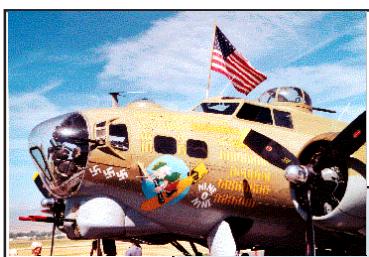


# 2003 Adopted Budget





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#### About the Cover:

Photographs by Marilyn Hilgenberg,  
Mike Hart and Gary Havener

Loveland Air Show 2002

# Loveland:

**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.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Loveland  
Colorado**

For the Fiscal Year Beginning  
**January 1, 2002**

*Smith Graw*  
President

*Jeffrey L. Evans*  
Executive Director

**AWARD FOR DISTINGUISHED BUDGET  
PRESENTATION**

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, 2002.

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.

## **Budget Staff**

John Hartman, Budget Officer

Aleesa Whiteis, Budget Analyst

Dawn Wirth, Administrative Assistant

City of Loveland, Budget Division

500 East Third Street

Loveland, Colorado 80537

970-962-2329

## **Citizen's Finance Advisory Commission**

William McCullough, Chair

Edward Eacker, Vice-Chair

Jennifer Kersten

Carla Klopfenstein

Leonard Kopec

Ruth Larkin

Teresa Molloy

Jim Pawlowski

David Schwab

Steve Dozier (Council Liaison)

Don Marostica (Council Liaison)



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## ***USING THE BUDGET DOCUMENT***

The City of Loveland Budget provides city residents and the City Council with a funding plan for the year 2003. The Operating Budget Section is organized by function (i.e. Community 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 current 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 2002 Adjusted 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). "Supplements" are increases 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).

Included with the cost information are the department 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 Operating Section to the Capital Plan, which is included in a separate section of the budget document. Appropriations in the Capital Plan for 2003, 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 Plan 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 and 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 five main sections: Introduction, Budget Overview, Department Summaries, Capital Improvement Program and Appendix.

## **Introduction**

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

- ☞ a list of the City officials;
- ☞ a City organizational chart;
- ☞ a summary of the budget process;
- ☞ the underlying policies and rules that guide and shape the budget;
- ☞ 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.

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

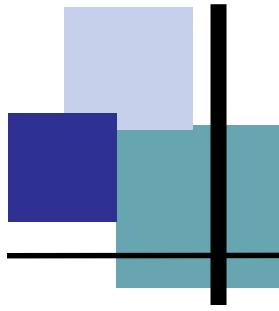
- ☞ a list of full time equivalent positions by department/division;
- ☞ a debt service summary;
- ☞ the impact of Amendment 1 restrictions on the City's budget.

## **Operating Summary**

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.

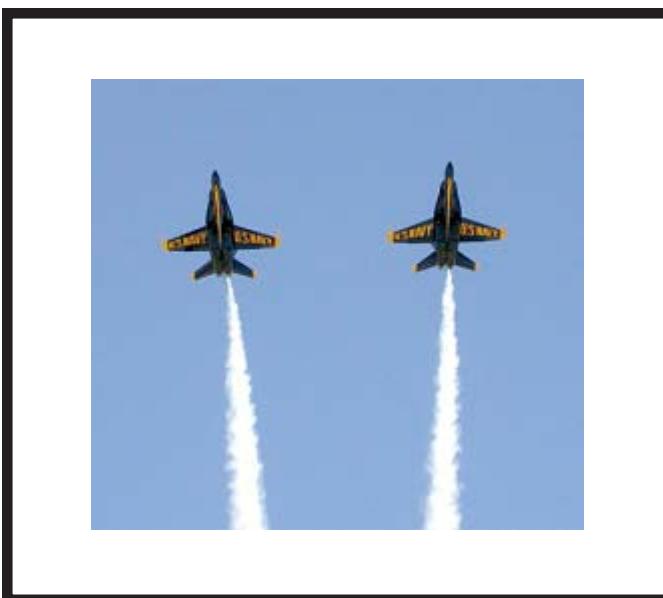
## **Capital Improvement Plan**

This section contains a five-year capital improvement program for the City. It describes the major 2003 projects and their financial impact on the operating budget.



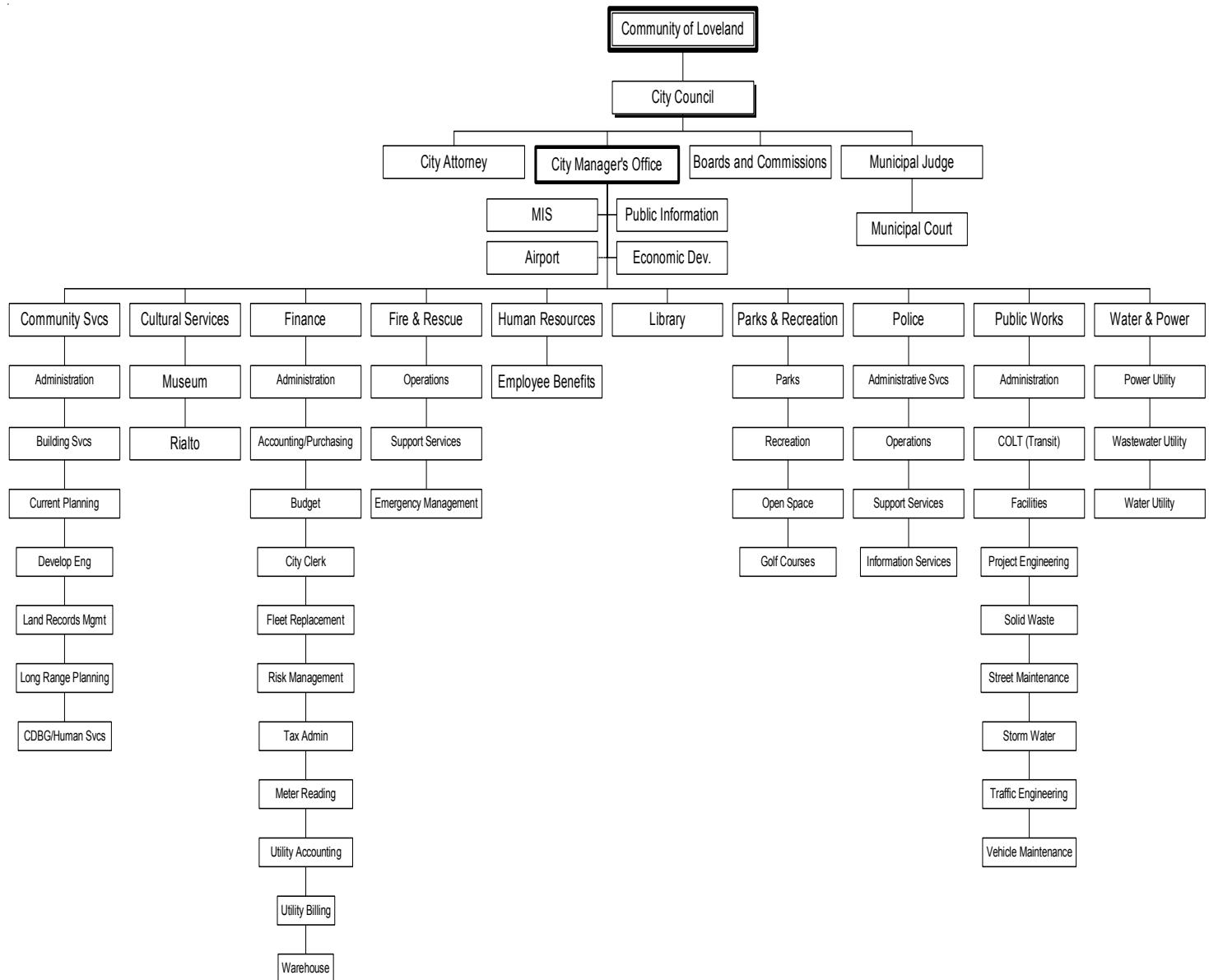
# INTRODUCTION





# Introduction

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# ***OFFICIALS OF THE CITY OF LOVELAND***

## ***City Council***

Kathleen R. Gilliland, Mayor

Larry Walsh, Mayor Pro-Tem

Jan Brown, Councilor, Ward I

Steven Dozier, Councilor, Ward III

Larry Heckel, Councilor, Ward IV

Don Marostica, Councilor, Ward I

Gene Pielin, Councilor, Ward II

Glenn Rousey, Councilor, Ward II

Walt Skowron, Councilor, Ward III

## ***Executive Staff***

Don Williams, City Manager

Dave Gordon, Interim Airport Director

Greg George, Acting Community Services Director

Mike Hart, Finance Director

Gary Havener, Parks & Recreation Director

Susan Ison, Cultural Services Director

Jo Mattoon, Human Resources Director

Mark Miller, Fire Chief

Ralph Mullinix, Water & Power Director

Ted Schmidt, Library Director

Tom Wagoner, Police Chief

Keith Reester, Interim Public Works Director

## ***Municipal Court***

Bill Stark, Municipal Judge

## ***Legal Staff***

John Duval, City Attorney

Caroline Blackwell, Assistant City Attorney

Sharon Citino, Assistant City Attorney

Mary Pat Daviet, Assistant City Attorney

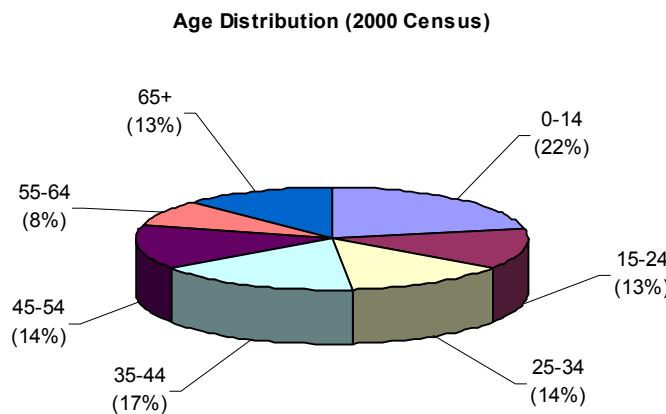
Robert Fink, City Prosecutor

# GENERAL INFORMATION

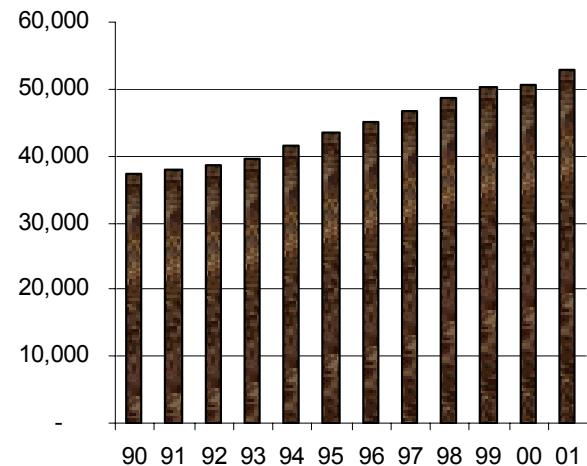
## History and Location

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 25 square miles and an estimated current population of 56,000. Loveland is the thirteenth largest city in the state of Colorado.

## Demographics



**Loveland Population Growth**



## Economics

Unemployment Rate for July 2002 (Not seasonally adjusted):

Loveland	4.5%	Larimer County	4.7%
Colorado	5.4%	United States	5.9%

## Major Employers in Loveland (2001)

Thompson School District  
 Agilent Technologies  
 Wal-Mart Distribution Center  
 McKee Medical Center  
 Hewlett-Packard  
 City of Loveland  
 Hach Company  
 Wal-Mart SuperCenter  
 Teledyne WaterPik  
 Group Publishing  
 Albertsons  
 Big Thompson Medical Group  
 King Soopers  
 Porter Industries  
 Quebecor Printing Loveland, Inc.

## Employees

1,850  
 1,450  
 1,000  
 900  
 730  
 667  
 640  
 500  
 400  
 270  
 257  
 250  
 250  
 250  
 250

**Family Income (2000 Estimate)\***

Median family income (includes all earners in household)	\$54,337
--	----------

**Larimer County Income\*\***

Average annual income (single earner)	\$32,393
---------------------------------------	----------

**Housing Costs in Loveland \*\*\***

Average sale price for a single family home (June 2001)	\$190,481
Average apartment rental rates	\$563.64/month

**Taxes**

City property tax levy for 2002	9.564 mills
City of Loveland 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 elect 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.

**Source:**

\* 2000 Census

\*\* Colorado Department of Labor and Employment

\*\*\* The Group Inc., Real Estate Insider, August 2002

## ***SCOPE OF SERVICES***

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

- ✓ Building
- ✓ Cemetery
- ✓ Community Planning
- ✓ Engineering
- ✓ Fire and Rescue
- ✓ Fort Collins–Loveland Airport
- ✓ Loveland Museum & Gallery
- ✓ Loveland Public Library
- ✓ Municipal Court
- ✓ Parks and Recreation
- ✓ Police
- ✓ Power Utility
- ✓ Rialto Theater
- ✓ Solid Waste Collection
- ✓ Storm Water Utility
- ✓ Streets Maintenance
- ✓ Wastewater Utility
- ✓ Water Utility

### ***Employees and Benefits***

The City currently has 667 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% above and below the mid-point. For 2003, the weighted average pay plan increase is 4.2% above the 2002 mid-point level.

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 cost-sharing arrangement.

# BUDGET PROCESS

## Budget Administration

This budget has been structured and prepared using the guidelines of the National Council on Governmental Accounting (NCGA) and 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.

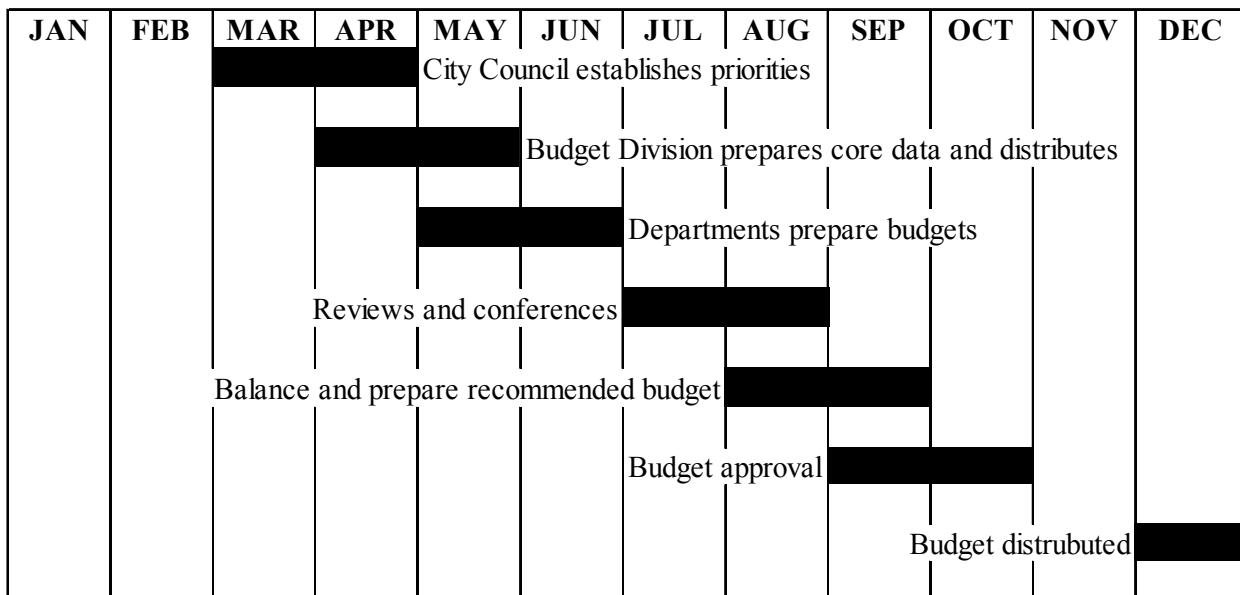
## Basis of Accounting

The budget parallels the City's accounting system and is prepared on the same basis. 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.

## 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.

## 2002 Budget Preparation Schedule



### **Budget Amendment**

Expenditures may not exceed the amounts appropriated in any given year. The City, however, may need to amend the budget, as with any other plan, during the course of the year in the following circumstances:

**Carryover Encumbrances and Projects** - If a department has open purchase orders or uncompleted projects at the end of a fiscal year, those appropriations can be carried over to the next year to cover the actual expenses when they occur.

**Unanticipated Revenue** - If a fund receives revenue from a source that is unanticipated in the budget, such as a grant, then that revenue may be adopted by City Council for expenditure in the year received.

**Transfers** - If it is necessary, the City may transfer appropriated monies between spending agencies within a fund or from one fund to another fund.

In order to enact any of the above changes, the budget amendment must be noticed in the same manner as the budget adoption and the ordinance must be adopted at a public meeting by a majority vote of the City Council.

# ***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 nine 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 improvement plan projections for the budget year plus four years.
- ✓ 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 nine 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 plans.
- ✓ Establish other reserves related to special items as approved by City Council. This would include accumulating reserves to retire debt at an accelerated schedule.

## **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 comp-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 which will be appropriated in future years based on the capital plan 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
Water	Wastewater

- ✓ 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%.
- ✓ 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 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 and the Government Finance Officers Association, or their equivalents.
- ✓ Present monthly and annual reports to the City Council summarizing financial activity delineated by fund.
- ✓ 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.
- ✓ 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 29 funds. Each fund has been established for a specific purpose and is somewhat like a separate bank account.

Those funds used to pay for operations, maintenance and other ongoing activities are like checking accounts. Generally, 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.

Other funds are more like savings accounts. Money accumulates 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 and internal service charges, which are counted both as revenues and expenditures twice, and occasionally three times. For these reasons the total appropriated amount in a fund can be significantly higher than actual spending. *The net City budget excludes internal service charges and internal transfers. It represents a close approximation of projected spending.*

### **Fund Types:**

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

The **General Fund** includes the majority of City services. City Council, City Manager's Office, City Attorney's Office, City Clerk, Sales and Use Tax Administration, Municipal Court, Community Services, Police, Public Works, Fire and Rescue, Parks and Recreation, and Cultural Services are included. General Fund revenues includes 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 transfers from other funds or internal service charges. Included in this fund are Public Grounds Maintenance, City Fleet, Vehicle Maintenance, Management Information Services, Finance Administration, Accounting, Purchasing, Budget, Human Resources, Facilities Management, Risk Management and Employee Benefits.

The **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, and General Improvement District # 1 (GID). 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. The LLBA was established by Larimer County and the City of Loveland to construct and operate the new combined Police and Courts facility. *Neither fund is included in the City's total budget summary.*

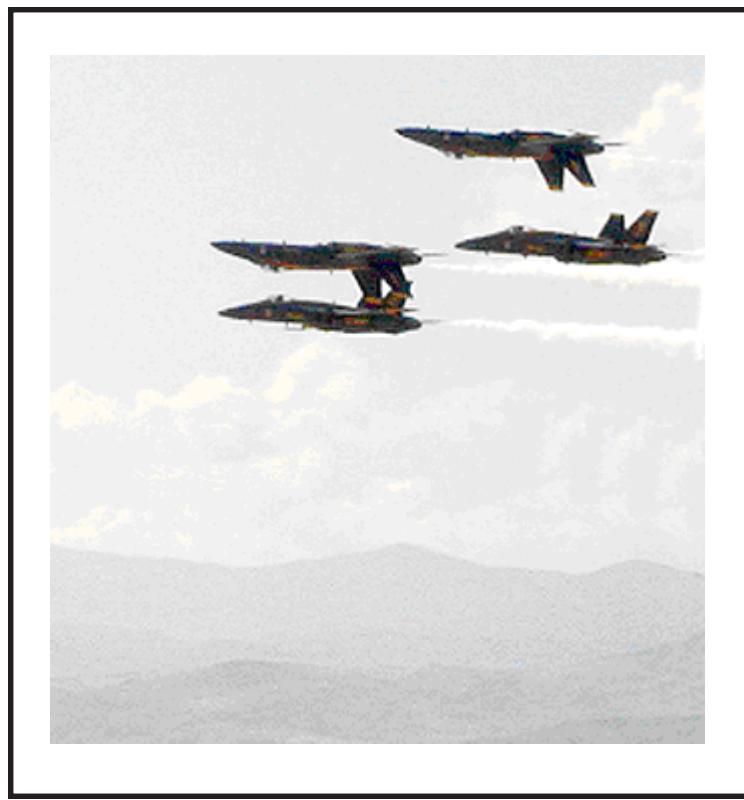
### Transfers

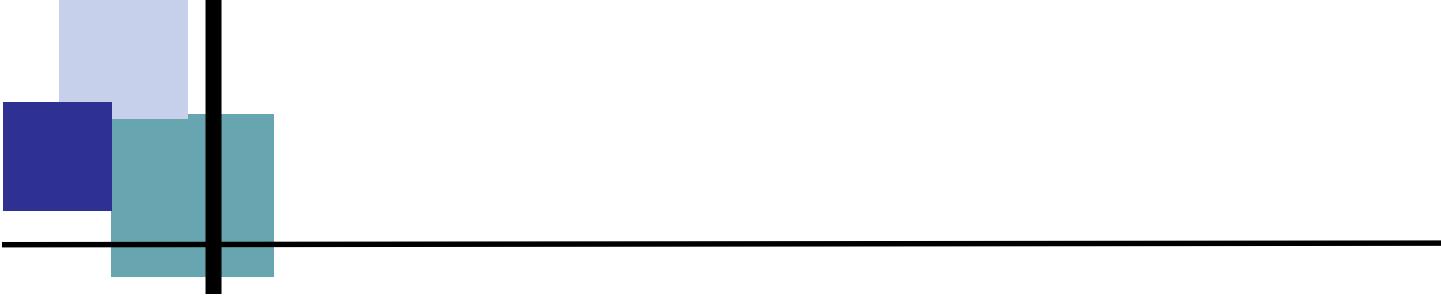
Because money is budgeted and accounted for in separate funds rather than being pooled in one account, transfers occur among funds. Transfers take three primary forms: payment in lieu of tax (PILT), direct charges and operating transfers.

**Payment in Lieu of Tax** - 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 payment in lieu of taxes 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.

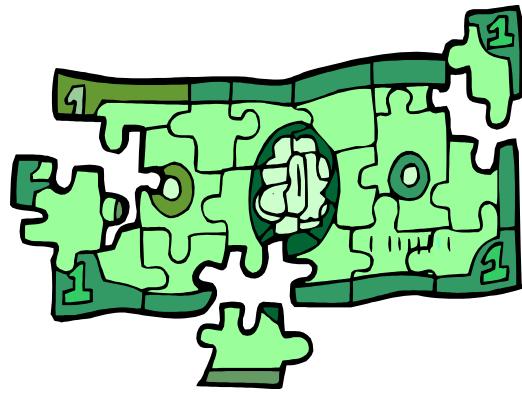
**Direct Charges** - Direct charges represent payments for support services provided by one City department to another City department. These charges are direct reimbursements for services provided and are calculated annually utilizing a cost of service analysis. Examples of support for which direct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

**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 transfer from the General Fund to the Library Fund. The majority of the Library's funding comes from the General Fund, though the Library does not provide support services to the General Fund. 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





## Budget Message:

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### September 2002

#### TO THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL:

I am pleased to present to you the adopted City of Loveland Budget for 2003. Pursuant to Section 11-2(c) of the Home Rule Charter of the City of Loveland, the 2003 Budget provides a complete financial plan for the City of Loveland for the 2003 calendar year. The budget focuses on maintaining the level and quality of services delivered to our citizens, providing excellent customer service, promoting economic development, enhancing parks and recreational activities, and continuing the effort to replace and maintain existing equipment and facilities.

The budget was developed using the priorities established by the City Council at its January retreat, as refined throughout the year, and with the input of the City's numerous boards and commissions, and comments of citizens during the public hearing process. The budget adheres to the following City Council goals:

- Promote economic development;
- Restructure City government;
- Improve transportation;
- Provide an open and accessible government.

Several initiatives were begun in 2002 towards accomplishing these goals. The 2003 Adopted Budget advances the implementation of these initiatives.

#### **(1) Promote Economic Development**

Included in the 2002 Budget was three new initiatives aimed at promoting economic development; funding for advertising and projects in cooperation with the Chamber of Commerce, funding for projects in cooperation with the Northern Colorado Economic Development Corporation, and funding for a new economic development incentive program. These initiatives are continued in the 2003 budget. In addition, an Economic Development Division within the City Manager's Office was created and staffed with an Economic Development Manager. The 2003 Budget will provide operating funds for the division to begin full implementation of an economic development program to create new jobs and retain current jobs in the city.

The City has also adopted a Historic Preservation Program for the downtown area, as part of the effort to enhance and revitalize downtown. Included in the 2003 budget is funding for a revolving loan program for properties that qualify for the historic preservation program.

To attract businesses to the City, in light of the current drought affecting the region, a reliable water supply will be a necessity. In the Water Enterprise fund over \$1 million is budgeted to bring water to the City to insure an adequate water supply even in these dry conditions.

### **(2) Restructuring Government**

In 2002, Council directed staff to begin a process of evaluating all City services for possible privatization, or restructuring to provide services that are more cost-efficient. This effort led to the development of a performance measurement program, to evaluate not only the efficiency and cost effectiveness, but the quality of the service provided. These measures will provide a context within which Council can discuss both quality and quantity of service when evaluating a service to be outsourced, and to guarantee that quality of service will not be lost through an outsourcing or privatization.

Included in each Department Chapter is the department mission statement and objectives to achieve the mission. Following on each division page, objectives and performance measures to achieve the Department mission and objectives are presented. Many of the measures used were just developed and the data for prior years or the current year are not available, however, projections for the measures in 2003 are included.

Two service areas, Vehicle Maintenance and Solid Waste Collection, presented detailed evaluations of their services to Council, for consideration of privatizing the services. These divisions will return to Council in November with data from the performance measures, for Council to make decisions on whether to pursue outsourcing the services or to keep them in-house. In 2003, other departments will come to Council for similar evaluations.

### **(3) Improve Transportation**

Transportation has been a major focus for several years, as we have strived to maintain traffic flow at the service level "C". Over the past two years, we have struggled to put permanent funding in place for the 2020 Transportation Plan, which will go a long way toward meeting the service level goal. The ballot issue this November, to gain approval for an additional quarter cent sales tax, is our next effort towards funding the plan. A street construction capital program is not included in the 2003 budget. Depending on the outcome of the election, staff will bring a supplemental budget to Council after the first of the year, to budget a street construction program.

In the mass transportation arena, we have continued to fund the City of Loveland Transportation Division (COLT) at its current service level, although there has been a loss of federal grant revenue for the service. We are pursuing both federal dollars and other alternatives, to both improve and expand the service.

### **(4) Open and Accessible Government**

As part of the effort to bring our government closer to the citizens, we have included in the 2003 budget, staffing to improve our web site and expand our web capabilities. We are also including funds to improve presentation equipment in the Council chambers so that information can be presented more effectively to the public.

### **Other Issues**

A major issue that has been facing city management is the ability to recruit and retain high quality individuals. The 2003 Adopted Budget includes funding to insure employees are being paid a competitive wage, based on current comparisons in our labor market.

## Budget Overview

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While much of the nation is experiencing a down economy, and our sister cities are facing the loss of sales tax revenue, causing budget and service reductions, we are in a unique position. Through our economic development efforts, new businesses have located in the City, which has expanded the shopping opportunities for our citizens. As a result, people are shopping at home rather than traveling to neighboring cities, keeping more sales tax within the City. We expect this trend to continue, although at a more moderate pace than has been experienced in the past two years.

However, we are mindful that changes in the economy are possible, so we have taken a fiscally conservative approach again this year. As more large companies downsize and restructure, resulting in lost jobs, shopping patterns may change, which could lead to a short-term downturn. There is over \$3.75 million in the General Fund's ending balance through either reserves or unappropriated fund balance, which could be accessed in the event of an emergency. This amount is equivalent to 7.5% of General Fund revenues, and is within standards set by the government financial community.

In summary, the 2003 Adopted Budget is a fiscally conservative plan that prioritizes the available resources to effectively meet the Council's four primary goals. We have strived to minimize the growth in government, while maintaining our service levels and treating the employees of the City fairly. As in any year, there are far more requests, which are important and would provide value to the City, than the funding will allow. I look forward to our discussions on the budget, and the challenges we are facing.

Respectively submitted;



Don F. Williams  
City Manager

# ***TOTAL CITY BUDGET***

The 2003 budget is balanced and financially conservative. 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 internal service charges, and closely approximates projected spending.

	<b>2001 Actual</b>	<b>2002 Adjusted</b>	<b>2003 Budget</b>	<b>% Change 2002-03</b>
Beginning Balance	142,011,839	133,406,720	80,090,560	
<b>Revenue</b>				
Taxes	32,218,163	33,428,320	36,565,160	9.4%
Intergovernmental	5,597,536	4,730,390	4,434,640	(6.3%)
Impact Fees	13,077,823	12,774,080	14,840,860	16.2%
User Fees	12,582,053	12,994,500	13,519,310	4.0%
Interest	9,969,266	6,306,790	4,645,890	(26.3%)
Others	2,294,242	1,736,870	1,493,280	(14.0%)
Utility Fees	36,962,188	39,153,450	40,866,300	4.4%
Utility Other	1,659,075	2,717,640	2,476,730	(8.9%)
<b>Total Net Revenue</b>	<b>114,360,346</b>	<b>113,842,040</b>	<b>118,842,170</b>	<b>4.4%</b>
Transfers	18,621,571	24,828,420	19,484,000	(21.5%)
Internal Service Charges	5,706,957	6,439,840	7,680,930	19.3%
<b>Total Revenue</b>	<b>138,688,874</b>	<b>145,110,300</b>	<b>146,007,100</b>	<b>0.6%</b>
<b>Total Resources</b>	<b>280,700,713</b>	<b>278,517,020</b>	<b>226,097,660</b>	
<b>Appropriations</b>				
General Fund	41,647,500	47,311,470	46,137,460	(2.5%)
Enterprise	63,218,591	104,040,410	65,351,810	(37.2%)
Internal Service	14,612,996	15,145,890	17,128,430	13.1%
Special Revenue	27,814,908	31,928,690	18,267,580	(42.8%)
<b>Total Appropriations</b>	<b>147,293,995</b>	<b>198,426,460</b>	<b>146,885,280</b>	<b>(26.0%)</b>
Less Transfers	18,621,571	24,828,420	19,484,000	(21.5%)
Less Internal Service Charges	5,706,957	6,439,840	7,680,930	19.3%
<b>Total Net Appropriations</b>	<b>122,965,467</b>	<b>167,158,200</b>	<b>119,720,350</b>	<b>(28.4%)</b>
<b>Ending Balance</b>	<b>133,406,718</b>	<b>80,090,560</b>	<b>79,212,380</b>	

## Budget Overview

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### Fund Summary Schedule

Gross Budget	Internal	Enterprise	Capital	Library	Local	
	General Fund		Projects Fund	Fund	Improv. Fund	
<b>Beginning Balance</b>	<b>7,907,920</b>	<b>9,260,450</b>	<b>33,632,950</b>	<b>7,540</b>	<b>250,350</b>	<b>277,280</b>
<b>Revenues</b>						
Legislative						
Executive/Legal	525,600					
Community Services	1,643,000					
Cultural Services	156,550					
Finance	18,000	5,104,570				
Fire & Rescue	681,610					
Human Resources		4,982,540				
Library					1,978,820	
Parks & Recreation	2,328,920		3,424,440			
Police	132,000					
Public Works	5,958,410		7,503,670			
Water & Power			48,252,120			
Non-Departmental	35,925,360	6,999,560		6,280,500	12,480	
<b>Total Revenue</b>	<b>47,369,450</b>	<b>17,086,670</b>	<b>59,180,230</b>	<b>6,280,500</b>	<b>1,978,820</b>	<b>12,480</b>
<b>Total Resources</b>	<b>55,277,370</b>	<b>26,347,120</b>	<b>92,813,180</b>	<b>6,288,040</b>	<b>2,229,170</b>	<b>289,760</b>
<b>Appropriations</b>						
Legislative	102,030					
Executive/Legal	1,322,540	1,983,580		50,500		
Community Services	2,951,460					
Cultural Services	978,710					
Finance	370,250	4,198,650	2,078,700			
Fire & Rescue	5,144,490					
Human Resources		5,960,690				
Library				50,000	1,978,960	
Parks & Recreation	6,174,570	343,920	3,872,070	4,300,000		
Police	11,651,990			1,530,000		
Public Works	6,741,160	4,641,590	6,613,630	350,000		
Water & Power			52,787,410			
Non-Departmental	10,700,260					
<b>Total</b>	<b>46,137,460</b>	<b>17,128,430</b>	<b>65,351,810</b>	<b>6,280,500</b>	<b>1,978,960</b>	<b>-</b>
<b>Ending Balance</b>	<b>9,139,910</b>	<b>9,218,690</b>	<b>27,461,370</b>	<b>7,540</b>	<b>250,210</b>	<b>289,760</b>

## Budget Overview

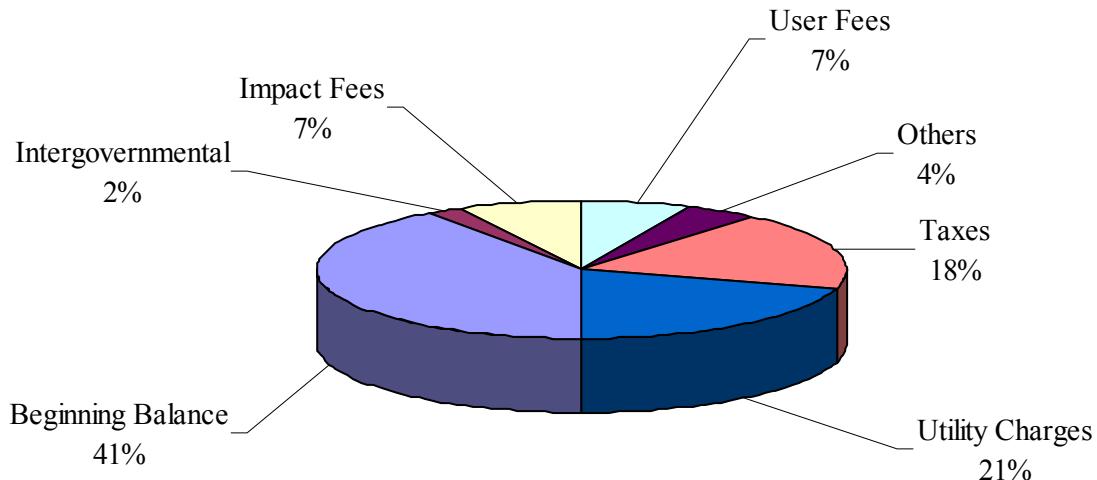
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### *Special Revenue Funds*

CEF Fund	Park Improv. Fund	GID #1 Fund	Con. Trust Fund	Community Dev. Blk. Grant Fund	County Open Space Fund	Art in Public Places Fund	Total
22,143,160	1,489,240	62,140	2,246,020	-	2,519,730	293,780	80,090,560
							-
306,590				352,000			525,600
							1,995,000
598,230						63,220	526,360
							5,122,570
418,290							1,279,840
3,021,990	119,320		874,870		1,434,190		4,982,540
368,010							2,397,110
5,340,040							500,010
1,167,900		34,300					18,802,120
							48,252,120
							50,420,100
<b>11,221,050</b>	<b>119,320</b>	<b>34,300</b>	<b>874,870</b>	<b>352,000</b>	<b>1,434,190</b>	<b>63,220</b>	<b>146,007,100</b>
<b>33,364,210</b>	<b>1,608,560</b>	<b>96,440</b>	<b>3,120,890</b>	<b>352,000</b>	<b>3,953,920</b>	<b>357,000</b>	<b>226,097,660</b>
							-
1,900,000				352,000			102,030
							3,356,620
3,715,000	436,900		1,755,370		99,880		3,303,460
-		24,500					1,078,590
							6,647,600
500,000							7,044,490
							5,960,690
							2,028,960
							21,822,300
							13,181,990
							18,370,880
							52,787,410
							11,200,260
<b>6,115,000</b>	<b>436,900</b>	<b>24,500</b>	<b>1,755,370</b>	<b>352,000</b>	<b>1,224,470</b>	<b>99,880</b>	<b>146,885,280</b>
<b>27,249,210</b>	<b>1,171,660</b>	<b>71,940</b>	<b>1,365,520</b>	<b>-</b>	<b>2,729,450</b>	<b>257,120</b>	<b>79,212,380</b>

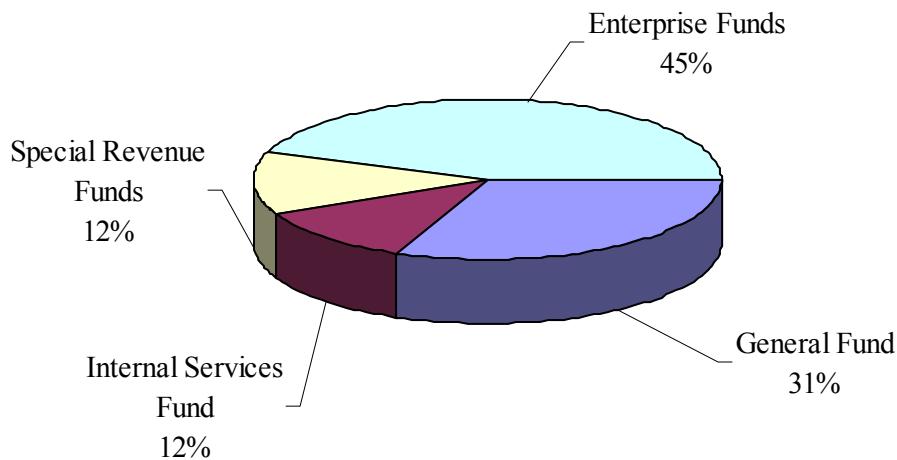
## 2003 Total Sources of Funds

(excluding interfund transfers)

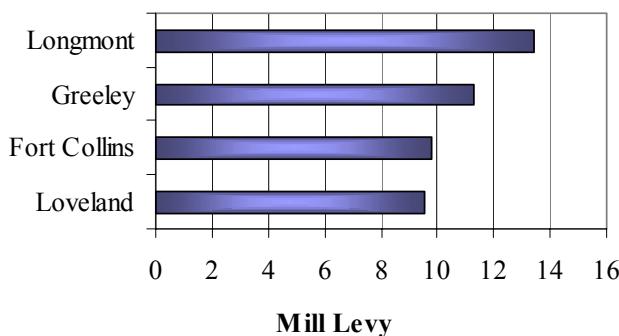


## 2003 Total Uses of Funds

(excluding interfund transfers)



# REVENUE OVERVIEW

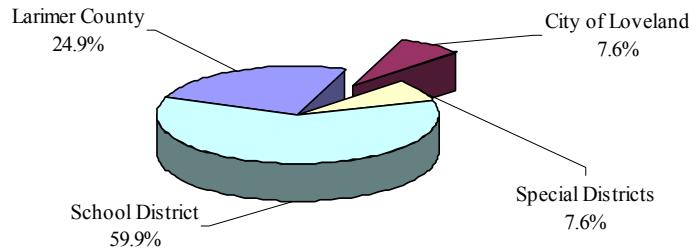


## Property Tax

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 through 2012 for police and fire, street construction and maintenance, and parks construction and maintenance.

The 2003 mill levy rate will remain at the 2002 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.

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% and residential properties at 9.115% of their market value. The result is that 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 eight percent of a homeowner's property tax dollars in the graph above.

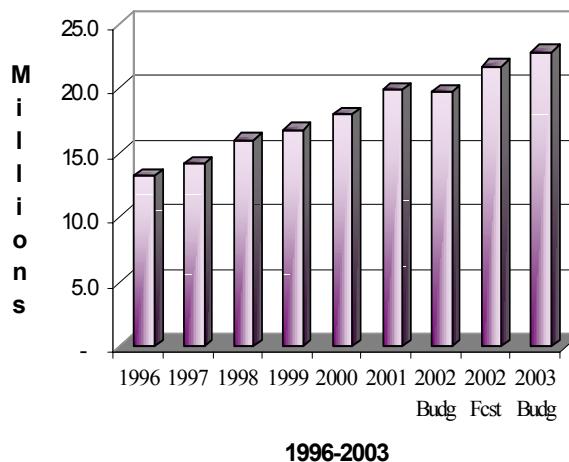
## Property Tax Levy for the General Fund

	2001	2002	2003
<b>Mill Levy</b>	9.564	9.564	9.564
<b>Valuation</b>	\$ 454,217,420	\$ 541,771,130	\$ 577,263,930 *
<b>Net Tax Revenue</b>	\$ 4,257,252	\$ 5,031,230	\$ 5,287,340

(98% of Total - County Collection fee is 2%)

\* The 2003 valuation amount is the preliminary certification of valuation. The final tax role will not be released until early December.

### Annual Sales Tax Collections



Use tax is also 3%, but only applies to building materials and motor vehicles and is distributed the same as sales tax.

Use tax collections on building materials are projected to increase by 2% and collections on motor vehicles are projected to increase by 3% over the 2002 forecast.

### 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 2003, the revenues are projected to increase 3.0%.

**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% of gross gas revenue.

**Telephone franchise tax** - A tax levied on the telephone company to operate within the city. The levy is adjusted annually based on changes in the consumer price index.

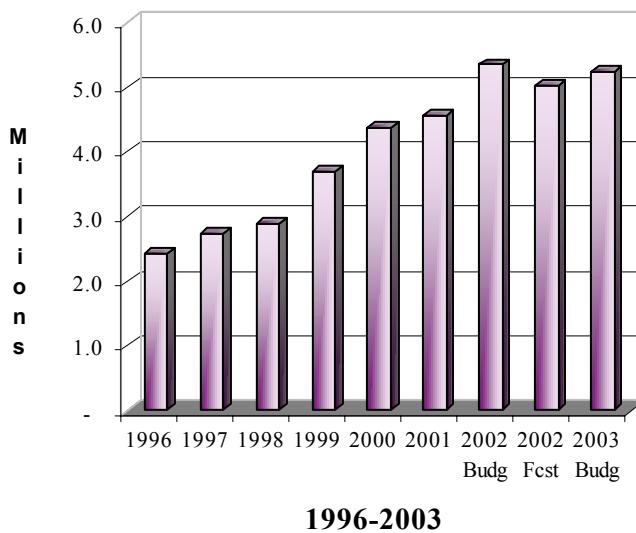
**Cable television franchise tax** - A franchise fee levied on the cable company to operate within the city. The current fee is 5% of the company's annual gross revenue.

### Sales and Use Tax

Sales tax is the largest revenue source in the taxes category. Loveland's current city sales tax rate is 3%. Through July 2002, sales tax collections are 10.9% higher than one year ago. The 2003 sales tax collections are projected to increase by 5% over 2002 forecasted revenue.

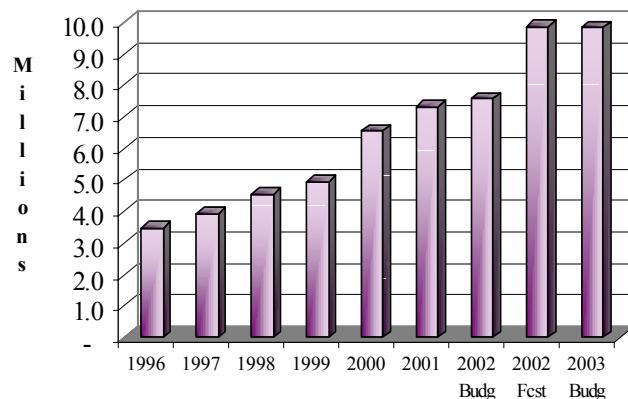
Beginning on January 1, 1998, the City began collecting its sales tax in-house instead of using the services provided by the State of Colorado. This change of collection procedure yielded an additional month of sales tax in 1997. For an equitable comparison, this additional month is not included in the 1997 figure shown in the sales tax chart.

### Annual Use Tax Collections



1996-2003

### Annual CEF Collections



1996-2003

### 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 on customers who increase utility demands that necessitate future facilities expansion, such as new water lines, additional treatment plant capacity, or a new substation.

### User Fees

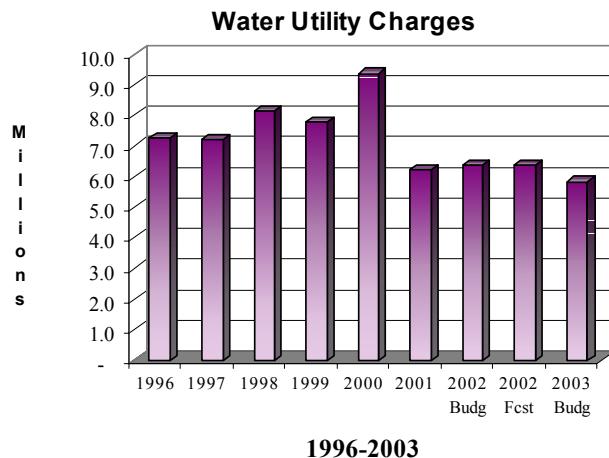
One of the sources of this revenue is from the Hatfield Chilson Recreation/Senior Center. Through user fees, a substantial part of the cost of operating programs and facilities is borne by those who use them. There are no fee increases for most Parks and Recreation fees. Other sources of this revenue include golf fees, solid waste fees, and the street maintenance fee.

### 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 2003, the projected interest rate is 4.5%.

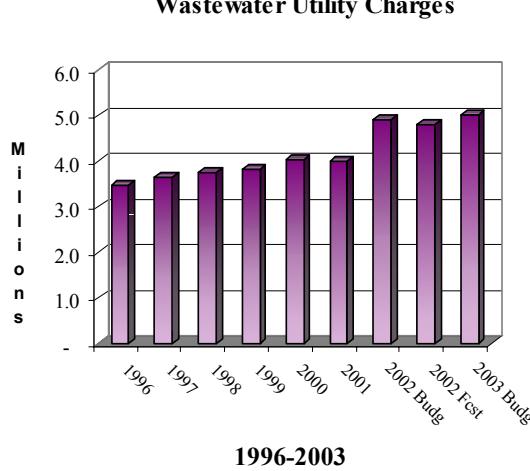
### Intergovernmental Revenues

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 2003 budget includes an amount which 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 miscellaneous grants from other governmental entities.

