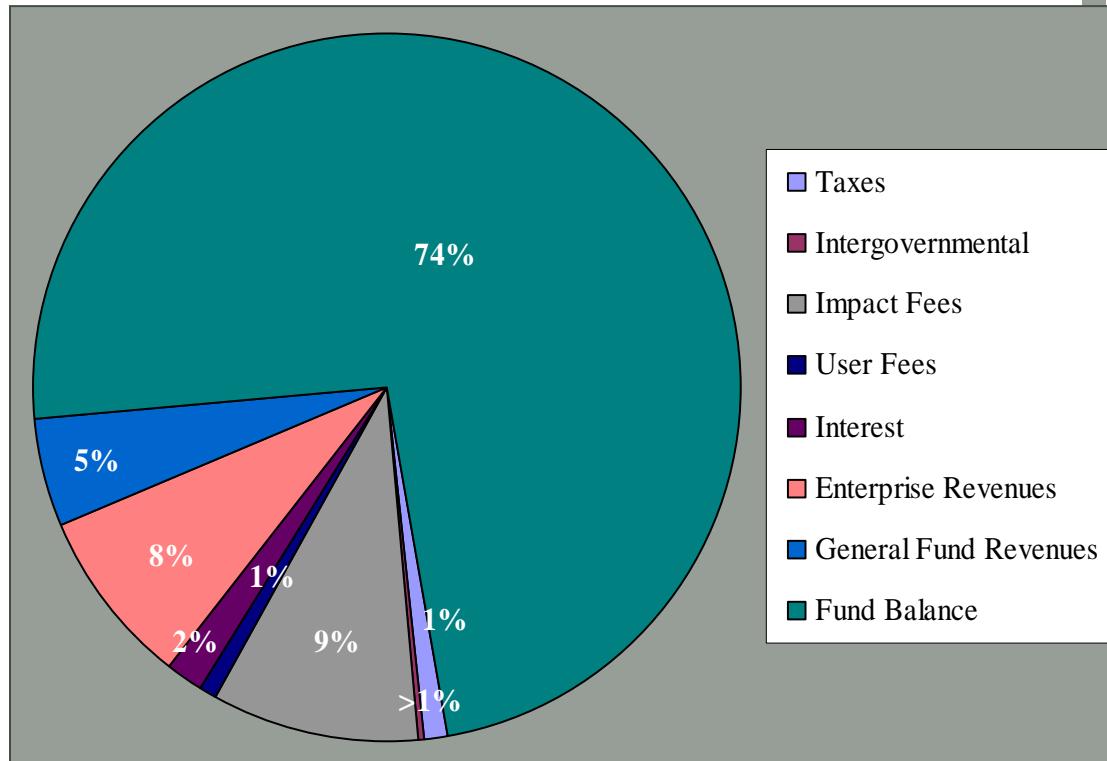
The City of Loveland's 5-Year Capital Program is the financial plan for the City to maintain existing facilities and infrastructure and meet the needs for new facilities and infrastructure, which are funded through taxes, impact fees, or other special revenues. Projects have been prioritized using the Council's major goals for the City by need and by operating impacts to the General Fund. Projects have been funded in the Program to minimize operating impacts in any one year so that operating expenditures will keep pace with revenue growth allowed under TABOR. Most of the funding for the Program is from dedicated resources, not General Fund resources as shown in the graph below.

All projects included in the first year of the Capital Program are funded in the 2008 Recommended Budget. Projects included in the "out-years" (2009–2012) will be approved by Council in concept only. The Program will be updated annually to address specific needs as they arise or as Council goals and policies change.

There are far more capital needs than the City has resources to fund. Growth within the City has strained both the street system and the parks system to maintain levels of service to which the community has become accustomed.

The City has developed a 20-Year Transportation Plan to widen existing and construct new streets necessary to keep traffic movement at "Level C". The Transportation Plan is funded with CEF revenue and \$2 million of General Fund

revenues in each year of the Plan. For 2008, the General Fund portion is funded by using the TABOR Revenue Reserves.



2008 Capital Program All Funds Summary

	2008	2009	2010	2011	2012
Beginning Balance	107,244,450	106,066,100	105,830,810	76,888,140	84,386,130
Revenues					
Taxes	1,486,850	1,516,590	1,546,920	1,577,860	1,609,410
Intergovernmental	500,000	500,000	1,700,000	500,000	500,000
Impact Fees	13,726,970	14,360,560	14,362,870	13,864,530	14,533,050
User Fees	1,473,590	1,521,350	1,573,140	1,626,750	1,682,220
Interest	2,261,920	2,352,080	2,347,990	1,736,810	2,103,730
Enterprise Revenues	11,828,770	7,700,150	15,206,060	10,915,080	11,011,410
General Fund Revenues	7,069,070	5,497,010	9,245,940	6,161,120	8,923,170
Private Contributions	-	-	2,000,000	-	-
Total Revenue	38,347,170	33,447,740	47,982,920	36,382,150	40,362,990
Transfers	4,282,480	4,640,000	15,533,950	3,000,000	4,500,000
Total Resources	149,874,100	144,153,840	169,347,680	116,270,290	129,249,120
Expenses					
Capital Projects Fund	12,779,290	11,614,720	32,035,370	10,744,080	15,061,530
CEF Fund	7,646,270	12,687,910	21,610,440	4,101,330	5,553,130
Park Imp. Fund	250,000	-	200,000	-	-
Con. Trust Fund	-	650,000	250,000	-	300,000
Open Space Fund	1,740,000	1,265,000	1,315,000	1,200,000	1,250,000
Enterprise Funds	21,392,440	12,105,400	37,048,730	15,838,750	19,486,440
Total Capital	43,808,000	38,323,030	92,459,540	31,884,160	41,651,100
Less Transfers	(4,282,480)	(4,640,000)	(15,533,950)	(3,000,000)	(4,000,000)
Net Capital	39,525,520	33,683,030	76,925,590	28,884,160	37,651,100
Ending Balance	106,066,100	105,830,810	76,888,140	84,386,130	87,598,020

Capital Program Overview

The majority of the Capital Program resides in the Enterprise Funds and the Capital Expansion Fee (CEF) Fund. The CEF Fund is where all impact fees with the exception of Plant Investment Fees (PIF) and System Impact Fees (SIF) are budgeted. The PIFs and SIFs are included within the Utility Enterprise Funds capital programs. The following is a summary of the major projects included in the Capital Program.

Building Projects

- **Facility Maintenance Projects** – In 2003, the City began an accelerated facility maintenance program. Many of the City facilities are now over 10 years in age and will require an increased maintenance effort. This will include roof replacements, upgrades or replacement of heating and cooling systems, carpet replacement, and general repair. The City will invest nearly \$2.5 million towards this effort over five years using General Fund revenues.
- **Service Center Addition** – Phase III of the addition to the Service Center will house the Streets, Solid Waste, and the Storm Water divisions, along with the equipment associated with these operations. The project is estimated to cost \$11.1 million to complete, and is projected to open in 2011. The funding source is General Government Impact Fees, Storm Water and Solid Waste enterprise revenues.
- **Hatfield Chilson Recreation Center Expansion** – The expansion of the Center will provide additional court and exercise space and parking. The total cost is projected to be \$6.6 million. The funding source is Recreation Impact Fees, and the expanded facility is projected to open in 2010.
- **Community Building** – Growth in the City has driven the demand for more community meeting space. A new Community Center near downtown will provide meeting rooms and space for community events. Conceptual design funds are included in the 2008 to develop the scope of the project. An additional \$4.38 million is included in the program for final design and construction of the facility, for a total project cost of \$4.58 million. The building is scheduled to open in 2013 and funding is located in the General Fund in the Council Capital Reserve.
- **Parking Facility** – As the downtown area continues its recovery, parking space has become an issue. \$6.58 million is included in the program to fund the purchase of land and construction of a parking facility. The funding source is General Fund revenues from the Council Capital Reserve.
- **Library Expansion** - The Loveland Public Library has not been expanded since the construction of the current building in the late 1980's. \$9.4 million is programmed to expand the facility by renovating the existing space and adding a second floor. The expanded facility is projected to begin operations in 2011. The funding sources are Library and General Government CEFs, and private contributions.
- **New Recreation Center** – Projected growth in the community will drive the need for an additional recreation facility located in a different part of the City from the Civic Center complex. \$1 million is programmed in 2008 to purchase land for the facility. Construction timing will depend on future Recreation CEF revenue collections.
- **Civic Center Parking** - Increased activity at the Civic Center complex has maximized use of the parking area at the complex. \$1.05 million is programmed to construct additional parking.
- **Marianna Butte Golf Course Clubhouse** - \$2.04 million, funded by Golf revenues is programmed to construct a new clubhouse at the Marianna Butte Golf Course. The new facility is projected to open in 2011.

Park Projects

- **Mehaffey Park** – Development of the new 60-acre community park in the northwest side of town, with play facilities and athletic fields. The total projected cost is \$6.7 million and the facility is planned to open in 2011. The funding source is Park impact fees.
- **Parkland and Water Rights Acquisition** – \$2 million from the Park Impact Fees is allocated over the five-year period to increase the amount of water in the Park's portfolio and to acquire additional parkland.
- **Open Land Acquisition** – Over \$8.59 million is programmed over the next five years for the purchase of additional open space around the City. The funding sources are the Open Space impact fees and the County Open Space sales tax.
- **Trail Construction** – \$2.25 million is programmed over the next five years for construction of the bike/hike trail that will circle the City upon completion. The funding sources are Colorado Lottery funds and Trail impact fees.
- **Golf Course Improvements** – \$3.12 million over the five-year period for course improvements and equipment replacement is programmed.

Infrastructure Projects

- **Street Construction** – \$26.4 million is programmed over the next five years for construction and renovation of the City streets, based on the 2030 Transportation Plan. The funding sources are the Streets CEFs and General Fund revenues.
- **Street Rehabilitation** - \$17.01 million is programmed over the five-year period for rehabilitation of existing streets. The funding source is General Fund revenues and the Transportation Utility Fee.
- **Downtown Streetscape Improvements** - \$1 million is programmed in 2011 for improvements to the streetscape downtown. The funding source is General Fund revenues from the Council Capital Reserve.
- **Fire Training Facility Improvements** - \$325,000 is programmed in 2008 to resurface the driving training area.
- **Storm Water System Improvements** – \$9.8 million is programmed over the five-year period for storm water improvements. The funding source is Storm Water Enterprise revenues.
- **Storm Water Quality** – \$250,000 is programmed over the five-year period for the new Storm Water Quality Program to meet increasing storm water quality regulations. The funding source is Storm Water Enterprise revenues.
- **Storm Water Oversizing** – \$2.65 million is programmed to reimburse development for oversizing the storm drainage system in new developments. The funding source is Storm Water impact fees.
- **Water Delivery Projects** – \$32.7 million in various water delivery projects, including main extensions and oversizing, and additional storage by firming the Windy Gap rights, is programmed over the five-year period. The funding source is Water Enterprise revenues and impact fees.
- **Water Treatment Plant Improvements** – \$2.75 million is programmed over the next five-year period. Both operating revenues and SIF fees fund the projects. This is an annual program to keep the treatment plant current with demand, technology improvements and EPA/State mandated compliance with water quality regulations.
- **Wastewater Main Improvements** – \$8.97 million is programmed for wastewater main improvements. The funding source is Wastewater Enterprise revenues and impact fees.
- **Wastewater Treatment Plant Improvements** – This is an ongoing program resulting from new EPA mandates for water quality and anticipated growth. Costs for 2008 are \$3.058 million, with a total of \$9.3 million of projected costs over the next five-year period. Both operating revenues and SIF fees fund the projects.
- **Power Distribution Projects** – \$29.7 million is programmed over the five-year period for various power distribution projects. The funding source is Power Enterprise revenues and impact fees.

Technology Infrastructure Projects

- **Public Works Asset Management System** – A new asset management and work-order system is programmed for 2008 at a cost of \$374,850. The total project will include over \$100,000 in operating costs to collect data for the system and to manage the system.
- **Human Resources Module** - \$100,000 is programmed in 2008 to update the Human Resources module for better employee data and information retrieval.

Operating Impacts

For most of the Capital Program, particularly in the Enterprise Funds, the operating impacts are incremental due to additional miles of trails, water lines or power lines. For these projects and for the Facility Maintenance projects, the operating expenses may go down since they are replacing old lines or equipment, increasing the reliability and decreasing annual maintenance required. Due to the replacement schedule, budget savings in total may not be achieved due to the aging of infrastructure not being replaced and increased maintenance costs.

The major operating impacts are to the General Fund, due to additional staffing and maintenance of the new facilities. These impacts are shown in the chart that follows. For more details on these projects, see each individual fund's Capital Program line on the pages that follow.

Project	2008	2009	2010	2011	2012
Service Center	-	-	250,000	-	-
Hatfield Chilson Rec. Ctr. Expansion	-	-	450,000	-	-
Fairgrounds Park	78,650	209,000	-	-	-
Mehaffey Park	-	-	-	420,000	-
Library Expansion	-	-	-	344,320	-
Asset Management System	100,580	-	-	-	-
Total	\$179,230	\$209,000	\$700,000	\$764,320	\$-

Capital Projects Fund

REVENUE

Description	2008	2009	2010	2011	2012
Transfer from CEF - General Gov't	282,480	1,100,000	6,871,050	-	-
Transfer from CEF - Streets	4,000,000	2,600,000	2,800,000	3,000,000	4,000,000
Transfer from CEF - Fire	-	-	-	-	500,000
Transfer from CEF - Library	-	940,000	4,169,800	-	-
Transfer from Solid Waste	-	-	2,526,050	-	-
Transfer from Storm Water	-	-	1,693,100	-	-
Transfer from General Fund	7,069,070	5,497,010	9,245,940	6,161,120	8,923,170
Transportation Fee	1,427,740	1,477,710	1,529,430	1,582,960	1,638,360
Federal and State Grants	-	-	1,200,000	-	-
Private Contributions	-	-	2,000,000	-	-
Total Revenue	12,779,290	11,614,720	32,035,370	10,744,080	15,061,530

EXPENSE

Description	2008	2009	2010	2011	2012
Asset and Workorder System	374,850	-	-	-	-
Subtotal Information Technology	374,850	-	-	-	-
Fire Training Grounds Improvements	325,000	-	-	-	-
Fire Apparatus Replacement	-	710,000	400,000	-	350,000
Subtotal Fire & Rescue	325,000	710,000	400,000	-	850,000
Human Resource Module	100,000	-	-	-	-
Total Human Resources	100,000	-	-	-	-
Library Renovation	-	940,000	8,460,000	-	-
Total Library	-	940,000	8,460,000	-	-
Service Center Phase III	-	1,100,000	10,000,000	-	-
Downtown Imp.-Community Bld.	200,000	-	-	257,600	4,118,400
Downtown Imp.-Parking	1,810,000	476,500	4,288,500	-	-
Downtown Imp.- Streetscape Imp.	-	-	-	1,000,000	-
Facility Roof Projects	80,000	110,000	-	40,000	-
Facilities Bldg. Maintenance Projects	330,000	390,000	500,000	455,000	420,000
Facility Carpet Replacement	90,000	-	-	-	80,000
Street Construction	6,000,000	4,600,000	4,800,000	5,000,000	6,000,000
Street Rehabilitation	3,254,440	3,288,220	3,386,870	3,488,480	3,593,130
Equipment Replacement	215,000	-	200,000	503,000	-
Subtotal Public Works	11,979,440	9,964,720	23,175,370	10,744,080	14,211,530
Total General Fund	12,779,290	11,614,720	32,035,370	10,744,080	15,061,530

Capital Projects Fund

Major projects for 2008 include:

- Funding for major maintenance at City facilities (\$500,000). Projects included are:
 - Replacement of the carpet at the Municipal Building (\$90,000);
 - Replacement of the roof at the Maintenance Operations Building (\$80,000);
 - Replace Library sky lights (\$60,000);
 - Reseal the Vehicle Maintenance shop floor (\$40,000);
 - Furniture for anticipated projects (\$40,000);
 - Continuation of the Parking Lot Repair Program (\$35,000);
 - Paint Chilson pool area ceiling (\$30,000);
 - Replacement of two RTUs at Fire Station (\$25,000);
 - Replace the Vehicle Maintenance shop HVAC system (\$25,000)
 - Upgrade Library HVAC controls (\$20,000);
 - Balance the HVAC at the municipal Center (\$20,000);
 - Replace an RTU at the Hatfield Chilson Senior Center (\$15,000);
 - Replace the Winona Pool boiler (\$15,000); and,
 - Replace the Winona Pool Water Heater (\$6,000).
- Funding for the purchase of hardware and software for an Asset and Workorder system (\$374,850).
- Funding for software for a Human Resources module (\$100,000).
- Funding for the conceptual design of a downtown Community Building (\$200,000).
- Funding for a parking study and land purchase for a parking structure (\$1,810,000).
- The Street Construction Program is budgeted at \$6.0 million in 2008. Major projects include:
 - Right of Way (ROW) and design for improvements to Taft Avenue from the Akins Branch RR to U.S. 34 (\$2,700,000);
 - US 34 and Madison Intersection preliminary design (\$1,400,000);
 - Crossroads Boulevard – I25 to Larimer County Road 5 (\$200,000);
 - Wilson & Eisenhower traffic signal improvements (\$180,000); and,
 - An annual appropriation for ROW for unplanned opportunities (\$200,000).
- Developer Reimbursements for oversizing include:
 - Boyd Lake Avenue (GL Canal to lost Creek - \$132,000);
 - US 287/57th Street Intersection (\$441,400);
 - Taft Avenue, 43rd Street to 57th Street (\$120,000); and,
 - Wilson Avenue, 43rd Street to 50th Street (\$100,000);
- Funding for annual Street Rehabilitation Program (\$3,254,440).
- Funding to replace a street paver (\$215,000).

Major projects in the "out-years" include:

- Replacement of three Fire Apparatus (\$1,460,000);
- The design and construction of the Phase III addition to the Service Center to house the Streets Division, Solid Waste Division, and Storm Water Division (\$11.1 million);
- The expansion of the Loveland Public Library (\$9,400,000);
- Design and construction of a new Community Building (\$4,376,000);
- Design and construction of a downtown parking structure (\$4,764,500);
- Downtown streetscape improvements (\$1,000,000);
- Continuation of the Street Construction Program (20,400,000);
- Continuation of the Street Rehabilitation Program (\$13,756,700); and,
- Public Works major equipment replacement (\$703,000).

Capital Expansion Fee Fund Summary

REVENUE		2008	2009	2010	2011	2012
Description						
CEF Fees		9,049,390	9,439,330	9,494,010	9,234,150	9,511,180
CEF Interest		1,744,630	1,869,040	1,796,870	1,375,630	1,649,470
Fund Balance		40,984,270	44,132,020	42,752,480	32,432,920	38,941,370
Total Revenue		51,778,290	55,440,390	54,043,360	43,042,700	50,102,020
EXPENSE						
Description		2007	2008	2009	2010	2011
Street Projects		4,000,000	2,600,000	2,800,000	3,000,000	4,000,000
Park & Recreation Projects		3,296,290	8,047,910	6,149,590	1,101,330	1,053,130
Fire Projects		-	-	-	-	500,000
Library Projects		-	940,000	4,169,800	-	-
General Government Projects		282,480	1,100,000	8,491,050	-	-
Police Projects		67,500	-	-	-	-
Total CEFs		7,646,270	12,687,910	21,610,440	4,101,330	5,553,130
Ending Balance		44,132,020	42,752,480	32,432,920	38,941,370	44,548,890

CEF Fund

The Capital Expansion Fee (CEF) Fund is the funding source for new facilities or infrastructure that is the result of growth in the community. Revenues are from fees charged to new development and are restricted to use for new facilities and infrastructure which add to the City capacity. Projects to enhance service levels are not eligible for funding from these fees. The City currently has CEF fees for Streets, Parks, Recreation, Trails, Open Space, Fire, Law Enforcement, Library, Cultural Services, and General Government. For many projects, impact fee funding is transferred to the Capital Projects Fund and combined with other funding sources.

The Utility Enterprise Funds also include revenues from “impact” fees. These are the System Impact Fee (SIF) in the Water, Wastewater, and Storm Water funds, and the Plant Impact Fee (PIF) in the Power Fund. Projects funded by these fees are included in the Enterprise Capital Programs.