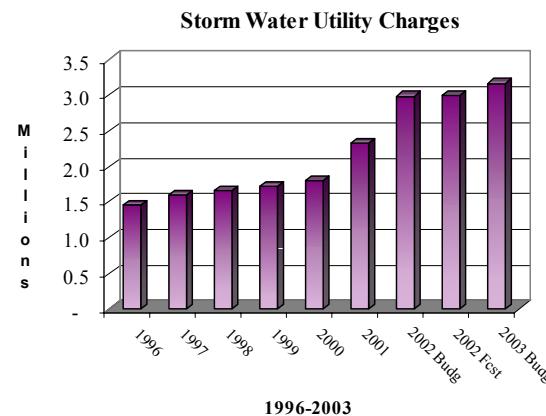


## Utility Charges

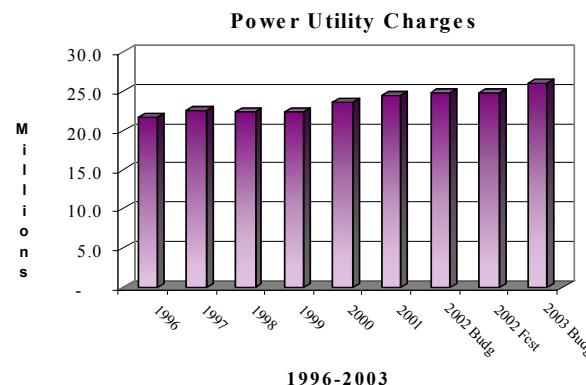
These are revenues generated from the provision of basic utility services. The City provides four utility services: water, wastewater, storm water and power. In 2001, water fees were reduced 33%, due to the early debt repayment. Revenues are projected to further decline in 2003 due to reduced water sales as a result of the severe drought the region is experiencing.



The wastewater revenues include an 18% increase in the 2002 budget and another 15% increase in 2003 due to new EPA mandates that effectively reduce the treatment plant capacity.



The storm water revenues included rates increase of 25% in 2001, and another 25% in 2002, to pay for federal discharge quality mandates and an accelerated capital program. No fee increases are included in the 2003 budget.



The power rates have remained low for the past few years with no rate increases. Since the early retirement of the Electric Revenue Bonds in 1995, rates have decreased twice and the utility implemented a power rate reduction in 1999 resulting in a 6% reduction in revenues. There is no change in power rates in 2003.

### **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, employees' contributions to the health and dental plans, and rents are included here.

### **Transfers**

Transfers occur between funds to pay for 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. In the 2003 budget is a policy change increasing the PILT payment in the Solid Waste Enterprise from 3% to 6% to match the amount paid by the utility enterprise funds.

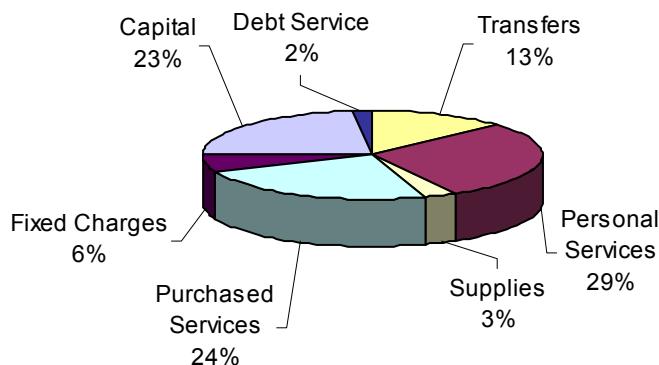
### **Fund Balance**

The beginning fund balance, while not a true "revenue", is a major source of funding for the 2003 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 decrease in the 2003 budget. The decline is due to a planned spend-down for capital projects primarily utilizing impact fees which have been collected in prior years for growth related projects. The fund balance will continue to decline over the next five years as major capital projects, which are included in the capital improvement plan, are completed.

The 2002 Adjusted Budget includes capital projects which were budgeted in prior years but not completed prior to 2002 and assumes these, as well as, new 2002 projects, will be completed by year end. This accounts for a portion of the large decline in fund balance between 2002 and 2003. After the year ends, a supplemental budget will presented to City Council to reappropriate the ending balances of capital projects remaining uncompleted.

# EXPENDITURE OVERVIEW

## Total Expenses (Including Transfers)



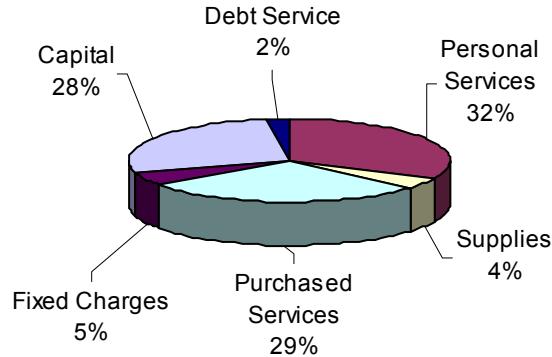
Of the City's total budget of \$146.9 million, the percentage attributed to each account group is shown above. The Supplies group includes all office supplies, parts and materials necessary to provide the services funded in the budget. The Purchased Services group includes all services provided to the City by outside sources. Examples include telephone service, postage, subscriptions, and contract services. The Fixed Charges account group includes insurance premium payments, vehicle rental and maintenance costs, which are paid to the Internal Service Fund, and other rental costs. The Debt Service group includes principal and interest costs associated with any approved debt issues. The Transfer 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 \$146.9 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 or internal service charges. This is necessary since using transfers and internal service charges double counts some revenues and expenses two and occasionally three times.

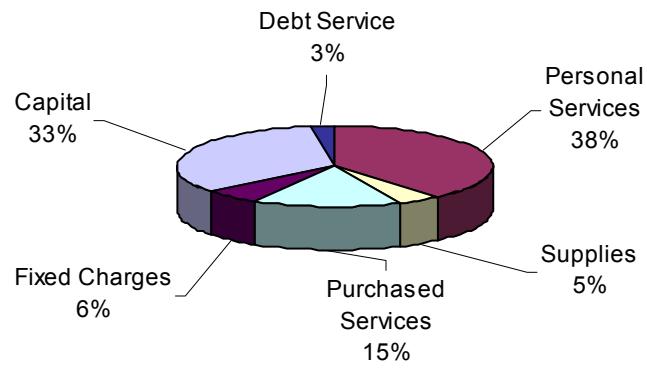
## Total Expense (excluding Transfers)



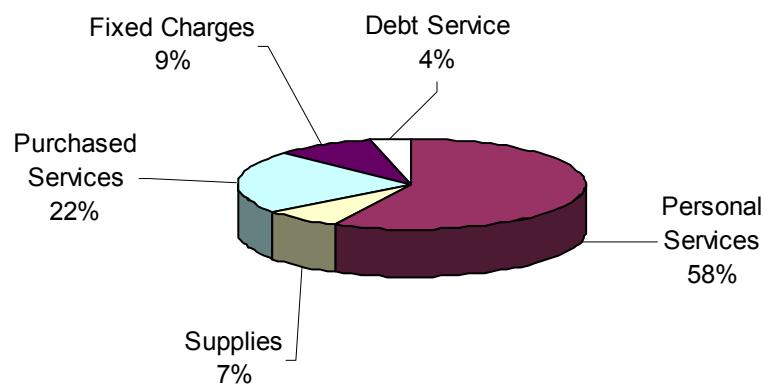
## Total City Expenses (less Transfers and Purchased Power)

The purchased services percentage in the previous graph, for analytical purposes, is overstated. The total purchased service cost includes the cost of Purchased Power of approximately \$19.4 million. This is the cost of electricity that is purchased from the Platte River Power Authority 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.

**Total Expenses  
(Less Transfers and Purchased Power)**

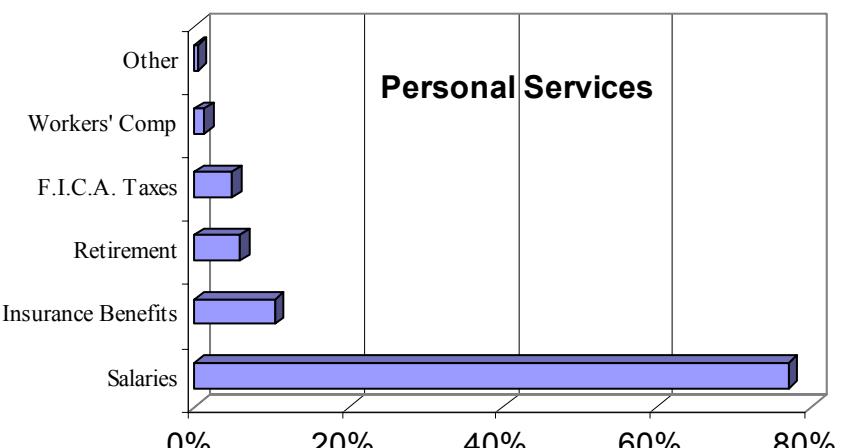


**Operating Expenses  
(Less Capital, Transfers & Purchased Power)**



## Personal Services

As can be seen by the previous graph, 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 77% of the total personal services 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. Budgetarily, current salary costs were increased based on the percentage range movement for each pay grade. The estimated weighted average for range changes in the pay plan is 4.2%.

### 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 service. 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 two medical plan options, a Health Maintenance Organization (HMO), and a Preferred Provider Organization (PPO). 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. For employees choosing single coverage, the City contributes 100% of the premium cost. For employees choosing dependent and family coverage, the City contributes 80% of the premium cost. The City also provides dental insurance to employees, with the City contributing 100% for single coverage and the equivalent of single coverage for employees choosing dependent or family coverage. Other insurance costs to the City include coverage for short-term and long-term disability.

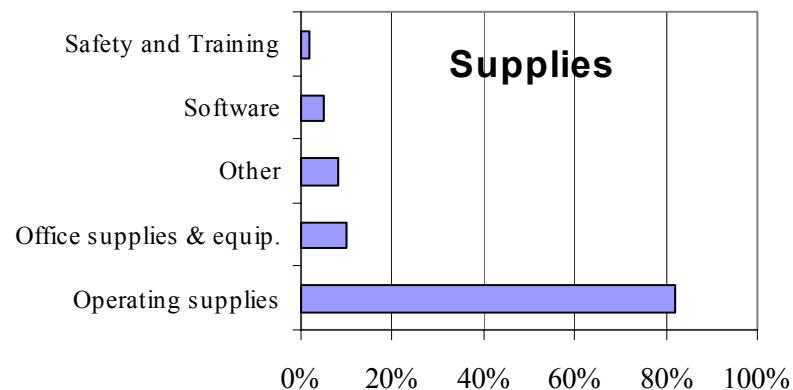
Premium costs had been relatively flat, however in 2001, we experienced an increase in premium costs of over 14%. In 2002, we anticipate a 16.5% increase, and in 2003, an 18% increase in premium cost, due to rising health care and prescription costs.

## **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. The total cost for the city is not anticipated to significantly increase, however the allocations to the departments have changed since 2002, based on the claims history, resulting in increased costs to the enterprise funds and savings to the General Fund in 2003. These allocations are revised on an annual basis, based on a five-year rolling history of costs, on a departmental basis.

## **Supplies**

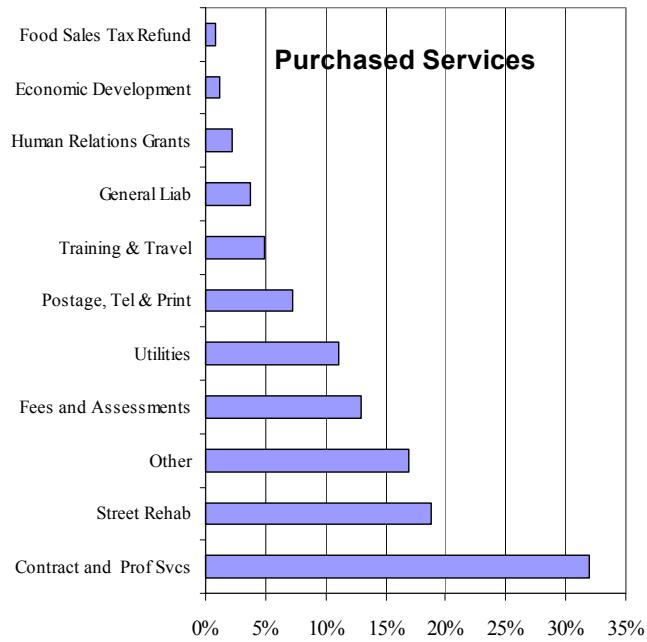
Seven percent of the operating budget is for supplies. Operating supplies such as parts, tools and equipment, paint, landscaping material, and street materials are 75% of this cost. Office supplies and equipment are 10%, with the remainder in computer software, training and safety supplies, and other miscellaneous supplies.



## **Purchased Services**

This account group is for services provided by from sources outside the City and is 22% of the operating budget. The two largest categories within this account group are for contract and professional services and street rehabilitation. Contract and professional services is 32% of the total for purchased services and includes payments for custodial services, repair and maintenance services, engineering services, attorney services, and other contractual services.

Street rehabilitation is 19% of the total for this category. The street rehabilitation program is for resurfacing or the reconstruction of existing streets. In past years streets were scheduled for resurfacing every ten years. The Council adopted a new street maintenance fee in 2001 that is charged to all residential and commercial properties in the city limits. The revenue from this program allows the scheduled resurfacing to be moved up to every seven years. Other significant components of this account group are the charges for general liability costs (4%), postage, telephone and printing (7%), and electric, water, sewer, gas and landfill charges (11%).

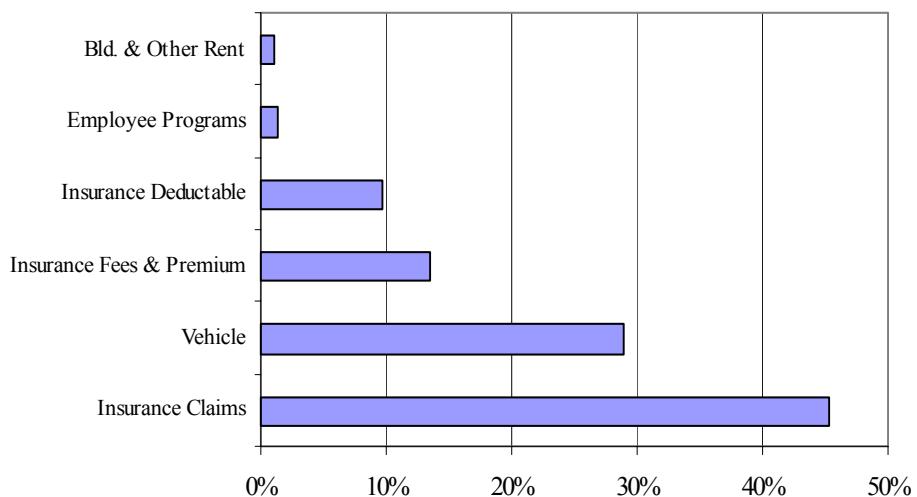


### **Fixed Costs**

Fixed charges are nine percent of the operating budget and are comprised primarily of insurance premiums and claims, and vehicle maintenance and rental charges. Sixty-eight percent of the fixed costs are for insurance fees and premiums, insurance deductibles, and insurance claims, which are managed through the Employee Benefit Internal Service Funds and Risk and Insurance.

Twenty-nine percent of the fixed cost group is for vehicle maintenance and rental charges. The remainder of the costs are for employee programs, and building and equipment rentals.

### **Fixed Costs**



### **Debt Service**

This account group is for repayment on all bonded debt or any lease-purchase agreements and is 4% of the operating budget. All bonded debt is in the Golf Enterprise Funds. In 2001, the City paid the Water Enterprise general obligation bonded debt off early with fund balances. 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.

The Golf debt will be retired in 2010. The remainder is for a lease purchase agreement used to fund the City's portion of the new City/County Police and Courts Facility. The last payment for this agreement is in 2006.

# **FUND SUMMARIES**

The following four tables present revenue and expenditure summaries by departments/divisions for the four main fund types: the General Fund, Enterprise Funds, the Internal Services Fund, 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 Operating Summary section.

## **General Fund**

### **Combined Operations and Capital**

<b>REVENUES</b>	<b>2001 Actual</b>	<b>2002 Adjusted</b>	<b>2003 Budget</b>	<b>% Change 2002-03</b>
<b>Beginning Balance</b>	<b>9,495,800</b>	<b>10,855,770</b>	<b>7,907,920</b>	
Taxes	30,887,409	32,138,320	35,219,360	9.6%
Licenses & Permits	1,742,173	1,729,000	1,653,700	(4.4%)
Intergovernmental	3,563,376	3,433,870	3,209,640	(6.5%)
Charges for Service	3,191,620	3,453,490	3,578,640	3.6%
Fines & Penalties	629,445	572,500	525,500	(8.2%)
Interest	411,425	450,000	366,620	(18.5%)
Miscellaneous	335,839	206,670	223,230	8.0%
Transfers	2,246,187	2,379,770	2,592,760	9.0%
<b>Total Revenue</b>	<b>43,007,474</b>	<b>44,363,620</b>	<b>47,369,450</b>	<b>6.8%</b>
<b>Total Resources</b>	<b>52,503,274</b>	<b>55,219,390</b>	<b>55,277,370</b>	

### **APPROPRIATIONS**

#### **Departments**

Legislative	77,484	79,030	102,030	29.1%
Executive/Legal	914,371	1,183,310	1,318,540	11.4%
Community Services	2,160,906	2,830,820	2,939,460	3.8%
Cultural Services	831,893	883,770	962,210	8.9%
Finance	279,331	335,660	370,250	10.3%
Fire & Rescue	4,259,000	4,639,630	5,011,980	8.0%
Parks & Recreation	4,639,550	5,156,070	5,507,350	6.8%
Police	9,634,106	10,465,650	11,470,990	9.6%
Public Works	5,818,109	6,275,830	6,623,160	5.5%
Non-Departmental	12,099,247	13,691,990	10,700,260	(21.9%)
General Capital	933,503	1,769,710	1,131,230	(36.1%)
<b>Total General Fund</b>	<b>41,647,500</b>	<b>47,311,470</b>	<b>46,137,460</b>	<b>(2.5%)</b>
<b>Ending Balance</b>	<b>10,855,774</b>	<b>7,907,920</b>	<b>9,139,910</b>	

## **GENERAL FUND**

The General Fund is where most city services to the public are budgeted. These services include city administration and legal services, police and fire protection, parks, recreation, and cultural activities, street maintenance and repair, mass transportation, and development review and regulation. By transferring revenues to other funds, the General Fund is also the primary funding source for the Loveland Public Library; the Internal Support Service Fund, which provides administrative services and facility maintenance for the General Fund Departments, and to the Capital Projects Fund for vertical construction, large building maintenance projects, road projects, major equipment purchases, and information technology improvements.

Nearly three quarters 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, 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 6.8% over the 2002 budget. The major sources of the increase are property taxes, and sales and use taxes. Property tax revenue will increase due to annexations, which bring new property within the City, new construction, and due to an increase in property valuations by the County Assessor. Growth in retail sales, auto sales, and sales of building materials, will be moderate reflecting the slowing of the economy, and an apparent slow down in home sales. Tied to the building use tax, building permit revenue is anticipated to decline in the coming year based on approved development applications and development applications in the final review stages.

The services provided by the General Fund are labor intensive. When transfers are excluded, personal services account for nearly seventy percent of General Fund expenditures. Another 20% is in purchased services, primarily for outsourcing the street rehabilitation program. The remaining expenses are for supplies, vehicle maintenance and replacement, and other equipment replacement.

Transfers account for 21% of the General Fund expenses. Seventy-six percent of the transfer expense is to the Library Fund and the Internal Service Fund, both of which are also labor-intensive services. Twenty percent of the transfer expense is for capital projects, with the remaining expenses for transfers to the Capital Expansion Fee fund as part of the Retail Development Incentive Program and for payments to the Water and Power enterprises for the expense of billing the street maintenance fee.

Within the 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 pay plan adjustment reserve, a contingency reserve, an equipment replacement reserve, and an unfunded liability reserve. The amount of each reserve is listed below. The balance 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.

TABOR Emergency Reserve	1,065,580
TABOR Revenue over revenue cap	1,854,060
Council Capital Reserve	3,203,660
Pay Plan Adjustment Reserve	279,110
Council Contingency Reserve	100,000
Equipment Replacement Reserve	250,000
Unfunded Liability Reserve	125,000
Unrestricted Balance	2,262,500

The Tabor Emergency reserve is one of the requirements included in the Tabor Amendment to the State Constitution. Three percent 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 \$1.8 million is the balance of revenues over the limitation that have not yet been appropriated by Council. These funds are limited, by the ballot language, to street construction and youth activities.

The Council Capital Reserve was established by ordinance and requires ten percent of all tax revenue below the Tabor revenue limitations be set aside for capital projects. This reserve has primarily been used to for the annual payment of the sale/leaseback arrangement used to fund the new Loveland Larimer Police and Courts Building. The ordinance will sunset in 2004, but the funds accumulated will make the annual payments which run through 2006.

The pay plan adjustment reserve is established in the 2003 budget as a funding source for implementation of the new pay plan and compensation policies. This plan and the policies will be completed by mid-year 2003.

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.

REVENUES	Enterprise Funds			%
	2001	2002	2003	
	Actual	Adjusted	Budget	
<b>Beginning Balance</b>	<b>83,700,351</b>	<b>79,124,050</b>	<b>33,632,950</b>	
Impact Fees	5,737,757	5,208,580	5,007,200	(3.9%)
User Fees	6,238,331	6,345,200	6,690,080	5.4%
Interest	6,510,339	3,881,300	2,472,470	(36.3%)
Others	367,333	359,700	272,750	(24.2%)
Transfers	1,167,260	883,440	1,394,700	57.9%
Utility Charges	36,962,188	39,153,450	40,866,300	4.4%
Utility Other	1,659,075	2,717,640	2,476,730	(8.9%)
<b>Total Revenue</b>	<b>58,642,283</b>	<b>58,549,310</b>	<b>59,180,230</b>	<b>1.1%</b>
<b>Total Resources</b>	<b>142,342,634</b>	<b>137,673,360</b>	<b>92,813,180</b>	
<b>APPROPRIATIONS</b>				
<b>Departments</b>				
Golf	4,336,273	3,499,650	3,872,070	10.6%
Power	30,570,538	32,761,750	32,958,790	0.6%
Solid Waste	4,401,243	3,569,770	3,060,010	(14.3%)
Storm Water	3,029,770	5,063,750	3,553,620	(29.8%)
Wastewater	4,014,482	11,217,650	8,968,720	(20.0%)
Water	16,866,285	47,927,840	12,938,600	(73.0%)
<b>Total Enterprise Funds</b>	<b>63,218,591</b>	<b>104,040,410</b>	<b>65,351,810</b>	<b>(37.2%)</b>
<b>Ending Balance</b>	<b>79,124,042</b>	<b>33,632,950</b>	<b>27,461,370</b>	

## **ENTERPRISE FUNDS**

Enterprise funds by law are required to be self-supporting. The TABOR amendment limits the amount of tax subsidy to ten percent of the total operating cost. City of Loveland enterprise funds do not have any subsidy currently, and are entirely funded by user fees. Details of the operating costs for each fund are in the Enterprise Fund Chapter of the Operating Section. The capital projects for each fund are included in the Capital Improvement Plan 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 business. The City of Loveland has the third lowest rate for electricity of all providers within the Colorado.

The Solid Waste Fund includes all costs, operating and capital, associated with the collection and disposal of the City's solid wastes and manages a contract for mosquito control. 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 Storm Water Enterprise Fund includes all costs, operating and capital, associated with treating the City's storm water runoff and returning clean useable 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 useable water to downstream users. Included in the Wastewater Enterprise budget is a 15% increase in fees due to new mandates from the Environmental Protection Agency (EPA), which effectively reduces the capacity of the treatment plant.

The Water & 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.

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.

**Internal Services Fund**

<b>REVENUES</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>% Change</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>	<b>2002-03</b>
<b>Beginning Balance</b>	<b>11,162,827</b>	<b>9,681,190</b>	<b>9,260,450</b>	
Charges for Service	1,283,865	1,338,610	1,464,590	9.4%
Intergovernmental	-	-	448,000	-
Interest	586,181	446,340	448,160	0.4%
Miscellaneous	56,411	38,000	38,000	-
Transfers	5,497,950	6,462,360	7,006,990	8.4%
Internal Service Charges	5,706,957	6,439,840	7,680,930	19.3%
<b>Total Revenue</b>	<b>13,131,363</b>	<b>14,725,150</b>	<b>17,086,670</b>	<b>16.0%</b>
<b>Total Resources</b>	<b>24,294,190</b>	<b>24,406,340</b>	<b>26,347,120</b>	
<b>APPROPRIATIONS</b>				
<b>Departments</b>				
Employee Benefits	3,732,930	4,035,990	4,982,540	23.5%
Internal Support Services	6,207,318	6,644,170	6,975,480	5.0%
Fleet Services	3,545,980	3,108,870	3,719,390	19.6%
Risk & Insurance	1,126,768	1,356,860	1,451,020	6.9%
<b>Total Internal Service Fund</b>	<b>14,612,996</b>	<b>15,145,890</b>	<b>17,128,430</b>	<b>13.1%</b>
<b>Ending Balance</b>	<b>9,681,195</b>	<b>9,260,450</b>	<b>9,218,690</b>	

## ***INTERNAL SERVICE FUNDS***

The Internal Service Funds provide general administrative services, benefits and risk administration, and fleet maintenance and replacement. Funding for these funds is from transfers from the General Fund and Enterprise Funds, internal service charges, and, in Fleet Services, payments from the Thompson Valley School District R1 for maintenance for the School district's fleet. Detailed expenses for the Divisions in these funds are in the Operating Section under the Finance, Human Resources and Public Works Departments.

The Employee Benefit Fund, administered by the Human Resources, 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 eighty percent of the benefit cost, and payments by the employees for the remaining twenty percent of the cost. 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 Internal Support Services Fund provides general administrative services, and facility and grounds maintenance. A summary of the Internal Support Services Fund is in the Other Funds Chapter on page 18-9.

The Fleet Services Fund 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 Valley 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 Finance Department manages the Fleet Replacement fund and the Public Works Department manages Vehicle Maintenance.

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

REVENUE	2001 Actual	2002 Adjusted	2003 Budget	Change 2002-03
<b>Beginning Balance</b>	<b>37,652,861</b>	<b>33,745,710</b>	<b>29,289,240</b>	
Property Tax	26,598	20,000	25,000	25.0%
Other Tax	1,304,156	1,270,000	1,320,800	4.0%
Intergovernmental	2,034,160	1,296,520	777,000	(40.1%)
Impact Fees	7,340,066	7,565,500	9,833,660	30.0%
User Fees	126,064	128,200	132,300	-
Interest	2,461,321	1,529,150	1,358,640	(11.2%)
Others	905,215	560,000	433,800	(22.5%)
Transfers	9,710,174	15,102,850	8,489,550	(43.8%)
<b>Total Revenue</b>	<b>23,907,753</b>	<b>27,472,220</b>	<b>22,370,750</b>	<b>(18.6%)</b>
<b>Total Resources</b>	<b>61,560,614</b>	<b>61,217,930</b>	<b>51,659,990</b>	
<b>APPROPRIATIONS</b>				
Art in Public Places	126,837	99,880	99,880	-
Capital Expansion Fees	5,154,459	9,941,240	6,115,000	(38.5%)
Capital Projects	19,855,003	15,137,790	6,280,500	(58.5%)
Community Block grant	342,000	356,000	352,000	(1.1%)
Conservation Trust	245,338	2,250,410	1,755,370	(22.0%)
County Open Space	376,409	2,111,330	1,224,470	(42.0%)
Library	1,700,425	1,846,540	1,978,960	7.2%
Loveland GID #1	14,437	74,500	24,500	(67.1%)
Parks Improvement	-	111,000	436,900	293.6%
<b>Total</b>	<b>27,814,908</b>	<b>31,928,690</b>	<b>18,267,580</b>	<b>(42.8%)</b>
<b>Ending Balance</b>	<b>33,745,706</b>	<b>29,289,240</b>	<b>33,392,410</b>	

## ***SPECIAL REVENUE FUNDS***

The Special Revenue Funds are for programs that, by Council policy, have dedicated revenue sources, and with the exception of the Library Fund and Community Development Block Grant (CDBG) Fund, are primarily capital in nature. For detail on the projects within these funds, see the Capital Improvement Plan Chapter near the back of the book. For detail on the Library and CDBG, see the Community Services Department and Library Department Chapters in the Operating Summary Section. The Other Funds Chapter contains detailed explanations of the expenses in the other 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.

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 from transfers from the General Fund and Capital Expansion Fee Fund. This allows for the full cost of a project to be budgeted, when the funding for the project is from different sources.

The Community Development Block Grant 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 Athletic 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 Library Fund is for all operational and capital costs incurred by the City of Loveland Public Library. Ninety-four percent of the revenue for the fund is from a transfer from the General Fund. Eighty -two percent of the expenses in the fund are for personal services, with the remainder being operating costs at the Library.

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, ballfield and tennis court rentals, and county fees collected within the Urban Growth Area.

## Fund Balance Summary

Fund	2002 Ending Balance	2003 Ending Balance
<b>General Fund</b>	<b>7,907,920</b>	<b>9,139,910</b>
<b>Internal Services:</b>		
Employee Benefits	273,610	273,610
Internal Support Services	488,260	512,340
Fleet Services	3,611,960	3,613,850
Risk & Insurance	4,886,620	4,818,890
<b>Subtotal Internal Services</b>	<b>9,260,450</b>	<b>9,218,690</b>
<b>Special Revenue:</b>		
Capital Projects	7,540	7,540
Library	250,350	250,210
Capital Expansion Fees	22,143,160	27,249,210
Local Improvement	277,280	289,760
Parks Improvement	1,489,240	1,171,660
Lvld General Improvement District#1	62,140	71,940
Conservation Trust	2,246,020	1,365,520
Opens Space Sales Tax	2,519,730	2,729,450
Art in Public Places	293,780	257,120
<b>Subtotal Special Revenue</b>	<b>29,289,240</b>	<b>33,392,410</b>
<b>Enterprise:</b>		
Golf	1,601,280	1,153,650
Water	16,452,480	14,213,320
Wastewater	4,145,250	2,527,040
Stormwater	1,815,150	2,040,430
Power	8,963,460	6,206,840
Solid Waste	655,330	1,320,090
<b>Subtotal Enterprise</b>	<b>33,632,950</b>	<b>27,461,370</b>

# **STAFFING LEVELS**

This table represents a comparison of positions that are authorized in the budget for all funds from 2001 to 2003. The summary includes all full-time and part-time benefited positions, but does not include temporary or non-benefited positions.

	Revised		Budget	
	FTE 2001	FTE 2002	FTE 2003	Change 2002-03
City Attorney	4.5	5.6	5.6	-
City Clerk	3.0	3.8	4.0	0.2
City Manager	2.8	4.8	4.8	-
Community Services	35.0	36.1	36.1	-
Cultural Services	11.0	11.5	11.5	-
Fire and Rescue	52.0	53.0	53.0	-
Municipal Court	4.0	4.0	4.0	-
Parks and Recreation	56.6	57.4	58.9	1.5
Police	116.0	123.0	124.0	1.0
Public Works	39.4	42.4	42.4	-
Sales Tax Collection	2.0	2.0	2.0	-
<b>Total General Fund</b>	<b>326.3</b>	<b>343.6</b>	<b>346.3</b>	<b>2.7</b>
Finance	14.6	16.6	17.6	1.0
Facilities Management	20.3	20.8	20.8	-
Human Resources	9.6	9.6	10.6	1.0
Management Information Services	14.0	14.0	15.0	1.0
Public Ground Maintenance	2.2	2.2	2.2	-
Vehicle Maintenance	14.7	14.7	14.7	-
<b>Total Internal Service Fund</b>	<b>75.4</b>	<b>77.9</b>	<b>80.9</b>	<b>3.0</b>
Golf	15.5	16.5	16.5	-
Solid Waste	21.7	22.7	23.7	1.0
Storm Water	10.0	10.5	10.5	-
Water & Power	117.5	118.5	122.0	3.5
Finance	32.5	31.7	33.0	1.3
<b>Total Enterprise Funds</b>	<b>197.2</b>	<b>199.9</b>	<b>205.7</b>	<b>5.8</b>
Conservation Trust	1.0	1.0	1.0	-
Community Dev. Block Grant	0.6	1.0	1.0	-
Library	28.5	28.5	30.5	2.0
Open Space Sales Tax Fund	2.0	2.0	2.0	-
<b>Total Other Funds</b>	<b>32.1</b>	<b>32.5</b>	<b>34.5</b>	<b>2.0</b>
<b>Total City Employees (FTE)</b>	<b>631.0</b>	<b>653.9</b>	<b>667.4</b>	<b>13.5</b>

## ***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, lease purchase agreements and a sale-and-leaseback arrangement. Also included are the City's obligations for debt issued by other entities for the Windy Gap project and for improvements at the Fort Collins-Loveland Municipal Airport.

Outstanding bonds as of December 31, 2001, totaled \$1,770,000 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. In general, the agreements were entered into because it was possible to borrow at a lower rate than that earned on the City's cash investments. 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 below:

#### **Computation of legal debt limit**

2003 actual value	4,086,341,940
Debt limit: 3% of actual value	122,590,260
Amount of bonded debt applicable to debt limit	-0-

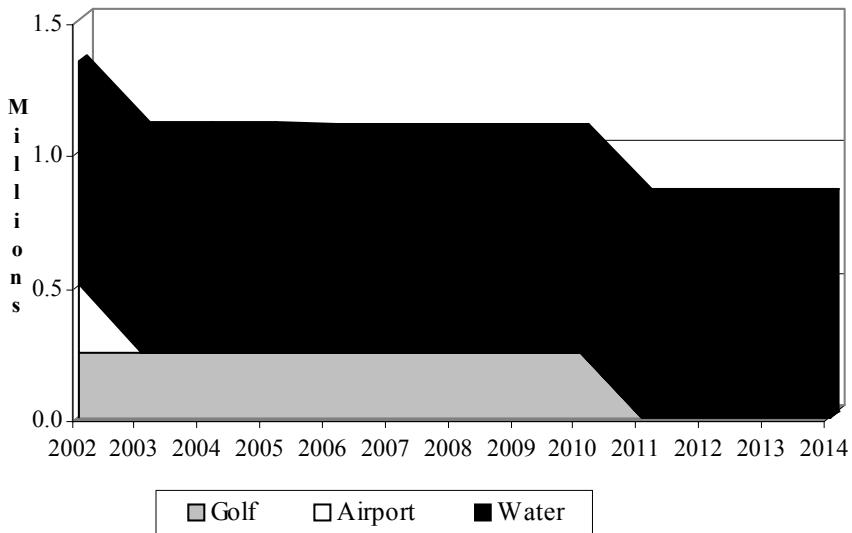
## Bond Issues

	Balance	Payments Due				Maturity
	12/31/01	2002	2003	2004	2005	Date
<b>Revenue Bonds:</b>						
Raw Water (1)	—	838,150	838,150	838,150	838,150	2017
Airport (2)	—	252,200	—	—	—	—
Golf Course (3)	1,770,850	247,512	245,500	243,105	245,318	2010
<b>Bond Total</b>	<b>1,933,050</b>	<b>1,337,862</b>	<b>1,083,650</b>	<b>1,081,255</b>	<b>1,083,468</b>	

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.
- 2 The City of Fort Collins issued the bonds for improvements at the Fort Collins–Loveland Municipal Airport. The City of Loveland is responsible for 1/2 of the payments.
- 3 The City of Loveland refunded the original Golf Course C.O.P.s with revenue bonds on September 15, 1998.

### Combined Bond issues



	Lease Purchases			
	-----Payment Due-----		Total Payment	Max Payment
	2002	2003	Liability (1)	Last Payment
<b>Lease Purchases:</b>				
Library computer system	51,600	51,600	154,400	2004
Police Radios	104,600	104,600	627,600	2007
Municipal Complex	1,530,000	1,530,000	7,642,000	2006
<b>Total</b>	<b>1,686,200</b>	<b>1,686,200</b>	<b>8,424,000</b>	

*Note: (1) This is the total payment liability from 2002 to the end of the payments.*

# **TABOR REVENUE**

In 1992, Colorado passed a state constitutional amendment, known as TABOR, which imposed tax and spending limitations on governmental entities. In 1994, Loveland citizens approved a ballot issue authorizing the City to receive and expend all revenues generated from 1993 through 1997, thus waiving the limits of TABOR. 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 are to 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.

## **Revenues Above TABOR Limit**

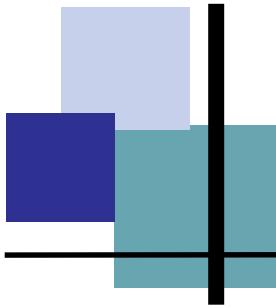
1993 actual revenues above TABOR limit	114,463
1994 actual revenues above TABOR limit	1,180,256
1995 actual revenues above TABOR limit	1,181,686
1996 actual revenues above TABOR limit	-
1997 actual revenues above TABOR limit	2,517,635
1998 actual revenues above TABOR limit	1,626,070
1999 actual revenues above TABOR limit	2,073,130
2000 actual revenues above TABOR limit	2,473,658
2001 actual revenues above TABOR limit	2,551,061
2002 projected revenues above TABOR limit	609,691
2003 projected revenues above TABOR limit	622,020
<b>Total Revenue</b>	<b>14,949,670</b>

\*NOTE: Please see next page for total list of projects.

## Projects Utilizing Revenues Above TABOR Limit

**Projects:**

Land Acquisition (1995,1996)	486,896
Fire Apparatus (1995,1996)	443,879
Street Rehabilitation (1995,1996)	500,000
Open Space Studies (1995,1996,1997)	98,543
Police Overhires (1995)	57,600
Fire Station 1 and 5 Studies (1996,1997)	50,000
Police & Fire vehicles (1996,1997)	115,195
Fire Station 5 and equipment (1997,1998)	425,210
Police Vehicles & Equipment (1997)	84,010
Public Safety Radio Communication System (1998)	1,500,000
Streets (1998)	160,000
Public Safety Computer System (1998)	744,000
Streets Grant Match (1999)	286,000
Emergency Notification System (1999)	32,020
Fire Equipment (1999)	10,687
Boyd Lake Avenue Bridge Reconstruction (2000 Budget)	200,000
Swimming Pool at Mountain View High School (2001 Budget)	2,900,000
Street Construction Projects (2001 Budget)	760,000
Street Rehabilitation and Maintenance (2001 Budget)	820,000
City/School Playground Development (2001 Budget)	25,000
Youth Sports Athletic Complex (2002 Budget)	500,000
Street Construction Projects (2002 Budget)	800,850
Street Rehabilitation and Maintenance (2002 Budget)	848,700
City/School Playground Partnership (2002 Budget)	25,000
Street Rehabilitation and Maintenance (2003 Budget)	1,222,020
<b>Total Projects</b>	<b>13,095,610</b>
<b>Balance</b>	<b>1,854,060</b>



# 10 YEAR FINANCIAL PLAN





# **TEN-YEAR FINANCIAL FORECAST**

## **OVERVIEW**

The City of Loveland Charter requires, as a part of the budget submission, a five-year capital plan. The Capital Improvement Plan Chapter of the City of Loveland Budget Document satisfies this requirement. As policy staff has expanded this requirement and develops a ten-year operating and capital plan, or the Ten-Year Financial Forecast.

The Plan is intended to be a living document, and is updated at least on an annual basis, attempting to integrate the City of Loveland Land Use Master Plan and Departmental Master Plans. 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, by providing an estimate of when revenues will be available for service increases or improvements. The plan is also 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 on-line.

### **What is the Ten-Year Financial Plan?**

- ☞ It is a multi-year planning instrument that enables the City to look to the future, and, based on emerging issues and trends, to direct its resources to meet specific and achievable goals.
- ☞ It encompasses the policy direction and priorities of the City Council.
- ☞ It projects resources for the next ten years and forecasts compliance with the TABOR (Amendment 1) restrictions.
- ☞ It is a living document that enables top management and the City 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 brings to Council's attention, 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 taxes or fees or enacting new taxes or fees.
  - ✓ Reduce the amount of required reserve.
  - ✓ Adjust the assumptions used in the forecast model.

The Special Revenue Funds are primarily capital in nature with dedicated funding sources, with the exception of the Library Fund. The Library Fund is funded primarily by a transfer from the General Fund. Increases to Library funding are accounted for in the Non-Departmental line of the General Fund Forecast

The Internal Service funds are funded in a similar fashion, but include transfers from the Enterprise Funds, as well as, the General Fund. The General Fund portion of the increase to these funds, appear in the Non-Departmental line. Due to the fact that the Enterprise Funds utilize their own funding sources and are balanced, only the General Fund portion is discussed in this document.

City Council does not formally adopt the Ten-Year Financial Plan. However, through discussions with the Council, conceptual approval of the future years is obtained to ensure the plan meets Council priorities and goals. Since this is a living document, 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 provision 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 amount for the CPI is 3.5% and the local growth factor is 4.1% for a total growth factor of 7.6% in all years in the plan.

## Revenue Assumptions

General Fund:

- ☞ 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 assumes the millage rate will remain the same throughout the plan and revenues will increase by the same amount as the property assessments.
- ☞ Sales tax for 2003-2012 increases are based on the historic growth of per capita collections since 1995, and combined with forecast population growth.
- ☞ All other taxes and user fees increase 3.5% for 2003-2012.
- ☞ PILT increases are projected at 3.1% for 2003-12.
- ☞ Interest is calculated at 4.5% of the beginning balance, 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

- ☞ 2002 is the adopted budget for the departments.
- ☞ Department base budgets are increased 4.5% from the 2003 adopted amount.
- ☞ Included in the capital expense line is the \$1,530,000 lease payment for the Police/Court building, as this is the committed cost the City currently has. The final payment is in 2006.
- ☞ Capital costs for the first five years are based on the current Capital Improvement Plan (see Chapter 19) and the General Fund Equipment Replacement Schedule (pages 16-3 through 16-4).

## 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; and an equipment replacement reserve of \$250,000; 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 with the 2013 budget year.
- ☞ The TABOR 3% operating reserve is a requirement of Article X, Section 20 of the State Constitution, which mandates government reserve three percent 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 Council Capital Reserve was established by ordinance in 2000. The ordinance requires setting aside ten percent of all tax revenue under the TABOR revenue cap for capital projects. The Council Capital Reserve is calculated using the previous years reserve and current year set aside less the lease payment for the Police Court Building. Currently the Reserve is funding the payment on the sale-leaseback instrument used to fund the new Loveland-Larimer Police and Court Facility. These payments will end in 2006. The ordinance will sunset in 2004, however funds set aside through 2004 will fund the full repayment of the sale-leaseback instrument.
- ☞ Beginning in 2005, as a replacement to the Council Capital Reserve when it sunsets, staff is proposing dedicating a quarter cent of the current sales tax levy for capital projects. Because there is not consensus on this change, no projects are funded from this source in the plan. If Council agrees to the change, some capital projects currently funded in the Plan using General Fund revenues could be funded by this source, freeing revenue to be used for expanded operating services, or unfunded capital projects.
- ☞ In the forecast, the City is projected to be below the revenue limit in most years. However, in any one year, the amount we are forecast to be under the limit is less than two percent. Due to the many variable used in calculating both City revenues and the revenue limitations, it is likely that actual revenues will remain above the limit in the future.

## Analysis

The plan as presented shows there will \$1.2 million available for new operational or capital expenses in any one year, while insuring there will be an unappropriated fund balance of at least \$1.5 million in each year, to act as a contingency for unforeseen economic impacts. Based on the 2003 Capital Plan there will be difficult decisions staff and City Council will have to make in the near term. The Capital Plan has a projected capital need from the General Fund of \$1.87 million in 2004, \$2.2 million in 2005, and \$6.9 million in 2006. Fully funding the capital program will require that the services delivered by the operating departments remain at the status quo and in 2005 and 2006 a reduction of in the services provided. In addition, there is no capital funding for street construction included in plan, as we await the

outcome of the election for a new sales tax. If the voters turn down the tax there will be additional strains on the General Fund resources.

On top of the capital need, there are operational costs tied to the capital program, as new facilities come on line. In 2004, \$600,000 will be needed to staff Fire Station 6, which will be completed in 2003. In 2005, \$900,000 will be required to staff and maintain the Youth Athletic Complex and Mehaffey Park, both which are scheduled to begin operations in 2005.

The ordinance setting up the Council Capital Reserve sunsets in 2004. In the Financial Plan, staff has proposed an alternative policy, setting aside one quarter of a cent of the existing sales tax, for capital projects. Since this is a proposed changed and agreement and direction from Council has not been achieved to implement this policy, no projects are allocated from this funding source, but are reserved. If Council agrees with the policy approximately \$2 million will be available for capital projects, freeing resources for new operational costs.

# 10 Year Financial Plan

FINANCIAL FORECAST 2003-2012	2002	2003	2004	2005
	Revised	Adopted	Projected	Projected
Beginning Balance	\$10,855,770	\$7,907,920	\$9,139,910	\$10,734,070
<b>REVENUES</b>				
Property Tax	5,031,230	5,287,340	6,006,420	6,354,790
Sales Tax	19,738,650	22,800,000	23,908,627	25,851,156
Use Tax	5,353,630	5,159,980	6,231,365	6,869,509
Other Tax	2,014,810	1,972,040	2,041,060	2,112,500
Intergovernmental	3,433,870	3,209,640	3,225,688	3,241,817
Licenses & Permits	1,729,000	1,653,700	1,661,969	1,670,278
User Fees	2,604,790	2,668,640	2,762,040	3,008,710
Fines & Forfeits	572,500	525,500	528,128	530,768
Interest	450,000	366,620	411,300	483,030
Others	206,670	223,230	280,000	280,000
Interfund Transfers	2,379,770	2,592,760	2,720,340	2,804,980
Transportation Additional Revenue	848,700	910,000	941,850	974,810
<b>TOTAL REVENUE</b>	<b>\$44,363,620</b>	<b>\$47,369,450</b>	<b>\$50,718,786</b>	<b>\$54,182,348</b>
<b>TOTAL REVENUE &amp; SOURCES</b>	<b>\$55,219,390</b>	<b>\$55,277,370</b>	<b>\$59,858,696</b>	<b>\$64,916,418</b>
<b>EXPENSES</b>				
Legislative	79,030	102,030	71,530	71,530
Executive & Legal	1,183,310	1,318,540	1,377,874	1,439,879
Finance	335,660	370,250	386,911	404,322
Community Services	2,830,820	2,939,460	3,071,736	3,209,964
Cultural Services	883,770	962,210	1,005,509	1,050,757
Fire & Rescue	4,639,630	5,011,980	5,237,519	5,473,207
Parks & Recreation	5,156,070	5,507,350	5,755,181	6,014,164
Police	10,465,650	11,470,990	11,987,185	12,526,608
Public Works	6,275,830	6,623,160	6,921,202	7,232,656
Non-Departmental	8,363,890	8,369,760	8,746,399	9,139,987
Commercial Incentive Program	350,000	350,000	350,000	350,000
Available inflated out	-	-	-	1,254,000
Available funds	-	-	1,200,000	1,300,000
<b>TOTAL APPROPRIATIONS</b>	<b>\$40,563,660</b>	<b>\$43,025,730</b>	<b>\$46,111,047</b>	<b>\$49,467,075</b>
<b>CAPITAL</b>				
Police/Courts Building Payment	1,530,000	1,530,000	1,530,000	1,530,000
Net Capital Expense	3,448,100	450,500	-	-
<b>Equipment Replacement</b>				
Executive & Legal	4,200	4,000	3,000	3,000
Finance	3,500	-	-	-
Community Services	4,900	12,000	41,400	46,000
Police	84,500	181,000	99,100	190,100
Fire & Rescue	144,470	132,510	59,220	71,700
Parks & Recreation	1,203,840	667,220	753,460	715,780
Cultural Services	8,500	16,500	43,100	6,500
Public Works	315,800	118,000	439,300	291,400
Non-Departmental	-	-	45,000	-
<b>Total Equipment Replacement</b>	<b>\$1,769,710</b>	<b>1,131,230</b>	<b>\$1,483,580</b>	<b>\$1,324,480</b>
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$6,747,810</b>	<b>\$3,111,730</b>	<b>\$3,013,580</b>	<b>\$2,854,480</b>
Ending Balance	7,907,920	9,139,910	10,734,069	12,594,863
Required Balance	5,297,332	6,595,832	8,658,964	9,736,806
<b>NET SURPLUS (DEFICIT)</b>	<b>\$2,610,588</b>	<b>\$2,544,078</b>	<b>\$2,075,105</b>	<b>\$2,858,057</b>

# 10 Year Financial Plan

2006 Projected	2007 Projected	2008 Projected	2009 Projected	2010 Projected	2011 Projected	2012 Projected
<b>\$12,594,860</b>	<b>\$14,770,730</b>	<b>\$17,860,130</b>	<b>\$21,572,560</b>	<b>\$24,675,450</b>	<b>\$26,732,110</b>	<b>\$28,668,030</b>
7,219,040	7,637,740	8,676,470	9,179,710	9,304,550	9,844,210	9,978,090
27,068,807	28,324,823	30,564,035	31,942,517	33,364,411	35,939,672	37,498,567
7,570,588	8,340,737	9,186,623	10,115,550	11,135,594	11,734,132	12,364,842
2,186,440	2,252,030	2,319,590	2,389,180	2,460,860	2,534,690	2,610,730
3,258,026	3,274,316	3,290,687	3,307,141	3,323,677	3,340,295	3,356,996
1,678,630	1,687,023	1,695,458	1,703,935	1,712,455	1,721,017	1,729,622
3,364,010	3,481,750	3,603,610	3,729,740	3,860,280	3,995,390	4,135,230
533,422	536,089	538,770	541,463	544,171	546,892	549,626
566,770	664,680	803,710	970,770	1,110,400	1,202,940	1,290,060
280,000	280,000	280,000	280,000	280,000	280,000	280,000
2,892,250	2,982,240	3,075,080	3,170,800	3,270,650	3,373,650	3,479,930
1,008,930	1,044,240	1,080,790	1,118,620	1,157,770	1,198,290	1,240,230
<b>\$57,626,912</b>	<b>\$60,505,668</b>	<b>\$65,114,823</b>	<b>\$68,449,427</b>	<b>\$71,524,817</b>	<b>\$75,711,178</b>	<b>\$78,513,924</b>
<b>\$70,221,772</b>	<b>\$75,276,398</b>	<b>\$82,974,953</b>	<b>\$90,021,987</b>	<b>\$96,200,267</b>	<b>\$102,443,288</b>	<b>\$107,181,954</b>
71,530	71,530	71,530	71,530	71,530	71,530	71,530
1,504,673	1,572,383	1,643,141	1,717,082	1,794,351	1,875,097	1,959,476
422,517	441,530	461,399	482,162	503,859	526,533	550,227
3,354,412	3,505,361	3,663,102	3,827,942	4,000,199	4,180,208	4,368,317
1,098,041	1,147,453	1,199,089	1,253,048	1,309,435	1,368,359	1,429,936
5,719,502	5,976,879	6,245,839	6,526,902	6,820,612	7,127,540	7,448,279
6,284,801	6,567,617	6,863,160	7,172,002	7,494,742	7,832,006	8,184,446
13,090,305	13,679,369	14,294,941	14,938,213	15,610,432	16,312,902	17,046,982
7,558,126	7,898,241	8,253,662	8,625,077	9,013,206	9,418,800	9,842,646
9,551,287	9,981,094	10,430,244	10,899,605	11,390,087	11,902,641	12,438,260
350,000	350,000	350,000	350,000	350,000	350,000	350,000
2,668,930	4,043,032	5,478,968	6,979,522	8,547,600	10,186,242	11,898,623
1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
<b>\$52,874,124</b>	<b>\$56,434,491</b>	<b>\$60,155,074</b>	<b>\$64,043,084</b>	<b>\$68,106,054</b>	<b>\$72,351,857</b>	<b>\$76,788,722</b>
1,530,000	-	-	-	-	-	-
-	-	-	-	-	-	-
3,500	5,000	3,870	4,044	4,226	4,416	4,615
-	-	-	-	-	-	-
32,000	10,000	29,550	30,880	32,269	33,721	35,239
99,100	84,600	136,670	142,820	149,247	155,963	162,982
95,090	98,500	95,520	99,818	104,310	109,004	113,909
532,430	704,880	705,120	736,850	770,009	804,659	840,869
11,000	-	16,110	16,835	17,593	18,384	19,211
273,800	78,800	251,070	262,368	274,175	286,513	299,406
-	-	9,410	9,833	10,276	10,738	11,222
<b>\$1,046,920</b>	<b>\$981,780</b>	<b>\$1,247,320</b>	<b>\$1,303,449</b>	<b>\$1,362,105</b>	<b>\$1,423,399</b>	<b>\$1,487,452</b>
<b>\$2,576,920</b>	<b>\$981,780</b>	<b>\$1,247,320</b>	<b>\$1,303,449</b>	<b>\$1,362,105</b>	<b>\$1,423,399</b>	<b>\$1,487,452</b>
14,770,728	17,860,127	21,572,558	24,675,453	26,732,109	28,668,031	28,905,780
10,504,630	12,915,772	15,582,996	18,304,092	21,146,340	24,205,972	27,398,423
<b>\$4,266,097</b>	<b>\$4,944,354</b>	<b>\$5,989,562</b>	<b>\$6,371,361</b>	<b>\$5,585,769</b>	<b>\$4,462,059</b>	<b>\$1,507,356</b>

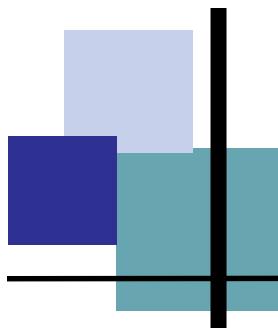
City of Loveland 2003 Budget

# 10 Year Financial Plan

FINANCIAL FORECAST 2003-2012	2002 Revised	2003 Adopted	2004 Projected	2005 Projected
<b>CALCULATION OF REQUIRED BALANCE</b>				
TABOR Excess Rsv Beginning Bal 98-02	(4,018,919)	(2,454,056)	(1,854,056)	(1,854,056)
Projected Tabor Annual Excess	(609,687)	-	-	-
4% Dedicated Sales Tax (tabor)	800,850	-	-	-
Playground Construction (tabor)	25,000	-	-	-
Swimming Pool	-	-	-	-
Funding for Youth Sports Center (tabor)	500,000	-	-	-
Utility Fee From Tabor Excess (tabor)	848,700	-	-	-
Additional Street Funding	600,000			
<b>TABOR Excess Reserve 1998-2002</b>	<b>(2,454,056)</b>	<b>(1,854,056)</b>	<b>(1,854,056)</b>	<b>(1,854,056)</b>
<b>TABOR Excess Rsv Beginning Bal 03-12</b>				
Projected Tabor Annual Excess	-	(622,017)	(759,889)	(408,749)
4% Dedicated Sales Tax (tabor)	-	-	-	-
Utility Fee From Tabor Excess (tabor)	-	622,017	759,889	408,749
<b>TABOR Excess Reserves 2003-2012</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0)</b>
<b>Required Reserves</b>	<b>(1,372,150)</b>	<b>(1,538,120)</b>	<b>(1,592,600)</b>	<b>(1,637,430)</b>
Council Reserve Beginning Balance	(2,237,666)	(1,471,126)	(3,203,656)	(5,212,308)
Annual Council Set-Aside (10% Sales)	(3,063,460)	(3,262,530)	(3,538,652)	-
Police/Court Pmt from Council Set-Aside	1,530,000	1,530,000	1,530,000	1,530,000
Funding for Youth Sports Center (CR)	2,300,000	-	-	-
<b>Council Reserve Ending Balance</b>	<b>(1,471,126)</b>	<b>(3,203,656)</b>	<b>(5,212,308)</b>	<b>(3,682,308)</b>
Beginning Balance of 1/4 cent Sales - Capital	-	-	-	-
1/4 cent Sales - Capital	-	-	-	(2,154,263)
<b>Ending Balance of 1/4 cent Sales - Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,154,263)</b>
<b>REQUIRED BALANCE</b>	<b>(5,297,332)</b>	<b>(6,595,832)</b>	<b>(8,658,964)</b>	<b>(9,328,057)</b>

# 10 Year Financial Plan

2006 Projected	2007 Projected	2008 Projected	2009 Projected	2010 Projected	2011 Projected	2012 Projected
(1,854,056)	(1,854,056)	(1,854,056)	(1,854,056)	(1,854,056)	(1,854,056)	(1,854,056)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(1,854,056)	(1,854,056)	(1,854,056)	(1,854,056)	(1,854,056)	(1,854,056)	(1,854,056)
(0)	(0)	(0)	0	0	0	0
-	-	(57,471)	-	-	-	-
-	-	-	-	-	-	-
-	-	57,471	-	-	-	-
(0)	(0)	0	0	0	0	0
(1,679,520)	(1,730,260)	(1,793,010)	(1,852,230)	(1,914,110)	(1,978,770)	(2,046,340)
(3,682,308)	(2,152,308)	(2,152,308)	(2,152,308)	(2,152,308)	(2,152,308)	(2,152,308)
1,530,000	-	-	-	-	-	-
-	-	-	-	-	-	-
(2,152,308)	(2,152,308)	(2,152,308)	(2,152,308)	(2,152,308)	(2,152,308)	(2,152,308)
(2,154,263)	(4,409,997)	(6,770,399)	(9,317,402)	(11,979,278)	(14,759,646)	(17,754,619)
(2,255,734)	(2,360,402)	(2,547,003)	(2,661,876)	(2,780,368)	(2,994,973)	(3,124,881)
(4,409,997)	(6,770,399)	(9,317,402)	(11,979,278)	(14,759,646)	(17,754,619)	(20,879,500)
<b>(10,095,881)</b>	<b>(12,507,023)</b>	<b>(15,116,776)</b>	<b>(17,837,872)</b>	<b>(20,680,120)</b>	<b>(23,739,753)</b>	<b>(26,932,204)</b>



# LEGISLATIVE





## Legislative Summary

	2001 Actual	2002 Adjusted	2003 Budget	Percent		
				Change 2002-03	2002 FTE	2003 FTE
<b>City Council</b>	<b>77,484</b>	<b>79,030</b>	<b>102,030</b>	<b>29.1%</b>	-	-
<b>APPROPRIATIONS</b>						
Personal Services	49,149	50,380	50,380	-		
Supplies	893	600	600	-		
Purchased Services	27,442	28,050	51,050	82.0%		
<b>Total</b>	<b>77,484</b>	<b>79,030</b>	<b>102,030</b>	<b>29.1%</b>		

### BUDGET VARIANCES

8,000 Increase in purchased services costs for the Council retreats based on historical experience.

15,000 Increase in purchased services costs for the Council travel based on historical experience, which includes travel for the Youth Commission Conferences.

**23,000 Total Increase**

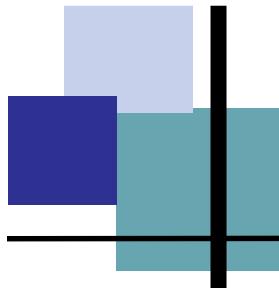
## CITY COUNCIL

### 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 twenty-four 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 \$400 per month; the mayor pro tem, \$500 per month; and the mayor, \$600 per month.





# COMMUNITY SERVICES



*The mission of the Community Services Department is to improve the economic vitality, community livability, and social equity of the City of Loveland through comprehensive community planning, commitment to safety, sustainable affordable housing initiatives, and thoughtful economic development in partnership with community stakeholders.*

## Department of Community Services Summary

	2001 Actual	2002 Adjusted	2003 Budget	Percent		
				Change 2002-03	2002 FTE	2003 FTE
<b>General Fund</b>						
Administration	165,593	218,060	230,680	5.8%	2.0	2.0
Building	506,747	617,640	699,420	13.2%	11.0	11.0
Current Planning	502,379	647,080	679,830	5.1%	9.5	9.5
Development Engineering	263,606	395,920	419,780	6.0%	5.5	5.5
Land Records Management	227,388	281,220	310,890	10.6%	4.5	4.5
Long Range Planning	203,936	294,130	241,980	(17.7%)	3.0	3.0
Human Services	291,258	376,770	356,880	(5.3%)	0.6	0.6
<b>Subtotal General Fund</b>	<b>2,160,906</b>	<b>2,830,820</b>	<b>2,939,460</b>	<b>3.8%</b>	<b>36.1</b>	<b>36.1</b>
CDBG	342,000	356,000	352,000	(1.1%)	1.0	1.0
<b>Subtotal Special Revenue</b>	<b>342,000</b>	<b>356,000</b>	<b>352,000</b>	<b>(1.1%)</b>	<b>1.0</b>	<b>1.0</b>
<b>Total Community Services</b>	<b>2,502,906</b>	<b>3,186,820</b>	<b>3,291,460</b>	<b>3.3%</b>	<b>37.1</b>	<b>37.1</b>
<b>REVENUES</b>						
Building	1,607,948	1,633,300	1,564,000			
Current Planning	67,926	85,000	79,000			
<b>Subtotal General Fund</b>	<b>1,675,874</b>	<b>1,718,300</b>	<b>1,643,000</b>			
CDBG	342,000	356,000	352,000			
<b>Subtotal Special Revenue</b>	<b>342,000</b>	<b>356,000</b>	<b>352,000</b>			
<b>Total</b>	<b>2,017,874</b>	<b>2,074,300</b>	<b>1,995,000</b>			
<b>APPROPRIATIONS</b>						
Personal Services	1,725,137	2,178,870	2,378,890	9.2%		
Supplies	40,292	70,740	72,740	2.8%		
Purchased Services	720,430	902,710	811,140	(10.1%)		
Fixed Charges	17,048	15,750	28,690	82.2%		
Capital	-	18,750	-	(100.0%)		
<b>Total</b>	<b>2,502,906</b>	<b>3,186,820</b>	<b>3,291,460</b>	<b>3.3%</b>		

# **COMMUNITY SERVICES**

## Overview

The Community Services Department provides management of community planning, human services; growth management and development issues. The services provided include long range community planning; development application coordination and plan review; city mapping and geographic information systems; building inspection; code enforcement and humans services program management.

**DIVISION**  
Administration

**DEPARTMENT**  
Community Services

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Administration</b>	<b>165,593</b>	<b>218,060</b>	<b>230,680</b>
<b>APPROPRIATIONS</b>			
Personal Services	127,935	173,860	187,630
Supplies	2,338	7,200	4,400
Purchased Services	35,320	37,000	38,650
<b>Total</b>	<b>165,593</b>	<b>218,060</b>	<b>230,680</b>
<b>FTE</b>	<b>1.0</b>	<b>2.0</b>	<b>2.0</b>

**BUDGET VARIANCES**

1,490 Increase in personal services for workers' compensation due to the allocation of the City's liability cost based on the department's experience rating and forecasted liability costs.

2,220 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

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

(3,000) Decrease in supplies for one time office equipment purchases.

10,510 Normal Increases

- 10,060 Personal Services
- 200 Supplies
- 250 Purchased Services

**12,620 Total Increase**

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## ***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**

Community Services

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Building</b>	<b>506,747</b>	<b>617,640</b>	<b>699,420</b>
<b>REVENUES</b>			
Building Permits	1,574,268	1,600,000	1,522,000
Contractor License Fee	32,260	32,300	41,000
Other fees	1,420	1,000	1,000
<b>Total</b>	<b>1,607,948</b>	<b>1,633,300</b>	<b>1,564,000</b>
<b>APPROPRIATIONS</b>			
Personal Services	467,453	557,870	650,010
Supplies	10,555	8,120	8,120
Purchased Services	11,691	17,150	17,910
Fixed Charges	17,048	15,750	23,380
Capital	-	18,750	-
<b>Total</b>	<b>506,747</b>	<b>617,640</b>	<b>699,420</b>
<b>FTE</b>	<b>10.0</b>	<b>11.0</b>	<b>11.0</b>

**BUDGET VARIANCES**

18,010 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

59,700 Increase in personal services for costs associated with one Code Administrator position added mid-year in 2002.

7,630 Increase in fixed charges for vehicle maintenance based on historical data.

(18,750) Decrease in capital due to one time capital purchases.

15,190 Normal Increases

    14,430 Personal Services

    760 Purchased Services

**81,780 Total Increase**

# BUILDING

## Overview

The Building Division coordinates and performs various administrative services related to development and construction activities. These include permit application, review, inspection, issuance of Certificates of Occupancy process, as well as, monitoring construction activity. This administration is to protect the public health, safety, and welfare.

In addition to these functions, information on zoning and building codes regulations are provided as well as, coordinating code enforcement activities. Also, the Building Division works closely with the Construction Advisory Board, who serve as the Board of Appeals, in conjunction with, contractor licensing and business practices of the licensed contracting community.

## Objective

- ☞ Reduce the percentage of plans with code omissions found in the field.
- ☞ Maintain average turn-around time of 3 weeks for commercial plans.
- ☞ Minimize number of corrections/reinspections.
- ☞ Ensure initial response to zoning code complaint is made within 24 hours (1 working day).
- ☞ Ensure that quality of building code inspections is not compromised because of individual inspector's workload.

<i>Performance Measures</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
% of plans with code omissions found in the field.	N/A	N/A	5%
Average turn-around time for plans (commercial).	N/A	N/A	3 wks
% of inspections with minimal corrections/re-inspection.	N/A	N/A	85%
% of initial responses to zoning code complaints made within 24 hours (1 business day).	N/A	N/A	100%
# of building code inspections completed per day per full-time equivalency inspector.	26.9	26.9	30.0

**DIVISION**  
Current Planning

**DEPARTMENT**  
Community Services

<b>Section Summary:</b>	<b>2001 Actual</b>	<b>2002 Adjusted</b>	<b>2003 Budget</b>
<b>Current Planning</b>	<b>502,379</b>	<b>647,080</b>	<b>679,830</b>

**REVENUES**

Annexation Filing Fee	13,091	15,000	9,000
Planning Filing Fee	54,835	70,000	70,000
<b>Total</b>	<b>67,926</b>	<b>85,000</b>	<b>79,000</b>

**APPROPRIATIONS**

Personal Services	429,677	562,620	604,490
Supplies	6,011	8,170	11,060
Purchased Services	66,691	76,290	58,970
Fixed Charges	-	-	5,310
<b>Total</b>	<b>502,379</b>	<b>647,080</b>	<b>679,830</b>
<b>FTE</b>	<b>10.0</b>	<b>9.5</b>	<b>9.5</b>

**BUDGET VARIANCES**

- 14,640 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.
- 5,310 Increase in fixed costs for vehicle maintenance based on historical data.
- (40,120) Decrease in purchased services in professional services for one time consulting services.
- 29,920 Normal Increases/Decreases
  - 27,230 Personal Services
  - 2,890 Supplies
  - (200) Purchased Services

**SUPPLEMENTS**

- 23,000 **Improvement:** Increase in purchased services for training the new Historic Preservation Commission (\$3,000) and for the new Historic Preservation Loan Program (\$20,000).

**32,750 Total Increase**

# CURRENT PLANNING

## Overview

Current Planning provides review services and coordinates the City's development review process. The goals of the Current Planning Division are: create and administer an efficient development review process; to preserve and enhance community quality of life and the natural environment; promote the development of economic vitality and diversity; and promote the cost-effective delivery of public services. The division facilitates public meetings to gather input related to development proposals. Public input, staff comments, and other relevant information are compiled by Current Planning into reports for Planning Commission and City Council consideration.

## Objectives

- ☞ Implement 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.
- ☞ Provide timely and accurate information services to applicants and general public in polite, professional, and understanding manner.

<i>Performance Measures</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
% of zoning and rezoning applications approved with no amendment required to CMP Land Use Map.	N/A	N/A	90%
% of times applicant receives written comments from DRT within 5 weeks of application submittal date.	N/A	N/A	90%
% of development applications approved with no appeal by neighborhood or applicant.	N/A	N/A	90%
% of respondents to customer survey indicating service received as being excellent.	N/A	N/A	90%

**DIVISION**

Development Engineering

**DEPARTMENT**

Community Services

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Development Engineering</b>	<b>263,606</b>	<b>395,920</b>	<b>419,780</b>

**APPROPRIATIONS**

Personal Services	273,229	361,430	385,290
Supplies	6,321	6,400	6,400
Purchased Services	(15,944)	28,090	28,090
<b>Total</b>	<b>263,606</b>	<b>395,920</b>	<b>419,780</b>
<b>FTE</b>	<b>5.5</b>	<b>5.5</b>	<b>5.5</b>

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**BUDGET VARIANCES**

5,660 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

18,200 Normal Increases  
 18,200 Personal Services

**23,860 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 Planning Commission and City Council on transportation issues at public hearings, as well as provides 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.

<b><u>Performance Measures</u></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<b><i>Actual</i></b>	<b><i>Projected</i></b>	<b><i>Projected</i></b>
% of commercial building permits reviewed within 15 business days.	N/A	N/A	90%
% of reviews are completed by the due date established by the Planning Division.	N/A	N/A	90%
% of calls returned by the end of the next business day.	N/A	N/A	100%

**DIVISION**

Land Records Management

**DEPARTMENT**

Community Services

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Land Records Management</b>	<b>227,388</b>	<b>281,220</b>	<b>310,890</b>
<b>Total</b>	<b>227,388</b>	<b>281,220</b>	<b>310,890</b>
<b>FTE</b>	<b>4.5</b>	<b>4.5</b>	<b>4.5</b>

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**BUDGET VARIANCES**

4,840 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(11,140) Decrease in supplies for one time equipment purchase.

11,370 Normal Increases

11,370 Personal Services

**SUPPLEMENTS**

14,600 **Workload:** Increase in supplies for three concurrent ArcView Software licenses. Currently there are 38 users sharing three existing licenses.

10,000 **Workload:** Increase in purchased services for GIS training classes.

**29,670 Total Increase**

# LAND RECORDS MANAGEMENT

## Overview

Land Records Management is responsible for the maintenance of the City's centralized land-based information and of the City's Geographic Information System (GIS). With this information, the division provides city mapping and data products for many areas within the city. LRM also creates custom computer programs for use by city staff to assist in analyzing GIS and other land related data. The division assists with the support of computers and related technical issues for the department; maintains the land-based applications on the City's mainframe computer; and coordinates land development issues in the role as "ombudsman" for the City's development review process. Addressing for property within the City is done in the LRM Division. The division is the site of the pilot program for digital document imaging, which is intended as a tool to reduce the amount of paperwork transmitted and stored within the city.

## Objectives

- ☞ Ensure that initial review of plats is completed by due date.
- ☞ Ensure timely access to newly created lots via the City's geographic information system and the AS/400 given increased workload.
- ☞ Ensure that the 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.
- ☞ Increase frequency of delivery of street and address data for the City's 911 / computer aided dispatch system from quarterly to monthly.

<u>Performance Measures</u>	<i>2001</i>	<i>2002</i>	<i>2003</i>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
% of initial plat reviews completed by due date.	N/A	N/A	100%
% of lots entered into the geographic information system within 5 weeks of approval.	N/A	N/A	90%
% of time the geographic information system is available to users.	N/A	N/A	99%
% of special projects completed within timeframe given.	N/A	N/A	90%
% of updates submitted on a monthly basis for new street and address information compiled for 911 computer-aided dispatch database.	N/A	N/A	100%

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Long Range Planning	Community Services		
<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Long Range Planning	<u>Actual</u>	<u>Adjusted</u>	<u>Budget</u>
<b>APPROPRIATIONS</b>			
Personal Services	138,420	200,880	217,570
Supplies	2,384	4,450	4,050
Purchased Services	63,132	88,800	20,360
<b>Total</b>	<b>203,936</b>	<b>294,130</b>	<b>241,980</b>
<b>FTE</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>

## BUDGET VARIANCES

3,330 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(69,150) Decrease in purchased services for one time reappropriation of professional services.

13,670 Normal Increases/Decreases

    13,360 Personal Services

    (400) Supplies

    710 Purchased Services

**(52,150) Total Decrease**

# LONG RANGE PLANNING

## Overview

The Long Range 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 master plan current.
- ☛ Implement redevelopment programs for the downtown in a timely fashion.
- ☛ Increase in sales tax revenues within the Urban Renewal Area as a result of the establishment of a tax increment financing district.

<u>Performance Measures</u>	<i>2001</i>	<i>2002</i>	<i>2003</i>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
% respondents to survey indicating effective communication of planning initiatives.	N/A	N/A	80%
% of projects in yearly work program advanced to decision point by Management / Council.	N/A	N/A	85%
% of downtown initiatives and projects in yearly work program advanced to decision point by Management / Council.	N/A	N/A	85%
% annual increase in sales tax revenues with the Urban Renewal Area.	N/A	N/A	3.46%

**DIVISION**

Human Services

**DEPARTMENT**

Community Services

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Human Services</b>	<b>291,258</b>	<b>376,770</b>	<b>356,880</b>
<b>APPROPRIATIONS</b>			
Personal Services	30,312	31,930	38,740
Supplies	681	1,700	700
Purchased Services	260,265	343,140	317,440
Transfers	-	-	-
<b>Total</b>	<b>291,258</b>	<b>376,770</b>	<b>356,880</b>
<b>FTE</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</b>

**BUDGET VARIANCES**

6,810 Increase in personal services due to reallocation of dollars between CDBG and Human Services.

(26,080) Decrease in purchased services in Human Relation Commission grants due to one time re-appropriation.

(620) Normal Increases/Decreases

(1,000) Supplies

380 Purchased Services

**(19,890) Total Decrease**

# **HUMAN SERVICES**

## **Overview**

The City of Loveland provides funds for human service needs in the community through the Human Relations Commission Grant Program. The Human Relations 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 Relations Commission.

## **Objectives**

- ☛ Increase number of respondents that indicate satisfaction with City's grant process and administration.
- ☛ Increase promotion of City's affordable housing incentives.

<b><u>Performance Measures</u></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<b><i>Actual</i></b>	<b><i>Projected</i></b>	<b><i>Projected</i></b>
% of agencies responding to a survey indicating "satisfaction" with the City's grant process and administration.	N/A	N/A	90%
% of housing developers & builders that request additional information regarding the City's affordable housing policies and incentives.	N/A	N/A	25%

**DIVISION**

Community Development Block Grant

**DEPARTMENT**

Community Services

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>CDBG</b>	<b>342,000</b>	<b>356,000</b>	<b>352,000</b>
<b>REVENUES</b>			
Grant Revenue	342,000	356,000	352,000
<b>Total</b>	<b>342,000</b>	<b>356,000</b>	<b>352,000</b>
<b>APPROPRIATIONS</b>			
Personal Services	52,027	63,410	61,430
Supplies	1,340	850	700
Purchased Services	288,633	291,740	289,870
<b>Total</b>	<b>342,000</b>	<b>356,000</b>	<b>352,000</b>
<b>FTE</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

**BUDGET VARIANCES**

(13,920) Decrease in personal services due to reallocation of dollars between Human Services and CDBG.

3,120 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

6,800 Normal Increases/Decreases  
 8,820 Personal Services  
 (150) Supplies  
 (1,870) Purchased Services

**(4,000) Total Decrease**

# **COMMUNITY DEVELOPMENT BLOCK GRANT**

## Overview

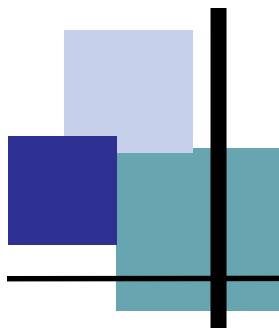
**CDBG:** The City of Loveland receives Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development. As an entitlement city, Loveland receives these funds each year without reapplication. Congress limits these funds to the housing and human service needs of low and moderate income persons in Loveland, to eliminate slum and blight, and meet urgent community needs. Each year, the Community Development Block Grant Advisory Board advises the City Council on the allocation of funds for projects that meet these objectives. For the past several years, the City Council has used the majority of CDBG funds to meet affordable housing needs in the community.

**Affordable Housing:** The City of Loveland encourages development of affordable housing through a fast-track development review process, a use tax credit for qualifying affordable housing developments, and building permit and development fee waivers for certain non-profit developers of affordable housing such as Habitat for Humanity and the Housing Authority of the City of Loveland.

## Objectives

- ☞ Increase housing opportunities and housing assistance for a minimum of 200 households with incomes at or below 80% of the median family income by year 2007.
- ☞ Increase affordable housing and homelessness education and awareness in the community.
- ☞ Increase the number of transitional housing units (permanently affordable rental housing provided to homeless families for a period of 2-3 years) by year 2005.

<b>Performance Measures</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
# of new housing units acquired or built with CDBG funding & sold or rented to households with incomes at or below 80% of the median family income.	N/A	N/A	40
# of people receiving information regarding affordable housing and homelessness.	N/A	N/A	1,000
# of permanently affordable transitional units purchased or constructed with the aid of CDBG funding by year 2005.	N/A	N/A	10



# CULTURAL SERVICES



*The mission of the Cultural Services Department is to serve as regional historical and cultural arts center by enriching the community, and visitors of all ages and backgrounds, through high quality, diverse, and affordable performing arts, exhibits and events.*

## Department of Cultural Services Summary

	2001 Actual	2002 Adjusted	2003 Budget	Percent Change		
				2002-03	2002 FTE	2003 FTE
Museum	632,135	648,310	713,650	10.1%	8.8	8.8
Rialto	199,758	235,460	248,560	5.6%	2.7	2.7
<b>Total</b>	<b>831,893</b>	<b>883,770</b>	<b>962,210</b>	<b>8.9%</b>	<b>11.5</b>	<b>11.5</b>

**REVENUES**

Museum	92,860	46,000	47,000
Rialto	94,569	92,790	109,550
<b>Total</b>	<b>187,429</b>	<b>138,790</b>	<b>156,550</b>

**APPROPRIATIONS**

Personal Services	541,530	595,690	658,670	10.6%
Supplies	115,116	84,970	92,490	8.9%
Purchased Services	164,514	177,740	195,680	10.1%
Fixed Charges	10,733	15,370	15,370	-
Capital	-	10,000	-	(100.0%)
<b>Total</b>	<b>831,893</b>	<b>883,770</b>	<b>962,210</b>	<b>8.9%</b>

**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 new public buildings and cares for the 200+ interior and exterior pieces in the City's collection.

**DIVISION**

Museum

**DEPARTMENT**

Cultural Services

<b>Section Summary:</b>	<b>2001 Actual</b>	<b>2002 Adjusted</b>	<b>2003 Budget</b>
Museum	632,135	648,310	713,650

**REVENUES**

Donations	50,390	18,000	15,000
Gallery Sales	3,585	3,000	4,000
Museum Store Sales	15,447	8,000	11,000
Program Revenue	14,451	17,000	17,000
Other Revenue	8,987	-	-
<b>Total</b>	<b>92,860</b>	<b>46,000</b>	<b>47,000</b>

**APPROPRIATIONS**

Personal Services	426,072	469,460	522,250
Supplies	98,992	71,750	79,270
Purchased Services	107,071	106,900	111,930
Fixed Charges	-	200	200
<b>Total</b>	<b>632,135</b>	<b>648,310</b>	<b>713,650</b>
<b>FTE</b>	<b>8.3</b>	<b>8.8</b>	<b>8.8</b>

## BUDGET VARIANCES

- 13,090 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.
- 26,930 Increase in personal services to annualize the increase of the Youth Activity Coordinator from half-time to full-time mid-year in 2002.
- (9,150) Decrease in purchased services for professional services due to one-time purchase.
- 2,720 Increase in supplies for costs associated with exhibits based on historical experience.
- 1,500 Increase in supplies for costs associated with adding a direct DSL line from the City.
- 15,150 Normal Increases
  - 12,770 Personal Services
  - 1,200 Supplies
  - 1,180 Purchased Services

## SUPPLEMENTS

- 2,100 **Improvement:** Increase in supplies to purchase ergonomically correct office chairs.
- 13,000 **Improvement:** Increase in purchased services to fund youth, family and community events.
- 65,340 Total Increase**

# MUSEUM

## Overview

**Loveland Museum/Gallery:** The mission of the Loveland 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.

**Art In Public Places Program:** The Visual Arts Commission serves to embellish Loveland with Public Art through purchases, donations and commissions, and through partnerships with private arts organizations.

## Objectives

- ☞ Offer exhibits which may be described as diverse, educational and/or make an aesthetic impact, encouraging return visits from patronage. A 10% increase in attendance due to return visits is desired.
- ☞ 5% increase in “out of town” visitors.
- ☞ Documenting historical information within 6 months of receipt.
- ☞ Document 95% of all historical objects donated for the collection within 6 months of receipt.
- ☞ Offer events that are diverse, well attended, entertaining, and community-oriented at no cost to the public.

<b>Performance Measures</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
% increase in the number of return visits per year.	N/A	N/A	10%
% increase in the number of “out of town” visitors.	N/A	N/A	5%
% of finalized ownership contracts received by Curator.	N/A	N/A	95%
% increase in event attendance.	N/A	N/A	5%

**DIVISION**

Rialto

**DEPARTMENT**

Cultural Services

<b>Section Summary:</b>	<b>2001 Actual</b>	<b>2002 Adjusted</b>	<b>2003 Budget</b>
<b>Rialto</b>	<b>199,758</b>	<b>235,460</b>	<b>248,560</b>
<b>REVENUES</b>			
Ticket Sales	37,438	33,500	47,500
Restoration Fee	13,269	14,000	14,000
Rental	12,701	13,500	13,500
Concessions	11,482	10,800	10,800
Donations	17,337	16,740	18,000
Other	2,342	4,250	5,750
<b>Total</b>	<b>94,569</b>	<b>92,790</b>	<b>109,550</b>
<b>APPROPRIATIONS</b>			
Personal Services	115,459	126,230	136,420
Supplies	16,124	13,220	13,220
Purchased Services	57,443	70,840	83,750
Fixed Charges	10,732	15,170	15,170
Capital	-	10,000	-
<b>Total</b>	<b>199,758</b>	<b>235,460</b>	<b>248,560</b>
<b>FTE</b>	<b>2.7</b>	<b>2.7</b>	<b>2.7</b>

**BUDGET VARIANCES**

3,490 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(10,000) Decrease in capital for one time capital purchases.

8,410 Normal Increases

6,700 Personal Services

1,710 Purchased Services

**SUPPLEMENTS**

1,200 **Improvement:** Increase in purchased services for costs associated with armored van service, which will carry revenue deposits from the Rialto to the Civic Center building.

10,000 **Revenue Generating:** Increase in purchased services for Artist Fees. The increase is anticipated to generate an additional \$10,000 in revenue.

**13,100 Total Increase**

# ***RIALTO THEATER***

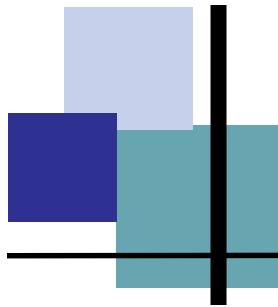
## **Overview**

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.

<b><i>Performance Measures</i></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<b><i>Actual</i></b>	<b><i>Projected</i></b>	<b><i>Projected</i></b>
% increase in events.	N/A	N/A	2%
% increase in attendance.	N/A	N/A	5%



# EXECUTIVE AND 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 interests 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.*

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*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.*

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## Department of Executive &amp; Legal Summary

	2001 Actual	2002 Adjusted	2003 Budget	Percent		
				Change 2002-03	2002 FTE	2003 FTE
<b>General Fund</b>						
City Manager	280,295	315,710	389,180	23.3%	3.8	3.8
City Attorney	399,005	528,040	547,280	3.6%	5.6	5.6
Municipal Court	235,071	292,000	298,490	2.2%	4.0	4.0
Economic Development	-	47,560	83,590	75.8%	1.0	1.0
<b>Subtotal General Fund</b>	<b>914,371</b>	<b>1,183,310</b>	<b>1,318,540</b>	<b>11.4%</b>	<b>14.4</b>	<b>14.4</b>
<b>Internal Service Fund</b>						
Management Information Services	1,717,161	1,704,180	1,983,580	16.4%	14.0	15.0
<b>Subtotal Internal Service</b>	<b>1,717,161</b>	<b>1,704,180</b>	<b>1,983,580</b>	<b>16.4%</b>	<b>14.0</b>	<b>15.0</b>
<b>Total Executive &amp; Legal</b>	<b>2,631,532</b>	<b>2,887,490</b>	<b>3,302,120</b>	<b>14.4%</b>	<b>28.4</b>	<b>29.4</b>
<b>REVENUES</b>						
Municipal Court	630,286	572,600	525,600	(8.2%)		
<b>Total General Fund</b>	<b>630,286</b>	<b>572,600</b>	<b>525,600</b>	<b>(8.2%)</b>		
<b>TOTAL REVENUE</b>	<b>630,286</b>	<b>572,600</b>	<b>525,600</b>			
<b>APPROPRIATIONS</b>						
Personal Services	1,731,856	1,947,650	2,181,240	12.0%		
Supplies	133,580	69,340	72,300	4.3%		
Purchased Services	455,808	591,000	746,580	26.3%		
Capital	310,288	279,500	302,000	8.1%		
<b>Total</b>	<b>2,631,532</b>	<b>2,887,490</b>	<b>3,302,120</b>	<b>14.4%</b>		

**DIVISION**

City Manager

**DEPARTMENT**

Executive &amp; Legal

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>City Manager</b>	<b>280,295</b>	<b>315,710</b>	<b>389,180</b>
<b>APPROPRIATIONS</b>			
Personal Services	257,247	290,120	354,800
Supplies	5,428	8,130	9,780
Purchased Services	17,620	17,460	24,600
<b>Total</b>	<b>280,295</b>	<b>315,710</b>	<b>389,180</b>
<b>FTE</b>	<b>2.8</b>	<b>3.8</b>	<b>3.8</b>

**BUDGET VARIANCES**

6,630 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

4,660 Increase in personal services for pension and retirement cost based on years of service.

10,360 Increase in personal services cost to annualize the cost of the City Manager Intern position added mid-year.

(1,310) Decrease in purchased services for general liability costs based on the department's historical experience and forecasted liability costs.

7,500 Increase in purchased services for travel based on the department's historical experience and forecasted costs.

5,630 Normal Increases

- 3,030 Personal Services
- 1,650 Supplies
- 950 Purchased Services

**SUPPLEMENTS**

40,000 **Improvement:** Increase in personal services to reclass the City Manager Intern position to Assistant to the City Manager.

**73,470 Total Increase**

# **CITY MANAGER'S OFFICE**

## **Overview**

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

The City Manager is responsible for the direction, control and coordination of operational agencies and administrative activities of city government. All city staff are within the responsibility of the City Manager, except for those in the Municipal Court and the City Attorney's Office. The City Manager is responsible for communicating the strategic goals of the Council to City staff and ensuring that these goals are the focus of City action on behalf of the citizens.

The City Manager's Office is responsible for coordinating external relationships with other agencies, such as federal, state and local governments, as well as, private agencies, on issues of mutual concern. Other functions include public information, public relations and education to increase awareness of city policies and decisions as directed by the City Council. City information publicized through Dateline Loveland in the local newspaper, City Briefs in the utility billing insert, and a web page on the Internet are just some of the communication tools used to accomplish this task. In 2002, the City conducted its first comprehensive economic summit, establishing a dialogue with business leaders in the community.

The development, review, and evaluation of the Strategic Financial Plan is under the direction of this office. Additionally, the City Manager oversees the preparation of the annual operating and capital budget.

## **Objectives**

- ☞ Assist Council in articulating overall City goals and priorities.
- ☞ Develop quality of life measures and guidelines to assist in establishing departmental goals.
- ☞ Develop citywide strategic plans to achieve City goals.

**DIVISION**  
City Attorney

**DEPARTMENT**  
Executive & Legal

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>City Attorney</b>	<b>399,005</b>	<b>528,040</b>	<b>547,280</b>
<b>APPROPRIATIONS</b>			
Personal Services	338,266	474,590	492,780
Supplies	8,476	7,350	7,400
Purchased Services	52,263	43,450	47,100
Capital	-	2,650	-
<b>Total</b>	<b>399,005</b>	<b>528,040</b>	<b>547,280</b>
<b>FTE</b>	<b>4.5</b>	<b>5.6</b>	<b>5.6</b>

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**BUDGET VARIANCES**

520 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.

6,280 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

1,800 Increase in purchased services for subscription costs based on increased costs associated Westlaw, the on-line legal research program.

1,700 Increase in purchased services for general liability costs based on the department's historical experience and forecasted liability costs.

(2,650) Decrease in capital for one-time computer purchase.

11,590 Normal Increases  
 11,390 Personal Services  
 50 Supplies  
 150 Purchased Services

**19,240 Total Increase**

# **CITY ATTORNEY'S OFFICE**

## **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 Loveland Municipal Court. When matters are appealed from the Loveland 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's Office consults frequently with the City Manager's Office regarding various matters which have legal implications for the City.

## **Objectives**

- ☞ 90% of clients answer satisfied or very satisfied on customer survey.
- ☞ To contain direct costs for legal services.

<b><u>Performance Measures</u></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<b><i>Actual</i></b>	<b><i>Projected</i></b>	<b><i>Projected</i></b>
% of answers to survey with satisfied/very satisfied response.	N/A	N/A	90%
Cost per hour.	N/A	N/A	\$50.61

<b>DIVISION</b>	<b>DEPARTMENT</b>		
	Executive & Legal		
<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<u>Actual</u>	<u>Adjusted</u>	<u>Budget</u>
<b>Municipal Court</b>	<b>235,071</b>	<b>292,000</b>	<b>298,490</b>
<b>REVENUES</b>			
Court Costs	39,926	40,000	40,000
Court Administration Fees	4,614	5,000	3,500
Court Summons Surcharge	82,353	82,500	60,000
Traffic Fines	422,533	340,000	340,000
Municipal Ordinance Fines	46,352	70,000	50,000
Parking Fines	22,841	20,000	19,000
Other Fines	10,827	15,000	13,000
Other Service Charges	840	100	100
<b>Total</b>	<b>630,286</b>	<b>572,600</b>	<b>525,600</b>
<b>APPROPRIATIONS</b>			
Personal Services	216,826	234,800	258,960
Supplies	2,189	17,700	10,900
Purchased Services	16,056	24,630	28,630
Capital	-	14,870	-
<b>Total</b>	<b>235,071</b>	<b>292,000</b>	<b>298,490</b>
<b>FTE</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>

**BUDGET VARIANCES**

4,410 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

490 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.

(9,000) Decrease in supplies for one-time office furniture purchases.

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

1,500 Increase in purchased services for the schooling expenses.

(14,870) Decrease in capital for one time purchases.

23,560 Normal Increases

19,260 Personal Services

2,200 Supplies

2,100 Purchased Services

**6,490 Total Increase**

# **MUNICIPAL COURT**

## **Overview**

The Municipal Court's authority and responsibility is established by Home Rule Charter ordinance and state law. It functions to adjudicate and process municipal code and charter violations.

The Court will process approximately 12,000 cases in 2003 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.

<b><i>Performance Measures</i></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
% payments processed within 1 day.	N/A	N/A	95%
% of proceeding settings within 72 hours of receipt.	N/A	N/A	90%
% of court events processed within 24 hours.	N/A	N/A	90%

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Economic Development	Executive & Legal		
<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Administration</b>	-	<b>47,560</b>	<b>83,590</b>
<b>APPROPRIATIONS</b>			
Personal Services	-	28,060	46,990
Supplies	-	4,200	5,800
Purchased Services	-	15,300	30,800
<b>Total</b>	-	<b>47,560</b>	<b>83,590</b>
<b>FTE</b>	-	<b>1.0</b>	<b>1.0</b>

#### **BUDGET VARIANCES**

18,930 Increase in personal services to annualize the addition of Economic Development Manager position added mid-year. One half of the cost of this position is funded in the Water & Power Department.

1,600 Increase in supplies for costs associated with the Economic Development Manager position.

15,500 Increase in purchased services for costs associated with Economic Development Position.

**36,030 Total Increase**

# **ECONOMIC DEVELOPMENT**

## **Overview**

The Economic Development Division's vision is to provide the opportunity for a quality job to every Loveland resident. To build the vision, the division strives to retain and expand the job base within the City of Loveland. The main service provided by the division is business assistance. The division works with existing employers to insure that existing jobs remain with the community, as well as, potential new jobs created by existing businesses. In addition, the division provides assistance to potential new businesses looking to relocate to the community. Services include, but are not limited to, detailed community information, support throughout the development review process, community tours, appropriate site and building identification, special programs, incentive assistance, and workforce development.

## **Objectives**

- ☞ To respond to every prospect request within 24 hours (1 business day).
- ☞ Effectively promote and close deals in Loveland for primary jobs.
- ☞ Retain existing Loveland jobs.
- ☞ Attract new primary jobs.

<b><i>Performance Measures</i></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<b><i>Actual</i></b>	<b><i>Projected</i></b>	<b><i>Projected</i></b>
% prospect requests responded to within 24 hours.	N/A	N/A	100%
% of primary job deals closed in Loveland.	N/A	N/A	10%
% of retention of existing Loveland primary jobs.	N/A	N/A	10%
% primary job growth per year.	N/A	N/A	4%

**DIVISION**

Management Information Services

**DEPARTMENT**

Executive & Legal

	<b>2001</b> <b>Actual</b>	<b>2002</b> <b>Adjusted</b>	<b>2003</b> <b>Budget</b>
<b>Section Summary:</b>			
<b>Internal Service Fund</b>			
Management Information Services	1,553,270	1,500,200	1,779,600
Telephone	163,891	203,980	203,980
<b>Total</b>	<b>1,717,161</b>	<b>1,704,180</b>	<b>1,983,580</b>
<b>APPROPRIATIONS</b>			
Personal Services	919,517	920,080	1,027,710
Supplies	117,488	31,960	38,420
Purchased Services	369,868	490,160	615,450
Capital	310,288	261,980	302,000
<b>Total</b>	<b>1,717,161</b>	<b>1,704,180</b>	<b>1,983,580</b>
<b>FTE</b>	<b>14.0</b>	<b>14.0</b>	<b>15.0</b>

## BUDGET VARIANCES

22,440 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

6,460 Increase in supplies for office supplies, based on historical experience.