CEF Fund - Streets

REVENUE Description	2008	2009	2010	2011	2012
Street CEF Fund Balance	4,691,690	3,906,620	4,571,740	5,148,380	5,637,920
Street CEF	3,003,800	3,089,320	3,170,910	3,257,860	3,355,600
Interest	211,130	175,800	205,730	231,680	253,710
Total Revenue	7,906,620	7,171,740	7,948,380	8,637,920	9,247,230
EXPENSE Description	2008	2009	2010	2011	2012
Street Widening Projects					
Transfer to Fund 2 - Street Projects	4,000,000	2,600,000	2,800,000	3,000,000	4,000,000
Subtotal Street Widening	4,000,000	2,600,000	2,800,000	3,000,000	4,000,000
Total Streets	4,000,000	2,600,000	2,800,000	3,000,000	4,000,000
Ending Street CEF Balance	3,906,620	4,571,740	5,148,380	5,637,920	5,247,230

Street CEFs

City Council approved the 2030 Transportation Master Plan in 2007. The CEF funding for street projects is the cost of the projects attributable to growth. The CEF funds are transferred to the Capital Projects Fund, where they are combined with state and federal grants and General Fund revenue to fully fund all the projects.

CEF Fund - Parks & Recreation

REVENUE

Description	2008	2009	2010	2011	2012
Parks CEF Fund Balance	3,870,580	5,145,530	5,964,120	1,906,540	3,630,120
Recreation CEF Fund Balance	10,521,360	10,408,930	5,955,850	7,314,200	8,395,200
Trails CEF Fund Balance	754,360	578,930	305,230	479,650	405,060
Open Space Fund Balance	1,210,600	710,790	554,850	815,090	294,100
Parks Interest	174,180	231,550	268,390	85,790	163,360
Recreation Interest	473,460	468,400	268,010	329,140	377,780
Trails Interest	33,950	26,050	13,740	21,580	18,230
Open Space Interest	54,480	31,990	24,970	36,680	13,230
Parks CEF	1,647,060	1,734,950	1,823,620	1,689,120	1,739,790
Recreation CEF	1,014,110	1,078,520	1,090,340	751,860	774,420
Trails CEF	140,620	150,250	160,680	153,830	158,440
Open Space CEF	245,710	262,070	235,270	242,330	249,600
Total Revenue	20,140,470	20,827,960	16,665,070	13,825,810	16,219,330

EXPENSE

Description	2008	2009	2010	2011	2012
Mehaffey Park	-	600,000	6,100,000	-	-
Park Land & Water Rights Acq.	500,000	500,000	-	-	1,000,000
Chilson Recreation Center Expansion	600,000	6,000,000	-	-	-
New Recreation Center Land	1,000,000	-	-	-	-
Trails	350,000	450,000	-	250,000	-
Open Lands Acq./Restoration	800,000	450,000	-	800,000	-
Project Management	46,290	47,910	49,590	51,330	53,130
Total Parks	3,296,290	8,047,910	6,149,590	1,101,330	1,053,130
Ending Park Balance	5,145,530	5,964,120	1,906,540	3,630,120	4,480,140
Ending Recreation Balance	10,408,930	5,955,850	7,314,200	8,395,200	9,547,400
Ending Trails Balance	578,930	305,230	479,650	405,060	581,730
Ending Open Space Balance	710,790	554,850	815,090	294,100	556,930

Parks & Recreation CEFs

The demand for additional Parks and Recreation facilities continues to grow as the City's population continues to increase. Construction of new facilities is dependent on the City's ability to fund the operations and maintenance of these facilities in the operating budget; therefore the projects are spaced accordingly within this Plan.

Major projects for 2008 include:

- Design for Chilson Recreation Center Renovation/Expansion (\$600,000).
- Purchase land for new future recreation center (\$1,000,000).
- Land acquisition and construction of the recreational trail system (\$350,000).
- Open lands acquisition (\$800,000).

Major projects in the "out-years" include:

- Development of the 60-acre Mehaffey Park at 29th and Wilson.
- The expansion of the Hatfield Chilson Recreation Center to meet demand and growth in the community, funded by Recreation CEFs. Operations for the expansion are projected to begin in 2010 with a net operating impact of \$450,000.

Other CEF Funds

REVENUE

Description	2008	2009	2010	2011	2012
Fire CEF Fund Balance	3,341,800	4,148,700	5,030,920	5,983,690	6,979,730
Law Enf. CEF Fund Balance	2,499,530	2,985,760	3,588,110	4,245,230	4,960,880
Library CEF Fund Balance	3,376,699	3,999,519	3,737,029	265,519	857,799
Cultural Services CEF Fund Balance	3,049,970	3,542,590	4,077,190	4,656,580	5,283,700
General Gov't CEF Fund Balance	7,667,681	8,704,651	8,967,441	1,618,041	2,496,861
Fire Interest	133,670	165,950	201,240	239,350	279,190
Law Enforcement Interest	99,980	119,430	143,520	169,810	198,440
Library Interest	135,070	159,980	149,480	10,620	34,310
Cultural Services Interest	122,000	141,700	163,090	186,260	211,350
General Government Interest	306,710	348,190	358,700	64,720	99,870
Fire CEF	673,230	716,270	751,530	756,690	779,390
Law Enforcement CEF	453,750	482,920	513,600	545,840	562,220
Library CEF	487,750	517,530	548,810	581,660	599,110
Cultural Services CEF	370,620	392,900	416,300	440,860	454,090
General Government CEF	1,012,740	1,014,600	782,950	814,100	838,520
Total Revenue	23,731,200	27,440,690	29,429,910	20,578,970	24,635,460

EXPENSE

Description	2008	2009	2010	2011	2012
New Engine for NW Coverage	-	-	-	-	500,000
Subtotal Fire Projects	-	-	-	-	500,000
Trf to Cap Prj Fund - Library Expansion/Renovation	-	940,000	4,169,800	-	-
Subtotal Library Projects	-	940,000	4,169,800	-	-
Transfer to Fund 80	67,500	-	-	-	-
Subtotal Police Projects	67,500	-	-	-	-
Trf to Cap Prj Fund - Asset & Work Mgmt. System	282,480	-	-	-	-
Trf to Cap Prj Fund - Service Center Expansion	-	1,100,000	4,580,850	-	-
Trf to Cap Prj Fund - Library Expansion/Renovation	-	-	2,290,200	-	-
Civic Center Parking	-	-	1,054,000	-	-
MOC Remodel	-	-	566,000	-	-
Total General Gov't Projects	282,480	1,100,000	8,491,050	-	-
Total Other CEFs	349,980	2,040,000	12,660,850	-	500,000
Ending Fire Balance	4,148,700	5,030,920	5,983,690	6,979,730	7,538,310
Ending Law Enforcement Balance	2,985,760	3,588,110	4,245,230	4,960,880	5,721,540
Ending Library Balance	3,999,519	3,737,029	265,519	857,799	1,491,219
Ending Cultural Services Balance	3,542,590	4,077,190	4,656,580	5,283,700	5,949,140
Ending General Gov't Balance	8,704,651	8,967,441	1,618,041	2,496,861	3,435,251

Other CEF Funds

In 2008, \$67,500 of Law Enforcement CEFs is transferred to the Fleet Fund for the purchase of cars for the new police officers approved in the operating budget. \$282,480 of General Government CEFs is transferred to the Capital Projects Fund for the new work order and asset management system.

Major "out-years" projects include:

- Design and construction costs for Phase III of the Service Center addition with design programmed in 2009 and construction in 2010. The addition will house the personnel and equipment for the Solid Waste Utility, the Storm Water Utility, and Street Maintenance Division. Funding for the project will be provided by the Solid Waste Enterprise and the Storm Water Enterprise, with the balance of \$8.5 million from General Government CEFs. The operational impact in 2009 is projected at \$250,000.
- Expansion of the Loveland Public Library scheduled to open in 2011.
- Expansion of the parking area at the Civic Center complex.
- Funding for the renovation of the Municipal Operations Center (MOC) to fully house the Traffic Engineering Division and the traffic operations center.

Park Improvement Fund

REVENUE

Description	2008	2009	2010	2011	2012
Fund Balance	849,070	683,130	757,510	635,310	707,690
User Fees	45,850	43,640	43,710	43,790	43,860
Interest	38,210	30,740	34,090	28,590	31,850
Total Revenue	933,130	757,510	835,310	707,690	783,400

EXPENSE

Description	2008	2009	2010	2011	2012
Facility Improvements/Repair	250,000	-	200,000	-	-
Total Park Improvements	250,000	-	200,000	-	-
Ending Balance	683,130	757,510	635,310	707,690	783,400

Parks Improvement Fund

This Fund's revenues come from interest earnings on the fund balance and proceeds from park shelter reservations. These funds are used to improve and renovate facilities in parks constructed prior to 1989.

Major projects for 2008 include:

- Funding for park facility improvements and repairs (\$250,000).

Conservation Trust Fund

REVENUE

Description	2008	2009	2010	2111	2112
Fund Balance	3,354,630	3,854,630	3,704,630	3,954,630	4,454,630
Lottery Proceeds	500,000	500,000	500,000	500,000	500,000
Total Revenue	3,854,630	4,354,630	4,204,630	4,454,630	4,954,630

EXPENSE

Description	2008	2009	2010	2111	2112
Trail Design and Construction	-	650,000	250,000	-	300,000
Total Conservation Trust	-	650,000	250,000	-	300,000
Ending Balance	3,854,630	3,704,630	3,954,630	4,454,630	4,654,630

Conservation Trust Fund

Revenues for the Conservation Trust Fund are from Colorado Lottery proceeds. The revenues are used to fund land purchases and construction costs of the hike/bike trail that will circle the City upon completion, with connections to the Fort Collins and Berthoud trail systems. In addition, funds have been utilized for park development projects such as the Loveland Sports Park and Fairgrounds Park. Interest generated by the lottery proceeds is used to fund maintenance of the trails that have been built to date.