950 Increase in purchased services for general liability insurance costs based on the department's historical experience and forecasted liability costs.

(4,710) Decrease in purchased services for costs associated with travel based on historical experience.

34,020 Increase in capital due to costs associated with computer replacements.

26,920 Normal Increases/Decreases

    27,870 Personal Services

    (950) Purchased Services

## SUPPLEMENTS

63,320 **Improvement:** Increase in personal services (\$57,322) and capital (\$6,000) for the addition of one Web Master Position. This is to help with City Council's goals of a more open and accessible government.

130,000 **Workload:** Increase in purchased services for professional services associated with Phase II and Phase III of the City of Loveland imaging project.

**279,400 Total Increase**

# **MANAGEMENT INFORMATION SYSTEMS**

## **Overview**

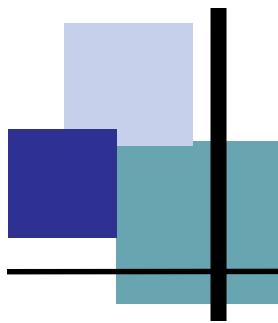
MIS provides network and computer hardware/software support to utility billing, public safety, accounting, payroll, public library, building permits, land records management, parks and recreation, and the utility functions of the City. It also assists City departments regarding networking, personal computer, and computer issues in general. The PhoneMail and telecommunications systems are also managed in this area. A technology-training laboratory was implemented in 1994 for the purpose of training technology users in the function and application of software and equipment.

## **Objectives**

- ☞ 80% of the customers are satisfied with services provided by MIS.
- ☞ Systems will be available 7 days a week from 6 A.M. to 10 P.M. with 1% or less of unscheduled downtime.
- ☞ Backups are successfully completed 100% of the time.
- ☞ 100% of time backed up files are restored as needed.
- ☞ 95% of the urgent and high priority calls are resolved in 1 working day; 80% of standard calls are resolved in 3 or less working days.
- ☞ By utilizing technology, refresh plans for desktop, laptop, and server computers, make sure that the City's technology platforms do not become functionally obsolete by replacing one-third of the inventory annually.

<b><i>Performance Measures</i></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<b><i>Actual</i></b>	<b><i>Projected</i></b>	<b><i>Projected</i></b>
% of time network is up and available.	95%	99%	99%
% of PC replacement (1/3 inventory) - July completion.	100%	100%	100%
% of initial response within 24 hours.	90%	90%	95%
% of web applications supported.	3	5	5
% of high priority calls resolved in 1 day.	N/A	N/A	80%
% of standard calls resolved in 3 working days or less.	N/A	N/A	65%





# FINANCE SERVICES



*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**

	<b>2001 Actual</b>	<b>2002 Adjusted</b>	<b>2003 Budget</b>	<b>Percent Change 2002-03</b>	<b>Percent</b>	
					<b>2002 FTE</b>	<b>2003 FTE</b>
<b>General Fund</b>						
City Clerk	175,491	206,650	243,050	17.6%	3.8	4.0
Sales Tax	103,840	129,010	127,200	(1.4%)	2.0	2.0
<b>Subtotal General Fund</b>	<b>279,331</b>	<b>335,660</b>	<b>370,250</b>	<b>10.3%</b>	<b>5.8</b>	<b>6.0</b>
<b>Internal Service</b>						
Administration	134,174	262,870	360,410	37.1%	2.8	3.8
Accounting/Purchasing	463,334	490,880	531,600	8.3%	8.0	8.0
Budget	138,567	140,960	152,150	7.9%	2.0	2.0
Fleet Management	3,545,979	3,108,870	3,719,390	19.6%	-	-
Risk & Insurance	1,126,768	1,356,860	1,451,020	6.9%	3.8	3.8
<b>Subtotal Internal Service</b>	<b>5,408,822</b>	<b>5,360,440</b>	<b>6,214,570</b>	<b>15.9%</b>	<b>16.6</b>	<b>17.6</b>
<b>Enterprise</b>						
Utility Accounting	572,915	351,820	382,580	8.7%	5.2	5.2
Utility Billing	798,372	927,220	900,850	(2.8%)	15.0	15.3
Meter Reading	343,139	371,450	429,960	15.8%	7.5	8.5
Warehouse	206,898	361,880	365,310	0.9%	4.0	4.0
<b>Subtotal Enterprise</b>	<b>1,921,324</b>	<b>2,012,370</b>	<b>2,078,700</b>	<b>3.3%</b>	<b>31.7</b>	<b>33.0</b>
<b>Total Finance</b>	<b>7,609,477</b>	<b>7,708,470</b>	<b>8,663,520</b>	<b>12.4%</b>	<b>54.1</b>	<b>56.6</b>
<b>REVENUES</b>						
<b>General Fund</b>						
Sales Tax Collection Fee	22,304	15,000	18,000	20.0%		
<b>Total General Fund Revenue</b>	<b>22,304</b>	<b>15,000</b>	<b>18,000</b>	<b>20.0%</b>		
<b>Internal Service Fund</b>						
Fleet Management	2,389,240	3,083,490	3,721,280	20.7%		
Risk & Insurance	1,485,958	1,301,190	1,383,290	6.3%		
<b>Total Internal Service Revenue</b>	<b>3,875,198</b>	<b>4,384,680</b>	<b>5,104,570</b>	<b>16.4%</b>		
<b>TOTAL REVENUE</b>	<b>3,897,502</b>	<b>4,399,680</b>	<b>5,122,570</b>	<b>16.4%</b>		
<b>APPROPRIATIONS</b>						
Personal Services	2,433,078	2,660,350	3,016,570	13.4%		
Supplies	352,864	82,490	65,580	(20.5%)		
Purchased Services	436,568	474,470	593,450	25.1%		
Fixed Charges	1,533,082	1,081,040	1,090,130	0.8%		
Transfers	1,957,536	2,095,200	2,823,390	34.8%		
Capital	896,349	1,314,920	1,074,400	(18.3%)		
<b>Total</b>	<b>7,609,477</b>	<b>7,708,470</b>	<b>8,663,520</b>	<b>12.4%</b>		

# **DEPARTMENT OF FINANCE**

## **Overview**

The Department of Finance provides various general government support functions. Our responsibilities include the annual city budget, annual financial report, risk and insurance, environmental compliance, general government accounting, investments, long-range financial planning, utility billing, customer service, meter reading, fleet replacement funding, utility accounting, rates and fees, finance, and warehousing.

In 2000, the Finance staff from the City, and the Water & Power Utilities, merged to form one distinct department. This has allowed additional financial support to be provided to all areas of the City without increasing resources. The Department produces two major documents each year, the City of Loveland Budget (both the recommended and adopted versions), and the Comprehensive Annual Financial report (CAFR). These two documents provide a comprehensive accounting for the city's revenues, expenditures, and financial condition, as well as, the financial policies and business plan for the coming year.

The Department has begun an effort to develop a ten year financial plan, to be used for resource allocation decisions, and timing of improvements to stay within the projected dollars that will be available. The plan is a living document that will be updated annually to reflect changing priorities or circumstances. 2003 is the third year of that process. While improvements still need to be made in the process, this planning effort guided the decision making for the 2003 budget process, and is the primary reason not all available funds are appropriated. The ten-year plan showed the need for these dollars in future years to operate planned improvements.

The primary functions of the department are revenue collection, accounting and purchasing, risk management, and budget development. In addition, the department manages the fleet replacement fund and the warehouse operation. In 1999 the City, using its home rule powers, began collecting its own sales taxes and auditing businesses within the city to insure compliance, rather than relying on the State for this function. The change has resulted in an increased collection rate, netting more sales tax collections that become available for appropriation. Revenue Collection is done through three divisions, the Sales Tax Division, Utility Billing Division and Meter Reading Division. Accounting and purchasing is through the Accounting and Utility Accounting Divisions. The Budget Division prepares and administers the annual budget. The Risk Management Division manages the city' self-insured general liability and property insurance program, worker's compensation insurance program, and the safety and environmental compliance programs.

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Administration	Finance		
<b>Section Summary:</b>	<b>2001</b> <b>Actual</b>	<b>2002</b> <b>Adjusted</b>	<b>2003</b> <b>Budget</b>
<b>Internal Service Fund</b>			
<b>Administration</b>	<b>134,174</b>	<b>262,870</b>	<b>360,410</b>
<b>APPROPRIATIONS</b>			
Personal Services	116,435	221,360	318,420
Supplies	178	3,510	3,250
Purchased Services	17,561	33,400	38,740
Capital	-	4,600	-
<b>Total</b>	<b>134,174</b>	<b>262,870</b>	<b>360,410</b>
<b>FTE</b>	<b>1.0</b>	<b>2.8</b>	<b>3.8</b>

**BUDGET VARIANCES**

2,340 Increase in personal services for workers' compensation due to the allocation of the City's liability cost based on the department's experience rating and forecasted liability costs.

10,090 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

3,140 Increase in purchased services for general liability insurance costs based on the department's historical experience and forecasted liability costs.

2,200 Increase in purchased services for travel, meetings, and schooling expense based on projected requirements.

(4,600) Decrease in capital due to one-time purchases.

15,940 Normal Increases/Decreases

16,200 Personal Services

(260) Supplies

**SUPPLEMENTS**

68,430 **Workload:** Increase in personal services for internal auditor position.

**97,540 Total Increase**

## ***ADMINISTRATION***

The Finance Administration Division is responsible for coordinating the financial support services to City departments, manages the City's investment portfolio, risk management efforts, fleet replacement and warehouse operation, and develops financial planning tools to guide resource allocation decisions.

**DIVISION**  
City Clerk

**DEPARTMENT**  
Finance

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>City Clerk</b>	<b>175,491</b>	<b>206,650</b>	<b>243,050</b>
<b>APPROPRIATIONS</b>			
Personal Services	149,329	180,500	199,510
Supplies	3,405	4,340	2,850
Purchased Services	22,757	21,810	40,690
<b>Total</b>	<b>175,491</b>	<b>206,650</b>	<b>243,050</b>
<b>FTE</b>	<b>3.0</b>	<b>3.8</b>	<b>4.0</b>

**BUDGET VARIANCES**

(1,590) Decrease in personal services for insurance benefits due to decreased premium costs and forecasted decrease in claims.

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

11,240 Normal Increases/Decreases

    11,540 Personal Services

    (1,490) Supplies

    1,190 Purchased Services

**SUPPLEMENTS**

17,000 **Workload:** Increase in purchased services costs associated with the coordinated election with Larimer County.

9,060 **Workload:** Increase in personal services to increase the hours of an Administrative Clerk position from 30 hours to 40 hours per week.

**36,400 Total Increase**

# **CITY CLERK**

## **Overview**

The City Clerk's Office maintains current files on all minutes, ordinances, resolutions, contracts, agreements, and easements, titles and deeds for the City Council and management. The City Clerk attends and records all Council meetings, conducts municipal elections, receives and deposits all revenue other than utility payments and City Sales Tax revenue, 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 new imaging system for citizen and employee access. In 2002, we were given the duty of Facilities Reservations; handling reservations for the Foote Lagoon, Gertrude Scott Room (Library MPR), The Pulliam Building, as well as, the Council Chambers and the Conference room on the main floor of the Municipal Building.

## **Objectives**

- ☞ Accurate and prompt retention and retrieval of records.
- ☞ Direct citizen and staff call 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.

<b><i>Performance Measures</i></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<b><i>Actual</i></b>	<b><i>Projected</i></b>	<b><i>Projected</i></b>
% of final documents imaged within 30 days.	12%	45%	78%
% of minutes approved by Council as submitted.	N/A	N/A	100%
% of citizen and staff requests responded to within 24 hours.	N/A	N/A	95%
% of license applications processed per States Statutes guidelines.	N/A	N/A	95%

**DIVISION**

Sales Tax

**DEPARTMENT**

Finance

<b>Section Summary:</b> <b>General Fund</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Sales Tax</b>	<b>103,840</b>	<b>129,010</b>	<b>127,200</b>

**REVENUES**

Sales Tax Collection Fee	22,304	15,000	18,000
<b>Total</b>	<b>22,304</b>	<b>15,000</b>	<b>18,000</b>

**APPROPRIATIONS**

Personal Services	69,537	94,870	103,990
Supplies	13,603	21,170	7,000
Purchased Services	20,370	12,970	16,210
Capital	330	-	-
<b>Total</b>	<b>103,840</b>	<b>129,010</b>	<b>127,200</b>
<b>FTE</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>

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**BUDGET VARIANCES**

(15,000) Decrease in supplies for computer software due to one-time HMS Sales Tax software upgrade costs.

2,220 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

10,970 Normal Increases

    6,900 Personal Services

    830 Supplies

    3,240 Purchased Services

**(1,810) Total Decrease**

# SALES & USE TAX ADMINISTRATION

## Overview

The Sales & Use Tax Administration Division, created in 1999, is responsible for processing receipts of sales tax returns, monitoring businesses' compliance with the city's sales & use tax ordinances, and overseeing collection of City sales tax instead of relying on the State for this function. The main emphasis is educating and assisting businesses in voluntary compliance with the ordinances, while maintaining the resources to enforce the ordinances if necessary.

## 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 due deadline dates.
- ☞ Contact delinquent vendors within a week of notification of delinquency.

<b>Performance Measures</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
% sales tax returns completed by 1st business day of next month.	N/A	N/A	92%
% of sales tax licenses issued within a week of receiving application.	N/A	N/A	95%
% of audits resulting in vendor assessments responded to by due date.	N/A	N/A	95%
% delinquent vendors contacted within a week of notification.	N/A	N/A	90%

**DIVISION**

Accounting/Purchasing

**DEPARTMENT**

Finance

<b>Section Summary:</b>	<b>2001 Actual</b>	<b>2002 Adjusted</b>	<b>2003 Budget</b>
<b>Internal Service Fund</b>			
Accounting	375,055	395,550	429,270
Purchasing	88,279	95,330	102,330
<b>Total</b>	<b>463,334</b>	<b>490,880</b>	<b>531,600</b>
<b>APPROPRIATIONS</b>			
Personal Services	388,339	402,490	440,750
Supplies	10,375	10,970	11,580
Purchased Services	64,620	77,420	79,270
<b>Total</b>	<b>463,334</b>	<b>490,880</b>	<b>531,600</b>
<b>FTE</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>

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**BUDGET VARIANCES**

8,880 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.  
 (300) Decrease in supplies due to one time purchase of office furniture.  
 2,000 Increase in purchased services due to increase in professional services for the City Audit.  
 30,140 Normal Increases/Decreases  
     29,380 Personal Services  
     910 Supplies  
     (150) Purchased Services  
**40,720 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 and has been awarded the “Certificate of Achievement for Excellence in Financial Reporting” by the Government Finance Officers Association every year since 1980. Purchasing manages the City’s decentralized purchasing program to ensure compliance with local and state laws while using effective, efficient and flexible practices.

## **Objective**

- ☞ Pay in accurate and in a timely manner.

<b><i>Performance Measures</i></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<b><i>Actual</i></b>	<b><i>Projected</i></b>	<b><i>Projected</i></b>
% of bills paid within one week of receipt.	N/A	N/A	98%
% of reissued checks to total checks.	N/A	N/A	2%
# of account payable transactions per FTE.	16,227	16,100	16,000

**DIVISION**

Budget

**DEPARTMENT**

Finance

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Internal Service Fund</b>			
<b>Budget</b>	<b>138,567</b>	<b>140,960</b>	<b>152,150</b>
<b>APPROPRIATIONS</b>			
Personal Services	123,081	126,680	136,380
Supplies	2,638	1,100	1,530
Purchased Services	12,848	13,180	14,240
<b>Total</b>	<b>138,567</b>	<b>140,960</b>	<b>152,150</b>
<b>FTE</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>

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**BUDGET VARIANCES**

2,220 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

310 Increase in purchased services due to increase costs associated with General Liability Insurance based on the department's historical experience and forecasted liability costs.

8,660 Normal Increases

    7,480 Personal Services

    430 Supplies

    750 Purchased Services

**11,190 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 Officer Association every year since 1985.

## Objective

- ☞ Collecting and disseminating data in timely and accurate manner.
- ☞ Accurate review projection.
- ☞ Accurately forecast current year expenses to reduce the number of year end supplemental budgets.

<b>Performance Measures</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
% of current year revenue forecast to actual with 4 months of data.	97.0%	95.0%	95.0%
% of adopted budget revenues to actual.	94.3%	95.0%	95.0%
% of General Fund expenses forecast to actual with 4 months of data.	99.8%	95.0%	95.0%

**DIVISION**

Fleet Management

**DEPARTMENT**

Finance

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Internal Service Fund</b>			
<b>Fleet Management</b>	<b>3,545,979</b>	<b>3,108,870</b>	<b>3,719,390</b>

**REVENUES & SOURCES**

<b>Beginning Balance</b>	<b>4,794,082</b>	<b>3,637,340</b>	<b>3,611,960</b>
School District	571,138	620,650	642,370
Interest	231,161	129,230	162,540
Federal Transportation Authority Grant			448,000
Vehicle repair	797,140	1,416,410	1,678,290
Vehicle rent	746,180	642,360	752,080
Transfer from CEF Fund	-	236,840	-
Sale of Assets	20,000	20,000	20,000
Miscellaneous	23,621	18,000	18,000
<b>Subtotal Revenue</b>	<b>2,389,240</b>	<b>3,083,490</b>	<b>3,721,280</b>
<b>TOTAL RESOURCES</b>	<b>7,183,322</b>	<b>6,720,830</b>	<b>7,333,240</b>

**APPROPRIATIONS**

Supplies	291,303	-	-
Fixed Charges	569,917	-	-
Transfers	1,920,994	2,030,200	2,759,390
Capital	763,765	1,078,670	960,000
<b>Total</b>	<b>3,545,979</b>	<b>3,108,870</b>	<b>3,719,390</b>
<b>Ending Balance</b>	<b>3,637,343</b>	<b>3,611,960</b>	<b>3,613,850</b>

## BUDGET VARIANCES

140,700	Increase in transfers due to the transfers to Water & Power and the Storm Water Enterprise Funds for the purchase of equipment.
209,240	Increase in the transfer to the Vehicle Maintenance Fund for maintenance operations based on the Vehicle Maintenance budget.
(678,670)	Decrease in capital for replacement vehicle purchases based on the five-year plan.
330,380	Increase in transfers due to the one-time transfer to the Solid Waste Enterprise Fund of replacement balances. The Enterprise Fund will budget for future equipment replacement as needed.
48,870	Increase in transfers due to the one-time transfer to the Golf Enterprise Fund. The Golf Fund will budget for future equipment replacement as needed.

## SUPPLEMENTS

560,000	<b>Improvement:</b> Increase in capital for the purchase of two new buses. Eighty percent of the cost is funded by a federal grant.
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**610,520 Total Increase**

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## CITY FLEET

### Overview

City Fleet finances vehicle operating costs and future replacement of vehicles and equipment. Annually, funds are set aside for future replacement of all City vehicles.

### Objectives

- ☛ Implement new billing of city fleet to ensure adequate replacement funding of the fleet and stabilize department expense lines.

**DIVISION**  
Risk & Insurance

**DEPARTMENT**  
Finance

Section Summary:	2001 Actual	2002 Adjusted	2003 Budget
<b>Internal Service Fund</b>			
<b>Risk &amp; Insurance</b>	<b>1,126,768</b>	<b>1,356,860</b>	<b>1,451,020</b>
<b>REVENUES &amp; SOURCES</b>			
<b>Beginning Balance</b>	<b>4,583,097</b>	<b>4,942,290</b>	<b>4,886,620</b>
Interest	253,848	242,510	219,900
Transfers	-	-	75,700
Workers' Compensation	558,490	551,900	555,420
General Liability Charges	673,620	506,780	532,270
<b>Subtotal Revenue</b>	<b>1,485,958</b>	<b>1,301,190</b>	<b>1,383,290</b>
<b>TOTAL REVENUES</b>	<b>6,069,055</b>	<b>6,243,480</b>	<b>6,269,910</b>
<b>APPROPRIATIONS</b>			
Personal Services	206,701	223,850	236,470
Supplies	10,382	11,140	8,070
Purchased Services	56,723	60,090	138,800
Fixed Charges	846,151	1,061,780	1,067,680
Capital	6,811	-	-
<b>Total</b>	<b>1,126,768</b>	<b>1,356,860</b>	<b>1,451,020</b>
<b>Ending Balance</b>	<b>4,942,287</b>	<b>4,886,620</b>	<b>4,818,890</b>
<b>FTE</b>	<b>3.6</b>	<b>3.8</b>	<b>3.8</b>

### BUDGET VARIANCES

4,600 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(250) Decrease in supplies due to the one time purchase of office furniture.

6,870 Increase in purchased services due to an increase in training for safety training classes, books and hearing monitoring tests.

5,500 Increase in fixed charges due to increased liability insurance premiums based on historical data.

5,940 Normal Increases/Decreases

    8,020 Personal Services

    (2,820) Supplies

    340 Purchased Services

    400 Fixed Charges

### SUPPLEMENTS

30,000 **Improvement:** Increase in purchased services for costs associated with the cleanup of the Police Firing Range.

20,000 **Mandated:** Increase in purchased services for funding to clean up hazardous spills that occur on City property for which there is no responsible person or entity. \$4,200 of this cost will be paid by the Water & Power Enterprise Funds.

21,500 **Mandated:** Increase in purchased services for funding to clean up an old City dump site.

**94,160 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 for 2003 as a percentage of payroll by 3% based on actuarial estimates.
- ☞ 70% of Facilities/Departments are assessed for environmental compliance and 95% of corrective measures identified are completed within timeline provided.
- ☞ Improve claim efficiency and processing by assuring 95% of claims are reported within 1 business day of receipt.
- ☞ Contact 95% of employees within 2 business days after receive notification lost time due to a work-related injury.
- ☞ 90% of workers' compensation claims are closed within 90 days.

<b>Performance Measures</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
Workers' compensation claims per FTE.	.25	.25	.25
% of reduction in average cost per claim for workers' compensation & property/liability.	N/A	N/A	3%
% of insurance carrier loss control requirements complied with.	N/A	N/A	95%
Cost of workers' compensation losses as % of total city payroll.	1.30%	1.33%	1.30%
% of facilities/departments assessed for environmental compliance.	N/A	N/A	70%
% of identified corrective measures completed within timeline provided.	N/A	N/A	95%

**DIVISION**

Utility Accounting

**DEPARTMENT**

Finance

	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Section Summary:</b>			
<b>Enterprise Fund</b>			
<b>Utility Accounting</b>	<b>572,915</b>	<b>351,820</b>	<b>382,580</b>
 <b>APPROPRIATIONS</b>			
Personal Services	349,795	265,450	317,580
Supplies	5,815	7,000	7,000
Purchased Services	64,845	58,970	58,000
Fixed Charges	99,495	-	-
<b>Total Operating</b>	<b>519,950</b>	<b>331,420</b>	<b>382,580</b>
Capital	52,965	20,400	-
<b>Total Capital</b>	<b>52,965</b>	<b>20,400</b>	<b>-</b>
<b>Total Utility Accounting</b>	<b>572,915</b>	<b>351,820</b>	<b>382,580</b>
<b>FTE</b>	<b>6.0</b>	<b>5.2</b>	<b>5.2</b>

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**BUDGET VARIANCES**

(5,060) Decrease in purchased services due to decrease in repair and maintenance costs based on historical data.

56,220 Normal Increases  
 52,130 Personal Services  
 4,090 Purchased Services  
**51,160 Total Increase**

# **UTILITY FINANCE**

## Overview

The Business/Finance Division works with many outside agencies, as well as, the City Council, various boards and commissions, other City departments, and utility customers on a daily basis. The restructuring of the utility has provided new opportunities for the division to work together to provide higher levels of customer service to rate payers and to other City divisions. There are four sections that have been moved from Water and Power to the Finance Department. They are Meter Reading, Utility Billing, Warehouse, and Utility Accounting. Funding for these divisions is from the Water, Wastewater and Power Enterprise Funds.

# **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.

## Objective

- ☛ 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 have them to City Accounting for payment in the following week's check writing.

<u>Performance Measures</u>		<i>2001</i>	<i>2002</i>	<i>2003</i>
		<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
% of Aid-To-Construction work orders billed or refunded within 45 days of completion of project.		N/A	N/A	85%
% of monthly financial statement preparation completed within 5 business days of the month-end close and accuracy rate.		N/A	N/A	90%
% of accounts payable source documents received by the end of business on Friday, processed and to the City's Accounting Division for payment in the following week's check writing.		N/A	N/A	90%

<b>DIVISION</b>	<b>DEPARTMENT</b>		
	<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>Section Summary:</b>	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Enterprise Fund</b>			
<b>Utility Billing</b>	<b>798,372</b>	<b>927,220</b>	<b>900,850</b>
<b>APPROPRIATIONS</b>			
Personal Services	568,467	637,310	659,350
Supplies	9,838	10,030	10,100
Purchased Services	140,367	157,430	166,600
Fixed Charges	751	1,000	800
Transfers	36,542	65,000	64,000
<b>Total Operating</b>	<b>755,965</b>	<b>870,770</b>	<b>900,850</b>
Capital	42,407	56,450	-
<b>Total Capital</b>	<b>42,407</b>	<b>56,450</b>	-
<b>Total Utility Billing</b>	<b>798,372</b>	<b>927,220</b>	<b>900,850</b>
<b>FTE</b>	<b>16.0</b>	<b>15.0</b>	<b>15.3</b>

**BUDGET VARIANCES**

8,450 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(3,940) Decrease in purchased services due to a decrease in repair and maintenance costs based on historical data.

14,290 Increase in purchased services due to an increase in postage costs associated with utility billing.

3,080 Normal Increases/Decreases

- 5,390 Personal Services
- 70 Supplies
- (1,180) Purchased Services
- (200) Fixed Charges
- (1,000) Transfers

**SUPPLEMENTS**

8,200 **Improvement:** Increase in personal services due to the increase in hours of two customer service representatives from 20 hours per week to 25 hours per week. The cost is split between the Water, Wastewater and Power Utilities.

**30,080 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.

## **Objective**

- 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.

<b><i>Performance Measures</i></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<b><i>Actual</i></b>	<b><i>Projected</i></b>	<b><i>Projected</i></b>
% of bills mailed within 3 days of meter reading.	N/A	N/A	98%
% of payments processed on day of receipt.	N/A	N/A	100%
% of telephone responses in less than 15 seconds.	N/A	N/A	100%
% of bad debt write off to electric revenue billed.	N/A	N/A	0.2%

**DIVISION**

Meter Reading

**DEPARTMENT**

Finance

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Enterprise Fund</b>			
<b>Meter Reading</b>	<b>343,139</b>	<b>371,450</b>	<b>429,960</b>
<b>APPROPRIATIONS</b>			
Personal Services	287,725	315,960	395,010
Supplies	3,179	5,930	6,000
Purchased Services	8,055	8,700	10,400
Fixed Charges	14,109	15,060	18,550
<b>Total Operating</b>	<b>313,068</b>	<b>345,650</b>	<b>429,960</b>
Capital	30,071	25,800	-
<b>Total Capital</b>	<b>30,071</b>	<b>25,800</b>	<b>-</b>
<b>Total Meter Reading</b>	<b>343,139</b>	<b>371,450</b>	<b>429,960</b>
<b>FTE</b>	<b>7.5</b>	<b>7.5</b>	<b>8.5</b>

**BUDGET VARIANCES**

11,350	Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.
2,000	Increase in purchased services in repair and maintenance based on historical costs.
4,350	Increase in fixed charges due to an increase in costs associated with vehicle and equipment rental.
20,610	Normal Increases/Decreases
23,700	Personal Services
70	Supplies
(2,300)	Purchased Services
(860)	Fixed Charges

**SUPPLEMENTS**

46,000	<b>Workload:</b> Increase in personal services (\$44,000) and operations (\$2,000) for a Senior Meter Reader position.
<b>84,310</b>	<b>Total Increase</b>

# **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 diversions.

## **Objective**

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

<b><i>Performance Measures</i></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<b><i>Actual</i></b>	<b><i>Projected</i></b>	<b><i>Projected</i></b>
Cost to read meter.	\$0.40	\$0.44	\$0.50
Accuracy rate of meter reads.	99.88%	99.88%	99.88%
% of porchlight service orders completed within 5 days.	N/A	N/A	90%

<b>DIVISION</b>	<b>DEPARTMENT</b>		
	Warehouse	Finance	
<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>Enterprise Fund</b>			
<b>Warehouse</b>	<b>206,898</b>	<b>361,880</b>	<b>365,310</b>
<b>APPROPRIATIONS</b>			
Personal Services	173,670	191,880	209,110
Supplies	2,147	7,300	8,200
Purchased Services	28,422	30,500	30,500
Fixed Charges	2,659	3,200	3,100
<b>Total Operating</b>	<b>206,898</b>	<b>232,880</b>	<b>250,910</b>
Capital	-	129,000	114,400
<b>Total Capital</b>	<b>-</b>	<b>129,000</b>	<b>114,400</b>
<b>Total Warehouse</b>	<b>206,898</b>	<b>361,880</b>	<b>365,310</b>
<b>FTE</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>

#### **BUDGET VARIANCES**

4,440 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(100) Decrease in fixed charges due to a decrease in costs associated with vehicle and equipment rental.

13,690 Normal Increases  
 12,790 Personal Services  
 900 Supplies

**18,030 Total Increase**

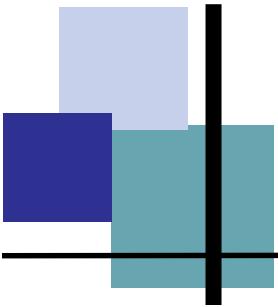
## **WAREHOUSE**

### Overview

Warehouse responsibilities include inventory items used by all departments in the City, disposing of obsolete items, overseeing yard materials, maintaining an inventory of department tools and delivering trash tags and bags to city merchants, as well as, materials and office supplies to other City employees. This section will also coordinate fleet replacement and scheduled maintenance for the Water and Power Utility vehicles.

### Objectives

☛ Secure the storage yard (fencing, asphalt and gate).



# FIRE AND RESCUE SERVICES



*The mission of the Department of  
Loveland Fire & Rescue Services is  
to protect life and property.*

## Fire & Rescue Department Summary

	2001 Actual	2002 Adjusted	2003 Budget	Percent		
				Change 2003-02	2002 FTE	2003 FTE
Operations	3,684,738	3,968,550	4,299,040	8.3%	46.0	46.0
Support Services	559,215	653,080	694,400	6.3%	7.0	7.0
Emergency Management	15,047	18,000	18,540	3.0%	-	-
<b>Total Fire &amp; Rescue</b>	<b>4,259,000</b>	<b>4,639,630</b>	<b>5,011,980</b>	<b>8.0%</b>	<b>53.0</b>	<b>53.0</b>
<b>REVENUES</b>						
Operations	679,231	637,640	665,610	4.4%		
Support Services	24,972	22,000	16,000	(27.3%)		
<b>TOTAL REVENUE</b>	<b>704,203</b>	<b>659,640</b>	<b>681,610</b>	<b>3.3%</b>		
<b>APPROPRIATIONS</b>						
Personal Services	3,702,120	4,014,920	4,364,600	8.7%		
Supplies	131,574	147,550	146,500	(0.7%)		
Purchased Services	328,026	333,870	355,760	6.6%		
Fixed Charges	97,280	114,290	145,120	27.0%		
Capital	-	29,000	-	(100.0%)		
<b>Total</b>	<b>4,259,000</b>	<b>4,639,630</b>	<b>5,011,980</b>	<b>8.0%</b>		

## ***FIRE & RESCUE***

### Overview

The Department of Fire & Rescue Services is a combination department consisting of Career and Volunteer firefighters staffing the Engine Companies, supported by Volunteer Firefighters staffing Rescue Squads, Water Tenders and other support apparatus. The department delivers a wide range of emergency services including fire prevention, fire-fighting, emergency medical services, technical rescue, hazardous materials management, coordination of the City's Emergency Management program and public education. The department provides these services through the resources of 53 career personnel and approximately 70 volunteers working as a team. The department also provides services to the Loveland Rural Fire Prevention District, with the District paying its proportional cost of the Fire and Rescue Department's staffing /operational costs.

### Goals

- ☞ Have a minimum of 4 personnel on each engine company and truck company 24/7.
- ☞ Evaluate if adequate personnel are arriving within the strategic time frames outlined in our service delivery goals.

**DIVISION**

Fire Suppression

**DEPARTMENT**

Fire & Rescue

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Fire Suppression</b>	<b>3,684,738</b>	<b>3,968,550</b>	<b>4,299,040</b>
<b>REVENUES</b>			
Rural Fire District	537,101	559,340	587,310
Rural Fire - Pension	78,304	78,300	78,300
Rural Fire - Special Payment	63,826	-	-
<b>Total</b>	<b>679,231</b>	<b>637,640</b>	<b>665,610</b>
<b>APPROPRIATIONS</b>			
Personal Services	3,229,732	3,469,100	3,783,360
Supplies	120,576	122,030	122,530
Purchased Services	260,375	258,460	275,740
Fixed Charges	74,055	89,960	117,410
Capital	-	29,000	-
<b>Total</b>	<b>3,684,738</b>	<b>3,968,550</b>	<b>4,299,040</b>
<b>FTE</b>	<b>36.0</b>	<b>46.0</b>	<b>46.0</b>

## BUDGET VARIANCES

(1,410) 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.

50,680 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

70,000 Increase in personal services to bring salaries in line with the market averages.

4,200 Increase in purchased services for general liability costs based on the department's historical experience and forecasted liability costs.

27,450 Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.

(29,000) Decrease in capital due one-time purchases of equipment.

196,570 Normal Increases

    194,990 Personal Services

        500 Supplies

        1,080 Purchased Services

## SUPPLEMENTS

12,000 **Improvement:** Increase in purchased services for the maintenance costs associated with the 800 MHz system.

**330,490 Total Increase**

# **FIRE SUPPRESSION**

## **Overview**

The Fire Suppression Division provides primary fire attack and rescue efforts, including dive rescue, rope rescue, as well as, emergency medical services and hazardous materials response. The department continues to see an overall increase in fire related incidents, as well as, emergency medical incidents. Since September 11th, the department also has seen a significant increase in hazardous materials related incidents/suspicious substance calls.

The focus in 2002 has been open, honest communication between Career and Volunteer personnel, concentrated training in strategy and tactics, wildland training, weapons of mass destruction (WMD) and hazardous materials. Two new staffing options have been created for Volunteers in an effort to increase initial response to incidents.

## **Objectives**

- ☞ Have an engine company staffed with four personnel on the emergency scene within 5 minutes 90% of the time.
- ☞ Have 15 personnel on scene of full alarm assignments 90% of the time.
- ☞ Control fire within 15 minutes of arrival 80% of the time in single-family residences.
- ☞ All firefighters and officers certified for their position/rank by 2005.

<b><u>Performance Measures</u></b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Projected</b>	<b>Projected</b>
% of Fire and EMS responses in 5 minutes or less.*	83%	79%	74%
% incidents when Engine Company arrived with 4 personnel within 5 minutes.	N/A	N/A	90%
% of incidents where 15 people were on scene.	N/A	N/A	90%
% of single family home fires contained in 15 minutes.	N/A	N/A	80%
% of firefighters and officers certified.	N/A	N/A	90%

*\* Note: The 5 minute response time does not include dispatch time.*

**DIVISION**  
Fire Prevention

**DEPARTMENT**  
Fire & Rescue

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Support Services</b>	<b>559,215</b>	<b>653,080</b>	<b>694,400</b>
<b>REVENUES</b>			
Fire Works Permits	7,950	8,000	-
Fire Permit & Inspection Fees	14,947	12,000	12,500
Rural Fire Inspection Fees	2,075	2,000	3,500
<b>Total</b>	<b>24,972</b>	<b>22,000</b>	<b>16,000</b>
<b>APPROPRIATIONS</b>			
Personal Services	472,388	545,820	581,240
Supplies	10,998	25,520	23,970
Purchased Services	52,604	57,410	61,480
Fixed Charges	23,225	24,330	27,710
<b>Total</b>	<b>559,215</b>	<b>653,080</b>	<b>694,400</b>
<b>FTE</b>	<b>8.0</b>	<b>7.0</b>	<b>7.0</b>

**BUDGET VARIANCES**

7,710 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(5,000) Decrease in supplies for computer software based on historical experience.

3,450 Increase in supplies for educational materials for school demonstrations and other educational events to reduce the number of fire incidents.

10,390 Increase in purchased services for maintenance costs of the new fire records system.

(8,840) Decrease in purchased services for telephone costs due to a reduction in maintenance for the T-1 lines providing computer access.

3,380 Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.

30,230 Normal Increases  
    27,710 Personal Services  
    2,520 Purchased Services

**41,320 Total Increase**

# **FIRE PREVENTION**

## **Overview**

The Fire Prevention Division's focus is primarily to safeguard citizens lives and property through effective emergency management coordination, inspection of buildings as part of code enforcement effort, and implementation of business occupancy risk reduction efforts. This is accomplished through 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 fire safety public education to the community through presentations, demonstrations and our Fire Safety House.

## **Objectives**

- ☛ Conduct effective inspections of commercial buildings and business occupancy risk reduction efforts of 60% businesses annually.
- ☛ Conduct inspections and public education in 100% of private and commercial daycares, preschools, and R2J School District.
- ☛ Complete all plan review within 15 working days.
- ☛ Target areas identified as high risk for Juvenile Fire Setter Program and/or counseling to reduce fires set by juveniles 20% per year.
- ☛ Conduct timely and thorough fire investigations to determine cause and origin of every fire within our jurisdiction.

<b><u>Performance Measures</u></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<b><i>Actual</i></b>	<b><i>Projected</i></b>	<b><i>Projected</i></b>
% of commercial properties inspected annually.	49%	49%	49%
% of schools & daycares visited each year.	100%	100%	100%
% of plan reviews completed within 15 working days.	N/A	N/A	90%
% decrease juvenile fires.	N/A	N/A	20%
% of fires where cause of origin was determined.	N/A	N/A	80%

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Emergency Management	Fire & Rescue		
Section Summary:	2001 Actual	2002 Adjusted	2003 Budget
<b>Emergency Management</b>	<b>15,047</b>	<b>18,000</b>	<b>18,540</b>
<b>APPROPRIATIONS</b>			
Purchased Services	15,047	18,000	18,540
<b>Total</b>	<b>15,047</b>	<b>18,000</b>	<b>18,540</b>
<b>BUDGET VARIANCES</b>			
540 Normal Increases			
540 Purchased Services			
<b>540 Total Increase</b>			

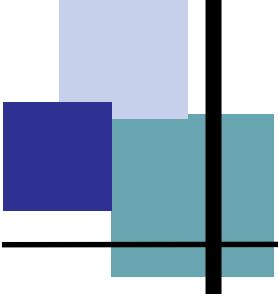
## ***EMERGENCY MANAGEMENT***

### Overview

This division is responsible for the Loveland Emergency Response Plan, training department directors and senior managers, developing and equipping the Emergency Operations Center, 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 of Loveland that is not only local but also regional.
- ☞ Increase overall fitness of firefighters through comprehensive wellness program.



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# 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.*

## Human Resources Summary

SECTION SUMMARY	2001 Actual	2002 Adjusted	2003 Budget	Percent Change		
				2002-03	2002 FTE	2003 FTE
<b>Internal Service Fund</b>						
Human Resources	788,027	876,320	978,150	11.6%	9.6	10.6
Employee Benefits	3,732,930	4,035,990	4,982,540	23.5%	-	-
<b>Total</b>	<b>4,520,957</b>	<b>4,912,310</b>	<b>5,960,690</b>	<b>21.3%</b>	<b>9.6</b>	<b>10.6</b>
<b>REVENUES</b>						
<b>Internal Service Fund</b>						
Employee Benefits	3,647,234	4,035,980	4,982,540			
<b>Total Revenues</b>	<b>3,647,234</b>	<b>4,035,980</b>	<b>4,982,540</b>			
<b>APPROPRIATIONS</b>						
Personal Services	534,564	568,100	659,610	16.1%		
Supplies	42,473	85,650	91,400	6.7%		
Purchased Services	222,298	236,570	241,140	1.9%		
Fixed Charges	3,720,194	4,021,990	4,968,540	23.5%		
Capital	1,428	-	-	-		
<b>Total</b>	<b>4,520,957</b>	<b>4,912,310</b>	<b>5,960,690</b>	<b>21.3%</b>		

<b>DIVISION</b>	<b>Human Resources</b>	<b>DEPARTMENT</b>		
		<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>Section Summary:</b>		<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Internal Service Fund</b>				
<b>Human Resources</b>		<b>788,027</b>	<b>876,320</b>	<b>978,150</b>
<b>APPROPRIATIONS</b>				
Personal Services		522,608	568,100	659,610
Supplies		41,693	35,650	41,400
Purchased Services		222,298	236,570	241,140
Fixed Charges		-	36,000	36,000
Capital		1,428	-	-
<b>Total</b>		<b>788,027</b>	<b>876,320</b>	<b>978,150</b>
<b>FTE</b>		<b>9.6</b>	<b>9.6</b>	<b>10.6</b>

#### BUDGET VARIANCES

16,740 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

7,510 Increase in personal services for salaries due to costs associated with the reclassification of two clerk positions.

2,000 Increase in supplies for increased costs associated with training supplies.

1,270 Increase in purchased services for general liability insurance costs based on the department's historical experience and forecasted liability costs.

46,710 Normal Increases

39,660 Personal Services

3,750 Supplies

3,300 Purchased Services

#### SUPPLEMENTS

27,600 **Workload:** Increase in personal services for one additional clerk position to help in the payroll and recruitment areas.

**101,830 Total Increase**

# ***HUMAN RESOURCES***

## ***Overview***

Human Resources provides the following services to employees and management: recruitment, selection and orientation; classification and compensation; benefits development and administration; counseling and discipline; policy development; payroll and record keeping; training and employee development; employee recognition program; and the community volunteer program.

## ***Objectives***

- ☛ Conduct new performance management system pilot project to test the program and make improvements prior to final implementation.
- ☛ Create and analyze feasibility of expanded bonus program for use with new performance management system.
- ☛ Implement improvements to City's pay plan.
- ☛ Reinstate Volunteer Program newsletter.
- ☛ Retain new employees / long-term volunteers after 6 months of placement.
- ☛ Fill positions with internal candidates.
- ☛ Open Doors Program appeals are resolved at the service area/ department level.

<b><i>Performance Measures</i></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
Vacancy rate.	N/A	6%	5%
% of new employees / job transfers / long-term volunteers retained after 6 months.	N/A	N/A	95%
% of positions filled by internal candidates.	N/A	N/A	10%
% of Open Doors Program appeals resolved at the service area / department level.	N/A	N/A	90%

**DIVISION**

Employee Benefits

**DEPARTMENT**

Human Resources

<b>SECTION SUMMARY</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Internal Service Fund</b>			
<b>Employee Benefits</b>	<b>3,732,930</b>	<b>4,035,990</b>	<b>4,982,540</b>

**REVENUES & SOURCES**

<b>Beginning balance</b>	<b>359,320</b>	<b>273,620</b>	<b>273,610</b>
Interest	32,559	41,930	43,750
City Contribution - Health Insurance	2,488,711	2,868,200	3,650,400
City Contribution - Life Insurance	127,813	124,300	139,420
City Contribution - Dental Insurance	213,651	209,330	244,400
City Contribution - Disability	101,352	120,560	128,650
Employee Contribution - Health Ins.	452,448	519,490	568,780
Employee Contribution - Dental Ins.	128,422	124,660	145,000
COBRA Health	77,863	21,110	58,190
COBRA Dental	12,152	6,400	3,950
Miscellaneous Revenue	12,263	-	-
<b>Subtotal Revenue</b>	<b>3,647,234</b>	<b>4,035,980</b>	<b>4,982,540</b>
<b>Total Resource</b>	<b>4,006,554</b>	<b>4,309,600</b>	<b>5,256,150</b>

**APPROPRIATIONS**

Personal Services	11,956	-	-
Supplies	780	50,000	50,000
Fixed Charges	3,720,194	3,985,990	4,932,540
<b>Total</b>	<b>3,732,930</b>	<b>4,035,990</b>	<b>4,982,540</b>
<b>Ending Balance</b>	<b>273,624</b>	<b>273,610</b>	<b>273,610</b>

**BUDGET VARIANCES**

946,550 Increase in fixed charges due to higher charges for claims, health insurance fees and administrative expenses.

**946,550 Total Increase**

# ***EMPLOYEE BENEFIT FUND***

## ***Overview***

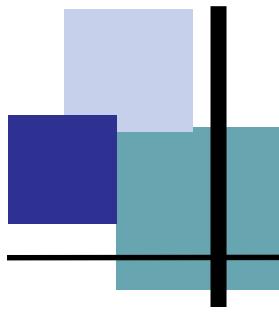
Human Resources is responsible for the administration of the Employee Benefit Fund. This fund offers a competitive benefit package to employees. For medical and dental insurance the city is self-insured, with insurance protection beyond a certain limit for individual cases and total claims.

Medical claim costs are on the rise again nationally and it is impacting the City's cost. The City implemented a managed-care system in 1995 that slowed down the annual rate of increase in our benefit fund. This was reflected in a 5% increase in premiums in 1997, 1% in 1998, 0% in 1999 and 0% in 2000. Unfortunately, in 2001 premiums increased almost 14%, increased by 16.5% in 2002, and are projected to increase 18% in 2003.

## ***Objectives***

- ☞ Go out to bid for benefits consultants.
- ☞ Implement improvements to Employee Recognition Program.





# 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 backgrounds informing, 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

	2001 Actual	2002 Adjusted	2003 Budget	Percent Change		2002 FTE	2003 FTE
				2002-03	2002-03		
<b>Special Revenue Fund</b>							
Library	1,700,425	1,846,540	1,978,960		7.2%	28.5	30.5
<b>REVENUES</b>							
<b>Beginning Balance</b>	<b>102,240</b>	<b>295,560</b>	<b>250,350</b>				
Library	1,893,748	1,801,330	1,978,820		9.9%		
<b>Subtotal Revenue</b>	<b>1,893,748</b>	<b>1,801,330</b>	<b>1,978,820</b>		<b>9.9%</b>		
<b>Total Resources</b>	<b>1,995,988</b>	<b>2,096,890</b>	<b>2,229,170</b>		<b>6.3%</b>		
<b>APPROPRIATIONS</b>							
Personal Services	1,311,331	1,459,630	1,618,180		10.9%		
Supplies	218,612	217,080	189,460		(12.7%)		
Purchased Services	112,428	114,170	89,440		(21.7%)		
Fixed Charges	3,210	4,060	5,980		47.3%		
Debt Service/Lease Payments	51,605	51,600	51,600		-		
Capital	3,239	-	24,300				
<b>Total</b>	<b>1,700,425</b>	<b>1,846,540</b>	<b>1,978,960</b>		<b>7.2%</b>		
<b>Ending Balance</b>	<b>295,563</b>	<b>250,350</b>	<b>250,210</b>				

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Section Summary:	Library		
	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<u>Actual</u>	<u>Adjusted</u>	<u>Budget</u>
<b>Library</b>	<b>1,700,425</b>	<b>1,846,540</b>	<b>1,978,960</b>
<b>REVENUES</b>			
Charges for Service	11,935	15,600	10,000
Fines	71,188	71,250	75,000
Interest	17,776	5,260	11,270
Donations	156,282	30,000	30,000
Transfer from General Fund	1,617,050	1,659,700	1,852,550
Grants	19,517	19,520	-
<b>Total Revenue</b>	<b>1,893,748</b>	<b>1,801,330</b>	<b>1,978,820</b>
<b>APPROPRIATIONS</b>			
Personal Services	1,311,331	1,459,630	1,618,180
Supplies	218,612	217,080	189,460
Purchased Services	112,428	114,170	89,440
Fixed Charges	3,210	4,060	5,980
Debt Service/Lease Payments	51,605	51,600	51,600
Capital	3,239	-	24,300
<b>Total</b>	<b>1,700,425</b>	<b>1,846,540</b>	<b>1,978,960</b>
<b>FTE</b>	<b>28.5</b>	<b>28.5</b>	<b>30.5</b>

### BUDGET VARIANCES

29,000 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(6,720) 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.

2,460 Increase in purchased services for general liability insurance costs based on the department's historical experience and forecasted liability costs.

(29,680) Decrease in supplies for books and periodicals due to one time re-appropriation.

(24,190) Decrease in purchased services for Library donations, due to past year balances which were reappropriated.

79,720 Normal Increases/Decreases

    78,740 Personal Services

    2,060 Supplies

    (3,000) Purchased Services

### SUPPLEMENTS

57,530 **Improvement:** Increase in personal services for four half-time Library Aide Positions. These positions will allow the Library to open at 9:00 a.m. Monday through Saturday.

15,300 **Improvement:** Increase in capital for the replacement of the corridor detection system to prevent materials from leaving the Library without being checked out.

9,000 **Improvement:** Increase in capital for the replacement of a staff photocopier.

**132,420 Total Increase**

# ***LIBRARY***

## **Overview**

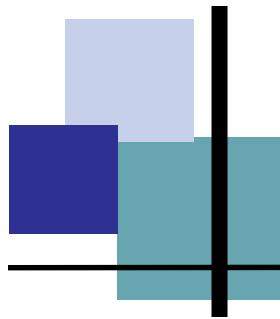
The Loveland Public Library offers a wide array of materials, programs and services to the residents of Loveland and the area through its fifteen year old, 32,000 square foot building and outreach services minivan. Many of the traditional measures of public library service indicate the Library to be a very busy city department.

These are a few representative measures of the overall Library program that annually compares favorably with other public libraries in Colorado and across America and is well received by the area's residents according to annual citizen surveys.

## **Objectives**

- ☞ To open library at 9 a.m. six days per week adding six additional open hours per week based on staff and consultant's findings of customer requests.
- ☞ Add more customer service-orientated content to the library web page and keep information on the web page current and relevant.
- ☞ Target segments of the population.
- ☞ Provide pre-school literacy experiences to at least 10% of the target population (Birth-5).

<b><i>Performance Measures</i></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<b><i>Actual</i></b>	<b><i>Projected</i></b>	<b><i>Projected</i></b>
Library wide materials borrowing per capita.	11.54	11.65	11.75
Research and answer reference and readers advisory questions (per capita).	1.28	1.135	1.3
Average attendance/storytelling session.	26	21	26
% increase in number of web page hits.	N/A	N/A	10%
% increase in the number of new library cards issued.	N/A	N/A	10%
% annual increase in picture book circulation.	N/A	N/A	10%



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# PARKS & RECREATION



*The mission of the Loveland Parks and Recreation Department is to provide effective, efficient and high quality leisure facilities, sites, services and programs for citizens of and visitors to the community.*

**Department of Parks & Recreation Summary**

	<b>2001 Actual</b>	<b>2002 Adjusted</b>	<b>2003 Budget</b>	<b>Percent</b>		
				<b>Change 2002-03</b>	<b>2002 FTE</b>	<b>2003 FTE</b>
<b>General Fund:</b>						
Administration	470,770	476,430	436,760	(8.3%)	3.8	3.8
Parks	1,904,469	2,084,590	2,244,620	7.7%	23.8	25.3
Recreation	2,264,311	2,595,050	2,825,970	8.9%	29.8	29.8
<b>Subtotal General Fund</b>	<b>4,639,550</b>	<b>5,156,070</b>	<b>5,507,350</b>	<b>6.8%</b>	<b>57.4</b>	<b>58.9</b>
<b>Internal Service Fund</b>						
Public Grounds	273,561	318,590	343,920	8.0%	2.2	2.2
<b>Total Parks &amp; Recreation</b>	<b>4,913,111</b>	<b>5,474,660</b>	<b>5,851,270</b>	<b>6.9%</b>	<b>59.6</b>	<b>61.1</b>
<b>REVENUES</b>						
<b>General Fund</b>						
Parks	144,821	190,660	166,510	(12.7%)		
Recreation	1,969,655	2,074,510	2,162,410	4.2%		
<b>Total</b>	<b>2,114,476</b>	<b>2,265,170</b>	<b>2,328,920</b>	<b>2.8%</b>		
<b>APPROPRIATIONS</b>						
Personal Services	3,768,215	4,209,810	4,540,210	7.8%		
Supplies	397,774	437,460	452,600	3.5%		
Purchased Services	573,255	657,360	635,600	(3.3%)		
Fixed Charges	173,697	170,030	222,860	31.1%		
Capital	170	-	-	-		
<b>Total</b>	<b>4,913,111</b>	<b>5,474,660</b>	<b>5,851,270</b>	<b>6.9%</b>		

# **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, batting cages, and Lake Loveland swimming beach. This Department also provides maintenance at the City's public facilities, the Civic Center and Service Center grounds. The citywide natural areas program for open space needs, as well as, the off-road recreational trail system is 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 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 Chilson Center offers both athletic and fitness facilities, in addition to recreational activities.

During 2003, the Department estimates generating in excess of \$2.0 million in user fees and revenues from recreational programs, athletic events, activities and uses of the Chilson Center and Winona Pool, resulting in an 85% Recreation Division cost recovery. An additional \$3 million is generated from user fees to the Golf Enterprise Fund. 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.

## Objectives

- ☞ Planning and initial development of infrastructure at the Youth Sports Complex.
- ☞ Construction of recreational trail between Highway 34 underpass and Wilson Avenue.
- ☞ Planning of 60-acre Mehaffey Park site with construction commencing in 2004.

**DIVISION**

Administration

**DEPARTMENT**

Parks &amp; Recreation

<b>SECTION SUMMARY</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Administration</b>	<b>470,770</b>	<b>476,430</b>	<b>436,760</b>

**APPROPRIATIONS**

Personal Services	356,491	377,380	344,940
Supplies	9,447	14,950	15,400
Purchased Services	104,832	84,100	76,420
<b>Total</b>	<b>470,770</b>	<b>476,430</b>	<b>436,760</b>
<b>FTE</b>	<b>3.5</b>	<b>3.8</b>	<b>3.8</b>

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**BUDGET VARIANCES**

3,770 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(44,590) 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.

(8,740) Decrease in purchased services for general liability insurance based on the department's historical experience and forecasted liability costs.

9,890 Normal Increases

8,380	Personal Services
450	Supplies
1,060	Purchased Services

**(39,670) Total Decrease**

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## ***ADMINISTRATION***

**Overview**

This division is responsible for the planning, design and construction, and operation and maintenance of the City's parks, natural areas and open spaces, the Loveland Cemetery, Mountain Park, recreational trails, and special use and public ground areas.

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Parks	Parks & Recreation		
<b>SECTION SUMMARY</b>	<b>2001</b>	<b>2002</b>	<b>2003 Budget</b>
	<b>Actual</b>	<b>Adjusted</b>	
Cemetery	206,130	221,100	234,590
Grounds	554,540	635,230	667,750
Mountain Parks	135,992	149,530	160,120
Operations	451,908	490,370	501,900
Projects/Fleet Maintenance	419,932	447,610	493,420
Planning	135,967	140,750	186,840
<b>Total</b>	<b>1,904,469</b>	<b>2,084,590</b>	<b>2,244,620</b>
<b>REVENUES</b>			
Cemetery	144,821	190,660	166,510
<b>Total</b>	<b>144,821</b>	<b>190,660</b>	<b>166,510</b>
<b>APPROPRIATIONS</b>			
Personal Services	1,378,859	1,497,660	1,622,020
Supplies	199,670	221,660	228,320
Purchased Services	188,865	232,190	225,220
Fixed Charges	137,075	133,080	169,060
<b>Total</b>	<b>1,904,469</b>	<b>2,084,590</b>	<b>2,244,620</b>
<b>FTE</b>	<b>23.8</b>	<b>23.8</b>	<b>25.3</b>

### BUDGET VARIANCES

30,970 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

35,790 Increase in fixed charges due to increase for costs associated with vehicle & equipment rental based on projected fuel and maintenance costs.

55,670 Normal Increases/Decreases

- 55,790 Personal Services
- 6,660 Supplies
- (6,970) Purchased Services
- 190 Fixed Charges

### SUPPLEMENT

7,600 **Workload:** Increase in personal services to increase the Park Shop Clerk position from 12 hours per week to 20 hours per week, with benefits.

30,000 **Workload:** Increase in personal services for a Parks engineer position to assist with scheduled 10-Year Capital Plan, water administration and project management for park development and recreational trails. The total cost for this position is \$65,000. CEF fees will fund the balance of the cost due to CEF capital project management.

**160,030 Total Increase**

# PARKS

## Overview

**Cemetery** - This section manages and maintains the 46-acre City of Loveland Cemetery, which is comprised of Lakeside Cemetery and Loveland Burial Park.

**Mountain Park** - Viestenz-Smith Mountain Park, located 20 minutes west of Loveland, has a 405-acre regional site suitable for picnicking, mountain climbing, hikes, and stream fishing. In addition, seasonal educational and interpretative programs are offered at the park.

**Parks Maintenance** - Loveland maintains 26 developed parks, covering 263 acres and containing 22 softball fields, 23 playgrounds, 11 reservable picnic shelters, 4 racquetball courts and 21 tennis courts. For management purposes, the maintenance of these parks is split into Operations and Grounds.

**Parks Planning** - This section performs project planning and project management of parks, recreation areas, trails and construction projects.

**Projects/Fleet Maintenance** - This section performs in-house park construction and maintains turf and construction equipment used in the parks system.

	2002 FTE	2003 FTE
Cemetery	3.6	3.6
Grounds	6.3	6.3
Mountain Parks	2.0	2.0
Operations	4.9	5.4
Projects/Fleet Maintenance	5.0	5.0
Planning	2.0	3.0
<b>Total</b>	<b>23.8</b>	<b>25.3</b>

## Objectives

- ☞ Increase parkland acreage to achieve recommended service levels in Master Plan.
- ☞ Extend cemetery life expectancy for burials.
- ☞ Provide high quality park facilities for public use.

<i>Performance Measures</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
% increase in the number of available burial spaces at Lakeside Cemetery and Loveland Burial Park.	N/A	N/A	5%
% of field & shelter maintenance activities completed 30-60 minutes before scheduled events.	N/A	N/A	100%
Developed park acreage maintained.	250	263	263
Operating cost / developed park acre.	\$5,800	\$6,221	\$6,439

**DIVISION**

Recreation

**DEPARTMENT**

Parks & Recreation

<b>SECTION SUMMARY</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
Adult Athletics	218,441	256,600	281,710
Concessions/Batting Cages	109,032	134,900	141,310
Hatfield Chilson Rec Center	1,161,862	1,343,580	1,425,260
Outdoor Aquatics	95,231	107,580	119,480
Recreation Programs	349,737	369,590	446,180
Senior Services	152,490	154,810	169,290
Youth Athletics	177,518	227,990	242,740
<b>Total</b>	<b>2,264,311</b>	<b>2,595,050</b>	<b>2,825,970</b>

**REVENUES**

Outdoor Aquatics	88,239	95,800	100,800
Youth Athletics	177,557	180,910	183,910
Recreation Programs	217,057	205,950	227,550
Recreation Center	1,031,050	1,087,500	1,108,000
Adult Athletic Programs	259,939	304,300	332,300
Concessions	126,690	138,000	144,000
Senior Services	69,123	62,050	65,850
<b>Total</b>	<b>1,969,655</b>	<b>2,074,510</b>	<b>2,162,410</b>

**APPROPRIATIONS**

Personal Services	1,845,593	2,125,170	2,357,110
Supplies	157,890	173,380	178,570
Purchased Services	246,961	282,090	275,180
Fixed Charges	13,697	14,410	15,110
Capital	170	-	-
<b>Total</b>	<b>2,264,311</b>	<b>2,595,050</b>	<b>2,825,970</b>
<b>FTE</b>	<b>29.3</b>	<b>29.8</b>	<b>29.8</b>

**BUDGET VARIANCES**

33,750 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

23,000 Increase in personal services to add part-time Recreation Coordinator mid-year.

(10,850) Decrease in purchased services due to a decrease in utility costs.

144,390 Normal Increases

- 134,560 Personal Services
- 5,190 Supplies
- 3,940 Purchased Services
- 700 Fixed Charges

**SUPPLEMENT**

7,660 **Revenue Generating:** Increase in personal services in part-time salaries at the Winona Pool for additional operating hours.

10,150 **Revenue Generating:** Increase in personal services in part-time salaries for Chilson Center personal training program.

16,320 **Revenue Generating:** Increase in personal services in part-time salaries to expand the Adult Softball Spring and Summer seasons.

6,500 **Revenue Generating:** Increase in personal services in part-time salaries for the Summer Day Camp Program.

**230,920 Total Increase**

# ***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 in basketball, volleyball, in-line hockey, soccer, softball and softball tournaments.

**Batting Cages/Concessions** - This area operates seasonal food concessions at Winona Pool, Lake Loveland Beach and Kroh Park, as well as, the concessions at Barnes Park. The Barnes Park Batting Cages feature pitching machines, which are open during league and tournament play.

**Hatfield Chilson Recreation/Senior Center** - The Hatfield Chilson Recreation/Senior Center is a multi-purpose facility designed for all ages of guests for programmed instruction or drop-in use. The 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 banquet room for dances, socials, meals and meetings. A game room, billiard area, lounge and kitchen are available for the seniors as well.

**Outdoor Aquatics** - Outdoor Aquatics includes the Lake Loveland Swim Beach and Winona Swim Pool. The City operates a supervised swimming area at Lake Loveland at no admission charge to the public. Winona is an outdoor swimming pool with a water slide and leisure pool for younger children, open for operation during the summer months.

**Recreation Programs** - Recreation programs include outdoor recreation, general instruction and recreation activities. Outdoor recreation programs include horseback riding, canoeing, skiing, camping and rock climbing for all ages. In addition, diverse activities in crafts and cultural arts, dance, music, computers, cooking, martial arts and financial planning are offered.

**Senior Services** - This program provides social, educational, recreational, and health-related programs and services to Loveland's senior population.

**Youth Athletics** - The Youth Athletics Program offers year-round instruction in softball, football, basketball, baseball, tennis, gymnastics, in-line hockey and soccer.

	<b>2002</b>	<b>2003</b>
	<b>FTE</b>	<b>FTE</b>
Adult Athletics	2.2	2.2
Concessions/Batting cages	0.4	0.4
Hatfield-Chilson Recreation Center	18.4	18.4
Outdoor Aquatics	0.3	0.3
Recreation Programs	3.9	3.9
Senior Services	2.3	2.3
Youth Athletics	2.3	2.3
<b>Total</b>	<b>29.8</b>	<b>29.8</b>

**Objectives**

- ☞ Maintain clean, safe and attractive facilities.
- ☞ Increase level of participation in Day Camp programs.
- ☞ Meet and exceed City Council and Department cost recovery goals through effective and efficient financial management of resources.
- ☞ Implement a new Personal Fitness Training Program at the Chilson Center.
- ☞ Expand Adult Athletic offerings to include spring softball, summer coed softball and additional winter volleyball leagues.
- ☞ Increase amount of registrations processed by automated registration systems.

<b><u>Performance Measures</u></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<b><i>Actual</i></b>	<b><i>Projected</i></b>	<b><i>Projected</i></b>
% respondents to Chilson customer survey that rated facility as "satisfactory" or better.	N/A	N/A	90%
% increase in Day Camp registrations.	N/A	N/A	10%
% cost recovery at Chilson Center through user fees & charges.	N/A	N/A	75%
Number of training sessions completed.	N/A	N/A	1,000

**DIVISION**

Public Grounds

**DEPARTMENT**

Parks &amp; Recreation

	2001 Actual	2002 Adjusted	2003 Budget
<b>Section Summary:</b>			
<b>Internal Service Fund</b>			
<b>Public Grounds</b>	<b>273,561</b>	<b>318,590</b>	<b>343,920</b>
<b>APPROPRIATIONS</b>			
Personal Services	187,271	209,600	216,140
Supplies	30,767	27,470	30,310
Purchased Services	32,598	58,980	58,780
Fixed Charges	22,925	22,540	38,690
<b>Total</b>	<b>273,561</b>	<b>318,590</b>	<b>343,920</b>
<b>FTE</b>	<b>2.2</b>	<b>2.2</b>	<b>2.2</b>

**BUDGET VARIANCES**

2,340 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(3,740) Decrease in personal services for workers' compensation.

(2,890) Decrease in purchased services for general liability insurance.

1,170 Increase in supplies for chemicals supplies based on historical data.

16,150 Increase in fixed charges for vehicle & maintenance expenses based on projected fuel and maintenance costs.

12,300 Normal Increases

- 7,940 Personal Services
- 1,670 Supplies
- 2,690 Purchased Services

**25,330 Total Increase**

**PUBLIC GROUNDS****Overview**

This division provides grounds maintenance around public buildings, fire stations and special use areas including McWhinney-Hahn Sculpture Park and the Civic Center Complex.





# POLICE SERVICES



*The Department of Loveland Police Services 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.*

## Department of Police Services Summary

	2001 Actual	2002 Adjusted	2003 Budget	Percent		
				Change 2002-03	2002 FTE	2003 FTE

### General Fund

Administration	1,158,877	1,213,780	1,308,010	7.8%	6.0	6.0
Operations	4,950,997	5,385,980	5,919,850	9.9%	67.0	67.0
Information Services	2,044,399	2,256,300	2,485,040	10.1%	28.0	29.0
Support Services	1,479,833	1,609,590	1,758,090	9.2%	22.0	22.0
<b>Total Police</b>	<b>9,634,106</b>	<b>10,465,650</b>	<b>11,470,990</b>	<b>9.6%</b>	<b>123.0</b>	<b>124.0</b>

### REVENUES

#### General Fund

Charges for Services	202,372	105,000	99,000	(5.7%)
Grants	62,208	23,000	23,000	-
Donation	1,059	5,000	5,000	-
Miscellaneous	16,212	5,000	5,000	-
<b>Total</b>	<b>281,852</b>	<b>138,000</b>	<b>132,000</b>	<b>(4.3%)</b>

### APPROPRIATIONS

Personal Services	7,887,611	8,268,000	9,127,250	10.4%
Supplies	213,135	323,320	224,080	(30.7%)
Purchased Services	927,313	1,148,600	1,268,100	10.4%
Fixed Charges	606,047	588,730	731,560	24.3%
Capital	-	137,000	120,000	(12.4%)
<b>Total</b>	<b>9,634,106</b>	<b>10,465,650</b>	<b>11,470,990</b>	<b>9.6%</b>

# **POLICE SERVICES**

## **Overview**

The Department of Police Services provides professional law enforcement services for the citizens of Loveland by enforcement of federal, state and local laws and ordinances. More than 82% of the department's caseload is service-related and noncriminal in nature. The Police Department strives to maintain peace and order throughout the community by providing education, preventing criminal activity, and responding to calls for assistance and reports of criminal law violations.

In 1992, the Department was the 238th agency to receive National Law Enforcement Accreditation out of over 17,000 agencies. In November of 2000, the agency was reaccredited for the second time.

The department moved into its' new quarters, the 100,000 square foot Loveland -Larimer Police and Courts Building in February 2002. The new building has enhanced customer service and employee efficiency.

## **Goals**

- ☞ Promote community-based problem solving.
- ☞ Increase the community's perception of safety within the City by reducing the fear of crime.
- ☞ Improve the quality of service provided to the community by the police department.

**DIVISION**

Administration

**DEPARTMENT**

Police

<b>Section Summary:</b>	<b>2001 Actual</b>	<b>2002 Adjusted</b>	<b>2003 Budget</b>
Administration	1,151,939	1,207,780	1,302,010
Journey Conference	6,938	6,000	6,000
<b>Total</b>	<b>1,158,877</b>	<b>1,213,780</b>	<b>1,308,010</b>

**REVENUES**

Police Training	2,725	3,000	2,000
Donations	1,059	5,000	5,000
Police Auction	1,571	5,000	5,000
<b>Total</b>	<b>5,355</b>	<b>13,000</b>	<b>12,000</b>

**APPROPRIATIONS**

Personal Services	611,904	602,710	648,290
Supplies	27,189	40,700	36,750
Purchased Services	508,911	552,570	622,970
Fixed Charges	10,873	800	-
Capital	-	17,000	-
<b>Total</b>	<b>1,158,877</b>	<b>1,213,780</b>	<b>1,308,010</b>
<b>FTE</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>

## BUDGET VARIANCES

3,440 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.

6,610 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(7,000) Decrease in supplies for tools and equipment based on historical experience.

1,750 Increase in purchased services for general liability costs based on the department's historical experience and forecasted liability costs.

10,210 Increase in purchased services for professional services for payment to the County for the City's share of the HUB.

(9,400) Decrease in purchased services for repair and maintenance based on historical experience.

(17,000) Decrease in capital due to a one-time equipment purchase.

38,780 Normal Increases/Decreases

- 35,530 Personal Services
- 3,050 Supplies
- 1,000 Purchased Services
- (800) Fixed Charges

## SUPPLEMENTS

66,840 **Administration:** Increase in purchased services for payment to the Humane Society for animal control services based on the Humane Society's budget.

**94,230 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. 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. 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 National 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 National Police 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.

	<b>2002 FTE</b>	<b>2003 FTE</b>
Administration	6.0	6.0
<b>Total</b>	<b>6.0</b>	<b>6.0</b>

## Objectives

- ☞ To enhance employee safety and skills.
- ☞ To insure prompt investigation of complaints received from citizens.

<b>Performance Measures</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
% decrease in workers' compensation claims.	N/A	N/A	10%
% of citizen complaint investigations completed within 30 calendar days.	N/A	N/A	95%

**DIVISION**

Operations Division

**DEPARTMENT**

Police

<b>Section Summary:</b>	<b>2001 Actual</b>	<b>2002 Adjusted</b>	<b>2003 Budget</b>
Operations Administration	203,739	256,820	259,070
Community Policing	86,396	87,640	94,690
Patrol	4,248,745	4,573,350	5,064,350
Traffic	412,117	468,170	501,740
<b>Total</b>	<b>4,950,997</b>	<b>5,385,980</b>	<b>5,919,850</b>

**REVENUES**

Special Events	35,022	21,000	21,000
State & Federal Grants	62,208	23,000	23,000
Charges for Service	465	-	-
Other	14,641	-	-
<b>Total</b>	<b>112,336</b>	<b>44,000</b>	<b>44,000</b>

**APPROPRIATIONS**

Personal Services	4,229,023	4,488,410	4,959,420
Supplies	84,364	203,190	125,400
Purchased Services	66,107	106,450	103,470
Fixed Charges	571,503	587,930	731,560
<b>Total</b>	<b>4,950,997</b>	<b>5,385,980</b>	<b>5,919,850</b>
<b>FTE</b>	<b>61.0</b>	<b>67.0</b>	<b>67.0</b>

### **BUDGET VARIANCES**

163,130 Increase in personal services cost due to annualizing the salaries of six officers added to implement the formation of a new fifth patrol district on the east side of the City with operations beginning mid-year in 2002.

93,430 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(12,000) Decrease in supplies for office equipment for the new Loveland-Larimer Police and Courts Building due to one-time purchases.

(53,060) Decrease in supplies for tools and equipment due to the one-time costs of equipping seven new officers.

(5,600) Decrease in purchased services for clothing based on historical experience.

(2,680) Decrease in purchased services for horse patrol upkeep based on historical experience.

143,630 Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.

207,020 Normal Increases/Decreases

    214,450 Personal Services

    (7,130) Supplies

    (300) Purchased Services

**533,870 Total Increase**

# OPERATIONS

## Overview

This division manages the following sections: Patrol, Traffic, Community Policing Officers, Chaplains and Explorer Scouting. Patrol provides front line law enforcement services to the community 24 hours per day, 365 days per year. Three lieutenants divide the function of commanding 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 Reserve Officers Program, Bicycle Program, Gangstop Officers, Mounted Patrol Unit, K-9 Unit, SWAT 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.

	<b>2002 FTE</b>	<b>2003 FTE</b>
Operations Administration	2.0	2.0
Community Policing	1.0	1.0
Traffic	6.0	6.0
Patrol	58.0	58.0
<b>Total</b>	<b>67.0</b>	<b>67.0</b>

## Objectives

- ☞ To arrive on scene to emergency calls within 4 minutes of dispatch.
- ☞ To develop and maintain productive problem solving partnerships with public and private organizations.
- ☞ To improve safety of city streets through police involvement in directed traffic enforcement.

<i>Performance Measures</i>	<i>2001 Actual</i>	<i>2002 Projected</i>	<i>2003 Projected</i>
% of emergency calls where police arrive on scene within 4 minutes.	N/A	N/A	85%
% of 2002 Citizen Survey Neighborhood top ten crimes and concerns reduced in rank of frequency.	N/A	N/A	100%
% of traffic accidents reduced in top 3 accident intersections in city.	N/A	N/A	40%

**DIVISION**

Information Services Division

**DEPARTMENT**

Police

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
Administrative Services	347,489	468,970	491,320
Communications	1,260,123	1,310,860	1,478,460
Records	436,787	476,470	515,260
<b>Total</b>	<b>2,044,399</b>	<b>2,256,300</b>	<b>2,485,040</b>
<b>REVENUES</b>			
Dispatch Services	162,335	79,500	75,000
Records	1,826	1,500	1,000
<b>Total</b>	<b>164,161</b>	<b>81,000</b>	<b>76,000</b>
<b>APPROPRIATIONS</b>			
Personal Services	1,630,095	1,668,360	1,851,520
Supplies	88,528	45,750	40,450
Purchased Services	325,776	422,190	473,070
Capital	-	120,000	120,000
<b>Total</b>	<b>2,044,399</b>	<b>2,256,300</b>	<b>2,485,040</b>
<b>FTE</b>	<b>28.0</b>	<b>28.0</b>	<b>29.0</b>

### **BUDGET VARIANCES**

37,770 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(2,800) Decrease in supplies for computer software based on historical experience.

(2,500) Decrease in supplies for tools and equipment based on historical experience.

50,200 Increase in purchased services for repair and maintenance for Motorola radio maintenance and the cost of a T-1 telephone line connection.

98,820 Normal Increases

    98,140 Personal Services

    680 Purchased Services

### **SUPPLEMENT**

47,250 **Workload:** Increase in personal services for the addition of one position, a communication specialist for the dispatch center.

**228,740 Total Increase**

# **INFORMATION SERVICES**

## **Overview**

This division is responsible for 911 communications and dispatching for police, fire and EMS, police records and information technology, to include technology project management and crime analysis. The Communications section is responsible for the 24-hour emergency dispatching for the Loveland Police and Fire Departments, Berthoud Fire Department, and the Thompson Valley Ambulance Service. Loveland is the answering point for 911 calls in all of southern Larimer County, covering in excess of two hundred square miles and handling an estimated 65,435 calls in 2002. The center is managed by a civilian manager and two communication supervisors. Our Records section is responsible for typing police reports; recording summons; sorting, filing, 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. The unit is managed by a civilian manager and a supervisor. The IS section is responsible for the management of data for police reporting, which involves the review of data input, output, and storage. This area is also responsible for recommending new technology purchases and training police employees in their use. 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. The Crime Analyst is a civilian and serves collaterally as the Police Information Manager over the Records section.

	<b>2002 FTE</b>	<b>2003 FTE</b>
Administration Services	3.0	3.0
Communications	17.0	18.0
Records	8.0	8.0
<b>Total</b>	<b>28.0</b>	<b>29.0</b>

## **Objectives**

- ☞ To have 80% of survey respondents say they feel safe.
- ☞ To answer all 911 calls within 2 rings.
- ☞ To provide police reports to all customers within 24 hours of request.

<b>Performance Measures</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
% of 2003 survey respondents that responded "Safe".	N/A	N/A	80%
% of 911 calls answered within 2 rings.	N/A	N/A	100%
% of time police reports were available to all customers (citizens and police) within 24 hours.	N/A	N/A	65%

DIVISION	DEPARTMENT		
	2001 Actual	2002 Adjusted	2003 Budget
<b>Section Summary:</b>			
Community Resources	271,416	290,430	315,440
Drug Free Grant	105,910	122,600	129,150
Investigations	623,942	674,000	687,760
Narcotics & Vice	178,949	196,080	282,850
Information Services Administration	144,180	153,000	168,540
Technical Support	155,436	173,480	174,350
<b>Total</b>	<b>1,479,833</b>	<b>1,609,590</b>	<b>1,758,090</b>
<b>APPROPRIATIONS</b>			
Personal Services	1,416,589	1,508,520	1,668,020
Supplies	13,054	33,680	21,480
Purchased Services	26,519	67,390	68,590
Fixed Charges	23,671	-	-
<b>Total</b>	<b>1,479,833</b>	<b>1,609,590</b>	<b>1,758,090</b>
<b>FTE</b>	<b>21.0</b>	<b>22.0</b>	<b>22.0</b>

#### BUDGET VARIANCES

29,120 Increase in personal services cost due to annualizing the salary of one investigator added to implement the formation of a new fifth patrol district on the east side of the City with operations beginning mid-year in 2002.

24,940 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(4,500) Decrease in laboratory supplies for off-site laboratory testing based on historical experience.

(7,700) Decrease in supplies for tools and equipment due to a one-time purchase of an identification card printer, capture station and other equipment.

106,640 Normal Increases

105,440 Personal Services

1,200 Purchased Services

**148,500 Total Increase**

# **SUPPORT SERVICES**

## **Overview**

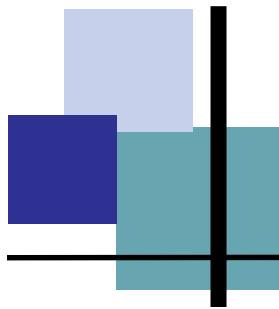
This division manages and administers all department support services including Investigations, Special Investigations Unit, Community Resource Unit, and the Technical Support Unit. Our Investigations Unit handles major crime scenes and follow-up investigations in the areas of general crime, juvenile investigations, sexual offenses, and check fraud. The Technical Support Unit is responsible for collecting, transporting, storing, and processing property and evidence for the department. The Community Response Unit is the home for three School Resource Officers, one Crime Prevention Officer, Senior Volunteers, and Restorative Justice Program. The Crime Prevention Officer coordinates community outreach for all age groups. Examples include: Crime Prevention Education, Adult Protection Services, Neighborhood Watch programs, the Annual Fishing Derby and Senior Volunteers. During the school year, the three School Resource Officers work full-time in the Loveland High Schools and Middle Schools and carry out a wide variety of duties. They are the first responders to emergencies in the school; investigate school related crimes, teach classes, and sometimes take on coaching responsibilities. The Loveland Restorative Justice Program is the only such program attached to a law enforcement agency in the United States. In the program, criminal violators come face to face with the crime victim. A facilitator leads the meeting and the victim is able to explain to the violator how the crime adversely affected their life. Frequently, forgiveness and healing occur between the victim and the violator and the violators rarely commit future crime. The Drug Free Grant was received in 1987 and has been renewed annually since then. This grant provides an offsite location for a consolidated narcotics investigations unit with other area agencies, and this program is administered through the Special Investigations Unit, but is budgeted separately to meet federal and state accounting requirements.

	<b>2002 FTE</b>	<b>2003 FTE</b>
Community Resources	4.0	4.0
Investigations	10.0	10.0
Special Investigations Unit	2.0	2.0
Support Services Administration	2.0	2.0
Technical Support	2.0	2.0
Drug Free Grant	2.0	2.0
<b>Total</b>	<b>22.0</b>	<b>22.0</b>

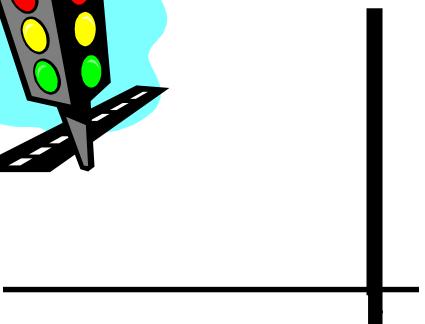
**Objectives**

- ☞ To have 25% of total cases assigned be cleared by arrest.
- ☞ To retain no more than 50% of items in property/evidence longer than 3 years.
- ☞ Provide crime trend information involving specific neighborhoods in 40% of all neighborhood community resource meetings.

<b><u>Performance Measures</u></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
% of total cases assigned to the Investigations Unit for follow up that were closed by “arrest” (not to include exceptionally cleared).	N/A	N/A	25%
% of all items retained in the property / evidence unit longer than three years.	N/A	N/A	50%
% of community meetings conducted by Community Resource personnel where crime trend information involving their neighborhoods was exchanged with the participants.	N/A	N/A	40%



# 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**

	<b>2001</b> <b>Actual</b>	<b>2002</b> <b>Adjusted</b>	<b>2003</b> <b>Budget</b>	<b>Percent</b>		
				<b>Change</b> <b>2002-03</b>	<b>2002</b> <b>FTE</b>	<b>2003</b> <b>FTE</b>
<b>General Fund</b>						
Administration	136,607	133,050	204,480	53.7%	1.0	1.0
Engineering	2,677,657	3,079,210	3,182,380	3.4%	6.3	6.3
Street Maintenance	1,648,167	1,435,020	1,458,550	1.6%	13.6	13.6
COLT	627,621	601,770	664,940	10.5%	11.5	11.5
Traffic Engineering	686,553	976,780	1,062,810	8.8%	10.0	10.0
Weed Control	41,504	50,000	50,000	-	-	-
<b>Subtotal General Fund</b>	<b>5,818,109</b>	<b>6,275,830</b>	<b>6,623,160</b>	<b>5.5%</b>	<b>42.4</b>	<b>42.4</b>
<b>Internal Services</b>						
Facilities Management	2,362,494	2,690,370	2,625,670	(2.4%)	20.8	20.8
Vehicle Maintenance	1,419,716	1,836,680	2,015,920	9.8%	14.7	14.7
<b>Subtotal Internal Services</b>	<b>3,782,210</b>	<b>4,527,050</b>	<b>4,641,590</b>	<b>2.5%</b>	<b>35.5</b>	<b>35.5</b>
<b>Total Public Works</b>	<b>9,600,319</b>	<b>10,802,880</b>	<b>11,264,750</b>	<b>4.3%</b>	<b>77.9</b>	<b>77.9</b>
<b>REVENUES</b>						
Engineering	5,246,235	5,582,620	5,608,420	0.5%		
Street Maintenance	102,568	110,390	85,490	(22.6%)		
COLT	209,866	223,000	133,500	(40.1%)		
Traffic Engineering	134,278	139,550	131,000	(6.1%)		
<b>TOTAL REVENUE</b>	<b>5,692,947</b>	<b>6,055,560</b>	<b>5,958,410</b>	<b>(1.6%)</b>		
<b>APPROPRIATIONS</b>						
Personal Services	3,658,912	4,067,050	4,407,660	8.4%		
Supplies	1,136,989	1,550,540	1,698,370	9.5%		
Purchased Services	3,771,858	4,417,960	4,482,690	1.5%		
Fixed Charges	583,963	547,860	584,110	6.6%		
Transfers	79,920	88,470	91,920	3.9%		
Capital	368,677	131,000	-	-		
<b>Total</b>	<b>9,600,319</b>	<b>10,802,880</b>	<b>11,264,750</b>	<b>4.3%</b>		

# **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. This department also manages the purchasing of vehicles and equipment for the City and maintains these plus the school district vehicles.

The public services provided include: transportation system design; street construction management and inspection; pavement management; traffic signals, signs, and pavement markings installation and maintenance; 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; weed control; and mosquito control.

**DIVISION**

Administration

**DEPARTMENT**

Public Works

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Administration</b>	<b>136,607</b>	<b>133,050</b>	<b>204,480</b>

**APPROPRIATIONS**

Personal Services	88,741	93,040	132,610
Supplies	4,204	5,410	5,300
Purchased Services	43,662	34,600	66,570
<b>Total</b>	<b>136,607</b>	<b>133,050</b>	<b>204,480</b>
<b>FTE</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

**BUDGET VARIANCES**

35,570 Increase in personal services for workers' compensation due to the allocation of the City's liability cost based on the department's experience rating and forecasted liability costs.

1,100 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

31,450 Increase in purchased services for general liability costs based on the department's historical experience and forecasted liability costs.

3,310 Normal Increases/Decreases

    2,900 Personal Services

    (110) Supplies

    520 Purchased Services

**71,430 Total Increase**

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## **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 coordinates project development and completion.

<b>DIVISION</b>	<b>DEPARTMENT</b>		
	Public Works		
<b>Section Summary:</b> <b>Engineering</b>	<b>2001</b> <b>Actual</b>	<b>2002</b> <b>Adjusted</b>	<b>2003</b> <b>Budget</b>
	<b>2,677,657</b>	<b>3,079,210</b>	<b>3,182,380</b>
<b>REVENUES</b>			
Use Tax Auto	2,097,930	2,273,630	2,395,780
Highway Users Tax	1,612,802	1,680,000	1,500,000
State Road & Bridge Tax	504,635	530,000	533,400
Motor Vehicle Fees	190,440	192,290	209,240
Transportation Fee	776,552	848,700	910,000
New Street Inspection Fee	63,877	58,000	60,000
<b>Total</b>	<b>5,246,235</b>	<b>5,582,620</b>	<b>5,608,420</b>
<b>APPROPRIATIONS</b>			
Personal Services	380,673	406,520	415,050
Supplies	4,329	7,010	7,300
Purchased Services	2,268,247	2,643,490	2,734,970
Fixed Charges	24,408	22,190	25,060
<b>Total</b>	<b>2,677,657</b>	<b>3,079,210</b>	<b>3,182,380</b>
<b>FTE</b>	<b>6.3</b>	<b>6.3</b>	<b>6.3</b>

**BUDGET VARIANCES**

3,750 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

12,250 Increase in purchased services for dues to the North Front Range Metropolitan Planning Organization based on the annual Unified Planning Work Program.

81,270 Increase in purchased services for street rehabilitation.

2,870 Increase in fixed charges for vehicle maintenance and rental costs due to increased fuel prices and forecasted maintenance costs.

3,030 Normal Increases/Decreases

4,780 Personal Services

290 Supplies

(2,040) Purchased Services

**103,170 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 a 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.

<i>Performance Measures</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
Miles of city streets.	263	271	281
Miles of streets resurfaced by contractors.	9%	10%	10%
% of actual cost to construction projects budgets.	N/A	N/A	15%
Rating of arterial and collector streets on a yearly basis.	N/A	N/A	90
Rating of local streets.	N/A	N/A	85

**DIVISION**

Street Maintenance

**DEPARTMENT**

Public Works

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
Street Maintenance	1,648,167	1,435,020	1,458,550
Weed Control	41,504	50,000	50,000
<b>Total</b>	<b>1,689,671</b>	<b>1,485,020</b>	<b>1,508,550</b>

**REVENUES**

State Highway Maintenance	26,894	26,890	26,890
Recycled Asphalt	8,634	35,000	10,000
Waste Hauler License	4,000	3,500	3,600
Street Cut Permits	57,743	40,000	40,000
Weed Mowing	5,297	5,000	5,000
<b>Total</b>	<b>102,568</b>	<b>110,390</b>	<b>85,490</b>

**APPROPRIATIONS**

Personal Services	669,805	776,910	816,460
Supplies	253,938	229,600	230,280
Purchased Services	106,785	200,720	206,750
Fixed Charges	308,357	277,790	255,060
Capital	350,786	-	-
<b>Total</b>	<b>1,689,671</b>	<b>1,485,020</b>	<b>1,508,550</b>

<b>FTE</b>	<b>11.6</b>	<b>13.6</b>	<b>13.6</b>
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**BUDGET VARIANCES**

1,580 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(27,730) Decrease in fixed charges for vehicle maintenance and rental costs based on projected fuel prices and forecasted maintenance costs.

49,680 Normal Increases

37,970 Personal Services

680 Supplies

6,030 Purchased Services

5,000 Fixed Charges

**23,530 Total Increase**

# STREET MAINTENANCE

## Overview

The Streets 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 major street reconstruction and resurfacing program planned and managed by the Projects Engineering Division. The Streets 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 extensively for routine sidewalk snow removal. For major storms, contractors are used to supplement City plowing efforts and assist with post-storm cleanup.

# WEED CONTROL ENFORCEMENT

## Overview

The City contracts with Advanced Pest Management, Inc., an affiliate of Colorado Mosquito Control, Inc., for enforcement of the municipal ordinance that governs uncontrolled weeds on private property. Noncompliant property owners are notified when their weeds exceed the height limitations of the ordinance. Follow-up measures are taken to ensure the timely mowing and removal of these weeds, if necessary. The Streets Division administers this seasonal contract, and is also responsible for weed mowing and spraying along public rights-of-way.

## Objectives

- ☛ Increase percent of alley blocks reconstructed with recycled asphalt & Reclamite.
- ☛ Increase pothole repair response time.
- ☛ Ensure that our sidewalk snow removal contractors completely remove all snow from City-maintained handicap ramps so that disabled residents can safely cross from sidewalk to street to sidewalk.

<i>Performance Measures</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
% alley blocks reconstructed with recycled asphalt & Reclamite.	4.7%	13.5%	13.7%
% local streets crack-sealed by City crews.	.5%	14.7%	15%
% potholes repaired within 2 business days of call.	N/A	N/A	85%
% priority 1 snow routes plowed within 8 hours of snow's end.	N/A	N/A	95%

<b>DIVISION</b>	<b>DEPARTMENT</b>		
City of Loveland Transportation (COLT)	Public Works		
<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>COLT</b>	<b>627,621</b>	<b>601,770</b>	<b>664,940</b>
<b>REVENUES</b>			
Paratransit Fares	8,624	12,500	8,000
Fixed Route Fares	14,013	30,000	35,000
Medicaid	29,682	39,000	70,000
Advertising	2,141	15,000	10,000
Federal Grants	134,852	105,000	-
City of Estes Park	12,093	-	-
Larimer County Office of Aging	-	9,000	-
Pass Fares	8,461	-	10,500
<b>Total</b>	<b>209,866</b>	<b>223,000</b>	<b>133,500</b>
<b>APPROPRIATIONS</b>			
Personal Services	443,313	391,620	436,500
Supplies	10,825	9,680	13,400
Purchased Services	52,197	80,170	60,400
Fixed Charges	121,286	120,300	154,640
<b>Total</b>	<b>627,621</b>	<b>601,770</b>	<b>664,940</b>
<b>FTE</b>	<b>11.5</b>	<b>11.5</b>	<b>11.5</b>

**BUDGET VARIANCES**

(20,000)	Decrease in other services based on historical experience.
33,340	Increase in fixed costs for vehicle maintenance and rental costs based on forecasted fuel costs and maintenance costs.
45,830	Normal Increases/Decreases
44,880	Personal Services
(280)	Supplies
230	Purchased Services
1,000	Fixed Charges

**SUPPLEMENT**

4,000	<b>Improvement:</b> Increase in supplies for 20% match to a potential federal grant to purchase scheduling software.
<b>63,170</b>	<b>Total Increase</b>

# **CITY OF LOVELAND TRANSPORTATION (COLT)**

## **Overview**

The COLT 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.
- ☞ Increase average paratransit vehicle occupancy by 25%.

<b><i>Performance Measures</i></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<b><i>Actual</i></b>	<b><i>Projected</i></b>	<b><i>Projected</i></b>
% of fixed route transfer points and primary stops arrived at within 3 minutes of schedule.	N/A	98%	100%
% increase in average paratransit vehicle occupancy.	N/A	2.7%	25%
Paratransit occupancy per hour.	2.45	2.55	2.75
Fixed route occupancy per hour.	N/A	36	40

**DIVISION**

Traffic Engineering

**DEPARTMENT**

Public Works

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Traffic Engineering</b>	<b>686,553</b>	<b>976,780</b>	<b>1,062,810</b>
<b>REVENUES</b>			
Traffic Signal Maintenance	125,028	139,550	131,000
Ambulance District Payment	9,250	-	-
<b>Total</b>	<b>134,278</b>	<b>139,550</b>	<b>131,000</b>
<b>APPROPRIATIONS</b>			
Personal Services	511,508	646,250	722,350
Supplies	104,626	222,610	231,760
Purchased Services	14,957	33,820	48,700
Fixed Charges	55,219	54,100	60,000
Capital	243	20,000	-
<b>Total</b>	<b>686,553</b>	<b>976,780</b>	<b>1,062,810</b>
<b>FTE</b>	<b>9.0</b>	<b>10.0</b>	<b>10.0</b>

**BUDGET VARIANCES**

12,120	Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.
5,000	Increase in personal services due upward reclassification of positions.
2,000	Increase in purchased services for telephone costs based on historical experience.
5,000	Increase in signal supplies to replace the signal heads with LED in accordance with CDOT standards.
10,200	Increase in professional services based on historical experience.
5,900	Increase in fixed costs for vehicle maintenance and rental costs based on forecasted fuel costs and maintenance costs.
(20,000)	Decrease in capital due to a one-time vehicle purchase.
65,810	Normal Increases
58,980	Personal Services
4,150	Supplies
2,680	Purchased Services
<b>86,030</b>	<b>Total Increase</b>

# TRAFFIC ENGINEERING

## Overview

The Traffic Engineering Division is responsible for the installation, operations, and maintenance of all traffic controls in the public right of way in the city. Citywide programs of responsibility include the Signal System, Sign Program, and Markings Program. The Division also issues City of Loveland Right of Way Work Permits for anything from sidewalk replacements and special events to major street detours for construction projects. The Division's main goal is the safety of workers and the 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. Grant administration duties include applications, design, contract administration and construction inspection.