Open Space Sales Tax Fund

REVENUE

Description	2008	2009	2010	2011	2012
Fund Balance	6,306,990	6,053,840	6,305,430	6,537,350	6,915,210
Sales Tax Proceeds	1,486,850	1,516,590	1,546,920	1,577,860	1,609,410
Total Revenue	7,793,840	7,570,430	7,852,350	8,115,210	8,524,620

EXPENSE

Description	2008	2009	2010	2011	2012
Land Acquisition	1,740,000	1,150,000	1,200,000	1,200,000	1,250,000
Site Restoration	-	115,000	115,000	-	-
Total Open Space	1,740,000	1,265,000	1,315,000	1,200,000	1,250,000
Ending Balance	6,053,840	6,305,430	6,537,350	6,915,210	7,274,620

Open Space Sales Tax Fund

The Open Space Fund revenues are from the City's share of a .25 cent County sales tax levied for the purpose of purchasing land for open space. The City actively pursues the acquisition of open space under a "willing seller-willing buyer" philosophy.

Golf Enterprise Fund

REVENUE

Description	2008	2009	2010	2011	2012
Fund Balance	2,088,800	2,035,800	2,443,010	1,316,080	1,908,970
Golf Revenues	530,250	1,234,960	1,093,070	1,242,290	1,290,530
Total Revenue	2,619,050	3,270,760	3,536,080	2,558,370	3,199,500

EXPENSE

Description	2008	2009	2010	2011	2012
Golf Administration & Support					
Equipment Replacement	63,000	73,000	47,000	24,300	39,000
Subtotal Golf Admin. & Support	63,000	73,000	47,000	24,300	39,000
Olde Course					
Equipment Replacement	104,550	120,350	137,800	101,300	185,150
Maintenance Building Imp.	50,000	-	350,000	350,000	-
Clubhouse Improvement	-	-	-	-	500,000
Course Improvements	100,000	-	-	-	-
Subtotal Olde Course	254,550	120,350	487,800	451,300	685,150
Mariana Butte					
Equipment Replacement	55,700	134,400	185,200	153,800	79,500
Course Improvements	100,000	-	-	-	-
Clubhouse Improvement	35,000	500,000	1,500,000	-	-
Restrooms	-	-	-	-	-
Subtotal Mariana Butte	190,700	634,400	1,685,200	153,800	79,500
Cattail Creek					
Course Improvements	75,000	-	-	20,000	75,000
Subtotal Cattail Creek	75,000	-	-	20,000	75,000
Total Golf	583,250	827,750	2,220,000	649,400	878,650
Ending Balance	2,035,800	2,443,010	1,316,080	1,908,970	2,320,850

Golf Enterprise Fund

In 2008, the Capital program includes over \$2 million for Course improvements, equipment replacement, and to begin design of a new clubhouse at the Mariana Butte Course.

In 2009 and 2010, the Enterprise final design and construction of the clubhouse is programmed.

Storm Water Enterprise Fund

REVENUE

Description	2008	2009	2010	2011	2012
Fund Balance	2,041,640	695,860	2,450,370	1,228,930	2,135,490
Operating Revenues	1,932,300	2,663,990	3,616,450	1,844,100	1,879,330
SIF Fees	546,000	562,000	580,000	597,000	616,000
SIF Interest	23,420	41,520	47,210	40,460	48,020
Total Revenue	4,543,360	3,963,370	6,694,030	3,710,490	4,678,840

EXPENSE

Description	2008	2009	2010	2011	2012
Engineering Design	637,500	400,000	225,000	325,000	225,000
Construction Projects	2,250,000	350,000	2,525,000	700,000	2,200,000
Equipment Replacement	510,000	213,000	222,000	-	279,600
Storm Water Quality	50,000	50,000	50,000	50,000	50,000
Transfer to Capital Projects Fund	-	-	1,693,100	-	-
Total General Projects	3,447,500	1,013,000	4,715,100	1,075,000	2,754,600
Oversizing	400,000	500,000	750,000	500,000	500,000
Total SIF Projects	400,000	500,000	750,000	500,000	500,000
Total Storm Water	3,847,500	1,513,000	5,465,100	1,575,000	3,254,600
Ending Balance	695,860	2,450,370	1,228,930	2,135,490	1,424,240

Storm Water Enterprise Fund

Major projects for 2008 include:

- Construction of the 29th Street and Monroe Avenue Stormwater Improvements (\$2.0 million).
- Design for the Washington Avenue Outfall Phase 4 Stormwater Improvements (\$200,000).
- Design and construction of the Madison Avenue Outfall extension to 1st Street and St. Louis Avenue (\$175,000).
- Design for the Airport Basin Master Plan improvements (\$100,000).
- Design for the Boyd Lake Ditch improvements (\$100,000).
- Funding for equipment replacement (\$510,000).
- Funding for the Storm Water Quality Program (\$50,000).
- Funding for minor projects (\$305,000).

Water Enterprise Fund

REVENUE

Description	2008	2009	2010	2011	2012
Fund Balance	32,609,820	33,070,650	35,582,530	21,541,120	23,012,830
Operating Revenues	2,071,340	2,503,640	2,334,930	2,238,680	2,361,950
SIF Fees	1,861,770	2,142,330	2,055,730	1,747,970	1,895,880
SIF Interest	165,090	204,460	265,340	135,000	214,450
Loan From CWCB	-	-	-	-	-
Total Revenue	36,708,020	37,921,080	40,238,530	25,662,770	27,485,110

EXPENSE

Description	2008	2009	2010	2011	2012
Water Meter Purchase & Installation	38,000	39,140	40,310	41,520	42,770
Right-of-Way Relocation	30,000	30,900	31,830	32,780	33,770
Emergency Water Line Repair	50,000	51,500	53,050	54,640	56,280
Vulnerability Assessment Imp.	90,000	-	-	-	-
North Concrete Tank Demolition	200,000	-	-	-	-
Greeley Drive Water Line Repl.	-	97,850	-	-	-
4 MG Tank at Water Treatment Plant	120,000	-	-	-	-
29th St. Tank Altitude Valves Install	-	51,500	-	-	-
Water Line Repl./Washington Ave.					
North Outfall Design and Constr.	577,000	-	-	-	-
Water Line Repl./Monroe Ave. Outfall			63,650	573,680	-
29th Street Tank Interior Painting	180,000	-	-	-	-
1st Street 16" Water Line Replacement	-	-	-	-	405,180
Water Line Replacement Program	-	298,700	116,700	267,720	180,080
Transmission & Distribution Projects	117,190	125,860	214,510	128,060	131,900
Misc. Water Treatment Plant Imp.	92,500	17,000	29,710	89,060	1,003,390
Equipment Replacement	210,100	68,380	104,380	75,990	74,740
Total General Projects	1,704,790	780,830	654,140	1,263,450	1,928,110
Windy Gap Firming Project	563,000	555,000	14,500,000	-	-
Water Court/Exchange/Legal Fees	280,000	305,000	50,000	30,000	20,000
Private Water Rights Usage	75,000	100,000	-	-	-
City Domestic Water Rights	10,000	-	-	-	-
4 MG Tank at Water Treatment Plant	72,000	-	-	-	-
Granite Water Line Addition	-	51,500	212,180	-	-
Crossroads Booster Station	-	-	759,600	-	-
South west Booster Station	-	-	-	628,320	-
29th St. PS Expansion	200,000	-	-	-	-
FCL Water Dist. Interconnect/Mtr Vault	120,000	-	-	-	-
2 MG Water Tank Dsg. and Constr.	-	-	1,220,040	-	-
Alternate Water Supply	75,000	-	392,530	-	4,580,820
Water Main Extensions & Oversizing	496,080	503,470	585,340	682,820	526,980
Subtotal Water Resource SIF	1,891,080	1,514,970	17,719,690	1,341,140	5,127,800
Water Treatment Master Plan	-	-	272,650	-	-
Water Treatment Plant Improvements	1,500	1,550	8,490	1,640	1,690
Subtotal Water Trtmt. Plant SIF	1,500	1,550	281,140	1,640	1,690
Contractor Meter Purchases SIF	40,000	41,200	42,440	43,710	45,020
Total SIF Projects	1,932,580	1,557,720	18,043,270	1,386,490	5,174,510
Total Water	3,637,370	2,338,550	18,697,410	2,649,940	7,102,620
Ending Balance	33,070,650	35,582,530	21,541,120	23,012,830	20,382,490

Water Enterprise Fund

Major projects for 2008 include:

- Initiate design of the Windy Gap Firming project which will take about two years to finish design and when constructed allow the city to firm about 3600 acre-feet of water at an estimated design cost of about \$1.2 million;
- Continued funding for rehabilitation/replacement of aging water infrastructure including demolition of the North Concrete Treated Water Storage Tank and interior painting of the 29th Street Steel Treated Water Storage Tank;
- Complete construction of the first of two four million-gallon treated water storage tanks at the Water Treatment Plant with an estimated cost of \$4.3 million;
- Design and construction of a Southside Water Pump station that will assist in the control and operation of the treated water distribution system at an estimated cost of \$0.7 million; and,
- Eastern Area Water Pump station that will assist in the control and operation of the distribution system east of Boyd Lake Avenue at an estimated cost of \$0.8 million.

Major projects in the "out-years" are:

- Construction of the Windy Gap Firming Project (\$14.5 million);
- Design and construction of a Southside Water Pump station that will assist in the control and operation of the treated water distribution system (\$0.7 million);
- Eastern Area Water Pump Station that will assist in the control and operation of the water distribution system east of Boyd Lake Avenue (\$0.8 million); and,
- Design and construction of waterline replacements done in conjunction with Phase IV of the Washington Avenue Phase IV Washington Avenue Stormwater Improvements project, which covers an area north of 7th Street and south of 13th Street generally along Washington Avenue.