This division is also responsible for promoting and planning alternative transportation services, including coordination with the regional Smart Trips Program, to encourage vehicular travel reduction through car-pooling and bicycling programs.

## Objectives

- » Lower cost per traffic signal maintained.

<i>Performance Measures</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
Cost/traffic signal maintained/visit.	\$264	\$274	\$285

**DIVISION**

Facilities Management

**DEPARTMENT**

Public Works

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Internal Service Fund</b>			
Support Services	376,814	377,580	430,460
General Building Maintenance	1,468,009	1,868,020	1,755,380
Service Center	253,359	149,440	143,330
Chilson Recreation Center	168,112	197,740	198,400
Golf Courses	96,200	97,590	98,100
<b>Total</b>	<b>2,362,494</b>	<b>2,690,370</b>	<b>2,625,670</b>
<b>APPROPRIATIONS</b>			
Personal Services	839,125	991,030	1,057,500
Supplies	279,063	250,880	256,500
Purchased Services	1,173,941	1,306,290	1,234,630
Fixed Charges	63,809	61,170	77,040
Capital	6,555	81,000	-
<b>Total</b>	<b>2,362,494</b>	<b>2,690,370</b>	<b>2,625,670</b>
<b>FTE</b>	<b>20.3</b>	<b>20.8</b>	<b>20.8</b>

### **BUDGET VARIANCES**

31,990 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(6,600) Decrease in supplies for computer software based on historical experience.

3,280 Increase in purchased services for general liability costs based on the department's historical experience and forecasted liability costs.

(80,000) Decrease in purchased services due to the one-time cost of the space master plan.

(38,050) Decrease in purchased services for professional services based on historical experience.

17,370 Increase in fixed costs for vehicle maintenance and rental costs based on forecasted fuel costs and maintenance costs.

(81,000) Decrease in capital based on one-time costs.

31,310 Normal Increases/Decreases

- 34,480 Personal Services
- 5,220 Supplies
- (6,890) Purchased Services
- (1,500) Fixed Charges

### **SUPPLEMENTS**

50,000 **Improvement:** Increase in purchased services for improved custodial services.

7,000 **Improvement:** Increase in supplies for tables and chairs at the Police Institute.

**(64,700) Total Decrease**

# ***FACILITIES MANAGEMENT***

## **Overview**

The Facilities Management Division manages the operation and construction of all the City's physical facilities. It coordinates and supports meetings and special events scheduled 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.
- ☛ Provide accurate space and inventory information for each City building through AutoCAD and Archibus.
- ☛ Respond quickly and effectively to all FM customer requests.

<b><i>Performance Measures</i></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<b><i>Actual</i></b>	<b><i>Projected</i></b>	<b><i>Projected</i></b>
% of preventive maintenance on building systems and equipment completed within the manufacturer's recommended guidelines.	N/A	N/A	95%
Maintain 100% updated and accurate AutoCAD drawings for each City building within 10 days of any and all building changes.	N/A	N/A	100%
Complete 100% of formal interviews with each City Director to ensure each department's needs are captured, their information is robust, and their space requirements are reasonably identified.	N/A	N/A	100%
% of all priority and emergency customer requests responded to within one day of notification.	N/A	N/A	95%
% of all customer requests completed on or before the date that the project was originally scheduled for completion.	N/A	N/A	90%
% of weekly on-line customer updates of work requests that are not completed on the date they were originally scheduled for completion.	N/A	N/A	100%

<b>DIVISION</b>	<b>DEPARTMENT</b>		
	<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>Section Summary:</b>	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Vehicle Maintenance</b>	<b>1,419,716</b>	<b>1,836,680</b>	<b>2,015,920</b>
<b>APPROPRIATIONS</b>			
Personal Services	725,747	761,680	827,190
Supplies	480,004	825,350	953,830
Purchased Services	112,067	118,870	130,670
Fixed Charges	10,884	12,310	12,310
Transfers	79,920	88,470	91,920
Capital	11,094	30,000	-
<b>Total</b>	<b>1,419,716</b>	<b>1,836,680</b>	<b>2,015,920</b>
<b>FTE</b>	<b>14.7</b>	<b>14.7</b>	<b>14.7</b>

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#### **BUDGET VARIANCES**

16,110 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

114,130 Increase in supplies for fuel based on projected costs and useage.

31,400 Increase in supplies for parts and supplies based on historical experience.

(29,850) Decrease in supplies for tools based on historical experience.

9,510 Increase in purchased services for repair and maintenance based on historical experience.

3,450 Increase in transfers to the Internal Service Support Fund for the vehicle maintenance shop allocation of facility maintenance costs.

(30,000) Decrease in capital due to one-time purchases of equipment.

64,490 Normal Increases

49,400 Personal Services

12,800 Supplies

2,290 Purchased Services

**179,240 Total Increase**

# VEHICLE MAINTENANCE

## Overview

The Vehicle Maintenance Division performs preventive, scheduled and unscheduled maintenance of all City and School District vehicles, whether they are owned or leased. This division is responsible for all vehicle specifications and equipment recommendations, and maintains a standard parts inventory 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 preventative maintenance schedules, standardized equipment selection and amortizing replacement funding, and disposing of depreciated and obsolete vehicles and equipment. This service is provided to the following Divisions: Police, Facility Maintenance, Parks and Recreation, Streets, Engineering, Traffic, Building Inspection and Planning.

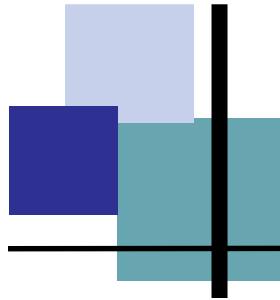
Maintenance and repair services only are provided to the following divisions: School District Transportation and Operations, Meter Readers, Water and Power, Warehouse, Technical Services, Golf, COLT, Storm Drainage, Street Sweeping, Solid Waste and Fire.

Two work shifts are staffed to provide repair and maintenance service to all vehicles fifteen hours per day, five days per week. Twenty four hours, seven days a week emergency response is available.

## Objectives

- ☞ Complete quarterly preventative maintenance within 1 working day.
- ☞ Complete annual preventative maintenance within 3 working days.
- ☞ Maximize vehicle availability.

<b>Performance Measures</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
# of vehicles.	656	680	707
% of quarterly PMs completed in 1 day.	N/A	98%	98%
% of annual PMs completed in 3 days.	N/A	90%	90%
% of light duty vehicle down time.	N/A	N/A	5%
% of street sweep and refuse trucks vehicle down time.	N/A	N/A	16%
Average miles/mechanic hour for light duty.	N/A	N/A	500



# NON- DEPARTMENTAL





## Non-Departmental Summary

Divisions	2001 Actual	2002 Adjusted	2003 Budget	Percent Change 2002-03	Percent	
					2002 FTE	2003 FTE
<b>General Fund</b>						
City Services	9,147,947	13,028,540	10,312,760	(20.8%)	-	-
Community Support	2,951,300	663,450	387,500	(41.6%)	-	-
<b>Total Non-Departmental</b>	<b>12,099,247</b>	<b>13,691,990</b>	<b>10,700,260</b>	<b>(21.9%)</b>	-	-
<b>REVENUES</b>						
<b>General Fund</b>						
Taxes	28,789,479	29,864,690	32,823,580	9.9%		
Licenses & Permits	14,564	11,200	12,600	12.5%		
Intergovernmental	42,062	9,000	42,000	366.7%		
Charges for Service	73,043	43,020	49,120	14.2%		
Interest	411,425	450,000	366,620	(18.5%)		
Miscellaneous	121,343	42,880	38,680	(9.8%)		
Transfers	2,246,187	2,379,770	2,592,760	9.0%		
<b>TOTAL REVENUE</b>	<b>31,698,103</b>	<b>32,800,560</b>	<b>35,925,360</b>	<b>9.5%</b>		
<b>APPROPRIATIONS</b>						
Personal Services	66,902	-	-	-		
Supplies	51,506	43,900	53,500	21.9%		
Purchased Services	3,264,677	1,370,450	1,167,070	(14.8%)		
Fixed Charges	2,406	3,000	3,680	-		
Transfers	8,713,756	12,274,640	9,476,010	(22.8%)		
<b>Total</b>	<b>12,099,247</b>	<b>13,691,990</b>	<b>10,700,260</b>	<b>(21.9%)</b>		

**DIVISION**

City Services

**DEPARTMENT**

Non-Departmental

<b>SECTION SUMMARY</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>City Services</b>	<b>9,147,947</b>	<b>13,028,540</b>	<b>10,312,760</b>

**REVENUES**

Property Tax	4,230,004	5,031,230	5,287,340
Specific Ownership Tax	535,482	567,100	605,640
Sales Tax	19,870,305	19,738,650	22,800,000
Use Tax Building	2,479,663	3,080,000	2,764,200
Franchise Tax	1,433,725	1,237,710	1,165,400
Other Tax	240,300	210,000	201,000
Licenses & Permits	14,564	11,200	12,600
State Severance Tax	42,062	9,000	42,000
Charges for Service	57,382	30,220	30,620
Community Building Use	15,661	12,800	18,500
Interest	411,425	450,000	366,620
PILT - Water Fund	352,227	380,000	349,920
PILT - Wastewater Fund	240,329	250,740	300,480
PILT - Storm Water	137,133	179,040	189,900
PILT - Power	1,430,008	1,480,000	1,567,080
PILT - Solid Waste	86,490	89,990	185,380
Miscellaneous	121,343	42,880	38,680
<b>Total</b>	<b>31,698,103</b>	<b>32,800,560</b>	<b>35,925,360</b>

**APPROPRIATIONS**

Personal Services	66,902	-	-
Supplies	51,506	43,900	53,500
Purchased Services	313,377	707,000	779,570
Fixed Charges	2,406	3,000	3,680
Transfers	8,713,756	12,274,640	9,476,010
<b>Total</b>	<b>9,147,947</b>	<b>13,028,540</b>	<b>10,312,760</b>

### BUDGET VARIANCES

11,890 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.

(300,000) Decrease in transfers for retail fee waivers due to the elimination of this program. This program was replaced with the allocation of \$350,000 for the new economic development incentive program, beginning in 2002.

192,850 Increase in transfers to the Loveland Public Library based on the Library's budget.

598,740 Increase in transfers for the transfer to the Internal Support Services Fund based on the General Fund's allocation for these services.

(3,360,220) Decrease in transfers for the transfer to the Capital Projects Fund based on the Capital Plan.

2,700 Increase in transfers for a transfer to Water & Power for the collection costs associated with the Street Maintenance Fee.

67,300 Increase in transfers for a transfer to the Risk and Insurance Fund for expenses associated environmental cleanups at various sites.

70,960 Normal Increases  
    9,600 Supplies  
    60,680 Purchased Services  
    680 Fixed Charges

**(2,715,780) Total Decrease**

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Community Support	Non-Departmental		
<b>SECTION SUMMARY</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Community Services</b>	<b>2,951,300</b>	<b>663,450</b>	<b>387,500</b>
<b>APPROPRIATIONS</b>			
Purchased Services	2,951,300	663,450	387,500
<b>Total</b>	<b>2,951,300</b>	<b>663,450</b>	<b>387,500</b>

### **BUDGET VARIANCES**

15,250 Increase in purchased services for Loveland Center for Business Development, based on the requested budget.

(252,200) Decrease in purchased services for the payment to Fort Collins for airport debt service. The final payment was made in 2002.

(20,000) Decrease in purchased services for School Crossing Guards based on historical experience.

(25,000) Decrease in purchased services for the joint effort between the City and the School District for the construction of school playgrounds. 2002 was the final year of this effort.

1,000 Increase in purchased services for disposal costs based on historical experience.

5,000 Increase in purchased services for the food sales tax refund program based on historical experience.

**(275,950) Total Decrease**



# **GENERAL FUND**

# **EQUIPMENT**

# **REPLACEMENT**

# **SCHEDULE**





# General Fund Equipment Replacement Fund

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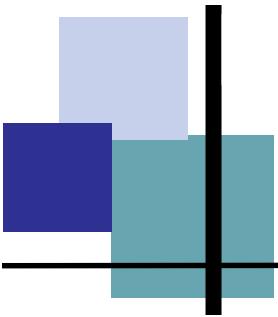
## ***General Fund Equipment Replacement***

<b>Description</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Fax Machine	-	1,500	-	-	-
Printer Replacement	-	750	-	-	-
<b><i>Subtotal City Manager's Office</i></b>	<b><i>-</i></b>	<b><i>2,250</i></b>	<b><i>-</i></b>	<b><i>-</i></b>	<b><i>-</i></b>
File Cabinets	-	-	-	-	-
Printer Replacement	1,500	750	-	-	-
<b><i>Subtotal City Attorney's Office</i></b>	<b><i>1,500</i></b>	<b><i>750</i></b>	<b><i>-</i></b>	<b><i>-</i></b>	<b><i>-</i></b>
Printer Replacement	2,500	-	-	3,500	-
FAX Machine	-	-	2,500	-	-
Copier	-	-	-	-	5,000
Receipt Printer	-	-	500	-	-
<b><i>Subtotal Municipal Court</i></b>	<b><i>2,500</i></b>	<b><i>-</i></b>	<b><i>3,000</i></b>	<b><i>3,500</i></b>	<b><i>5,000</i></b>
Photocopier replacement	-	30,000	-	-	-
Fax machine replacement	-	-	1,000	-	-
Plotter replacement	-	10,000	-	-	10,000
Large Scale Scanner/Plotter replacement	-	-	45,000	-	-
GPS unit replacement	-	-	-	14,000	-
GIS server replacement	12,000	-	-	13,500	-
Printer replacement LRP	-	1,400	-	-	-
Color printer replacement	-	-	-	4,500	-
<b><i>Subtotal Community Services</i></b>	<b><i>12,000</i></b>	<b><i>41,400</i></b>	<b><i>46,000</i></b>	<b><i>32,000</i></b>	<b><i>10,000</i></b>
Copiers	13,000	-	2,500	4,000	-
Popcorn Machine (Rialto Theater)	1,500	-	-	-	-
Fax machines	2,000	-	1,000	1,000	-
Replace/recondition seats (Rialto)	-	40,000	-	-	-
Ice Machine (Rialto)	-	1,100	-	-	-
Conference Room Chairs (Rialto)	-	2,000	-	-	-
16mm Projector (Rialto)	-	-	3,000	-	-
Office Furniture	-	-	-	6,000	-
<b><i>Subtotal Cultural Services</i></b>	<b><i>16,500</i></b>	<b><i>43,100</i></b>	<b><i>6,500</i></b>	<b><i>11,000</i></b>	<b><i>-</i></b>
Copier Replacement	10,000	4,000	6,000	10,000	10,000
Dive Team Equipment	5,980	10,350	5,500	6,500	7,500
EMS Equipment	22,000	-	-	-	5,000
Haz Mat Equipment	1,560	1,700	1,700	1,700	3,000
Hose Replacement	6,470	6,670	20,000	20,000	20,000
Printer/Fax Replacement	1,500	3,500	3,500	4,000	4,000
SCBA Replacement	50,000	13,000	13,000	30,890	25,000
Small Equipment Replacement	20,000	20,000	22,000	22,000	24,000
Communications Equipment	15,000	-	-	-	-
<b><i>Subtotal Fire &amp; Rescue</i></b>	<b><i>132,510</i></b>	<b><i>59,220</i></b>	<b><i>71,700</i></b>	<b><i>95,090</i></b>	<b><i>98,500</i></b>

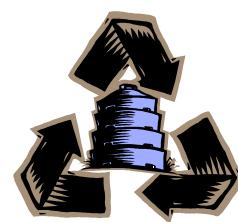
# General Fund Equipment Replacement Fund

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<b>Description</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Parks equipment replacement	110,240	136,310	204,250	125,820	271,340
Chilson equipment replacement	177,660	258,290	222,740	82,850	100,000
Recreation equipment replacement	44,470	68,700	18,420	25,000	8,470
Irrigation systems replacement	143,550	173,060	163,380	161,880	176,800
Playground equipment replacement	94,610	96,070	94,470	103,890	107,730
Asphalt repairs at park location	24,320	16,310	3,670	19,570	20,000
Hardcourt resurfacing	72,370	4,720	8,850	13,420	20,540
<b><i>Subtotal Parks &amp; Recreation</i></b>	<b><i>667,220</i></b>	<b><i>753,460</i></b>	<b><i>715,780</i></b>	<b><i>532,430</i></b>	<b><i>704,880</i></b>
Replace horse (mounted patrol)	-	-	-	4,000	-
Computer software upgrades	40,000	40,000	40,000	40,000	40,000
CAD/RMS server hardware upgrade	40,000	-	-	-	-
Motorola portable radio replacements	16,000	16,000	16,000	-	-
Radio repeaters replacement	40,000	-	40,000	-	-
Printer replacement	2,400	5,000	-	5,000	2,500
Photocopier replacements	5,000	-	57,000	-	-
SWAT equipment replacement	5,000	5,000	5,000	5,000	5,000
SIU Transmitter replacement	2,500	-	2,500	-	-
Truck used for mounted replacement	-	-	-	20,000	-
Radar unit replacement	5,000	5,000	5,000	5,000	5,000
Bullet-proof vest replacement	6,500	6,500	6,500	6,500	6,500
McGruff robot replacement	-	-	-	-	10,000
Canine replacement	-	-	4,500	-	-
Camera replacement	-	2,000	-	-	-
Varda alarm replacement	5,000	5,000	-	-	-
Paper shredder replacement	-	1,000	-	-	-
Fax machine replacement	-	-	-	-	2,000
Packset battery replacement	4,000	4,000	4,000	4,000	4,000
Handgun replacement	9,600	9,600	9,600	9,600	9,600
<b><i>Subtotal Police</i></b>	<b><i>181,000</i></b>	<b><i>99,100</i></b>	<b><i>190,100</i></b>	<b><i>99,100</i></b>	<b><i>84,600</i></b>
Traffic signals replacement	40,000	40,000	40,000	40,000	40,000
Streets equipment replacement	56,000	388,300	249,400	209,600	38,800
Photocopier replacement	22,000	-	-	24,200	-
Fax machine replacement	-	-	2,000	-	-
Plotter replacement	-	11,000	-	-	-
<b><i>Subtotal Public Works</i></b>	<b><i>118,000</i></b>	<b><i>439,300</i></b>	<b><i>291,400</i></b>	<b><i>273,800</i></b>	<b><i>78,800</i></b>
Copier replace (P&R/Council)	-	45,000			
<b><i>Subtotal Non-Departmental</i></b>	<b><i>-</i></b>	<b><i>45,000</i></b>	<b><i>-</i></b>	<b><i>-</i></b>	<b><i>-</i></b>
<b>Total General Fund</b>	<b>1,131,230</b>	<b>1,483,580</b>	<b>1,324,480</b>	<b>1,046,920</b>	<b>981,780</b>



# ENTERPRISE FUNDS





**Golf Summary**

	<b>2001</b> Actual	<b>2002</b> Adjusted	<b>2003</b> Budget	<b>Percent</b>		
				<b>Change</b> <b>2002-03</b>	<b>2002</b> FTE	<b>2003</b> FTE
Golf Admin. & Support	959,264	987,640	1,053,210	6.6%	5.5	5.5
Olde Course/Cattail Creek	675,432	700,810	750,320	7.1%	5.0	5.0
Mariana Butte	654,475	696,850	736,490	5.7%	6.0	6.0
<b>Total Golf</b>	<b>2,289,171</b>	<b>2,385,300</b>	<b>2,540,020</b>	<b>6.5%</b>	<b>16.5</b>	<b>16.5</b>
<b>REVENUES</b>						
<b>Beginning Balance</b>	<b>2,728,940</b>	<b>1,757,710</b>	<b>1,601,280</b>			
Olde Course	910,859	989,920	1,015,920	2.6%		
Mariana Butte	1,690,358	1,709,480	1,714,730	0.3%		
Cattail Creek	352,910	315,440	317,780	0.7%		
Interest	185,633	85,000	83,760	(1.5%)		
Miscellaneous	225,282	243,380	243,380	-		
Transfers	-	-	48,870	-		
<b>Total Revenue</b>	<b>3,365,042</b>	<b>3,343,220</b>	<b>3,424,440</b>	<b>2.4%</b>		
<b>Total Resources</b>	<b>6,093,982</b>	<b>5,100,930</b>	<b>5,025,720</b>	<b>(1.5%)</b>		
<b>APPROPRIATIONS</b>						
Personal Services	1,187,066	1,282,970	1,382,380	7.7%		
Supplies	323,650	325,280	337,180	3.7%		
Purchased Services	358,314	358,840	397,640	10.8%		
Fixed Charges	10,053	9,550	10,800	13.1%		
Debt Service/Lease Payments	265,568	258,330	254,680	(1.4%)		
Transfers	144,520	150,330	157,340	4.7%		
<b>Total Operating</b>	<b>2,289,171</b>	<b>2,385,300</b>	<b>2,540,020</b>	<b>6.5%</b>		
<b>Capital</b>	<b>2,047,102</b>	<b>1,114,350</b>	<b>1,332,050</b>	<b>19.5%</b>		
<b>Total Golf</b>	<b>4,336,273</b>	<b>3,499,650</b>	<b>3,872,070</b>	<b>10.6%</b>		
<b>Ending Balance</b>	<b>1,757,709</b>	<b>1,601,280</b>	<b>1,153,650</b>			

# **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 and maintenance of all the golf courses, and supervision of golf activities through contractual golf professionals who operate the 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**

- ☞ The Golf Division will recover 25% above the required mandated cost recovery number to ensure continuation of the Capital Improvement 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.
- ☞ Increase ease of access to and user friendliness of acquiring tee times by automated systems.
- ☞ Improve and expand existing golf facilities.

<b><u>Performance Measures</u></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<b><i>Actual</i></b>	<b><i>Projected</i></b>	<b><i>Projected</i></b>
% of revenue exceeding operating expense.	N/A	N/A	25%
% of rounds within predetermined speed of play.	N/A	N/A	80%
% of customers booking tee times via the new Internet site that indicate they are satisfied with the service.	N/A	N/A	75%
# of improved or expanded golf course amenities.	N/A	N/A	1

**DIVISION**

Golf Administration/Support

**DEPARTMENT**

Parks & Recreation

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
Golf Administration	642,155	660,330	703,950
Golf Support	317,109	327,310	349,260
<b>Total Golf Admin/Support</b>	<b>959,264</b>	<b>987,640</b>	<b>1,053,210</b>
<b>APPROPRIATIONS</b>			
Personal Services	397,797	429,770	482,910
Supplies	75,600	67,600	72,200
Purchased Services	74,413	80,010	83,930
Fixed Charges	1,366	1,600	2,150
Debt Service/Lease Payments	265,568	258,330	254,680
Transfers	144,520	150,330	157,340
<b>Total Operating</b>	<b>959,264</b>	<b>987,640</b>	<b>1,053,210</b>
Capital	176,752	43,000	12,000
<b>Total Golf Administration</b>	<b>1,136,016</b>	<b>1,030,640</b>	<b>1,065,210</b>
<b>FTE</b>	<b>5.5</b>	<b>5.5</b>	<b>5.5</b>

### **BUDGET VARIANCES**

7,580 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

23,490 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.

2,920 Increase in purchased services for general liability insurance costs based on the department's historical experience and forecasted liability costs.

(31,000) Decrease in capital due to one-time equipment purchases.

31,580 Normal Increases/Decreases

- 22,070 Personal Services
- 4,600 Supplies
- 1,000 Purchased Services
- 550 Fixed Charges
- (3,650) Debt Service/Lease Payments
- 7,010 Transfers

**34,570 Total Increase**

**DIVISION**

Olde Course/Cattail Creek

**DEPARTMENT**

Parks & Recreation

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
Olde Course/Cattail Maintenance	570,513	593,730	622,520
Olde Course Clubhouse	69,257	72,000	78,100
Cattail Creek Clubhouse	35,662	35,080	49,700
<b>Total</b>	<b>675,432</b>	<b>700,810</b>	<b>750,320</b>

**APPROPRIATIONS**

Personal Services	398,949	416,250	441,590
Supplies	125,198	131,580	134,030
Purchased Services	147,157	149,130	170,850
Fixed Charges	4,128	3,850	3,850
<b>Total Operating</b>	<b>675,432</b>	<b>700,810</b>	<b>750,320</b>
Capital	1,825,344	681,000	652,350
<b>Total Olde Course/Cattail Creek</b>	<b>2,500,776</b>	<b>1,381,810</b>	<b>1,402,670</b>

<b>FTE</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>
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**BUDGET VARIANCES**

5,550	Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.
14,000	Increase in purchased services in professional services for costs associated with Golf Professional Retainer and Tee Time System.
(28,650)	Decrease in capital due to one-time equipment purchases.
29,960	Normal Increases
19,790	Personal Services
2,450	Supplies
7,720	Purchased Services
<b>20,860</b>	<b>Total Increase</b>

**DIVISION**  
 Mariana Butte

**DEPARTMENT**  
 Parks & Recreation

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
Mariana Butte Maintenance	567,700	615,450	642,630
Mariana Butte Clubhouse	86,775	81,400	93,860
<b>Total</b>	<b>654,475</b>	<b>696,850</b>	<b>736,490</b>
<b>APPROPRIATIONS</b>			
Personal Services	390,319	436,950	457,880
Supplies	122,852	126,100	130,950
Purchased Services	136,744	129,700	142,860
Fixed Charges	4,560	4,100	4,800
Debt Service/Lease Payments	-	-	-
<b>Total Operating</b>	<b>654,475</b>	<b>696,850</b>	<b>736,490</b>
Capital	45,006	390,350	667,700
<b>Total Mariana Butte</b>	<b>699,481</b>	<b>1,087,200</b>	<b>1,404,190</b>
<b>FTE</b>	<b>5.0</b>	<b>6.0</b>	<b>6.0</b>

**BUDGET VARIANCES**

5,290	Increase in personal services to bring the part-time salaries to market levels.
5,000	Increase in supplies for water and sewer parts based on historical data.
3,960	Increase in purchased services for telephone costs based on historical data.
8,500	Increase in purchased services in professional services for costs associated with Golf Professional Retainer and Tee Time System.
277,350	Increase in capital for golf course improvements and equipment replacement.
16,890	Normal Increases/Decreases
15,640	Personal Services
(150)	Supplies
700	Purchased Services
700	Fixed Charges

**316,990 Total Increase**

## Solid Waste Management Summary

<b>Divisions</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>Percent</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>	<b>Change</b>	<b>FTE</b>	<b>FTE</b>
Solid Waste Collection	1,196,784	1,246,200	1,544,660	23.9%	11.8	11.8
Recycling	514,655	615,600	750,350	21.9%	7.8	8.3
Yard Waste	484,744	543,760	585,920	7.8%	3.1	3.6
Mosquito Control	139,521	145,210	149,080	2.7%	--	--
<b>Total Solid Waste</b>	<b>2,335,704</b>	<b>2,550,770</b>	<b>3,030,010</b>	<b>18.8%</b>	<b>22.7</b>	<b>23.7</b>
<b>REVENUES</b>						
<b>Beginning Balance</b>	<b>1,495,572</b>	<b>983,480</b>	<b>655,330</b>			
Charges for Service	3,048,705	3,108,400	3,351,650	7.8%		
Interest	95,644	30,000	29,710	(1.0%)		
Miscellaneous	5,502	103,220	12,030	(88.3%)		
Transfers	739,300	-	331,380	-		
<b>TOTAL REVENUE</b>	<b>3,889,151</b>	<b>3,241,620</b>	<b>3,724,770</b>	<b>14.9%</b>		
<b>Total Resources</b>	<b>5,384,723</b>	<b>4,225,100</b>	<b>4,380,100</b>			
<b>APPROPRIATIONS</b>						
Personal Services	1,144,465	1,215,260	1,333,540	9.7%		
Supplies	188,032	223,330	242,400	8.5%		
Purchased Services	562,613	546,200	613,360	12.3%		
Fixed Charges	201,904	306,360	466,500	52.3%		
Transfers	238,690	259,620	374,210	44.1%		
<b>Total Operating</b>	<b>2,335,704</b>	<b>2,550,770</b>	<b>3,030,010</b>	<b>18.8%</b>		
Capital	2,065,539	1,019,000	30,000	(97.1%)		
<b>Total Solid Waste</b>	<b>4,401,243</b>	<b>3,569,770</b>	<b>3,060,010</b>	<b>(14.3%)</b>		
<b>Ending Balance</b>	<b>983,480</b>	<b>655,330</b>	<b>1,320,090</b>			

## ***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 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 6% payment-in-lieu-of-taxes is made to the General Fund annually. In 2003, these PILT charges will be about \$191,000.

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Solid Waste Collections	Public Works		
<b>Section Summary:</b>	<b>2001 Actual</b>	<b>2002 Adjusted</b>	<b>2003 Budget</b>
Solid Waste Collections	1,196,784	1,246,200	1,544,660
<b>Total</b>	<b>1,196,784</b>	<b>1,246,200</b>	<b>1,544,660</b>
<b>Revenue</b>			
Charges for Services	1,350,677	1,397,110	1,555,210
Interest	49,117	14,720	16,040
Miscellaneous	5,502	3,220	7,030
Transfers	480,545	-	127,120
<b>Total Revenue</b>	<b>1,885,841</b>	<b>1,415,050</b>	<b>1,705,400</b>
<b>APPROPRIATIONS</b>			
Personal Services	647,557	641,560	700,670
Supplies	113,085	129,170	133,820
Purchased Services	214,450	196,960	282,500
Fixed Charges	91,217	138,080	230,050
Transfers	130,475	140,430	197,620
<b>Total Operating</b>	<b>1,196,784</b>	<b>1,246,200</b>	<b>1,544,660</b>
Capital	1,183,554	430,660	16,200
<b>Total Solid Waste</b>	<b>2,380,338</b>	<b>1,676,860</b>	<b>1,560,860</b>
<b>FTE</b>	<b>10.0</b>	<b>11.8</b>	<b>11.8</b>

**BUDGET VARIANCES**

19,500 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

13,880 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.

18,040 Increase in supplies for tools and equipment based on historical experience.

(5,000) Decrease in supplies for bags and tags based on historical experience.

2,010 Increase in purchased services for general liability insurance costs based on the departments historical experience and forecasted liability costs.

69,690 Increase in purchased services for landfill charges based on the projected increase in landfill charges.

91,430 Increase in fixed charges for vehicle maintenance and rental costs due to increased fuel prices and forecasted maintenance costs.

50,000 Increase in the transfers for PILT due to increased revenue and an increase in the percentage charge from 3% to 6%.

7,190 Increase in the transfers for internal services based on the allocated costs.

(414,460) Decrease in capital due to one-time equipment purchases.

31,720 Normal Increases/Decreases

    25,730 Personal Services

    (8,390) Supplies

    13,840 Purchased Services

    540 Fixed Charges

**(116,000) Total Decrease**

# COLLECTION

## Overview

Trash collection by public and private haulers must operate under a volume-based rate system. For City service, residents can choose among three disposal options: prepaid tags, prepaid bags, or subscription-based trash carts. City tags, bags and carts come in two 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 within surrounding communities.

## Objectives

- ☛ Increase total discards collected per solid waste worker.
- ☛ Decrease pounds landfilled per single family customer.
- ☛ Increase number of stops per day by refuse collector.
- ☛ Decrease cost per ton of refuse collected.

<i>Performance Measures</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
Tons of total discards collected per solid waste worker.	1,728	1,705	1,794
Pounds landfilled per single family customer.	1,114	1,488	1,481
Single family stops per day per refuse collector.	914	963	1,000

<b>DIVISION</b>	<b>DEPARTMENT</b>		
	Recycling	Public Works	
<b>Section Summary:</b>	<b>2001</b> <b>Actual</b>	<b>2002</b> <b>Adjusted</b>	<b>2003</b> <b>Budget</b>
Recycling	514,655	615,600	750,350
<b>Total</b>	<b>514,655</b>	<b>615,600</b>	<b>750,350</b>
<b>Revenues</b>			
Charges for Services	927,059	932,580	943,110
Interest	31,355	10,300	9,210
Miscellaneous	-	50,000	2,500
Transfers	258,755	-	111,530
<b>Total Revenue</b>	<b>1,217,169</b>	<b>992,880</b>	<b>1,066,350</b>
<b>APPROPRIATIONS</b>			
Personal Services	328,646	380,050	418,370
Supplies	54,268	68,810	63,160
Purchased Services	21,659	19,340	28,430
Fixed Charges	58,632	89,610	146,420
Transfers	51,450	57,790	93,970
<b>Total Operating</b>	<b>514,655</b>	<b>615,600</b>	<b>750,350</b>
Capital	741,529	193,990	9,300
<b>Total Solid Waste</b>	<b>1,256,184</b>	<b>809,590</b>	<b>759,650</b>
<b>FTE</b>	<b>7.0</b>	<b>7.8</b>	<b>8.3</b>

### BUDGET VARIANCES

14,650 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

7,960 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.

(4,070) Decrease in supplies for tools and equipment based on historical experience.

1,150 Increase in purchased services for general liability insurance costs based on the department's historical experience and forecasted liability costs.

56,500 Increase in fixed charges for vehicle maintenance and rental costs due to increased fuel prices and forecasted maintenance costs.

32,160 Increase in the transfers for PILT due to increased revenue and an increase in the percentage charge from 3% to 6%.

4,020 Increase in the transfers for internal services based on the allocated costs.

(184,690) Decrease in capital for equipment purchases.

(270) Normal Increases/Decreases

- (5,940) Personal Services
- (2,580) Supplies
- 7,940 Purchased Services
- 310 Fixed Charges

### SUPPLEMENTS

22,650 **Improvement:** Increase in personal services (\$21,650) and supplies (\$1,000) for the addition of one new position, a recycling center attendant for the Wilson drop-off site. Total cost of the supplement is \$47,300, with 50% of the cost allocated to the Yardwaste division.

**(49,940) Total Decrease**

# RECYCLING

## Overview

Mandatory monthly environmental fees fund the City's recycling, green waste composting, household hazardous waste collection, community spring cleanup, 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

- ☞ Explore the feasibility of adding more materials to the City's curbside recycling program.
- ☞ Revitalize our recycling education and promotion program.
- ☞ Increase number of single family customers that recycle.

<b><i>Performance Measures</i></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
% of City-collected waste recycled / composted.	53%	53%	54%
Pounds recycled/composted per residential customer.	1,483	1,610	1,650
Pounds recycled curbside per single family customer.	463	474	500
Single family stops per day per recyclables collector.	914	1,203	1,250

**DIVISION**

Yard Waste

**DEPARTMENT**

Public Works

<b>Section Summary:</b>	<b>2001 Actual</b>	<b>2002 Adjusted</b>	<b>2003 Budget</b>
Yard Waste	484,744	543,760	585,920
<b>Total</b>	<b>484,744</b>	<b>543,760</b>	<b>585,920</b>

**Revenue**

Charges for Services	618,902	623,370	692,050
Interest	15,172	4,980	4,460
Miscellaneous	-	50,000	2,500
Transfers	-	-	92,730
<b>Total Revenue</b>	<b>634,074</b>	<b>678,350</b>	<b>791,740</b>

**APPROPRIATIONS**

Personal Services	168,262	193,650	214,500
Supplies	20,679	25,350	45,420
Purchased Services	186,983	186,690	155,550
Fixed Charges	52,055	78,670	90,030
Transfers	56,765	59,400	80,420
<b>Total Operating</b>	<b>484,744</b>	<b>543,760</b>	<b>585,920</b>
Capital	140,456	394,350	4,500
<b>Total Solid Waste</b>	<b>625,200</b>	<b>938,110</b>	<b>590,420</b>
<b>FTE</b>	<b>3.1</b>	<b>3.1</b>	<b>3.6</b>

### BUDGET VARIANCES

8,880 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

3,860 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.

20,950 Increase in supplies for wholesale compost purchased from A-1 organics for resale.

570 Increase in purchased services for general liability insurance costs based on the departments historical experience and forecasted liability costs.

(31,310) Decrease in purchased services for yard waste hauling costs based on historical experience.

11,210 Increase in fixed charges for vehicle maintenance and rental costs due to increased fuel prices and forecasted maintenance costs.

19,270 Increase in the transfers for PILT due to increased revenue and an increase in the percentage charge from 3% to 6%.

1,750 Increase in the transfers for internal services based on the allocated costs.

(389,850) Decrease in capital due to one-time equipment purchases.

(15,670) Normal Increases/Decreases

- (13,540) Personal Services
- (1,880) Supplies
- (400) Purchased Services
- 150 Fixed Charges

### SUPPLEMENTS

22,650 **Improvement:** Increase in personal services (\$21,650) and supplies (\$1,000) for the addition of one new position, a recycling center attendant for the Wilson drop-off site. Total cost of the supplement is \$47,300, with 50% of the cost allocated to the Recycling division.

**(347,690) Total Decrease**

# ***YARD WASTE***

## **Overview**

The City's waste management program is popular with the community as noted by the City's annual community satisfaction survey. The program has received numerous waste management awards and honors, and was one of eighteen 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**

- ☛ Increase yard waste recycling customers.

<b><i>Performance Measures</i></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
Single family stops per day per yard waste collector.	639	674	700

**DIVISION**

Mosquito Control

**DEPARTMENT**

Public Works

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
Mosquito Control	139,521	145,210	149,080
<b>Total</b>	<b>139,521</b>	<b>145,210</b>	<b>149,080</b>
<b>Revenues</b>			
Charges for Service	152,067	155,340	161,280
<b>Total Revenue</b>	<b>152,067</b>	<b>155,340</b>	<b>161,280</b>
<b>APPROPRIATIONS</b>			
Purchased Services	139,521	143,210	146,880
Transfers	-	2,000	2,200
<b>Total Operating</b>	<b>139,521</b>	<b>145,210</b>	<b>149,080</b>
<b>Total Mosquito Control</b>	<b>139,521</b>	<b>145,210</b>	<b>149,080</b>

**BUDGET VARIANCES**

3,570 Increase in purchased services for mosquito control costs based on the contract with the service provider.

200 Increase in the transfers to internal services based on the allocated costs.

100 Normal Increases

100 Purchased Services

**3,870 Total Increase**

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## ***MOSQUITO CONTROL***

**Overview**

Colorado Mosquito Control, Inc., a private contractor, operates this seasonal program. The company utilizes physical, biological and chemical methods of control to minimize mosquito nuisance. The Solid Waste Division manages the program.

## Storm Water Summary

	2001 Actual	2002 Adjusted	2003 Budget	Percent		
				Change 2002-03	2002 FTE	2003 FTE
Administration/Engineering	590,253	576,900	793,550	37.6%	5.0	5.0
Collections	279,132	299,540	394,400	31.7%	3.3	3.8
Street Sweeping	217,767	216,550	183,670	(15.2%)	2.2	1.7
<b>Total</b>	<b>1,087,152</b>	<b>1,092,990</b>	<b>1,371,620</b>	<b>25.5%</b>	<b>10.5</b>	<b>10.5</b>

### REVENUES

<b>Beginning Balance</b>	<b>3,213,758</b>	<b>3,318,770</b>	<b>1,815,150</b>	
Utility Charges	2,331,345	2,984,000	3,165,000	6.1%
Utility Other	63,927	89,910	81,000	(9.9%)
Impact Fees	407,499	369,000	379,000	2.7%
Interest	199,982	80,300	85,000	5.9%
Transfers	98,810	36,920	65,400	77.1%
Miscellaneous	33,214	-	3,500	-
<b>Total Revenue</b>	<b>3,134,777</b>	<b>3,560,130</b>	<b>3,778,900</b>	<b>6.1%</b>
<b>Total Resources</b>	<b>6,348,535</b>	<b>6,878,900</b>	<b>5,594,050</b>	<b>(18.7%)</b>

### APPROPRIATIONS

Personal Services	637,231	549,290	581,910	5.9%
Supplies	71,820	66,190	102,160	54.3%
Purchased Services	49,810	78,380	260,600	232.5%
Fixed Charges	53,789	68,630	79,880	16.4%
Transfers	274,502	330,500	347,070	5.0%
<b>Total Operating</b>	<b>1,087,152</b>	<b>1,092,990</b>	<b>1,371,620</b>	<b>25.5%</b>
Capital	1,942,618	3,970,760	2,182,000	(45.0%)
<b>Total Capital</b>	<b>1,942,618</b>	<b>3,970,760</b>	<b>2,182,000</b>	<b>(45.0%)</b>
<b>Total Storm Water</b>	<b>3,029,770</b>	<b>5,063,750</b>	<b>3,553,620</b>	<b>(29.8%)</b>
<b>Ending Balance</b>	<b>3,318,766</b>	<b>1,815,150</b>	<b>2,040,430</b>	

# 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 drainage minor project construction and repair program in order to solve the community's backlog of nuisance drainage problems.
- ☞ Construction of the South Loveland Outfall Phase II regional detention pond (Wernimont Pond) and outlet conduit to serve existing development south of the Big Thompson Manufacturing Ditch.
- ☞ Construction of the Westerdoll Dam Rehabilitation project to provide a new outlet works / spillway in support of pending development in the area and the northerly extension of Boise Avenue.
- ☞ Construction of the North Wilson Avenue Phase I and II regional improvements in support of pending development in the area.

<i>Performance Measures</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
# of minor construction / repair projects completed.	24	20	20
Centerline miles of arterial streets.	74.05	76	77
# of times arterials swept.	2	4	12
Centerline miles of collector/residential streets.	204.64	214	228
# of times collector/residential streets swept.	1	2	4
# of times downtown district swept and/or flushed.	23	40	40
% drainage inlets vacuumed.	29%	37%	36%

<b>DIVISION</b>	<b>DEPARTMENT</b>
Storm Water Administration/Engineering	Public Works

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
Administration/Engineering	590,253	576,900	793,550
<b>Total</b>	<b>590,253</b>	<b>576,900</b>	<b>793,550</b>
<b>APPROPRIATIONS</b>			
Personal Services	288,731	183,790	207,840
Supplies	10,423	20,950	46,150
Purchased Services	15,413	41,290	187,090
Fixed Charges	1,183	370	5,400
Transfers	274,503	330,500	347,070
<b>Total</b>	<b>590,253</b>	<b>576,900</b>	<b>793,550</b>
<b>FTE</b>	<b>4.0</b>	<b>5.0</b>	<b>5.0</b>

### BUDGET VARIANCES

6,980 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(11,000) Decrease in personal services due to an increase in labor charges that can be capitalized. The costs for these services are included in the capital projects.

(9,500) Decrease in supplies for office equipment due to one-time purchases.

24,000 Increase in supplies for parts and supplies for storm drain markers and repair parts.

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

48,500 Increase in purchased services for printing reports and plans and storm quality brochures.

55,000 Increase in purchased services for professional services for storm water quality consulting.

16,570 Increase in transfers based on internal service budgets and the PILT calculation.

3,950 Increase in fixed charges for vehicle maintenance and rental costs due to increased fuel prices and forecasted maintenance costs.

80,800 Normal Increases

- 28,070 Personal Services
- 10,700 Supplies
- 40,950 Purchased Services
- 1,080 Fixed Charges

**216,650 Total Increase**

**DIVISION**

Storm Water Collection

**DEPARTMENT**

Public Works

<b>Section Summary:</b>	<b>2001 Actual</b>	<b>2002 Adjusted</b>	<b>2003 Budget</b>
Collections	279,132	299,540	394,400
<b>Total</b>	<b>279,132</b>	<b>299,540</b>	<b>394,400</b>
<b>APPROPRIATIONS</b>			
Personal Services	213,780	231,070	274,570
Supplies	26,400	23,450	28,250
Purchased Services	24,875	23,420	68,060
Fixed Charges	14,077	21,600	23,520
<b>Total Operating</b>	<b>279,132</b>	<b>299,540</b>	<b>394,400</b>
<b>FTE</b>	<b>2.0</b>	<b>3.3</b>	<b>3.8</b>

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**BUDGET VARIANCES**

22,000	Increase in personal services due to the transfer of .5 FTE from Street Sweeping Division.
7,060	Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.
2,000	Increase in fixed costs for specialty heavy equipment rental based on historical experience.
13,800	Normal Increases/Decreases
14,440	Personal Services
4,800	Supplies
(5,360)	Purchased Services
(80)	Fixed Charges

**SUPPLEMENTS**

50,000	<b>Workload:</b> Increase in purchased services for repair and maintenance of the storm sewer system.
<b>94,860</b>	<b>Total Increase</b>

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**DIVISION**

Street Sweeping

**DEPARTMENT**

Public Works

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
Street Sweeping	217,767	216,550	183,670
<b>Total</b>	<b>217,767</b>	<b>216,550</b>	<b>183,670</b>

**APPROPRIATIONS**

Personal Services	134,720	134,430	99,500
Supplies	34,997	21,790	27,760
Purchased Services	9,521	13,670	5,450
Fixed Charges	38,529	46,660	50,960
<b>Total</b>	<b>217,767</b>	<b>216,550</b>	<b>183,670</b>
<b>FTE</b>	<b>2.0</b>	<b>2.2</b>	<b>1.7</b>

**BUDGET VARIANCES**

(44,000) Decrease in personal service due to the transfer of .5 FTE to the Collections division and reduction of a .5 FTE.

(3,000) Decrease in purchased services for repair and maintenance based on historical experience.

4,300 Increase in fixed costs for vehicle maintenance and rental based on forecasted costs.