Wastewater Enterprise Fund

REVENUE					
Description	2008	2009	2010	2011	2012
Fund Balance	8,735,490	6,955,720	7,051,290	4,667,110	2,441,630
Operating Revenues	2,343,840	1,097,240	2,063,470	2,033,950	1,987,260
SIF Fees	1,019,810	929,400	907,000	919,500	1,103,100
SIF Interest	134,520	103,550	113,400	77,640	93,660
Total Revenue	12,233,660	9,085,910	10,135,160	7,698,200	5,625,650
EXPENSE					
Description	2008	2009	2010	2011	2012
Project C WAS Thickening	-	284,280	1,705,920	1,757,110	-
Odor Control	427,560	-	-	-	-
Project D & E Influent Pumping and Headworks Facility	1,638,000	-	-	-	-
Vulnerability Assessment	-	84,570	-	-	-
Influent Collection Wetwell	-	-	-	-	311,040
Digester Compressor and Flare	188,000				
Chlorine Building Controls	200,000	-	-	-	-
Nutrient Treatment Facilities	-	-	-	-	405,780
Digester Mixing System	-	-	-	-	135,060
Interior Coating of Digester Roofs	-	-	572,980	-	-
Treatment Plant Improvement	33,000	49,670	153,970	1,640	170,790
Equipment Replacement	176,100	82,270	99,050	47,190	48,500
Subtotal Treatment Plant	2,662,660	500,790	2,531,920	1,805,940	1,071,170
Right-of-Way Utility Relocate	50,000	51,500	53,050	54,640	56,280
Barberry Place Lift Station Abdn.	-	-	265,230	-	-
Fairgrounds/Namaqua Interceptor	-	432,600	-	-	-
Boyd Lake Interceptor Rehab.	600,000	-	-	-	-
Boyd Lake SL Rehabilitation	-	-	636,540		
CMOM Sanitary Sewer System Imp.	11,000	120,610	47,740	49,170	50,650
4th & Cleveland Sewer Line Repair	-	-	-	163,910	-
West 2nd Sewer Line Replacement	-	-	-	-	168,830
Wastewater Main Improvements	111,700	115,060	118,510	668,420	688,470
Subtotal Main Improvements	772,700	719,770	1,121,070	936,140	964,230
Total General Projects	3,435,360	1,220,560	3,652,990	2,742,080	2,035,400
Project C WAS Thickening	-	189,250	1,137,280	1,171,400	-
Project D & E Influent Pumping and Headworks Facility	1,092,000	-	-	-	-
Odor Control	183,240	-	-	-	-
Influent Collection Wetwell	-	-	-	-	133,310
Nutrient Treatment Facilities	-	-	-	-	135,260
Vulnerability Assessment	-	84,750	-	-	-
Wastewater Master Model	100,000	103,000	106,090	109,270	-
Boyd SL Interceptor Relief	-	-	106,090	814,080	78,790
Wastewater Main Improvement	395,340	418,160	410,300	418,100	443,020
Treatment Plant Improvement	72,000	18,900	55,300	1,640	74,460
Total SIF Projects	1,842,580	814,060	1,815,060	2,514,490	864,840
Total Wastewater	5,277,940	2,034,620	5,468,050	5,256,570	2,900,240
Ending Balance	6,955,720	7,051,290	4,667,110	2,441,630	2,725,410

Wastewater Enterprise Fund

Major projects for 2008 include:

- Funding for improvements and expansion of the Wastewater Treatment Plant. This is an ongoing program that ensures the Plant keeps pace with anticipated growth while complying with EPA/State mandated water quality/treatment regulations. For 2008 that includes construction of Project D Wastewater Treatment Plant Influent Pumping, Project E Headworks Area renovation and Manhole A upgrade. These projects total \$2.73 million;
- Wastewater Treatment Plant odor control projects (\$0.61 million); and,
- Continued funding for rehabilitation/replacement of aging wastewater infrastructure, including design and construction of Boyd Lake Wastewater Sewer Line Interceptor Rehabilitation Project Phase 4 from Highway 34 north to Hoffman Drive on this mostly 24 inch diameter sanitary sewer interceptor line.

Major projects in the "out-years" include:

- The Boyd Lake Wastewater Sewer Line Interceptor Rehabilitation Project Phase 5 from Hoffman Drive north to 29th Street on this 24 inch diameter sanitary sewer interceptor line (\$0.64 million);
- Fairgrounds/Namaqua Wastewater Sewer Line Interceptor Rehabilitation Project Phase 2 from St. Louis Street east to Lincoln Avenue on this 21, 24 and 30 inch diameter sanitary sewer interceptor line (\$0.4 million); and,
- Design and construction of Wastewater Treatment Plant Waste Activated Sludge Thickening Project C, which helps concentrate the solids so that there are fewer truckloads to haul from the wastewater treatment plant site (\$3.7 million).

Power Enterprise Fund

REVENUE

Description	2008	2009	2010	2011	2012
Fund Balance	10,273,740	8,584,450	4,783,560	4,574,690	3,868,310
Operating Revenues	4,951,040	200,320	3,572,090	3,556,060	3,492,340
PIF Fees	1,250,000	1,287,500	1,326,130	1,365,910	1,406,890
PIF Interest	156,050	102,770	91,080	79,490	66,280
Total Revenue	16,630,830	10,175,040	9,772,860	9,576,150	8,833,820

EXPENSE

Description	2008	2009	2010	2011	2012
Hydro Generation	5,000	5,150	5,300	5,460	5,620
Overhead Distribution Lines	50,000	51,500	53,050	54,640	56,280
Underground Distribution Lines	96,000	98,880	101,850	104,900	108,050
URD Sections	50,000	51,500	53,050	54,640	56,280
Meter Purchase/Install/Upgrade	175,000	180,250	185,660	191,220	196,960
Distribution Transformer	65,000	66,950	68,960	71,030	73,160
Substation	15,000	15,450	15,910	16,390	16,880
Overhead Service Install/Upgrade	15,000	15,450	15,910	16,390	16,880
Underground Service Install/Upgrade	187,500	193,130	198,920	204,890	211,040
Temporary Service Install	37,500	38,630	39,780	40,980	42,210
Street Lights/Cust. Req./Misc. Proj.	40,000	41,200	42,440	43,710	45,020
Street Lights/Development Driven	300,000	309,000	318,270	327,820	337,650
Hydro Generation Improvements	30,000	30,900	31,830	32,780	33,760
Development Driven Construction	424,360	437,090	450,200	463,700	477,620
Crossroads Substation	1,100,000	-	-	-	-
Pad Mounted Capacitor Banks	100,000	103,000	106,090	109,270	112,550
AC Cycling Program	200,000	200,000	-	-	-
200 Amp Loop Projects	206,000	212,180	218,550	225,100	231,850
Customer Aid-to-Construction	2,000,000	1,250,000	1,287,500	1,326,130	1,365,910
Equipment	260,020	338,230	224,000	220,480	150,430
Public Works Projects	100,000	103,000	106,090	459,270	112,550
Subtotal General Projects	5,456,380	3,741,490	3,523,360	3,968,800	3,650,700
Crossroads Substation	-	-	655,620	-	-
East Substation	500,000	-	-	-	-
Horseshoe Substation	-	-	472,830	675,300	-
Valley Sub. Feeder to 1st St./Garfield	250,000	-	-	-	-
Airport Sub. North on Crossroads	360,000	-	-	-	-
Airport Substation Feeder	-	636,540	-	-	-
Extend Feeder to Rky. Mnt. Blvd.	450,000	-	-	-	-
Madison Ave. from RR North	515,000	-	-	-	-
West Sub to Horseshoe Sub	-	483,000	-	501,000	1,120,000
Development Driven Construction	515,000	530,450	546,360	562,740	579,630
Subtotal PIF Projects	2,590,000	1,649,990	1,674,810	1,739,040	1,699,630
Total Power	8,046,380	5,391,480	5,198,170	5,707,840	5,350,330
Ending Balance	8,584,450	4,783,560	4,574,690	3,868,310	3,483,490

Power Enterprise Fund

Major projects for 2008 include:

- Construct a new distribution line between the Crossroads and Airport substations.
- Install another distribution circuit out of the East substation.
- Continue the expansion of the East substation by adding a third switchgear.
- Extend the distribution circuit from the Shops at Centerra to Rocky Mountain Boulevard.
- Continue to market our Partnering with Power program to increase the number of participants.

Major projects for 2009 include:

- Construct a new distribution line out of the Crossroads substation.
- Construct a new distribution line between West and Horseshoe substations along Taft Ave. This will be part one of a three part project.
- Continue to market our Partnering with Power program to increase the number of participants.

Major projects for 2010 include:

- Purchase an additional transformer for the Crossroads substation.
- Install additional switch gear and associated equipment at the Horseshoe substation.

Major projects for 2011 include:

- Purchase an additional transformer for the Horseshoe substation.
- Construct a new distribution line between West and Horseshoe substations along Taft Ave. This will be part two of a three part project.

Major projects for 2012 include:

- Construct a new distribution line between West and Horseshoe substations along Taft Ave. This will be part three of a three part project.

GLOSSARY & APPENDIX

This section provides definitions of terms and acronyms used within this document as well as additional schedules explaining the movement of funds and changes from previous documents.



Glossary of Terms

A

Accrual Basis of Accounting: The method of accounting under which debits and credits are recorded at the time they are incurred as opposed to when cash is actually received or spent. For example, in accrual accounting, revenue which was earned in December, but not collected until January, is recorded as revenue in December.

ADA: Americans with Disabilities Act.

Adjudication: The act or process of reaching settlement judicially.

Amendment 1 (TABOR): An amendment to the Colorado State Constitution that limits revenues and expenditures to the inflation rate, measured by the Denver–Boulder Consumer Price Index, Urban Area (CPI–U), and growth (defined as new construction) of the jurisdiction in the prior year. All new or increased taxes must be voted on by the public. Also, it establishes mandatory emergency reserves.

Appropriation: A legal authorization made by the City Council to make expenditures and incur obligations for specific purposes.

Appropriation Ordinance: An ordinance by means of which appropriations are given legal effect. It is the method by which the expenditure side of the annual budget is enacted into law by the City Council.

Assessed Valuation: A valuation set upon real estate or other property by the county assessor to establish a basis for levying taxes. It is equal to 7.96% of market value for residential property and 29% for commercial and industrial property.

B

Bond: A form of borrowing money for major capital projects, such as buildings and streets. The City obligates itself to repay the principal at a stated rate of interest over a stated period of time.

Budget: A financial plan of estimated expenditures and the means of financing them for a stated period of time. Upon approval by the City Council the budget appropriation ordinance is the legal basis for expenditures in the budget year.

C

CAD: Computer Aided Dispatch.

Capital Outlay: An item that costs \$2,500 or more and is expected to last one year or longer. Examples include vehicles, carpet and equipment.

Capital Expansion Fee (CEF): An assessment on new development to contribute to providing new infrastructure necessitated by population growth.

Capital Program: An annually updated plan of capital expenditures for public facilities, infrastructure and major fixed assets with estimated costs, sources of funding and timing of projects over a five–year period.

Capital Improvements: Expenditures related to the acquisition, expansion or rehabilitation of an element of the city's physical structure, sometimes referred to as infrastructure. Examples include buildings, streets, bridges, parks and utility systems.

Capital Project: Expenditure for equipment, machinery, facilities, or infrastructure that will provide long-term service or other public benefits.

Carryover: Amount of money remaining at the end of the preceding year and available in the current budget year through an ordinance commonly called the rollover ordinance.

CAFR: Comprehensive Annual Financial Report.

CDBG: Community Development Block Grant.

CDOT: Colorado Department Of Transportation.

CFAC: Citizens' Finance Advisory Commission.

CIRSA: Colorado Intergovernmental Risk Sharing Agency.

CEF: Capital Expansion Fee (see definition above).

CMP: Comprehensive Master Plan. The Master Plan is the official document that serves as the long range, comprehensive policy guide to the day-to-day decisions about the future development of the City of Loveland.

COLT: City Of Loveland Transit.

Community Survey: Written or telephone survey performed annually to determine citizens' overall satisfaction with community services.

Contractual Services: Expenses that are usually incurred by entering into a formal agreement or contract with another party. Expenses included in this category can include insurance, repairs or professional services.

CPI: Consumer Price Index.

D

Debt Service: Principal and interest due on long-term debt such as loans, notes and bonds incurred by the City.

Defeasance: A provision that voids a bond or loan when the borrower sets aside cash or bonds sufficient enough to service the borrower's debt.

Department: Major unit of organization in the City.

Depreciation: Expiration in the service life of fixed assets because of wear and tear, deterioration, action of physical elements, inadequacy or obsolescence.

Division: Sub-unit of a department.

DRT: Development Review Team.

DUI: Driving Under the Influence (of alcohol or other drugs).

E

EOC: Emergency Operations Center.

EMS: Emergency Medical Services.

Encumbrance: Obligations in the form of purchase orders or contracts which are chargeable to an appropriation and for which a part of the appropriation is reserved. Obligations cease to be encumbrances when paid or when the actual liability is set up.

Enterprise Fund: Funds that are self-supporting through user fees. Examples include water, golf, solid waste and power. By the TABOR amendment these funds can not have more than 10% of their budget subsidized by taxes.

EPA: Environmental Protection Agency.

ESP: Extra Special People. A service provided by the City that provides transportation to persons who are elderly, handicapped and/or low-income. Under the ADA, this service is now called Paratransit service.

Expenditure: Payment for goods or services, including operating expenses that require the current or future use of net current assets, debt and capital outlays. Note that an encumbrance is not an expenditure, but reserves funds to be expended.

F

FAA: Federal Aviation Administration.

FAB: Fire and Administration Building, located at 410 E. 5th Street.

FDIC: Federal Deposit Insurance Corporation.

FICA: An abbreviation for Federal Insurance Contributions Act, this is a compulsory payroll tax which funds Social Security.

Fiduciary Fund: A fund used to account for activity of the City as a trustee over funds allotted to meet a current or future financial obligation, usually on an actuarially sound basis. Example: Pension funds.

Fiscal Year: The 12-month period to which the operating budget applies. This is January 1 to December 31 for the City of Loveland.

Fixed Assets: Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery and other equipment.

FLSA: Fair Labor Standards Act.

FM: Facilities Management.

FTE: Full-time equivalent. The hourly equivalent of a full-time employee. An FTE can be made up of either one full-time employee or two or more part-time employees whose total hours equal 40 per week.

Fund: Accounting entity with a self-balancing set of accounts, which is segregated from other funds, to carry on specific activities or attain certain objectives.

Fund Balance: On-hand available cash balances which are realized in prior fiscal years less current liabilities and are available for designation as a funding source for a future budget year.

G

GAAFR: Governmental Accounting, Auditing and Financial Reporting.

GASB: Governmental Accounting Standards Board.

General Fund: A central fund into which most of the City's tax and unrestricted revenues are budgeted to support basic municipal services, public safety and administrative activities of the City; financed mainly by sales tax and property tax.

GFOA: Government Finance Officers Association.

GID: General Improvement District.

GIS: Geographic Information System. GIS is a specialized information system for capturing, storing, querying, analyzing, and displaying geographic data. Geographic data describes both the location and the characteristics of features or objects on the earth's surface. That ability makes GIS more than just maps; they are smart maps that can do everything from environmental analysis to site location for a new video store.

GPS: Global Positioning System. A GPS is a navigational system which allows the individual to find where they are in the world.

Grant: A contribution made from either the private sector to the City or by one governmental unit to another. The contribution is usually made to support a specified program, function or project.

H

HMO: Health Maintenance Organization.

Home Rule: A limited grant of discretion from the State of Colorado to Loveland, concerning either the organization of functions or the raising of revenue. Loveland became a home rule city in May of 1996.

I

Intergovernmental Revenue: Amounts of money received from federal, state and other governmental bodies.

Internal Services Fund: Activities which provide support services to other City departments. Example: Accounting.

Intra-City Charges: Items counted both as revenue and expense in two separate funds, which the revenue is received only once from an outside source. It usually occurs because one fund provides a service to another fund.

IT: Information Technology. IT provides innovative information technology and services that are reliable, accessible, and cost effective for the City of Loveland staff and citizens.

J

K

L

LETA: Larimer Emergency Telephone Authority.

Level of Service: Transportation Level of Service (LOS) is based on a ratio of current or anticipated volumes of traffic at peak hours and trip generation along the street divided by the capacity of the street. The City of Loveland has adopted Level A for local roads, Level B for Collectors and Level C for other areas with a few exceptions. When service level falls below LOS C, movements become more restricted and delays may occur during peak periods.

Lease-Purchase Agreement: Financial arrangement which permits the City to pay for the use of equipment or machinery over a period of time through a lease and to purchase it at the end of that time.

LHPAC: Loveland High Plains Art Council.

LRFPD: Loveland Rural Fire Protection District.

LURA: Loveland Urban Renewal Authority.

M

Median family income: An annual income figure for which there are as many families with incomes below that level as there are above.

Mill Levy: Rate by which assessed valuation is multiplied to determine property tax. A mill is 1/10 of one cent or \$1.00 of tax for each \$1,000 of assessed valuation.

Modified Accrual: Under Modified Accrual Accounting revenues are recorded when they are measurable and available. Expenses are recorded when they are incurred. This differs from the full accrual method where revenues are recorded when received and expenses recorded when the expense is paid for.

MPR: Multi-Purpose Room.

N

NCEDC: Northern Colorado Economic Development Corporation.

Net City Budget: Total City operating and capital budget net of transfers among funds, and internal service charges. This amount represents a close approximation of projected spending.

Non-exempt: A classification indicating that an employee is eligible to be paid for overtime, as defined by the guidelines of the Fair Labor Standards Act (FLSA). Exempt employees, conversely, are not eligible for overtime pay.

NPDES: National Pollutant Discharge Elimination System.

O

Open Doors: A program administered by the Human Resources Department whereby employees can voice concerns and resolve issues regarding their employment or workplace. Managers at progressively higher levels within the City review decisions and the highest level of management makes a final determination.

Operating Budget: The portion of the budget that pertains to daily operations providing basic governmental services. The operating budget contains appropriations for such expenditures as personal services, supplies and materials.

P

Paratransit Service: Door to door transportation services for people who due to health or disability can not use fixed route transportation services.

PDA: Personal Digital Assistant, a handheld electronic device.

PEG: Public, Educational and Government, referring to cable television access categories as defined by the cable franchise agreement.

Per capita: An average per person.

Personal Services: Salaries, wages, benefits and other related costs of employees.

PIF: Plant Investment Fee. (See definition below.)

PILT: Payment In Lieu of Tax. An estimate of the amount of taxes that would be chargeable to a utility if owned privately.

Plant Investment Fee (PIF): Charges made on new development to contribute to financing utility facilities to meet the needs of increased population. Applies to Loveland Water and Power. This fee is similar in nature to a Capital Expansion Fee.

PPO: Preferred Provider Organization.

Projection: Estimation of future revenues and expenditures based on past trends, current economic conditions and financial forecasts.

PRPA: Platte River Power Authority.

Property Tax: Annual charge to owners of real property, based on assessed valuation and the mill levy.

Q

R

Reserve: Funds set aside in the current and past years for the purpose of paying for capital needs, providing for obligations and liabilities, and meeting emergency needs.

Reserve Fund Balance: The portion of a fund's balance that is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

Resources: Total amounts available for appropriation, consisting of estimated beginning funds on hand plus anticipated revenues.

Retire: In the financial sense, to pay off a debt.

Revenues: Funds that the government receives as income such as tax payments, user fees, charges, special assessments, fines, grants and interest income to support the services provided.

Risk Management: An organized attempt to protect a government's assets against accidental loss in the most economical manner, and programs to minimize worker injury and supervisory actions to limit City liability.

RMS: Records Management System.

ROW: Right of Way.

RSF: Retail Sales Fee. A fee collected by the merchant for developer or sub-unit of government such as a Metropolitan District to fund the cost of infrastructure and other approved expenses.

S

SCADA: Supervisory Controlled and Data Acquisition System.

Self-Insurance: Establishment of a sum of money sufficient to pay anticipated claims. Used as a planning process to control costs and coverage in lieu of paying premiums to insurance companies.

SID: Special Improvement District. (See definition below.)

SIF: System Impact Fee. (See definition below.)

Service Center: A complex of buildings located at First Street and Wilson Avenue that house the City's electric and water utilities and provides warehousing, vehicle maintenance and other service facilities.

Services Rendered: Charges made to a fund for support services provided by another fund.

Special Assessment: A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Special Improvement District (SID): A district composed of property owners who have agreed to join together to complete and pay for the cost of public improvements.

Special Revenue Funds: A fund used to account for the proceeds of specific revenues that are legally restricted to be spent for specific purposes. Example: Capital Expansion Fees.

SWAT: Special Weapons and Tactics.

System Impact Fee (SIF): Impact fees on new development that contribute to financing utility facilities to meet the needs of increased population. Applies to the Water, Wastewater and Storm Water utilities.