9,820 Normal Increases/Decreases

9,070 Personal Services

5,970 Supplies

(5,220) Purchased Services

**(32,880) Total Decrease**

## Water Utility Summary

	2001 Actual	2002 Adjusted	2003 Budget	Percent		
				Change 2002-03	2002 FTE	2003 FTE
Water	12,857,623	5,506,220	7,182,760	30.4%	42.3	43.3
Finance	423,857	391,150	442,910	13.2%	7.3	7.6
<b>Total</b>	<b>13,281,480</b>	<b>5,897,370</b>	<b>7,625,670</b>	<b>29.3%</b>	<b>49.6</b>	<b>50.9</b>
<b>REVENUES</b>						
<b>Beginning Balance</b>	<b>53,613,908</b>	<b>51,476,310</b>	<b>16,452,480</b>			
Utility Charges	6,211,948	6,367,000	5,832,000	(8.4%)		
Utility Other	1,208,147	851,600	616,600	(27.6%)		
Impact Fees	3,223,945	3,034,580	2,585,000	(14.8%)		
Interest	4,032,252	2,598,000	1,595,000	(38.6%)		
Miscellaneous	3,843	8,500	3,840	(54.8%)		
Transfers	48,550	44,330	67,000	51.1%		
<b>Total Revenue</b>	<b>14,728,685</b>	<b>12,904,010</b>	<b>10,699,440</b>	<b>(17.1%)</b>		
<b>Total Resources</b>	<b>68,342,593</b>	<b>64,380,320</b>	<b>27,151,920</b>	<b>(57.8%)</b>		
<b>APPROPRIATIONS</b>						
Personal Services	2,400,895	2,729,000	2,923,000	7.1%		
Supplies	458,042	588,450	596,920	1.4%		
Purchased Services	799,377	958,230	2,473,200	158.1%		
Fixed Charges	88,122	86,620	113,790	31.4%		
Debt Service	8,899,307	826,780	826,840	0.0%		
Transfers	635,737	708,290	691,920	(2.3%)		
<b>Total Operating</b>	<b>13,281,480</b>	<b>5,897,370</b>	<b>7,625,670</b>	<b>29.3%</b>		
Capital	3,584,805	42,030,470	5,312,930	(87.4%)		
<b>Total Capital</b>	<b>3,584,805</b>	<b>42,030,470</b>	<b>5,312,930</b>	<b>(87.4%)</b>		
<b>Total Water</b>	<b>16,866,285</b>	<b>47,927,840</b>	<b>12,938,600</b>	<b>(73.0%)</b>		
<b>Ending Balance</b>	<b>51,476,308</b>	<b>16,452,480</b>	<b>14,213,320</b>			

**DIVISION**

Water Utility

**DEPARTMENT**

Water & Power

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Water</b>	<b>12,857,623</b>	<b>5,506,220</b>	<b>7,182,760</b>

**REVENUES**

Utility Charges	6,211,948	6,367,000	5,832,000
Utility Other	1,208,147	851,600	616,600
Impact Fees	3,223,945	3,034,580	2,585,000
Interest	4,032,252	2,598,000	1,595,000
Miscellaneous	3,843	8,500	3,840
Transfers	48,550	44,330	67,000
<b>Total Revenue</b>	<b>14,728,685</b>	<b>12,904,010</b>	<b>10,699,440</b>

**APPROPRIATIONS**

Personal Services	2,054,355	2,404,650	2,551,700
Supplies	452,184	581,560	589,590
Purchased Services	731,920	902,500	2,414,030
Fixed Charges	84,120	82,440	108,680
Debt Service	8,899,307	826,780	826,840
Transfers	635,737	708,290	691,920
<b>Total Operating</b>	<b>12,857,623</b>	<b>5,506,220</b>	<b>7,182,760</b>
Capital	3,561,623	41,984,230	5,312,090
<b>Total Capital</b>	<b>3,561,623</b>	<b>41,984,230</b>	<b>5,312,090</b>
<b>Total Water</b>	<b>16,419,246</b>	<b>47,490,450</b>	<b>12,494,850</b>
<b>FTE</b>	<b>41.6</b>	<b>42.3</b>	<b>43.3</b>

### BUDGET VARIANCES

41,580 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(3,790) Decrease 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.

(8,680) Decrease in purchased services for general liability costs based on the Department's experience rating and forecasted liability costs.

25,610 Increase in fixed costs for vehicle maintenance and rental based on projected fuel costs and maintenance costs.

13,710 Increase in transfers to the Internal Service fund based on the allocation for Internal Service budgets.

(30,080) Decrease in transfers for PILT payments to the General Fund based on the revenue estimates.

105,790 Normal Increases

- 66,260 Personal Services
- 8,030 Supplies
- 30,810 Purchased Services
- 630 Fixed Charges
- 60 Debt Service

### SUPPLEMENTS

186,000 **Workload:** Increase in purchased services for street repairs due to more work being contracted out. The total cost for this program is \$200,000 split between the Water and Wastewater utilities.

214,500 **Improvement:** Increase in purchased services due to an increase in the Windy Gap assessment to allow pumping and using up to 4,000 acre feet of Windy Gap water at \$55 per acre foot if the water is available next year and the conditions remain dry.

88,900 **Improvement:** Increase in purchased services due to an increase in the CBT Facilities Ditch contract to provide full payment of the carriage of 16,200 acre feet of water through the CBT facilities to preserve the City's priority.

1,000,000 **Improvement:** Increase in purchased services due to an increase in ditch water assessments for the one-time rental of 4,000 acre feet of CBT water at \$250/acre foot to provide sufficient water supplies in 2003.

9,960 **Improvement:** Increase in personal services for one new position, a Utility Conservation Coordinator, for the new Key Accounts program. The total cost of this position is \$36,900 split between the Water, Wastewater and Power Utilities.

9,240 **Improvement:** Increase in personal service for one temporary position, to digitally capture all as-built utility plans and to add them into the GIS system. The total cost of this program is \$28,000 split between the Water, Wastewater and Power Utilities.

23,800 **Improvement:** Increase in personal services for one new position, a Treatment Plant Control Technician, to maintain scheduled service and maintenance of equipment. The total cost of this increase is \$47,600 split between the Water and Wastewater Utilities.

**1,676,540 Total Increase**

# WATER UTILITY

## Overview

The Water 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, drafting, and GIS.

The following sections comprise the Water Utilities Division:

✓ Construction and Inspection	✓ Technical Services
✓ Engineering	✓ Treatment Operations
✓ Information Technology	✓ Water Resources
✓ Maintenance and Operations	✓ Water Metering

**Construction and Inspection** - This section is responsible for utility location and construction inspections for all water and electric construction. This group coordinates small construction projects.

**Engineering** - The Engineering Section reviews all new development proposals with respect to water and wastewater design and construction. This group manages the capital projects for both water utilities.

**Information Technology** - This section operates the department's computerized drafting and geographical information systems (GIS). The water, wastewater and electric system maps are all maintained and updated by this group. 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** - The Maintenance and Operations Section 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 hydrants and inspect, wash and repair sewer lines.

**Technical Services** - Technicians 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** - Water treatment and production, wastewater treatment and reclamation, and water quality laboratories are in this section. 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 analysis of the water to insure proper treatment is accomplished.

**Water Resources** - The Water Resources Section 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 staff works closely with the Loveland Utilities Commission in all matters concerning water resources.

**Water Metering** - 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.

**Key Accounts Program** - The Water Division will provide a single-point-of-contact for larger customers on water issues through the Key Accounts Program. The program is designed to facilitate customer service and build long-term relationships with the designated key accounts.

### **Objectives**

- ☞ Have 90% of respondents on customer surveys 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.

<b><i>Performance Measures</i></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<b><i>Actual</i></b>	<b><i>Projected</i></b>	<b><i>Projected</i></b>
% of respondents on customer surveys indicating they are satisfied or very satisfied with their water service.	N/A	N/A	90%
% change in number of waterline breaks per mile on the water distribution system.	N/A	N/A	-20%
% of all applicable local, state, and federal regulations in the treatment and distribution of water met.	N/A	N/A	100%

<b>DIVISION</b>	<b>DEPARTMENT</b>		
	Water Finance	Finance	
<b>SECTION SUMMARY</b>	<b>2001</b> <b>Actual</b>	<b>2002</b> <b>Adjusted</b>	<b>2003</b> <b>Budget</b>
Utility Billing	164,647	182,580	176,760
Meter Reading	72,003	78,160	98,900
Warehouse	41,350	46,570	50,180
Utility Accounting	145,857	83,840	117,070
<b>Total</b>	<b>423,857</b>	<b>391,150</b>	<b>442,910</b>
<b>APPROPRIATIONS</b>			
Personal Services	346,540	324,350	371,300
Supplies	5,858	6,890	7,330
Purchased Services	67,457	55,730	59,170
Fixed Charges	4,002	4,180	5,110
<b>Total Operating</b>	<b>423,857</b>	<b>391,150</b>	<b>442,910</b>
Capital	23,182	46,240	840
<b>Total Capital</b>	<b>23,182</b>	<b>46,240</b>	<b>840</b>
<b>Total Water Finance</b>	<b>447,039</b>	<b>437,390</b>	<b>443,750</b>
<b>FTE</b>	<b>7.6</b>	<b>7.3</b>	<b>7.6</b>

**BUDGET VARIANCES**

(1,510) Decrease in purchased services for repair and maintenance based on historical experience.

3,080 Increase in purchased services for postage.

38,450 Normal Increases

- 35,670 Personal Services
- 440 Supplies
- 1,410 Purchased Services
- 930 Fixed Charges

**SUPPLEMENTS**

1,160 **Improvement:** Increase in personal services due to the increase in hours of two customer service representatives from 20 hours per week to 25 hours per week. The total cost of this increase is \$8,280, which is split between the Water, Wastewater and Power Utilities.

10,580 **Improvement:** Increase in personal services (\$10,120) and supplies (\$460) to add one senior meter reader position.

**51,760 Total Increase**

## Wastewater Utility Summary

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>Percent Change 2002-03</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>		<b>FTE</b>	<b>FTE</b>
Wastewater	2,904,056	3,133,950	3,385,380	8.0%	27.5	28.5
Finance	172,926	155,840	191,850	23.1%	3.2	3.3
<b>Total</b>	<b>3,076,982</b>	<b>3,289,790</b>	<b>3,577,230</b>	<b>8.7%</b>	<b>30.7</b>	<b>31.8</b>
<b>REVENUES</b>						
<b>Beginning Balance</b>	<b>6,977,960</b>	<b>9,045,370</b>	<b>4,145,250</b>			
Utility Charges	4,004,100	4,911,450	5,758,000	17.2%		
Utility Other	12,978	10,130	9,130	(9.9%)		
Impact Fees	1,421,368	1,155,000	1,303,200	12.8%		
User Fees	1,100	2,460	-	(100.0%)		
Interest	617,597	200,000	260,000	30.0%		
Miscellaneous	1,381	2,500	3,000	20.0%		
Transfers	23,370	35,990	17,180	(52.3%)		
<b>Total Revenue</b>	<b>6,081,894</b>	<b>6,317,530</b>	<b>7,350,510</b>	<b>16.4%</b>		
<b>Total Resources</b>	<b>13,059,854</b>	<b>15,362,900</b>	<b>11,495,760</b>	<b>(25.2%)</b>		
<b>APPROPRIATIONS</b>						
Personal Services	1,662,940	1,704,750	1,872,140	9.8%		
Supplies	171,473	240,090	258,920	7.8%		
Purchased Services	765,320	821,780	857,220	4.3%		
Fixed Charges	48,580	53,060	57,340	8.1%		
Transfers	428,669	470,110	531,610	13.1%		
<b>Total Operating</b>	<b>3,076,982</b>	<b>3,289,790</b>	<b>3,577,230</b>	<b>8.7%</b>		
Capital	937,500	7,927,860	5,391,490	(32.0%)		
<b>Total Capital</b>	<b>937,500</b>	<b>7,927,860</b>	<b>5,391,490</b>	<b>(32.0%)</b>		
<b>Total Wastewater</b>	<b>4,014,482</b>	<b>11,217,650</b>	<b>8,968,720</b>	<b>(20.0%)</b>		
<b>Ending Balance</b>	<b>9,045,372</b>	<b>4,145,250</b>	<b>2,527,040</b>			

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Wastewater Utility	Water & Power		
Section Summary:	<b>2001 Actual</b>	<b>2002 Adjusted</b>	<b>2003 Budget</b>
<b>Wastewater</b>	<b>2,904,056</b>	<b>3,133,950</b>	<b>3,385,380</b>
<b>REVENUES</b>			
Utility Charges	4,004,100	4,911,450	5,758,000
Utility Other	12,978	10,130	9,130
Impact Fees	1,421,368	1,155,000	1,303,200
User Fees	1,100	2,460	-
Interest	617,597	200,000	260,000
Miscellaneous	1,381	2,500	3,000
Transfers	23,370	35,990	17,180
<b>Total Revenue</b>	<b>6,081,894</b>	<b>6,317,530</b>	<b>7,350,510</b>
<b>APPROPRIATIONS</b>			
Personal Services	1,523,200	1,576,040	1,709,640
Supplies	169,234	237,480	256,030
Purchased Services	735,176	798,100	831,600
Fixed Charges	47,777	52,220	56,500
Transfers	428,669	470,110	531,610
<b>Total Operating</b>	<b>2,904,056</b>	<b>3,133,950</b>	<b>3,385,380</b>
Capital	935,989	7,915,970	5,391,490
<b>Total Capital</b>	<b>935,989</b>	<b>7,915,970</b>	<b>5,391,490</b>
<b>Total Wastewater</b>	<b>3,840,045</b>	<b>11,049,920</b>	<b>8,776,870</b>
<b>FTE</b>	<b>28.1</b>	<b>27.5</b>	<b>28.5</b>

### BUDGET VARIANCES

2,550 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.

23,710 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(9,250) Decrease in purchased services for general liability costs based on the department's experience rating and forecasted liability costs.

6,640 Increase in fixed costs for vehicle and equipment rental and maintenance due to higher fuel costs and forecasted maintenance costs.

49,740 Increase in transfers for PILT payments to the General Fund based on the revenue estimates.

11,760 Increase in transfers to the Internal Service Fund based on the allocation for Internal Service budgets.

107,800 Normal Increases/Decreases

- 62,860 Personal Services
- 18,550 Supplies
- 28,750 Purchased Services
- (2,360) Fixed Charges

### SUPPLEMENTS

11,440 **Improvement**: Increase in personal services for one new position, a Utility Conservation Coordinator, for the new Key Accounts program. The total cost of this position is \$36,900 split between the Water, Wastewater and Power Utilities.

9,240 **Improvement**: Increase in personal service for one temporary position, to digitally capture all as-built utility plans and to add them into the GIS system. The total cost of this program is \$28,000 split between the Water, Wastewater and Power Utilities.

23,800 **Improvement**: Increase in personal services for one new position, a Treatment Plant Control Technician, to maintain scheduled service and maintenance of equipment. The total cost of this increase is \$47,600 split between the Water and Wastewater Utilities.

14,000 **Workload**: Increase in purchased services for street repairs due to more work being contracted out. The total cost for this program is \$200,000 split between the Water and Wastewater Utilities.

**251,430 Total Increase**

**DIVISION**

Wastewater Finance

**DEPARTMENT**

Finance

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
Utility Billing	74,145	79,190	104,190
Meter Reading	15,652	13,760	17,200
Warehouse	-	-	-
Utility Accounting	83,129	62,890	70,460
<b>Total</b>	<b>172,926</b>	<b>155,840</b>	<b>191,850</b>
<b>APPROPRIATIONS</b>			
Personal Services	139,740	128,710	162,500
Supplies	2,239	2,610	2,890
Purchased Services	30,144	23,680	25,620
Fixed Charges	803	840	840
<b>Total Operating</b>	<b>172,926</b>	<b>155,840</b>	<b>191,850</b>
Capital	1,511	11,890	-
<b>Total Capital</b>	<b>1,511</b>	<b>11,890</b>	<b>-</b>
<b>Total Wastewater</b>	<b>174,437</b>	<b>167,730</b>	<b>191,850</b>
<b>FTE</b>	<b>3.4</b>	<b>3.2</b>	<b>3.3</b>

**BUDGET VARIANCES**

33,090	Normal Increases
30,950	Personal Services
280	Supplies
1,860	Purchased Services

**SUPPLEMENTS**

1,080 **Improvement:** Increase in personal services due to the increase in hours of two customer service representatives from 20 hours per week to 25 hours per week. The total cost of this increase is \$8,280, which is split between the Water, Wastewater and Power Utilities.

1,840 **Improvement:** Increase in personal services (\$1,760) and supplies (\$80) to add one senior meter reader position.

**36,010 Total Increase**

# WASTEWATER

## Overview

The Water 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, drafting, and GIS.

The following sections comprise the Water 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 water 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.

<u>Performance Measures</u>	<i>2001</i>	<i>2002</i>	<i>2003</i>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
# of respondents on customer surveys indicating they are satisfied or very satisfied with their water service.	N/A	N/A	90%
% change in the number of sewage backups per mile on the sewage collection system.	N/A	N/A	-20%
Meet or exceed all applicable local, state, and federal regulations in the collection and treatment of wastewater.	N/A	N/A	100%

## Power Utility Summary

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>Percent Change 2002-03</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>		<b>FTE</b>	<b>FTE</b>
Power	23,779,913	22,722,380	24,265,870	6.8%	48.7	50.2
Finance	1,199,098	1,232,880	1,329,540	7.8%	21.2	22.1
<b>Total</b>	<b>24,979,011</b>	<b>23,955,260</b>	<b>25,595,410</b>	<b>6.8%</b>	<b>69.9</b>	<b>72.3</b>
<b>REVENUES</b>						
<b>Beginning Balance</b>	<b>15,670,213</b>	<b>12,542,410</b>	<b>8,963,460</b>			
Utility Charges	24,414,795	24,891,000	26,111,300	4.9%		
Utility Other	374,023	1,766,000	1,770,000	.2%		
Impact Fees	684,945	650,000	740,000	13.8%		
User Fees	234,400	219,500	290,000	32.1%		
Interest	1,379,231	888,000	419,000	(52.8%)		
Miscellaneous	98,110	2,100	7,000	233.3%		
Transfers	257,230	766,200	864,870	12.9%		
<b>Total Revenue</b>	<b>27,442,734</b>	<b>29,182,800</b>	<b>30,202,170</b>	<b>3.5%</b>		
<b>Total Resources</b>	<b>43,112,947</b>	<b>41,725,210</b>	<b>39,165,630</b>			
<b>APPROPRIATIONS</b>						
Personal Services	4,021,764	2,831,040	3,182,890	12.4%		
Supplies	264,330	333,870	355,330	6.4%		
Purchased Services	18,590,023	18,868,160	20,020,600	6.1%		
Fixed Charges	130,416	(205,980)	(240,090)	16.6%		
Debt Service	-	-	-	-		
Transfers	1,972,478	2,128,170	2,276,680	7.0%		
<b>Total Operating</b>	<b>24,979,011</b>	<b>23,955,260</b>	<b>25,595,410</b>	<b>6.8%</b>		
Capital	5,591,527	8,806,490	7,363,380	(16.4%)		
<b>Total Capital</b>	<b>5,591,527</b>	<b>8,806,490</b>	<b>7,363,380</b>	<b>(16.4%)</b>		
<b>Total Power</b>	<b>30,570,538</b>	<b>32,761,750</b>	<b>32,958,790</b>			
<b>Ending Balance</b>	<b>12,542,409</b>	<b>8,963,460</b>	<b>6,206,840</b>			

<b>DIVISION</b>	<b>DEPARTMENT</b>		
Power Utility	Water & Power		
<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
<b>Power</b>	<b>23,779,913</b>	<b>22,722,380</b>	<b>24,265,870</b>
<b>REVENUES</b>			
Utility Charges	24,414,795	24,891,000	26,111,300
Utility Other	374,023	1,766,000	1,770,000
Impact Fees	684,945	650,000	740,000
User Fees	234,400	219,500	290,000
Interest	1,379,231	888,000	419,000
Miscellaneous	98,110	2,100	7,000
Transfers	257,230	766,200	864,870
<b>Total Revenue</b>	<b>27,442,734</b>	<b>29,182,800</b>	<b>30,202,170</b>
<b>APPROPRIATIONS</b>			
Personal Services	3,128,387	1,873,500	2,135,640
Supplies	251,448	313,110	334,250
Purchased Services	18,409,393	18,626,970	19,775,890
Fixed Charges	18,207	(219,370)	(256,590)
Transfers	1,972,478	2,128,170	2,276,680
<b>Total Operating</b>	<b>23,779,913</b>	<b>22,722,380</b>	<b>24,265,870</b>
Capital	5,490,777	8,632,120	7,249,820
<b>Total Capital</b>	<b>5,490,777</b>	<b>8,632,120</b>	<b>7,249,820</b>
<b>Total Power</b>	<b>29,270,690</b>	<b>31,354,500</b>	<b>31,515,690</b>
FTE	56.8	48.7	50.2

### BUDGET VARIANCES

(37,160) Decrease 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.

75,690 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(4,390) Decrease in purchased services for general liability costs based on the department's experience rating and forecasted liability costs.

1,061,000 Increase in purchased services due to the forecasted cost of purchased power.

87,080 Increase in transfers for PILT payments to the General Fund base on the revenue estimates.

61,430 Increase in transfers to the Internal Service fund based on the allocation for Internal Service budgets.

16,890 Increase in fixed costs for vehicle and equipment rental and maintenance due to higher fuel costs and forecasted maintenance costs.

(54,270) Decrease in fixed charges due to an increase in operating expenses that can be capitalized.

152,600 Normal Increases

- 88,990 Personal Services
- 21,140 Supplies
- 42,310 Purchased Services
- 160 Fixed Charges

### SUPPLEMENTS

15,500 **Improvement:** Increase in personal services for one new position, a Utility Conservation Coordinator, for the new Key Accounts program. The total cost of this position is \$36,900 split between the Water, Wastewater and Power Utilities.

9,520 **Improvement:** Increase in personal service for one temporary position, to digitally capture all as-built utility plans and to add them into the GIS system. The total cost of this program is \$28,000 split between the Water, Wastewater and Power Utilities.

42,300 **Workload:** Increase in personal service for one position, a Hydro/Substation Technician for service and maintenance at the substations.

42,300 **Workload**: Increase in personal service for one position, a Journey Apprentice Metering for service and maintenance of meters.

50,000 **Workload**: Increase in purchased services for professional services due the increased demand for inspection services.

25,000 **Workload**: Increase in personal service for one temporary position, a Journeyman to increase the reliability of the mapping system.

**1,543,490 Total Increase**

# POWER OPERATIONS

## Overview

The Power Operations Division maintains the city's electric distribution system and achieved a 99.994% reliability for our customers in 2001. Power is a retail distributor of electricity to over 25,000 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 our 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. This division plans, designs, and builds system improvements to meet the customer's electrical needs to the highest degree possible. In 2001, the division designed and constructed over \$2,200,000 in customer aid to construction projects. In 2002, the division anticipates designing and constructing over: \$2,600,000 in distribution system improvement and expansion projects, \$1,400,000 in overhead to underground system conversion projects, \$775,000 in substation expansion projects, and \$400,000 in street lighting projects.

To provide much needed capacity to serve the City's ever increasing growth of commercial and residential customers in the City's service territory, a new substation east of Boyd Lake and west of Loveland-Fort Collins Airport, named Crossroads Substation, was completed in 2002. This project was completed jointly with the Platte River Power Authority and the City of Loveland.

## Objectives

- ☞ Have 90% of respondents on customer surveys indicate they are satisfied or very satisfied with their water service.
- ☞ Have one of the highest Average Service Availability Indexes (ASAI) in the Front Range region while having the average customer experience an outage of the power distribution system not longer than one hour.
- ☞ Consistently maintain residential rates in the lowest quartile among the rural electrics, municipalities, and investor owned utilities in the state.

<u>Performance Measures</u>		<u>2001</u>	<u>2002</u>	<u>2003</u>
		<u>Actual</u>	<u>Projected</u>	<u>Projected</u>
# of respondents on customer surveys indicating they are satisfied or very satisfied.		N/A	N/A	90%
% of customers experiencing an outage that was <1 hr.		N/A	N/A	80%
Rank for residential rates compared to other utilites in state.	N/A	4th	3rd	

**DIVISION**  
 Power Operations

**DEPARTMENT**  
 Finance

<b>Section Summary:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>Actual</b>	<b>Adjusted</b>	<b>Budget</b>
Utility Billing	517,173	609,000	619,900
Meter Reading	225,413	252,880	313,860
Warehouse	165,548	186,310	200,730
Utility Accounting	290,964	184,690	195,050
<b>Total</b>	<b>1,199,098</b>	<b>1,232,880</b>	<b>1,329,540</b>
<b>APPROPRIATIONS</b>			
Personal Services	893,377	957,540	1,047,250
Supplies	12,882	20,760	21,080
Purchased Services	180,630	241,190	244,710
Fixed Charges	112,209	13,390	16,500
<b>Total Operating</b>	<b>1,199,098</b>	<b>1,232,880</b>	<b>1,329,540</b>
Capital	100,750	174,370	113,560
<b>Total Capital</b>	<b>100,750</b>	<b>174,370</b>	<b>113,560</b>
<b>Total Power Finance</b>	<b>1,299,848</b>	<b>1,407,250</b>	<b>1,443,100</b>
<b>FTE</b>	<b>21.5</b>	<b>21.2</b>	<b>22.1</b>

**BUDGET VARIANCES**

24,910 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

(4,230) Decrease in purchased services for repair and maintenance based on historical data.

8,910 Increase in purchased services for postage based on historical data.

35,950 Normal Increases/Decreases

- 35,140 Personal Services
- 320 Supplies
- (2,620) Purchased Services

**SUPPLEMENTS**

- 3,110 Fixed Charges

6,040 **Improvement:** Increase in personal services due to the increase in hours of two customer service representatives from 20 hours per week to 25 hours per week. The total cost of this increase is \$8,280, which is split between the Water, Wastewater and Power Utilities.

33,580 **Improvement:** Increase in personal services (\$32,120) and supplies (\$1,460) to add one senior meter reader position.

**96,660 Total Increase**

## Water & Power Department Summary

Section Summary:	2002-03					
	2001 Actual	2002 Adjusted	2003 Budget	Percent Change	2002 FTE	2003 FTE
Water	12,857,623	5,506,220	7,182,760	30.4%	42.3	43.3
Wastewater	2,904,056	3,133,950	3,385,380	8.0%	27.5	28.5
Power	23,779,913	22,722,380	24,265,870	6.8%	48.7	50.2
<b>Total</b>	<b>39,541,592</b>	<b>31,362,550</b>	<b>34,834,010</b>	<b>11.1%</b>	<b>118.5</b>	<b>122.0</b>
<b>REVENUES</b>						
Utility Charges	34,630,842	36,169,450	37,701,300	4.2%		
Utility Other	1,595,148	2,627,730	2,395,730	(8.8%)		
Impact Fees	5,330,259	4,839,580	4,628,200	(4.4%)		
User Fees	235,500	221,960	290,000	30.7%		
Interest	6,029,080	3,686,000	2,274,000	(38.3%)		
Miscellaneous	103,334	13,100	13,840	5.6%		
Transfers	329,150	846,520	949,050	12.1%		
<b>Total Revenue</b>	<b>48,253,313</b>	<b>48,404,340</b>	<b>48,252,120</b>	<b>(0.3%)</b>		
<b>APPROPRIATIONS</b>						
Personal Services	6,705,942	5,854,190	6,396,980	9.3%		
Supplies	872,866	1,132,150	1,179,870	4.2%		
Purchased Services	19,876,489	20,327,570	23,021,520	13.3%		
Fixed Charges	150,104	(84,710)	(91,410)	7.9%		
Debt Service	8,899,307	826,780	826,840	0.0%		
Transfers	3,036,884	3,306,570	3,500,210	5.9%		
<b>Total Operating</b>	<b>39,541,592</b>	<b>31,362,550</b>	<b>34,834,010</b>	<b>11.1%</b>		
Capital	9,988,389	58,532,320	17,953,400	(69.3%)		
<b>Total Capital</b>	<b>9,988,389</b>	<b>58,532,320</b>	<b>17,953,400</b>	<b>(69.3%)</b>		
<b>Total Water &amp; Power</b>	<b>49,529,981</b>	<b>89,894,870</b>	<b>52,787,410</b>	<b>(41.3%)</b>		

## ***WATER & POWER***

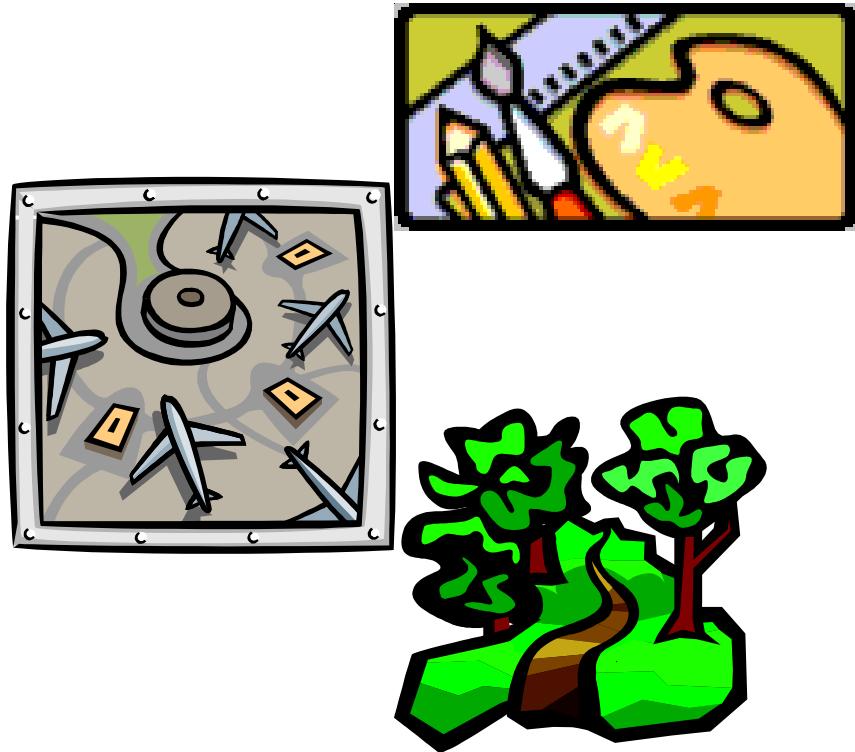
### ***Overview***

The Water and Power Department serves about 25,000 customers with a staff of 122 FTEs. It is an efficient and cost-effective organization that provides high quality water, reliable electricity and responsive service to the citizens of the City of Loveland.

The Department is made up of the electric, wastewater and water utilities. All costs are allocated to the three utility funds.



# OTHER FUNDS





## Airport Fund Summary

	2001 Actual	2002 Adjusted	2003 Budget	Percent Change 2002-03	2002	2003
					FTE	FTE
<b>Airport</b>	<b>711,320</b>	<b>1,702,690</b>	<b>392,890</b>	<b>(76.9%)</b>	<b>4.0</b>	<b>4.0</b>
<b>REVENUES</b>						
<b>Beginning Balance</b>	<b>248,941</b>	<b>290,850</b>	<b>102,400</b>			
Airport Revenue	258,375	444,240	444,240	-		
Contributions from Govts	476,913	990,000	120,000	(87.9%)		
Gifts and Donations	-	60,000	-			
Interest	17,943	20,000	15,000	(25.0%)		
<b>Subtotal Revenue</b>	<b>753,231</b>	<b>1,514,240</b>	<b>579,240</b>	<b>(61.7%)</b>		
<b>Total Resources</b>	<b>1,002,172</b>	<b>1,805,090</b>	<b>681,640</b>			
<b>APPROPRIATIONS</b>						
Personal Services	186,514	199,020	223,480	12.3%		
Supplies	19,814	10,750	10,750	-		
Purchased Services	100,863	338,370	91,960	(72.8%)		
Fixed Charges	23,515	40,000	42,150	5.4%		
Transfers	24,550	24,550	24,550	-		
Capital	356,064	1,090,000	-	(100.0%)		
<b>Total</b>	<b>711,320</b>	<b>1,702,690</b>	<b>392,890</b>	<b>(76.9%)</b>		
<b>Ending Balance</b>	<b>290,852</b>	<b>102,400</b>	<b>288,750</b>			
<b>BUDGET VARIANCES</b>						
(254,090)	Decrease in purchased services due to the one-time expense of the airshow.					
(1,090,000)	Decrease in capital due to one-time capital projects.					
34,290	Normal Increases					
24,460	Personal Services					
7,680	Purchased Services					
<b>(1,309,800)</b>	<b>Total Decrease</b>					

# AIRPORT

## Overview

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 Managers, provides on–site management of the day–to–day operations. The City Managers and the Airport Steering Committee are responsible for making major decisions similar to other operations of the City. An intergovernmental agreement specifies that the City of Fort Collins will provide supervision of the Airport Director and 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 contributes equal funding of \$60,000 for airport operating and capital costs. These contributions are included in airport revenues. Airport development and improvement funds are also received, for eligible projects, from the Federal Aviation Administration 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.

The Fixed–Base Operations (FBO), selected through a competitive proposal process, is leased to Fort Collins–Loveland Jet Center, Inc. This company is a chain operation providing aviation related services which are bringing new customers to the Airport.

The 2003 budget indicates that the Airport will be able to operate within the confines of its revenues. Monies received by the Airport from the cities are used to match funding from State and Federal grants.

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.

## Art in Public Places

Divisions	Actual	2002 Adjusted	2003 Budget	Percent		
				Change 2002-03	2002 FTE	2003 FTE
<b>Art in Public Places</b>	<b>126,837</b>	<b>99,880</b>	<b>99,880</b>	-	-	-
<b>REVENUES</b>						
<b>Beginning Balance</b>	<b>175,289</b>	<b>335,660</b>	<b>293,780</b>			
Interest	14,722	8,000	13,220	65.3%		
1% for the Arts	272,483	50,000	50,000	-		
<b>Subtotal Revenue</b>	<b>287,205</b>	<b>58,000</b>	<b>63,220</b>	9.0%		
<b>Total Resources</b>	<b>462,494</b>	<b>393,660</b>	<b>357,000</b>			
<b>APPROPRIATIONS</b>						
Personal Services	6,814	4,230	4,230	-		
Supplies	55	1,500	1,500	-		
Purchased Services	19,393	19,150	19,150	-		
Capital	100,575	75,000	75,000	-		
<b>Total</b>	<b>126,837</b>	<b>99,880</b>	<b>99,880</b>			
<b>Ending Balance</b>	<b>335,657</b>	<b>293,780</b>	<b>257,120</b>			

## ***ART IN PUBLIC PLACES***

### Overview

The Art in Public Places Fund is managed by the Cultural Affairs Department. The Art in Public Places program was established by ordinance in 1985. One percent of the cost of all City construction projects is deposited into the fund to be used for the acquisition of works of art, maintenance and repairs of works of art, and related administrative expenses. 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. The City currently owns works of art with an estimated value of \$4.2 million.

## Conservation Trust Fund Summary

Section Summary	2001 Actual	2002 Adjusted	2003 Budget	Percent		
				Change 2002-03	2002 FTE	2003 FTE
Conservation Trust Fund	245,338	2,250,410	1,755,370	(22.0%)	1.0	1.0
<b>Total</b>	<b>245,338</b>	<b>2,250,410</b>	<b>1,755,370</b>	<b>(22.0%)</b>		
<b>REVENUES</b>						
<b>Beginning Balance</b>	<b>3,255,414</b>	<b>3,768,430</b>	<b>2,246,020</b>			
Lottery Proceeds	432,580	410,000	420,000	2.4%		
Grants	86,212	168,000	353,800	110.6%		
Interest	239,564	150,000	101,070	(32.6%)		
<b>SubTotal</b>	<b>758,356</b>	<b>728,000</b>	<b>874,870</b>	<b>20.2%</b>		
<b>Total Resources</b>	<b>4,013,770</b>	<b>4,496,430</b>	<b>3,120,890</b>			
<b>APPROPRIATIONS</b>						
Personal Services	57,855	84,720	87,980	3.8%		
Supplies	18,236	15,250	15,650	2.6%		
Purchased Services	2,259	3,260	3,460	6.1%		
Fixed Charges	11,136	15,970	18,280	14.5%		
Transfers	-	-	1,200,000	-		
Capital	155,852	2,131,210	430,000	(79.8%)		
<b>Total</b>	<b>245,338</b>	<b>2,250,410</b>	<b>1,755,370</b>	<b>(22.0%)</b>		
<b>Ending Balance</b>	<b>3,768,433</b>	<b>2,246,020</b>	<b>1,365,520</b>			

### BUDGET VARIANCES

1,110 Increase in personal services for insurance benefits due to increased premium costs and forecasted increase in claims.

1,200,000 Increase in transfers for costs associated with the construction of the Youth Athletic Complex.

(1,701,210) Decrease in capital for one-time capital purchases.

5,060 Normal Increases

2,150 Personal Services

400 Supplies

200 Purchased Services

2,310 Fixed Charges

**(495,040) Total Decrease**

# **CONSERVATION TRUST**

## **Overview**

These 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.

## **Objective**

- ☞ Increase visits to natural areas.
- ☞ Increase recreation trail miles to achieve recommended service levels in the Master Plan.

<b><i>Performance Measures</i></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
% increase in visits by special groups to open lands areas for education.	N/A	N/A	20%
Developed miles of hard-surfaced trail per 1,000 residents.	N/A	N/A	1 mile

## General Improvement District #1 Summary

Section Summary	2001	2002	2003	Percent Change 2002-03	2002	2003
	Actual	Adjusted	Budget		FTE	FTE
<b>GID #1</b>	<b>14,437</b>	<b>74,500</b>	<b>24,500</b>	<b>(67.1%)</b>	-	-
<b>REVENUES</b>						
<b>Beginning Balance</b>	<b>86,159</b>	<b>106,180</b>	<b>62,140</b>			
Real Property	26,598	20,000	25,000	25.0%		
Interest on Investments	7,863	3,960	2,800	(29.3%)		
General Fund	-	6,500	6,500	-		
<b>Subtotal Revenue</b>	<b>34,461</b>	<b>30,460</b>	<b>34,300</b>	<b>12.6%</b>		
<b>Total Resources</b>	<b>120,620</b>	<b>136,640</b>	<b>96,440</b>			
<b>APPROPRIATIONS</b>						
Supplies	323	3,000	3,000	-		
Purchased Services	2,114	9,500	9,500	-		
Transfers	12,000	12,000	12,000	-		
Capital	-	50,000	-	(100.0%)		
<b>Total</b>	<b>14,437</b>	<b>74,500</b>	<b>24,500</b>	<b>(67.1%)</b>		
<b>Ending Balance</b>	<b>106,183</b>	<b>62,140</b>	<b>71,940</b>			

### BUDGET VARIANCES

(50,000) Decrease in capital due to one time construction.

**(50,000) Total Decrease**

## ***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.

## Internal Support Services Fund Summary

	2001 Actual	2002 Adjusted	2003 Budget	Percent Change 2002-03
<b>Departments:</b>				
Accounting	463,334	490,880	531,600	8.3%
Budget	138,567	140,960	152,150	7.9%
Facilities Management	2,362,494	2,690,370	2,625,670	(2.4%)
Finance Administration	134,174	262,870	360,410	37.1%
Human Resources	788,027	876,320	978,150	11.6%
Management Information	1,717,161	1,704,180	1,983,580	16.4%
Non-departmental	330,000	160,000	-	(100.0%)
Public Grounds	273,561	318,590	343,920	8.0%
<b>Total Internal Services Fund</b>	<b>6,207,318</b>	<b>6,644,170</b>	<b>6,975,480</b>	<b>5.0%</b>
<b>REVENUES</b>				
<b>Beginning Balance</b>	<b>1,426,328</b>	<b>827,940</b>	<b>488,260</b>	
Charges for Service	41,840	46,300	46,300	-
Interest	68,614	32,670	21,970	(32.8%)
Miscellaneous	527	-	-	-
Transfers	5,497,950	6,225,520	6,931,290	11.3%
<b>Subtotal Revenue</b>	<b>5,608,931</b>	<b>6,304,490</b>	<b>6,999,560</b>	<b>11.0%</b>
<b>Total Resources</b>	<b>7,035,259</b>	<b>7,132,430</b>	<b>7,487,820</b>	
<b>APPROPRIATIONS</b>				
Personal Services	3,096,377	3,439,340	3,856,510	12.1%
Supplies	482,202	361,540	382,990	5.9%
Purchased Services	1,893,734	2,216,000	2,282,250	3.0%
Fixed Charges	86,735	119,710	151,730	26.7%
Transfers	330,000	164,600	-	(100.0%)
Capital	318,270	342,980	302,000	(11.9%)
<b>Total</b>	<b>6,207,318</b>	<b>6,644,170</b>	<b>6,975,480</b>	<b>5.0%</b>
<b>Ending Balance</b>	<b>827,941</b>	<b>488,260</b>	<b>512,340</b>	

# ***INTERNAL SUPPORT SERVICES FUND***

## ***Overview***

Divisions included in the Internal Support Services Fund primarily provide services to the other City departments, rather than the general public. Revenues for the fund are from transfers from the General Fund and the Enterprise Funds based on an allocation of the services provided to these funds. This is one fund within the Internal Service Fund classification. The other funds are Employee Benefits (Human Resources Department), Fleet Management, Risk & Insurance (both in the Finance Department), and Vehicle Maintenance (Public Works Department). Summaries of these funds are provided in the Operating Section, in the specific department section that administers the fund. Detail for the divisions included in the Internal Support Service Fund can also be found in the Operating section under the Department chapter in which they reside.

Finance Administration, Accounting, and Budget Divisions provide financial assistance and reporting to the Council, the departments and the public. The two major publications provided for the public are the annual budget document and the Comprehensive Annual Financial Report (CAFR). In addition, departments are provided advice and assistance in preparing their annual budget submissions, developing long-term financial plans, and accounting for all activities of the departments.

The Facilities Management Division, under the Public Works Department, maintains all City buildings and all parking areas.

The Human Resources Department provides assistance in all personnel matters including hiring, termination, and benefits. The department also provides training to all departments in personnel management and policies and administers the Volunteer Program.

The Management Information Systems Division, under the Executive Department, maintains the City's information management systems and telephone system. The division administers the annual computer replacement program to keep the City current with changes in technology. The City's internal networks have improved efficiency and productivity throughout the City.

The Public Grounds Division, administered through the Parks & Recreation Department, maintains the open areas and landscaping at the Civic Center, Service Center and other City building sites.

## Loveland Larimer Building Authority

Divisions	2001 Actual	2002 Adopted	2003 Budget	Percent		
				Change 2002-03	2002 FTE	2003 FTE
Building Operations	-	429,540	447,020	4.1%	2.0	2.0
<b>REVENUES</b>						
<b>Beginning Balance</b>	-	-	-			
Larimer County Contribution	-	98,060	102,810	4.8%		
Transfer from General Fund	-	331,480	344,210	3.8%		
<b>Subtotal Revenue</b>	-	<b>429,540</b>	<b>447,020</b>	4.1%		
<b>Total Resources</b>	-	<b>429,540</b>	<b>447,020</b>			
<b>APPROPRIATIONS</b>						
Personal Services	-	80,160	91,280	13.9%		
Purchased Services	-	308,380	340,440	10.4%		
Fixed Charges	-	4,000	5,300	32.5%		
Capital	-	37,000	10,000	(73.0%)		
<b>Total</b>	-	<b>429,540</b>	<b>447,020</b>	4.1%		
<b>Ending Balance</b>	-	-	-			

### BUDGET VARIANCES

(27,000)	Decrease in capital due to one-time equipment purchases.
29,060	Increase in purchased services in repair and maintenance based on historical costs.
15,420	Normal Increases
	11,120 Personal Services
	3,000 Purchased Services
	1,300 Fixed Charges
<b>17,480</b>	<b>Total Increase</b>

## **LOVELAND LARIMER BUILDING AUTHORITY**

### Overview

The Loveland Larimer Building Authority was created to construct and operate the new Police/Court Facility on Monroe and 10th Street. This will be the second 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, and will be 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.

## Park Improvement Fund Summary

	2001 Actual	2002 Adjusted	2003 Budget	Percent Change		
				2002-03	2002 FTE	2003 FTE
<b>Section Summary:</b>						
Park Improvements	-	111,000	436,900	293.6%	-	-
<b>Total</b>	<b>-</b>	<b>111,000</b>	<b>436,900</b>	<b>293.6%</b>	<b>-</b>	<b>-</b>
<b>REVENUES</b>						
<b>Beginning Balance</b>	<b>1,220,518</b>	<b>1,402,890</b>	<b>1,489,240</b>			
County Fees	29,665	30,000	5,000	(83.3%)		
User Fees	42,941	41,350	47,300	14.4%		
Interest	98,831	70,000	67,020	(4.3%)		
Grants	-	56,000	-	-		
Other Revenue	10,936	-	-	-		
<b>Total</b>	<b>182,373</b>	<b>197,350</b>	<b>119,320</b>	<b>(39.5%)</b>		
<b>Total Resources</b>	<b>1,402,891</b>	<b>1,600,240</b>	<b>1,608,560</b>			
<b>APPROPRIATIONS</b>						
Transfers	-	-	400,000	-		
Capital	-	111,000	36,900	(66.8%)		
<b>Total</b>	<b>-</b>	<b>111,000</b>	<b>436,900</b>	<b>293.6%</b>		
<b>Ending Balance</b>	<b>1,402,891</b>	<b>1,489,240</b>	<b>1,171,660</b>			

### BUDGET VARIANCES

400,000 Increase in transfers for costs associated with Youth Sports Complex.

(74,100) Decrease in capital one-time costs associated with repair and improvement of existing park structures and facilities.

**325,900 Total Increase**

## **PARK IMPROVEMENT FUND**

### Overview

The Parks & Recreation Department administers and manages the parks and recreation improvement program which is responsible for the capital repair and improvement of existing park structures and facilities.

## Open Space Sales Tax Fund Summary

Section Summary	2001	2002	2003	Percent Change 2002-03	2002	2003
	Actual	Adjusted	Budget		FTE	FTE
<b>Open Space</b>	<b>376,409</b>	<b>2,111,330</b>	<b>1,224,470</b>	<b>(42.0%)</b>	<b>2.0</b>	<b>2.0</b>
<b>REVENUES</b>						
<b>Beginning Balance</b>	<b>1,533,103</b>	<b>2,969,260</b>	<b>2,519,730</b>			
GOCO Legacy Grant	341,920	300,000	-	100.0%		
County Open Space Taxes	1,304,156	1,270,000	1,320,800	4.0%		
Interest on Investments	165,202	57,800	113,390	96.2%		
Donations	1,288	34,000	-	100.0%		
<b>Total</b>	<b>1,812,566</b>	<b>1,661,800</b>	<b>1,434,190</b>	<b>(13.7%)</b>		
<b>Total Resources</b>	<b>3,345,669</b>	<b>4,631,060</b>	<b>3,953,920</b>			
<b>APPROPRIATIONS</b>						
Personal Services	95,191	119,010	131,170	10.2%		
Supplies	1,024	1,790	2,500	39.7%		
Purchased Services	24,800	31,030	31,300	0.9%		
Capital	255,394	1,959,500	1,059,500	(45.9%)		
<b>Total</b>	<b>376,409</b>	<b>2,111,330</b>	<b>1,224,470</b>	<b>(42.0%)</b>		
<b>Ending Balance</b>	<b>2,969,260</b>	<b>2,519,730</b>	<b>2,729,450</b>			

### BUDGET VARIANCES

(900,000) Decrease in capital for one-time capital purchases.

13,140 Normal Increases  
 12,160 Personal Services  
 710 Supplies  
 270 Purchased Services

**(886,860) Total Decrease**

# OPEN SPACE

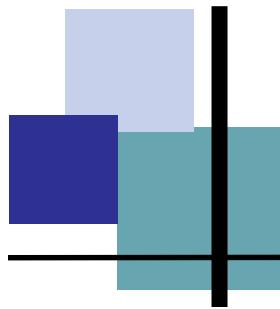
## Overview

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 the Larimer County open lands sales tax of .25 cents, which was approved through 2018.