T

TABOR (Taxpayers' Bill Of Rights): Refers to an amendment to State constitution, which put in place several restrictions to state and local government. The most significant limits are the requirement for all tax rate increases to be by a vote of approval, and creating revenue limits a government must abide by, refunding all revenue over the limit unless given voter approval otherwise.

Transfers: Amounts distributed from one fund to finance activities in another fund. Transfers are shown as an expenditure in the originating fund and a revenue in the receiving fund.

U

Unreserved Fund Balance: The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

URA: Urban Renewal Authority.

User Fee: Charge to the benefiting party for the direct receipt of a public service.

V

VAC: Visual Arts Commission. The Visual Arts Commission, a seven-member volunteer citizens' committee, oversees the city's art acquisitions/donations and site selection.

W

WAPA: Western Area Power Authority.

Windy Gap Project: A project that collects stores and diverts water from Windy Gap Reservoir and Lake Granby on Colorado's Western Slope to the Colorado-Big Thompson Project facilities, providing water to users on the Front Range.

X

Y

Z

Appendix

Transfer Summary

Revenue Account	Amount	Expense Account	Amount	Purpose
Transfer To General Fund	434,580	Transfer From Water Fund	434,580	Payment in Lieu of Taxes.
Transfer To General Fund	433,900	Transfer From Wastewater Fund	433,900	Payment in Lieu of Taxes.
Transfer To General Fund	225,090	Transfer From Storm Water Fund	225,090	Payment in Lieu of Taxes.
Transfer To General Fund	2,184,000	Transfer From Power Fund	2,184,000	Payment in Lieu of Taxes.
Transfer To General Fund	107,760	Transfer From Golf Fund	107,760	Payment in Lieu of Taxes.
Transfer To General Fund	305,510	Transfer From Solid Waste Fund	305,510	Payment in Lieu of Taxes.
Transfer To General Fund	12,000	Transfer from GID Fund	12,000	Payment for Administrative Services.
Transfer To General Fund	452,130	Transfer From Water Fund	452,130	Payment for Administrative Services.
Transfer To General Fund	309,080	Transfer From Wastewater Fund	309,080	Payment for Administrative Services.
Transfer To General Fund	141,750	Transfer From Storm Water Fund	141,750	Payment for Administrative Services.
Transfer To General Fund	956,270	Transfer From Power Fund	956,270	Payment for Administrative Services.
Transfer To General Fund	175,470	Transfer From Golf Fund	175,470	Payment for Administrative Services.
Transfer To General Fund	97,810	Transfer From Vehicle Maintenance Fund	97,810	Payment for Administrative Services.
Transfer To General Fund	221,670	Transfer From Solid Waste Fund	221,670	Payment for Administrative Services.
Transfer to Capital Projects Fund	7,069,070	Transfer From General Fund	7,069,070	Transfer for Transportation and Street Rehabilitation Program, partial funding for the Workorder System, funding for the Fire Training Grounds Improvements, Human Resources Module, Facility Improvements, and Public Works Heavy Equipment Replacement.
Transfer to Capital Projects Fund	4,282,480	Transfer to Capital Expansion Fee Fund	4,282,480	(Street CEF), and partial funding for the Workorder System (General Government CEF).
Transfer to Capital Expansion Fee Fund	350,000	Transfer From General Fund	350,000	Transfer for Economic Incentive projects.
Transfer to Capital Expansion Fee Fund	65,000	Transfer From General Fund	65,000	Transfer for six Habitat home fee waivers.
Transfer to Water & Power Funds	13,540	Transfer From Fleet Fund	13,540	Transfer for Fleet Replacement in Water & Power Utilities.
Transfer to Storm Water Fund	1,040	Transfer From Fleet Fund	1,040	Transfer for Fleet replacement in Storm Water Utility.
Transfer to Water & Power Funds	40,100	Transfer From General Fund	40,100	Payment to Water & Power for Utility Billing Costs of Street Transportation Fee.
Transfer to Water & Power Funds	65,000	Transfer From Storm Water Fund	65,000	Payment of Water & Power for Utility Billing Costs.
Transfer to Water & Power Funds	78,800	Transfer From Solid Waste Fund	78,800	Payment to Water & Power for Utility Billing Costs.
Transfer to Fleet Fund	67,500	Transfer to Capital Expansion Fee Fund	67,500	Transfer for vehicles approved for new Police personnel.
Total Revenue	18,089,550	Total Expense	18,089,550	

Reconciliation of Fund Structure Changes

As mentioned in the Budget Message from the City Manager, two operating funds are merged for 2008 into the General Fund; specifically, the Library Fund and the Internal Support Services Fund. Throughout this document, the 2006 actual and 2007 budget information has been restated to reflect the fund consolidation.

The following schedules demonstrate the transition from the Fund Balances of the 2007 Adopted Budget to those of the 2007 Adopted Budget Restated, easily comparable to the Fund Balance Summary on page 4-13. The schedules in boxes below focuses on how these consolidations affected the General Fund. The larger schedule shows the changes across all funds.

Fund Consolidation Schedules

Fund Name	2007 Adopted Budget		Revenue			Restated Expenditure
	Estimated Beginning Balance	Fund Balance Changes	Revenue	Change Activity	Restated Revenue	
GENERAL FUND	14,711,120	1,298,720	59,045,270	1,324,200	60,369,470	58,318,040
INTERNAL SERVICE						
Employee Benefits	1,495,630	-	9,152,040	-	9,152,040	9,259,580
Internal Support Services	965,540	(965,540)	8,857,580	(8,857,580)	-	9,031,250
Fleet Management	-	4,087,090		1,153,160	1,153,160	
Fleet Maintenance	4,713,810	(4,087,090)	4,206,550	(1,153,160)	3,053,390	3,600,110
Risk & Insurance	4,230,780	-	1,716,870	-	1,716,870	1,974,810
Total Internal Service	11,405,760	(965,540)	23,933,040	(8,857,580)	15,075,460	23,865,750
SPECIAL REVENUE						
Capital Projects	798,970	-	8,135,000	3,096,580	11,231,580	8,135,000
Library	333,180	(333,180)	2,370,780	(2,370,780)	-	2,370,780
Capital Expansion Fees	37,080,380	-	9,283,290	-	9,283,290	7,086,320
Local Improvement	306,090	-	12,240	-	12,240	-
Park Improvement	1,146,830	-	194,130	-	194,130	400,100
Loveland GID #1	37,390	-	36,330	-	36,330	24,500
Conservation Trust	2,372,680	-	625,000	-	625,000	1,258,490
Open Space Sales Tax	4,616,220	-	1,562,100	-	1,562,100	1,677,690
Art in Public Places	320,250	-	171,480	-	171,480	487,970
Loveland SID #1	2,034,730	-	1,220,160	-	1,220,160	1,354,500
Loveland URA	19,890	-	1,915,970	-	1,915,970	1,897,760
Total Special Revenue	49,066,610	(333,180)	25,526,480	725,800	26,252,280	24,693,110
ENTERPRISE						
Golf	1,736,990	-	3,939,270	-	3,939,270	3,702,590
Water	33,897,130	-	11,948,720	-	11,948,720	17,112,040
Wastewater	5,937,290	-	7,799,960	-	7,799,960	7,985,810
Storm Water	2,124,780	-	4,327,080	-	4,327,080	4,977,630
Power	12,594,240	-	38,803,250	-	38,803,250	41,061,730
Solid Waste	2,673,560	-	4,960,690	-	4,960,690	5,903,520
Total Enterprise	58,963,990	-	71,778,970	-	71,778,970	80,743,320
Total All Funds	134,147,480	-	180,283,760	(6,807,580)	173,476,180	187,620,220

Note: The Street Rehabilitation program was previously budgeted within the General Fund. Both the expenses and the Transportation Fee revenue that partially funds the program are transferred to the Capital Projects Fund.

Expenditure		2007 Adopted	
Change Activity	Restated Expenditure	Budget Restated	
1,479,220	59,797,260	16,582,050	

-	9,259,580	1,388,090
(9,031,250)	-	-
852,270	852,270	4,387,980
(852,270)	2,747,840	932,270
	1,974,810	3,972,840
(9,031,250)	14,834,500	10,681,180

3,115,230	11,250,230	780,320
(2,370,780)	-	-
-	7,086,320	39,277,350
-	-	318,330
-	400,100	940,860
-	24,500	49,220
-	1,258,490	1,739,190
-	1,677,690	4,500,630
-	487,970	3,760
-	1,354,500	1,900,390
-	1,897,760	38,100
744,450	25,437,560	49,548,150

-	3,702,590	1,973,670
-	17,112,040	28,733,810
-	7,985,810	5,751,440
-	4,977,630	1,474,230
-	41,061,730	10,335,760
-	5,903,520	1,730,730
-	80,743,320	49,999,640
(6,807,580)	180,812,640	126,811,020

General Fund Restated		2007 Adopted Budget Restated
Beginning Balance		16,009,840
General Fund	14,711,120	
Internal Support Service Fund	965,540	
Library	333,180	
<i>Total</i>	<i>16,009,840</i>	
Revenues		
General Fund	59,045,270	60,369,470
Less Transportation Fee	(1,315,590)	
Internal Support Svc. Fund Revenue	8,857,580	
Less Trf. From General Fund	(6,353,740)	
Library Revenue	2,370,780	
Less Trf. From General Fund	(2,234,830)	
<i>Total</i>	<i>60,369,470</i>	
Expense		
General Fund	58,318,040	59,797,260
Less Trf. To Internal Support	(6,353,740)	
Less Trf. To Library	(2,234,830)	
Less Street Rehabilitation	(3,115,230)	
Plus Transfer to Capital Projects for Street Rehabilitation subsidy	1,780,990	
Internal Support Svc. Fund Expense	9,031,250	
Library Expense	2,370,780	
<i>Total</i>	<i>59,797,260</i>	
Ending Balance		16,582,050

Fund	2007 Adopted Budget
General Fund	
Beginning Balance	14,711,120
Revenues	59,045,270
Expense	58,318,040
Ending Balance	15,438,350
Internal Support Svcs. Fund	
Beginning Balance	965,540
Revenues	8,857,580
Expense	9,031,250
Ending Balance	791,870
Library Fund	
Beginning Balance	333,180
Revenues	2,370,780
Expense	2,370,780
Ending Balance	333,180

Supplemental Budget Schedule

Fund	'07 Adopted Budget	Ordinance 5171	Ordinance 5173	Ordinance 5177	Ordinance 5182
GENERAL FUND	58,318,040	60,640			8,215,160
ENTERPRISE FUNDS					
Golf	3,702,590	-	-	-	159,690
Power	41,061,730	-	-	-	205,350
Solid Waste	5,903,520	-	-	-	195,000
Storm Water	4,977,630	-	-	-	231,510
Wastewater	7,985,810	-	-	-	1,365,210
Water	17,112,040	-	-	-	4,320,960
Total Enterprise Funds	80,743,320	-	-	-	6,477,720
INTERNAL SERVICE FUNDS					
Employee Benefits	9,259,580	-	-	-	
Fleet Management	852,270	-	45,000	-	289,440
Internal Support Services	9,031,250	-	-	-	111,010
Risk & Insurance	1,974,810	-	-	-	10,560
Vehicle Maintenance	2,747,840	-	-	-	77,800
Total Internal Service Funds	23,865,750	-	45,000	-	488,810
SPECIAL REVENUE FUNDS					
Art in Public Places	487,970	-	-	-	
Capital Expansion Fees	5,586,320	-	-	1,100,000	7,226,050
Capital Projects	8,135,000	-	-	-	14,633,720
Community Development Block Grant	299,020	-	-	-	24,110
Conservation Trust	1,258,490	-	-	-	1,188,970
General Improvement District #1	24,500	-	-	-	
Larimer County Open Space	1,677,690	-	-	-	3,690
Library	2,370,780	-	-	-	57,800
Local Improvement	-	-	-	-	
Loveland Urban Renewal Authority	1,897,760	-	-	-	
Park Improvement	400,100	-	-	-	800,000
Perpetual Care	-	-	-	-	
Special Improvement District #1	1,354,500	-	-	-	
Total Special Revenue Funds	23,492,130	-	-	1,100,000	23,934,340
OTHER FUNDS					
Airport	1,680,670	-	-	-	2,178,000
Loveland/Larimer Building Authority	459,640	-	-	-	-
Total Other Funds	2,140,310	-	-	-	2,178,000
TOTAL	188,559,550	60,640	45,000	1,100,000	41,294,030

Ordinance 5188	Ordinance 5190	Ordinance 5196	Ordinance 5197	'07 Revised Budget as of 6/30/2007	Fund		
10,000	92,440		123,030	66,819,310	GENERAL FUND		
ENTERPRISE FUNDS							
-	-	-	-	3,862,280	Golf		
-	-	-	-	41,267,080	Power		
-	-	-	-	6,098,520	Solid Waste		
-	-	-	-	5,209,140	Storm Water		
-	-	-	-	9,351,020	Wastewater		
-	-	-	-	21,433,000	Water		
87,221,040				Total Enterprise Funds			
INTERNAL SERVICE FUNDS							
-	-	-	-	9,259,580	Employee Benefits		
-	-	-	123,030	1,309,740	Fleet Management		
-	-	-	-	9,142,260	Internal Support Services		
-	-	-	-	1,985,370	Risk & Insurance		
-	-	-	-	2,825,640	Vehicle Maintenance		
123,030				24,522,590			
SPECIAL REVENUE FUNDS							
-	-	-	-	487,970	Art in Public Places		
-	-	-	-	13,912,370	Capital Expansion Fees		
-	-	-	-	22,768,720	Capital Projects		
-	-	-	-	323,130	Community Development Block Grant		
-	-	-	-	2,447,460	Conservation Trust		
-	-	-	-	24,500	General Improvement District #1		
-	-	-	-	1,681,380	Larimer County Open Space		
-	-	-	-	2,428,580	Library		
-	-	-	-	-	Local Improvement		
-	-	-	-	1,897,760	Loveland Urban Renewal Authority		
-	-	-	-	1,200,100	Park Improvement		
-	-	-	-	-	Perpetual Care		
-	-	-	-	1,354,500	Special Improvement District #1		
-				48,526,470			
Total Special Revenue Funds							
OTHER FUNDS							
-	-	592,110	-	4,450,780	Airport		
-	-	-	-	459,640	Loveland/Larimer Building Authority		
-	-	592,110	-	4,910,420	Total Other Funds		
10,000	92,440	592,110	246,060	231,999,830	TOTAL		

Oversizing Agreement Summary

The City enters into contractual agreements with development companies to construct infrastructure in excess of the requirements for their particular project that are viewed as necessary for expected growth in the area. These agreements are known as "oversizing" agreements. The developers install needed infrastructure early to minimize the public inconvenience and construction costs. The developer agrees to construct the infrastructure at a larger capacity (i.e., a wider street or larger water pipe) and the City agrees to repay the cost of the oversizing required under the provisions of the agreement. There is no provision that defines a term of the agreement for transportation improvements. The value of the project is increased annually by an index established in code. In practice the City makes payments on the outstanding agreement and plans for the obligation to be paid in full by the time the infrastructure would have been constructed in the Capital Improvements Plan. Some projects are eligible for interest, particularly water and sewer projects that are not repaid within the same year that the agreement was executed.

Capital Reimbursement Oversizing Agreement - Current Agreements

Project	Developer	Date Contract Executed
Transportation		
Boyd Lake Avenue (Gl Canal to Lost Creek)	McStain Enterprises, Inc	11/10/2004
Crossroads Blvd. I25 to CR 5	Eagle Crossing Develop., Inc.	Pending
Clydesdale & Crossroads Traffic Signal	Crossroads Plaza Corporation	9/18/2007
US 287 & 57th St. Intersection	Wal*Mart Stores, Inc.	Pending
Taft Avenue (43rd St. to 57th St.)	Alford Meadows LLC	7/12/2004
Taft Avenue (43rd St. to 57th St.)	Kendall Brook, LLC.	9/30/2002
14th St. SW (CR21 to Katie Dr.)	Centex Homes	5/2/2005
5th St. east of Sculptor Dr.	VDW Properties LLC	8/18/2006
SH 402 (US 287 to St. Louis Ave.)	Brisben Waterford Place Limited Partnership	2/25/2006
Wilson Ave. (43rd St. to 50th St.)	Scenic Range LLC	5/2/2005
Boise/Denver Ave. Improvement	Loveland Midtown Development, Inc.	3/14/2006
Fairgrounds Ave. (Crossroads to CR30)	The Ranch/Larimer County	8/7/2006
Sculptor / US 34 Intersection	VDW Properties, LLC	4/13/2007
Sculptor South of US 34	VDW Properties, LLC	4/13/2007
Mountain Lion Dr. & US 34 Accel. Lane	VDW Properties, LLC	1/8/2007
Taft and 14th St. SW Intersection	Edgemark Develop., LLC	2/6/2007
Boise Ave. - 1st St. Turn Lane	Milhaus Financial, LLC	2/27/2007
Subtotal Transportation		
Water Utility		
Minnenium SW 3rd (16" WL)	V D W Properties LLC	7/2/2007
Mirasol 1st Addition (24" WL)	Housing Authority of the City of Loveland	6/26/2006
Thompson 2nd Sub (12" WL)	M View	6/13/2007
Wintergreen 1st & 2nd Sub (12", 16" WL)	S D C Loveland LLC	9/12/2006
Water Oversizing Budget (unspecified)		
Subtotal Water Utility		
Wastewater Utility		
No specific jobs identified yet		
Subtotal Wastewater Utility		
Total Capital Reimbursement Oversizing		

The transportation agreements do not constitute debt as defined by Article X, Section 20 of the State Constitution, or the by generally accepted accounting principles as defined by the Government Accounting Standards Board. The following pages report the projects under agreement with repayment schedules and future projects that may be eligible for these agreements, depending on the timing of future development.

Note: Annual payments will be established when a contract with a developer has been negotiated. Currently there is no development along these project segments.

2007							
Beginning Balance	2007 Budget	2008 Budget	2009 Budget	2010 Budget	2011 Budget	2012 Budget	Ending Balance
131,725	-	131,725					-
1,700,000	200,000				1,500,000		-
180,000		180,000					-
2,311,000	1,000,000	437,000	437,000	437,000			-
302,471		120,000	120,000	62,471			-
202,899			50,000	42,899	110,000		-
307,337					307,337		-
289,030				289,030			-
400,867					400,867		-
321,499	100,000	100,000		121,499			-
236,692	146,304	90,388					-
727,370					727,370		-
1,154,569							1,154,569
431,271							431,271
117,392							117,392
358,706				100,000	158,706	100,000	-
38,652	38,652						-
9,211,480	1,484,956	879,113	787,000	1,052,899	3,204,280	100,000	1,703,232
83,176	50,000	33,176					-
89,054	43,537	45,517					-
22,116	18,729	3,387					-
86,047	43,537	42,510					-
		125,410	250,000	250,000	250,000	250,000	NA
280,393	155,803	250,000	250,000	250,000	250,000	250,000	-
		150,000	150,000	150,000	150,000	150,000	750,000
		150,000	150,000	150,000	150,000	150,000	750,000
9,491,873	1,640,759	1,279,113	1,187,000	1,452,899	3,604,280	500,000	2,453,232

Capital Reimbursement Oversizing Agreement - Potential/Future Agreements

	Estimated Cost
Transportation	
57th Street (Glen Isle Dr. to Taft Ave.)	1,200,000
Taft Ave. (28th St. SW to 23rd St. SW)	500,000
Wilson Ave. (Fire St. #3 to 5th St. SW)	330,000
Taft Ave. (Ellen Pl. to 16th St. SW)	250,000
Subtotal Transportation	2,280,000
Water Utility	
Aspen Knolls Sub (24", 12" WL)	K. B. Homes
Eagle Brook Meadows Phase 1 (12", 16" WL)	Chateau Development
Sierra Valley 1st Sub (12" WL)	Sierra Valley LLC
Wilson Commons 1st Sub (12", 16" WL)	Guiliano & Father
Subtotal Water Utility	426,576
Total Potential Projects	2,706,576

Note: Annual payments will be established when a contract with a developer has been negotiated. Currently there is no development along these project segments.



City of Loveland, CO

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