## Objective

- ☞ Increase amount of Open Lands in and surrounding Loveland.
- ☞ Increase number of Management and Maintenance Plans.

<b>Performance Measures</b>		<b>2001</b>	<b>2002</b>	<b>2003</b>
		<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
# of acres of open lands perserved.		2,718	3,061	3,261
# of open land acres with management/ maintenance plans.		N/A	N/A	50%



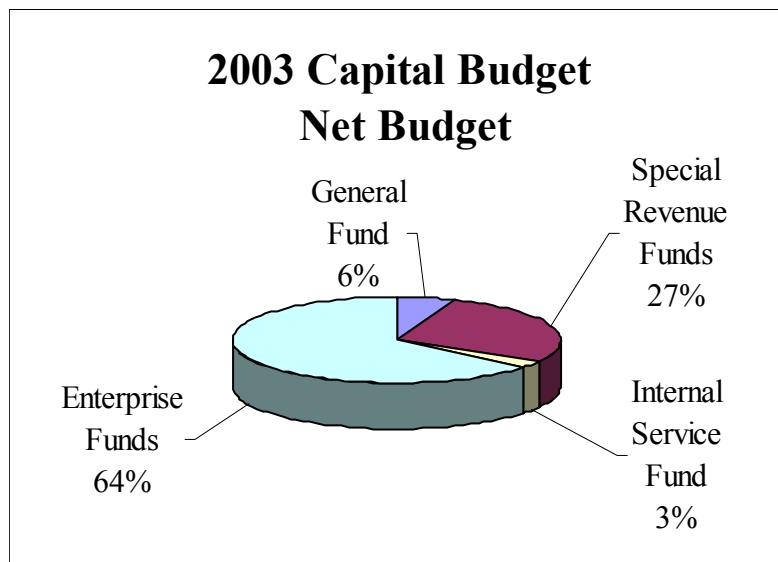
# CAPITAL IMPROVEMENT PLAN





# CAPITAL IMPROVEMENT PLAN

The City of Loveland's Five-Year Capital Improvement Plan 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 plan 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 plan is from dedicated resources, not General Fund resources as shown in the graph below.



All projects included in the first year of the Capital Plan are funded in the 2003 Recommended Budget. Projects included in the "out-years" (2004–2007) will be approved by Council in concept only. The plan will be updated annually to address specific needs as they arise, or as Council goals and policy changes.

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 twenty year transportation plan to widen existing and construct new streets necessary to keep traffic movement at "Level C". The Transportation Plan is shown as unfunded beginning in 2003 in this document as we await the outcome of the election this fall asking voters for an additional quarter-cent of sales tax to fund the General Fund portion of the Plan. Staff will bring to Council a supplemental budget ordinance after the first of the year to budget the street program, depending on the outcome of the election.

## All Funds Summary

	2002 Revised	2003 Proposed
<b>General Fund</b>		
General Capital Fund	15,137,790	6,280,500
Internal Service Fund	860,070	1,703,470
<b>Total General Fund</b>	<b>15,997,860</b>	<b>7,983,970</b>
<b>Special Revenue Funds</b>		
Capital Expansion Fee Fund	9,941,240	6,115,000
Parks Improvement Fund	111,000	436,900
Conservation Trust Fund	2,131,210	1,630,000
Open Space Sales Tax Fund	1,959,500	1,059,500
<b>Total Special Revenue Funds</b>	<b>14,142,950</b>	<b>9,241,400</b>
<b>Enterprise Funds</b>		
Golf Fund	1,114,350	1,332,050
Water Fund	42,030,470	5,312,930
Waste Water Fund	7,927,860	5,391,490
Power Fund	8,806,490	7,363,380
Storm Water Fund	3,970,760	2,182,000
<b>Total Enterprise Funds</b>	<b>63,849,930</b>	<b>21,581,850</b>
<b>Total City Capital Expenditures</b>	<b>93,990,740</b>	<b>38,807,220</b>
Less Transfers	(5,455,240)	(6,958,570)
<b>Net Capital Expenditures</b>	<b>88,535,500</b>	<b>31,848,650</b>

# **CAPITAL IMPROVEMENT PLAN OVERVIEW**

The majority of the Capital Plan resides in the Enterprise 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 Improvement Plan.

## **Building Projects**

Police and Courts Building – Payments towards the sale/leaseback arrangement that financed the construction of the new Police and Court building will continue through 2006. The funding source in General Fund revenues.

Facility Maintenance Projects – Beginning in 2003 the City is beginning an accelerated facility maintenance program. Many of the City facilities are now over ten years in age, and will require an increased maintenance effort. This will include roof replacements, upgrade or replace heating and cooling systems, carpet replacement, and general repair. The City will put nearly \$3.0 million towards this effort over the five-year period. The funding source in General Fund revenues.

Service Center Addition – Phase III of the addition to the Service Center Complex will house the Streets, Solid Waste, Traffic Engineering, Street Project Engineering and the Storm Water Divisions, along the equipment associated with these operations. The project is projected to cost \$5.2 million to complete, and is projected to open in 2008. The funding source is General Government impact fees and Storm Water and Solid Waste Enterprise revenues.

Fire Stations – Fire Station 6 is programmed for construction in 2003 and will be put in operation in 2004. The station will be sited on the east side of town to meet the demand from the increased growth in that area. The design for Fire Station 7 is included in 2007. Operations are projected to begin in 2009. The funding source for both stations in Fire impact fees.

Golf Course Club House Improvements – included in the plan is over \$2 million for improvements to the Olde Course Club House and Shop Buildings, and over \$900,000 for improvements to the Club House at the Mariana Butte Course. The funding source for both projects is Golf Enterprise revenues.

Recreation Center Expansion – The expansion of the Recreation Center will provide additional court space, and exercise space. The total cost is projected to be \$6.9 million. The funding source is Recreation impact fees.

## **Park Projects**

Youth Sports Complex - \$6.3 million is included for development of the new Sports Complex on eighty five acres donated to the city on the east side of town. The Complex will provide new ball diamonds, and multi use fields for soccer, football, or other outdoor recreational activities.

With funding included in the 2001 and 2002 budgets of \$3.7 million, the total cost for the complex is projected to be \$10 million. The Complex is projected to open in 2005. The funding sources are park impact fees, lottery funds, park improvement funds, and general fund revenues.

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 \$5.6 million and the facility is planned to open in 2005. The funding source is Park impact fees.

Recreation Facility Pool Expansion and Improvement – The project to enhance the recreation facility and pool is projected at \$2 million in 2007. The funding source is Recreation impact fees.

Open Land Acquisition – Over \$10 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 fee and the County Open Space Sales tax.

Trail Construction - \$2.5 million are programmed over the next five years for construction of the bike/hike trail that will circle the city upon completion. The funding source is Colorado Lottery funds.

Golf Course Improvements – Course improvements at the three golf courses are programmed at \$1.6 million over the five-year period, with \$650,000 at the Olde Course, \$560,000 at the Mariana Butte Course, and \$395,000 at the Cattail Creek Course. The funding source is golf Enterprise revenues.

### **Infrastructure Projects**

Storm Water System Improvements- \$8.6 million in storm water improvements is programmed over the five-year period. The funding source is Storm Water Enterprise revenues.

Storm Water Quality - \$625,000 over the five-year period is programmed for the new storm water quality program to meet increasing storm water quality regulations. The funding source is Storm Water Enterprise revenues.

Oversizing - \$2.7 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 - \$10.3 million in various water delivery projects, including main extensions and oversizing is programmed over the five-year period. The funding source is Water Enterprise revenues and water impact fees.

Water Treatment Plant Improvements - \$7.6 million for improvements to the water treatment plant are programmed to both add capacity and to meet new, stricter regulations for water quality. The funding source is Water Enterprise revenues and water impact fees.

Wastewater Collection Lines and Main Improvements - \$1.48 million is programmed for collection line and wastewater main improvements. The funding source is Wastewater Enterprise revenues and impact fees.

Wastewater Treatment Plant Improvements - \$2.3 million for improvements to the wastewater treatment plant are programmed to both add capacity and to meet new, stricter regulations for water quality. The funding source is Wastewater Enterprise revenues and impact fees.

Power Distribution Projects - \$30.8 million over the five-year period is programmed for various power distribution projects. The funding source is Power Enterprise revenues and impact fees.

### **Operating Impacts**

For most of the capital plan, 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 will actually go down since they are replacing old lines or equipment, increasing the reliability, and decreasing annual maintenance required.

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 below.

<b><u>Project</u></b>	<b><u>2004</u></b>	<b><u>2005</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>
Service Cntr.	-	-	-	125,000	-
Fire Station 6	600,000	-	-	-	-
Rec. Cntr. Exp.	-	-	-	-	275,000
Yth. Complex	-	500,000	-	-	-
Mehaffey Park	-	400,000	-	-	-
Rec./Pool Exp.	-	-	-	-	100,000
<b>Total</b>	<b>\$600,000</b>	<b>\$900,000</b>	—	<b>125,000</b>	<b>\$375,000</b>

For more detail on the capital projects, see each individual fund capital plan, on the pages that follow.

## Capital Projects Fund

### Revenues

Description	2003	2004	2005	2006	2007
Transfer from CEF - General Govt.	-	-	-	104,000	3,069,000
Transfer From CEF - Streets	-	-	-	-	-
Transfer From CEF - Parks	2,700,000	-	-	-	-
Transfer From CEF - Fire	-	-	-	-	-
Transfer from Con. Trust Fund	1,200,000	-	-	-	-
Transfer from Park Improvement	400,000	-	-	-	-
Transfer from Solid Waste	-	-	-	-	1,534,500
Transfer from Storm Water	-	-	-	-	511,500
Transfer From General Fund	1,980,500	3,403,000	3,774,500	8,489,000	1,580,000
<b>Total Revenue</b>	<b>6,280,500</b>	<b>3,403,000</b>	<b>3,774,500</b>	<b>8,593,000</b>	<b>6,695,000</b>

### Appropriations

Phone Switch Upgrade	-	150,000	-	-	-
Server Replacement	50,500	65,000	29,000	50,500	65,000
Fiber Backbone Upgrade	-	-	-	-	50,000
MIS-AS-400 Computer Upgrade	-	-	125,000	-	-
MIS-Network Switchgear Rplcmt.	-	100,000	-	-	100,000
<b>Subtotal Executive</b>	<b>50,500</b>	<b>315,000</b>	<b>154,000</b>	<b>50,500</b>	<b>215,000</b>
Squad 1 Replacement Vehicle	-	250,000	-	-	-
Community Siren/voice system	-	320,000	-	-	-
Improve Fire Training Grounds	-	86,000	34,000	23,500	25,000
Engine 6 replacement	-	-	-	-	600,000
<b>Total Fire &amp; Rescue</b>	<b>-</b>	<b>656,000</b>	<b>34,000</b>	<b>23,500</b>	<b>625,000</b>
Upgrade III to Millenium product	-	-	400,000	-	-
Council Chambers Presentation Equip.	50,000	-	-	-	-
<b>Total Library</b>	<b>50,000</b>	<b>-</b>	<b>400,000</b>	<b>-</b>	<b>-</b>
Service Center Phase III	-	-	-	104,000	5,115,000
Facility Roof Projects	-	175,000	-	275,000	-
Facilities Bld. Maintenance Projects	350,000	542,000	1,076,500	110,000	180,000
Facility Carpet Replacement	-	135,000	30,000	-	110,000
Street Construction	-	-	-	-	-
<b>Subtotal Public Works</b>	<b>350,000</b>	<b>852,000</b>	<b>1,106,500</b>	<b>489,000</b>	<b>5,405,000</b>

Police/Court Lease payment	1,530,000	1,530,000	1,530,000	1,530,000	-
New Firing Range	-	-	550,000	-	-
SWAT Van	-	50,000	-	-	-
Mobil Command Post	-	-	-	250,000	-
<b>Subtotal Police</b>	<b>1,530,000</b>	<b>1,580,000</b>	<b>2,080,000</b>	<b>1,780,000</b>	-
Youth Sports Complex	4,300,000	-	-	2,000,000	-
Jayhawker Water Augmentation	-	-	-	-	-
Centennial Park Redevelopment	-	-	-	-	450,000
Old Fairground Renovation	-	-	-	4,250,000	-
<b>Subtotal Parks</b>	<b>4,300,000</b>	-	-	<b>6,250,000</b>	<b>450,000</b>
<b>Total General Fund</b>	<b>6,280,500</b>	<b>3,403,000</b>	<b>3,774,500</b>	<b>8,593,000</b>	<b>6,695,000</b>

## CAPITAL PROJECTS FUND

Projects for 2003 include:

- ☞ Funding for Phase I of the Youth Sports Complex (\$4,300,000). The Complex is planned for completion in 2005 and will have an operating cost of \$524,000 annually.
- ☞ Funding for major maintenance at City facilities (\$350,000).
- ☞ Funding for a computer server replacement (\$50,500).
- ☞ Funding for presentation equipment in the Council Chambers (\$50,000).
- ☞ Major projects in the out-years include payments on the lease for the Police/Courts Facility, which run through 2006; the design and construction of the Phase III addition to the Service Center to house the Streets Division, Solid Waste Division, Traffic Division, Project Engineering and Storm Water Division, and the equipment associated with these operations, renovation of the old fairgrounds after the County moves to its new facility in 2003, the completion of the Youth Sports Complex, and the purchase of replacement fire apparatus.

## Internal Service Fleet Fund

### Revenues

Description	2003	2004	2005	2006	2007
Fund Balance - Fleet	3,611,960	2,660,570	2,627,730	3,015,160	2,702,850
Vehicle Replacement Charges	752,080	774,800	798,050	822,000	846,650
<b>Total Revenue</b>	<b>4,364,040</b>	<b>3,435,370</b>	<b>3,425,780</b>	<b>3,837,160</b>	<b>3,549,500</b>

### Appropriations

Description	2003	2004	2005	2006	2007
<b>Fleet Services</b>					
Vehicle Replacement	960,000	666,540	334,070	984,200	335,110
Transfer to Golf	48,870	-	-	-	-
Transfer to Water & Power	298,820	98,940	70,010	84,010	5,850
Transfer to Solid Waste	330,380	-	-	-	-
Transfer to Storm Water	65,400	42,160	6,540	66,100	4,420
<b>Total Fleet Fund</b>	<b>1,703,470</b>	<b>807,640</b>	<b>410,620</b>	<b>1,134,310</b>	<b>345,380</b>
<b>Ending Balance</b>	<b>2,660,570</b>	<b>2,627,730</b>	<b>3,015,160</b>	<b>2,702,850</b>	<b>3,204,120</b>

## ***INTERNAL SERVICE FLEET FUND***

The Fleet Replacement Fund, managed by the Finance Department, provides for the annual replacement of vehicles when they have outlived their useful life. Funding is provided by an internal service charge to all the departments based on the anticipated replacement cost and remaining life of the vehicles in the fleet. Beginning in 1999, Fleet Management for the utilities was transferred to the Utility Accounting Division and the utilities no longer pay replacement charges into the fund. Vehicle replacement is included in the utilities capital program. Transfers from the fleet fund to the utilities are to return balances paid to the fleet fund prior to the utilities taking over management of their fleet. The Solid Waste Enterprise Fund, and the Golf Enterprise Fund have followed the utilities model and are no longer paying replacement charges into the fund.

## **Capital Expansion Fee Fund Summary**

<b>Description</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
CEF Fees	9,833,660	10,394,390	10,768,550	11,156,510	11,559,160
CEF Interest	1,037,390	1,216,540	1,469,620	1,691,280	2,010,420
Fund Balance	22,278,290	27,034,340	32,658,520	37,584,103	44,675,676
<b>Total Revenue</b>	<b>33,149,340</b>	<b>38,645,270</b>	<b>44,896,690</b>	<b>50,431,893</b>	<b>58,245,256</b>
<b>Appropriations</b>					
<b>Description</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Street Projects	-	-	-	-	-
Park Projects	3,715,000	5,986,750	7,208,588	2,641,217	3,842,543
Fire Projects	1,900,000	-	-	-	425,000
General Government Projects	500,000	-	104,000	3,115,000	-
Police Projects	-	-	-	-	-
<b>Total CEFs</b>	<b>6,115,000</b>	<b>5,986,750</b>	<b>7,312,588</b>	<b>5,756,217</b>	<b>4,267,543</b>
<b>Ending Balance</b>	<b>27,034,340</b>	<b>32,658,520</b>	<b>37,584,103</b>	<b>44,675,676</b>	<b>53,977,713</b>

## **CAPITAL EXPANSION FEE FUND**

The Capital Expansion Fee (CEF) Fund is the funding source for new facilities or infrastructure that are 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 maintain service levels are not eligible for funding from these fees. The City currently has CEF fees for Streets, Parks, Recreation, Trails, Fire, Law Enforcement, the Library, the Museum, and General Government.

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 Plans.

## **CEF Fund - Streets**

### **Revenues**

<b>Description</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Street CEF Fund balance	2,654,630	7,994,670	13,877,600	20,242,030	27,118,390
Street CEF	5,114,810	5,523,170	5,739,940	5,965,470	6,200,130
Interest	225,230	359,760	624,490	910,890	1,220,330
<b>Total Revenue</b>	<b>7,994,670</b>	<b>13,877,600</b>	<b>20,242,030</b>	<b>27,118,390</b>	<b>34,538,850</b>

### **Appropriations**

<b>Description</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>Street Widening Projects</b>					
Transfer to Fund 2 -St.Projects	-	-	-	-	-
Engineering	-	-	-	-	-
<b>Subtotal Street Widening</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Streets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Ending Street CEF Balance</b>	<b>7,994,670</b>	<b>13,877,600</b>	<b>20,242,030</b>	<b>27,118,390</b>	<b>34,538,850</b>

## ***STREET CEFs CAPITAL PLAN***

City Council approved the 2020 Transportation Master Plan in 2000. 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 grants and General Fund revenue to fully fund all the projects. The City will be asking the citizens for an additional quarter-cent sales tax in November to help fund the General Fund share of the plan. Depending on the outcome of the election, staff will bring to Council a supplemental appropriation after the first of the year to budget the Street Construction Program, which will include the use of CEF funds.

**Capital Improvement Plan**

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**CEF Fund - Parks/Recreation/Trails/Open Space**

**Revenues**

<b>Description</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Parks CEF Fund Balance	5,431,820	3,886,680	471,330	1,428,393	1,221,026
Recreation CEF Fund Balance	4,396,490	5,339,770	5,753,310	509,430	1,354,190
Trails CEF Fund Balance	125,390	226,460	339,750	461,340	115,990
Open Space Fund Balance	220,990	28,770	14,960	7,820	7,860
Parks Interest	239,860	174,900	21,210	64,280	54,950
Recreation Interest	193,280	240,290	258,900	22,920	60,940
Trails Interest	1,070	10,190	15,290	20,760	5,220
Open Space Interest	9,940	1,290	670	350	350
Parks CEF	1,500,000	1,546,500	1,594,440	1,643,870	1,694,830
Recreation CEF	750,000	773,250	797,220	821,840	847,420
Trails CEF	100,000	103,100	106,300	109,590	112,990
Open Space CEF	227,840	234,900	242,190	249,690	257,430
<b>Total Revenue</b>	<b>13,196,680</b>	<b>12,566,100</b>	<b>9,615,570</b>	<b>5,340,283</b>	<b>5,733,196</b>

**Appropriations**

<b>Description</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Transfer to Capital Project Fund	2,700,000	-	-	-	-
Mehaffey Park	550,000	5,100,000	-	-	-
Kroh Park Phase II	-	-	95,000	875,000	-
.5 Park Planner/Water Eng Position	35,000	36,750	38,588	40,517	42,543
Park Land Aquisition	-	-	525,000	-	300,000
Park Land Development	-	-	-	1,000,000	1,250,000
Trails	-	-	-	475,700	-
Recreation Center Expansion	-	600,000	6,300,000	-	-
Rec. Facility/Pool/Exp and Improv.	-	-	-	-	2,000,000
Open Lands Aquisit/Restoration	430,000	250,000	250,000	250,000	250,000
<b>Total Parks</b>	<b>3,715,000</b>	<b>5,986,750</b>	<b>7,208,588</b>	<b>2,641,217</b>	<b>3,842,543</b>
<b>Ending Park Balance</b>	<b>3,886,680</b>	<b>471,330</b>	<b>1,428,393</b>	<b>1,221,026</b>	<b>1,378,263</b>
<b>Ending Recreation Balance</b>	<b>5,339,770</b>	<b>5,753,310</b>	<b>509,430</b>	<b>1,354,190</b>	<b>262,550</b>
<b>Ending Trails Balance</b>	<b>226,460</b>	<b>339,750</b>	<b>461,340</b>	<b>115,990</b>	<b>234,200</b>
<b>Ending Open Space Balance</b>	<b>28,770</b>	<b>14,960</b>	<b>7,820</b>	<b>7,860</b>	<b>15,640</b>

## **PARKS AND RECREATION CAPITAL PLAN**

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 spacing of projects within this plan.

Major projects for 2003 include:

- ☞ A transfer to the Capital Projects Fund for construction of the Youth Athletic Complex project. The complex is projected to open in 2005 with an estimated operating cost of \$524,000.
- ☞ The design for Mehaffey Park, located in the northwest part of town. Construction will follow in 2004. Operations at the park will begin in 2005 with an estimated operating cost of \$400,000.
- ☞ The purchase of additional open lands, funded by the new CEF approved in 2002. These purchases will preserve open space around the community from development.

Major projects in the "out years" include:

- ☞ The expansion of the Hatfield-Chilson Recreation Center to meet demand and growth in the community, funded by Recreation CEFs. Operations due to the expansion are projected to begin in 2008 with an operation impact of \$275,000.
- ☞ Expansion and improvement of the recreation facility pool. Operations are to begin in 2008 at a cost of \$100,000.
- ☞ Additional park land and open space as land and willing sellers become available.

## Other CEF Funds

### Revenues

Description	2003	2004	2005	2006	2007
Fire CEF Fund Balance	2,873,190	1,571,420	2,164,090	2,801,720	3,487,000
Law Enf. CEF Fund Balance	313,210	681,220	1,073,740	1,496,620	1,951,670
Library CEF Fund Balance	1,228,530	1,646,820	2,092,320	2,569,370	3,079,760
Museum CEF Fund Balance	1,360,860	1,667,450	2,008,280	2,372,680	2,761,970
General Govt. CEF Fund Balance	3,673,180	3,991,080	4,863,140	5,694,700	3,577,820
Fire Interest	93,920	70,710	97,380	126,080	156,920
Law Enforcement Interest	18,380	30,650	48,320	67,350	87,830
Library Interest	58,070	74,110	94,150	115,620	138,590
Museum Interest	48,790	75,040	90,370	106,770	124,290
General Government Interest	148,850	179,600	218,840	256,260	161,000
Fire CEF	504,310	521,960	540,250	559,200	578,840
Law Enforcement CEF	349,630	361,870	374,560	387,700	401,320
Library CEF	360,220	371,390	382,900	394,770	407,010
Museum CEF	257,800	265,790	274,030	282,520	291,280
General Government CEF	669,050	692,460	716,720	741,860	767,910
<b>Total Revenue</b>	<b>11,957,990</b>	<b>12,201,570</b>	<b>15,039,090</b>	<b>17,973,220</b>	<b>17,973,210</b>

### Appropriations

Description	2003	2004	2005	2006	2007
Transfer to Power Fund	500,000	-	-	-	-
Transfer to Capital Projects Fund	-	-	104,000	3,115,000	-
Transfer to Fleet Fund (Police )	-	-	-	-	-
<b>Subtotal Transfers</b>	<b>500,000</b>	<b>-</b>	<b>104,000</b>	<b>3,115,000</b>	<b>-</b>
Fire Station 6	1,500,000	-	-	-	-
Fire Station 6 Engine	400,000	-	-	-	-
Station 7 Site Aquisition	-	-	-	-	-
Fire Station 7 Engine	-	-	-	-	425,000
<b>Subtotal projects</b>	<b>1,900,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>425,000</b>
<b>Total Other CEFs</b>	<b>2,400,000</b>	<b>-</b>	<b>104,000</b>	<b>3,115,000</b>	<b>425,000</b>
<b>Ending Fire Balance</b>	<b>1,571,420</b>	<b>2,164,090</b>	<b>2,801,720</b>	<b>3,487,000</b>	<b>3,797,760</b>
<b>Ending Law Enf. Balance</b>	<b>681,220</b>	<b>1,073,740</b>	<b>1,496,620</b>	<b>1,951,670</b>	<b>2,440,820</b>
<b>Ending Library Balance</b>	<b>1,646,820</b>	<b>2,092,320</b>	<b>2,569,370</b>	<b>3,079,760</b>	<b>3,625,360</b>
<b>Ending Museum Balance</b>	<b>1,667,450</b>	<b>2,008,280</b>	<b>2,372,680</b>	<b>2,761,970</b>	<b>3,177,540</b>
<b>Ending General Govt. Balance</b>	<b>3,991,080</b>	<b>4,863,140</b>	<b>5,694,700</b>	<b>3,577,820</b>	<b>4,506,730</b>

## ***OTHER CEF CAPITAL PLAN***

Funding includes transfers to the Capital Projects Fund to buy land with General Government funds at the Service Center complex from the Power Utility. This is the second year of a two-year purchase plan.

Fire Station 6 is programmed for construction in 2004. Fire Station 6 will be located on the east side of town. The cost for the purchase of the engine for this station is included. The operating cost for the station is estimated at \$600,000 beginning in 2004.

In 2005, design costs for Phase III of the Service Center addition are programmed with construction in 2006. The addition will house the personnel and equipment for the Solid Waste Utility, the Storm Water Utility, Traffic, Project Engineering and the Street Maintenance Division. A portion of the cost of the project will be provided by the Solid Waste Enterprise and the Storm Water Enterprise with the balance from General Government CEFs. The operational impact in 2007 is projected at \$125,000.

## **Park Improvement Fund**

### **Resources**

<b>Description</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Fund Balance	1,489,240	1,171,660	1,216,380	1,209,120	1,256,730
User Fees	52,300	42,000	43,000	43,200	43,500
Interest	67,020	52,720	54,740	54,410	56,550
<b>Total Revenue</b>	<b>1,608,560</b>	<b>1,266,380</b>	<b>1,314,120</b>	<b>1,306,730</b>	<b>1,356,780</b>

### **Appropriations**

<b>Description</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Facility Improvements/Repair	36,900	50,000	50,000	50,000	50,000
North Lake Train Repair/Replace	-	-	55,000	-	-
Trf to Fund 2 Youth Athletic Complex	400,000	-	-	-	-
<b>Total Park Improvments</b>	<b>436,900</b>	<b>50,000</b>	<b>105,000</b>	<b>50,000</b>	<b>50,000</b>
<b>Ending Balance</b>	<b>1,171,660</b>	<b>1,216,380</b>	<b>1,209,120</b>	<b>1,256,730</b>	<b>1,306,780</b>

## **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. Included in 2003, is a transfer to the Capital Projects Fund for partial funding of the new Youth Athletic Complex.

## **Conservation Trust Fund**

### **Revenues**

<b>Description</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Fund Balance	2,246,020	1,365,520	4,439,070	4,749,070	4,784,070
Lottery Proceeds	395,700	4,250,000	430,000	435,000	440,000
Grants	353,800	225,200	-	-	-
<b>Total Revenue</b>	<b>2,995,520</b>	<b>5,840,720</b>	<b>4,869,070</b>	<b>5,184,070</b>	<b>5,224,070</b>

### **Appropriations**

<b>Description</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Trail Design and Construction	430,000	1,401,650	120,000	400,000	150,000
Trf to Fund 2 Youth Sports Complex	1,200,000	-	-	-	-
<b>Total Conservation Trust</b>	<b>1,630,000</b>	<b>1,401,650</b>	<b>120,000</b>	<b>400,000</b>	<b>150,000</b>
<b>Ending Balance</b>	<b>1,365,520</b>	<b>4,439,070</b>	<b>4,749,070</b>	<b>4,784,070</b>	<b>5,074,070</b>

## **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. Beginning in 2000, interest generated by the lottery proceeds is used to fund maintenance of the trails that have been built to date.

Acquisition, design and/or construction of the following segments is planned for 2003:

Segment 9 - Recreation Trail Highway 34 West Underpass.

Also funded is a transfer to the Capital Projects Fund (\$1,200,000) for partial funding of the new Youth Athletic Complex.

## **Open Space Sales Tax Fund**

### **Revenues**

<b>Description</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Fund Balance	2,519,730	2,729,450	3,043,580	3,422,160	3,407,880
Sales Tax Proceeds	1,269,220	1,373,630	1,428,580	1,485,720	1,545,150
<b>Total Revenue</b>	<b>3,788,950</b>	<b>4,103,080</b>	<b>4,472,160</b>	<b>4,907,880</b>	<b>4,953,030</b>

### **Appropriations**

<b>Description</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Land Acquisition	1,059,500	1,059,500	1,050,000	1,500,000	1,500,000
<b>Total Open Space</b>	<b>1,059,500</b>	<b>1,059,500</b>	<b>1,050,000</b>	<b>1,500,000</b>	<b>1,500,000</b>
<b>Ending Balance</b>	<b>2,729,450</b>	<b>3,043,580</b>	<b>3,422,160</b>	<b>3,407,880</b>	<b>3,453,030</b>

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## **OPEN SPACE**

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

### Revenues

Description	2003	2004	2005	2006	2007
Golf Revenues	884,420	1,488,740	1,079,930	1,158,030	1,481,130
Fund Balance	1,601,280	1,153,650	1,321,090	1,711,370	1,425,700
<b>Total Revenue</b>	<b>2,485,700</b>	<b>2,642,390</b>	<b>2,401,020</b>	<b>2,869,400</b>	<b>2,906,830</b>

### Appropriations

Description	2003	2004	2005	2006	2007
<b>Olde Course</b>					
Equipment Replacement	7,350	299,450	33,750	123,700	65,000
Club House & Shop Bld. Imp.	330,000	200,000	-	750,000	750,000
Course Improvements	145,000	395,000	100,000	10,000	-
<b>Subtotal Olde Course</b>	<b>482,350</b>	<b>894,450</b>	<b>133,750</b>	<b>883,700</b>	<b>815,000</b>
<b>Mariana Butte</b>					
Equipment Replacement	202,700	416,850	68,900	-	69,800
Course Improvements	375,000	-	-	-	193,000
Maintenance Bld. & Clubhouse Imp.	60,000	-	400,000	450,000	-
<b>Subtotal Mariana Butte</b>	<b>637,700</b>	<b>416,850</b>	<b>468,900</b>	<b>450,000</b>	<b>262,800</b>
<b>Cattail Creek</b>					
Course Improvements	200,000	-	75,000	100,000	20,000
Equipment Replacement	12,000	10,000	12,000	10,000	12,000
<b>Subtotal Cattail Creek</b>	<b>212,000</b>	<b>10,000</b>	<b>87,000</b>	<b>110,000</b>	<b>32,000</b>
<b>Total Golf</b>	<b>1,332,050</b>	<b>1,321,300</b>	<b>689,650</b>	<b>1,443,700</b>	<b>1,109,800</b>
<b>Ending Balance</b>	<b>1,153,650</b>	<b>1,321,090</b>	<b>1,711,370</b>	<b>1,425,700</b>	<b>1,797,030</b>

## GOLF ENTERPRISE FUND

Major projects for 2003 include:

- ☞ Funding for course improvements at Mariana Butte Course, Olde Course and Cattail Creek at a cost of \$720,000.
- ☞ Funding to continue the equipment replacement program for all three golf courses.
- ☞ Funding for improvements to the Olde Course Clubhouse of \$330,000.

Major projects in the future include completion of the improvements to the Olde Course Clubhouse and shop buildings; improvements to the Mariana Butte Clubhouse and maintenance building; and the construction of additional restrooms and shelters on all courses.

## **Storm Water Enterprise Fund**

### **Revenues**

<b>Description</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Operating Revenues	1,998,280	1,630,200	2,000,130	2,086,470	2,256,710
SIF Fees	379,000	390,000	402,000	415,000	428,000
SIF Interest	30,000	26,310	18,870	11,600	4,560
Fund Balance	1,815,150	2,040,430	295,760	376,730	109,170
<b>Total Revenue</b>	<b>4,222,430</b>	<b>4,086,940</b>	<b>2,716,760</b>	<b>2,889,800</b>	<b>2,798,440</b>

### **Appropriations**

<b>Description</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Engineering Design	355,000	175,000	135,000	155,000	125,000
Construction Projects	810,000	2,663,300	1,166,700	1,520,200	1,523,810
Equipment Replacement	342,000	276,380	360,280	425,790	439,610
Storm Water Quality	125,000	125,000	125,000	125,000	125,000
<b>Total General Projects</b>	<b>1,632,000</b>	<b>3,239,680</b>	<b>1,786,980</b>	<b>2,225,990</b>	<b>2,213,420</b>
Oversizing	550,000	551,500	553,050	554,640	556,280
<b>Total SIF Projects</b>	<b>550,000</b>	<b>551,500</b>	<b>553,050</b>	<b>554,640</b>	<b>556,280</b>
<b>Total Storm Water</b>	<b>2,182,000</b>	<b>3,791,180</b>	<b>2,340,030</b>	<b>2,780,630</b>	<b>2,769,700</b>
<b>Ending Balance</b>	<b>2,040,430</b>	<b>295,760</b>	<b>376,730</b>	<b>109,170</b>	<b>28,740</b>
	(28,740)	(28,740)	(28,740)	(28,740)	(28,740)

## **STORM WATER ENTERPRISE FUND**

Major projects for 2003 include:

- ☞ Completion of Phase I and beginning of Phase II of North Wilson Avenue Improvement (\$250K).
- ☞ Final design for improvements at Tyler and 12th Street.
- ☞ Westerdoll Dam Rehabilitation (\$400K).
- ☞ Phase III and IV of improvements on Washington Avenue from 1st Street to 7th Street in 2005 (\$2.6 million).
- ☞ 29th Street improvements in 2005 (\$950,000).
- ☞ Beginning in 2003 an annual \$125,000 Stormwater quality program.
- ☞ Continuation of equipment replacement program for 2003.

## Water Enterprise Fund

**Revenues**

<b>Description</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Fund Balance	15,808,250	14,213,320	17,277,390	16,890,400	17,792,550
SIF Fees	2,585,000	2,864,910	3,084,520	3,257,660	3,440,650
SIF Interest	1,133,000	366,490	741,050	797,310	911,390
Loan From CWCB	-	5,000,000			
<b>Total Revenue</b>	<b>19,526,250</b>	<b>22,444,720</b>	<b>21,102,960</b>	<b>20,945,370</b>	<b>22,144,590</b>

**Appropriations**

<b>Description</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Water Meter Purchase & Installation	25,000	25,000	25,000	25,000	25,000
Downtown Waterline Rehab Program	88,580	250,000	-	-	-
Arthur/Conn.Greeley James & 16th St.	20,600	252,490			
Transmission & Distribution Projects	376,940	556,680	1,388,550	910,360	1,429,060
Water Treatment Plant Imp.	1,606,310	1,668,620	1,009,870	520,640	22,350
Equipment Replacement	402,040	214,700	101,640	174,640	214,190
<b>Total General Projects</b>	<b>2,519,470</b>	<b>2,967,490</b>	<b>2,525,060</b>	<b>1,630,640</b>	<b>1,690,600</b>
Green Ridge Glade Delivery Charges	18,000	19,100			
Windy Gap Firming Project	309,000	-	-	-	-
Transfer Decree Legal/Engineering	154,500	21,220	21,860	168,830	173,890
Temporary Chlorine Dioxide System	154,500	159,140	163,910	168,830	173,890
Construct new 5MG Water Tank	515,000	-	-	-	-
24" Water line Loop Extension SE	309,000	530,450	546,360	562,750	579,640
Water Main Extensions & Oversizing	337,700	318,770	319,340	319,910	320,520
<b>Subtotal Water Resource SIF</b>	<b>1,797,700</b>	<b>1,048,680</b>	<b>1,051,470</b>	<b>1,220,320</b>	<b>1,247,940</b>
Water Treatment Plant Imp.	925,760	1,081,160	566,030	231,860	9,850
<b>Subtotal Water Trmnt. Plant SIF</b>	<b>925,760</b>	<b>1,081,160</b>	<b>566,030</b>	<b>231,860</b>	<b>9,850</b>
<b>Total Water</b>	<b>5,312,930</b>	<b>5,167,330</b>	<b>4,212,560</b>	<b>3,152,820</b>	<b>3,018,390</b>
<b>Ending Balance</b>	<b>14,213,320</b>	<b>17,277,390</b>	<b>16,890,400</b>	<b>17,792,550</b>	<b>19,126,200</b>

## **WATER ENTERPRISE FUND**

Major projects for 2003 include:

- ☞ Several water transmission and distribution projects at a cost of \$511,120. This is an annual program that addresses transmission and distribution needs.
- ☞ Funding for improvements to the water treatment plant. The 2003 cost is \$2,532,070. This is an annual program to keep the treatment plant current with demand and technology improvements.
- ☞ Funding for equipment replacement at a cost of \$402,040.
- ☞ Funding for the Windy Gap Firming Project at a cost of \$309,000.
- ☞ Funding for Legal and Engineering costs associated with the Transfer Decree at a cost of \$154,500.
- ☞ Funding for various water main extensions and oversizing to meet growth needs. This is an annual project funded through SIF fees.

## Wastewater Enterprise Fund

### Revenues

Description	2003	2004	2005	2006	2007
Fund Balance	4,145,250	2,527,040	1,532,970	1,393,870	924,870
Operating Revenues	2,330,080	3,418,520	1,532,290	1,681,910	1,952,510
SIF Fees	1,303,200	1,391,800	1,523,400	1,673,600	1,806,600
SIF Interest	140,000	113,410	105,290	128,130	149,870
<b>Total Revenue</b>	<b>7,918,530</b>	<b>7,450,770</b>	<b>4,693,950</b>	<b>4,877,510</b>	<b>4,833,850</b>

### Appropriations

Description	2003	2004	2005	2006	2007
Treatment Plant Improvments	2,947,230	3,294,770	1,552,820	1,652,710	660,970
Equipment Replacement	168,860	195,500	117,140	294,420	119,060
<b>Subtotal Treatment Plant</b>	<b>3,116,090</b>	<b>3,490,270</b>	<b>1,669,960</b>	<b>1,947,130</b>	<b>780,030</b>
Waste Water Collect Line Imp.	228,100	741,850	224,300	638,460	592,700
<b>Total General Projects</b>	<b>3,344,190</b>	<b>4,232,120</b>	<b>1,894,260</b>	<b>2,585,590</b>	<b>1,372,730</b>
Waste Water Main Improvements	975,980	526,910	913,500	861,370	886,460
Treatment Plant Improvments	1,071,320	1,158,770	492,320	505,680	1,649,790
<b>Total SIF Projects</b>	<b>2,047,300</b>	<b>1,685,680</b>	<b>1,405,820</b>	<b>1,367,050</b>	<b>2,536,250</b>
<b>Total Waste Water</b>	<b>5,391,490</b>	<b>5,917,800</b>	<b>3,300,080</b>	<b>3,952,640</b>	<b>3,908,980</b>
<b>Ending Balance</b>	<b>2,527,040</b>	<b>1,532,970</b>	<b>1,393,870</b>	<b>924,870</b>	<b>924,870</b>

## ***WASTEWATER ENTERPRISE FUND***

Major projects for 2003 include:

- ☞ Funding for improvements and expansion of the wastewater treatment plant. This is an ongoing program resulting from new EPA mandates for water quality and anticipated growth. Costs for 2003 are \$3.9 million, with a total of \$10.0 million of projected costs over the five-year period. Both operating revenues and SIF fees fund the project.
- ☞ Funding for the equipment replacement program at a costs of \$168,860.
- ☞ Funding for collection line improvements at a cost of \$604,080, with costs for the five-year period of \$5.1 million.

**Power Enterprise Fund**
**Revenues**

<b>Description</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Fund Balance	8,963,460	6,206,840	3,687,800	1,318,640	-
Operating Revenues	3,817,760	3,210,790	2,866,960	3,438,640	4,518,200
PIF Fees	740,000	755,840	772,010	788,530	805,400
PIF Interest	49,000	36,590	32,200	34,990	18,670
<b>Total Revenue</b>	<b>13,570,220</b>	<b>10,210,060</b>	<b>7,358,970</b>	<b>5,580,800</b>	<b>5,342,270</b>

**Appropriations**

<b>Description</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Hydro Generation	4,000	4,120	4,240	4,370	4,500
Overhead Distribution Lines	40,000	41,200	42,440	43,710	45,020
Underground Distrib. Lines	55,000	56,650	58,350	60,100	61,900
Meter Purchase/Install/Upgrade	170,000	175,100	180,350	185,760	191,340
Transformer Purchase & Install	600,000	618,000	636,540	655,640	675,300
Substation	10,000	10,300	10,610	10,930	11,260
Street and Yard Lights	50,000	51,500	53,050	54,640	56,280
Overhead Svc Install/Upgrade	10,000	10,300	10,610	10,930	11,260
Underground Svc Install/Upgrade	155,000	159,650	164,440	169,370	174,450
Temporary Service Install	40,000	41,200	42,440	43,710	45,020
Hydro Generation Improvments	68,000	40,000	75,500	6,000	116,500
Substation Improvements	340,500	185,500	220,000	87,500	30,000
Customer Aid to Construction	550,000	566,500	583,500	600,990	619,030
Other System Improvements	1,350,300	1,359,250	1,076,560	1,307,960	1,003,810
Conversions	1,631,000	1,317,000	1,166,000	470,000	140,000
Street Lights	448,500	616,590	626,280	467,820	262,000
Equipment	796,080	379,400	269,420	251,370	319,600
<b>Subtotal General Projects</b>	<b>6,318,380</b>	<b>5,632,260</b>	<b>5,220,330</b>	<b>4,430,800</b>	<b>3,767,270</b>
Substation PIF Projects	200,000	90,000	590,000	-	500,000
Feeder PIF Projects	845,000	800,000	230,000	1,150,000	1,075,000
<b>Subtotal PIF Projects</b>	<b>1,045,000</b>	<b>890,000</b>	<b>820,000</b>	<b>1,150,000</b>	<b>1,575,000</b>
<b>Total Power</b>	<b>7,363,380</b>	<b>6,522,260</b>	<b>6,040,330</b>	<b>5,580,800</b>	<b>5,342,270</b>
<b>Ending Balance</b>	<b>6,206,840</b>	<b>3,687,800</b>	<b>1,318,640</b>	-	-

## ***POWER ENTERPRISE FUND***

Major projects for 2003 include:

- ☞ Several annual programs to improve and upgrade distribution lines, install and/or upgrade service to customers, purchase and install transformers, general distribution projects and substation improvements.
- ☞ Substation and feeder projects that are eligible for funding from Plant Investment Fees (PIF) are included for a total cost in 2003 of \$1,045,000.

## Perpetual Care Fund

### Revenues

Description	2003	2004	2005	2006	2007
Fund Balance	1,457,970	1,622,470	1,805,480	1,996,730	2,146,580
Perpetual Care Payments	44,000	60,000	60,000	60,000	60,000
Columbarium Payments	47,600	50,000	50,000	50,000	50,000
Interest	72,900	73,010	81,250	89,850	96,600
<b>Total Revenue</b>	<b>1,622,470</b>	<b>1,805,480</b>	<b>1,996,730</b>	<b>2,196,580</b>	<b>2,353,180</b>

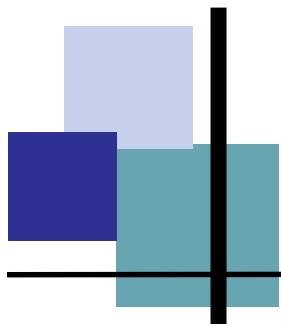
### Appropriations

Description	2003	2004	2005	2006	2007
<b>Perpetual Care</b>					
New Columbarium	-	-	-	50,000	
<b>Total Perpetual Care Fund</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,000</b>	<b>-</b>
<b>Ending Balance</b>	<b>1,622,470</b>	<b>1,805,480</b>	<b>1,996,730</b>	<b>2,146,580</b>	<b>2,353,180</b>

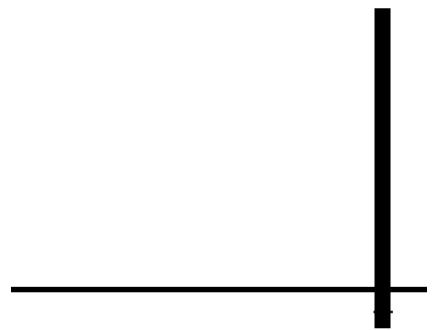
## ***PERPETUAL CARE***

The Perpetual Care Fund is established to provide maintenance of the Cemetery into perpetuity. The addition of a new columbarium in 2006 will provide additional revenue to ensure this purpose is met and will extend the cemetery life expectancy.





# APPENDIX





## ***GLOSSARY OF TERMS***

**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.

**Adjusted Budget:** The current revenue and expenditure budget including additional appropriations made throughout the year and encumbrances carried over from the prior year.

**Amendment One (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 9.115% of market value for residential property and 29% for commercial and industrial property.

**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.

**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 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 Improvement Plan:** 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 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.

**CDBG:** Community Development Block Grant.

**CFAC:** Citizens' Finance Advisory Commission.

**CIRSA:** Colorado Intergovernmental Risk Sharing Agency.

**CEF:** Capital Expansion Fee (see definition above).

**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.

**Debt Service:** Principal and interest due on long-term debt such as loans, notes and bonds incurred by the City.

**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.

**DUI:** Driving Under the Influence (of alcohol or other drugs).

**EOC:** Emergency Operations Center.

**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.

**FAA:** Federal Aviation Administration.

**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 twelve-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.

**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.

current liabilities and are available for designation as a funding source for a future budget year.

**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.

**GIS:** Geographic Information System.

**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.

**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.

**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.

**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.

**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.

**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.

**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.

**Paratransit Service:** Door to door transportation services for people who due to health or disability can not use fixed route transportation services.

**PIF:** Plant Investment Fee.

**PILT:** Payment in lieu of tax. An estimate of the amount of taxes that would be chargeable to a utility if owned privately.

**PRPA:** Platte River Power Authority.

**Personal Services:** Salaries, wages, benefits and other related costs of employees.

**Plant Investment Fee:** 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

similar in nature to a Capital Expansion Fee.

**Projection:** Estimation of future revenues and expenditures based on past trends, current economic conditions and financial forecasts.

**Property Tax:** Annual charge to owners of real property, based on assessed valuation and the mill levy.

**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.

**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.

**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.

**SIF:** System Impact Fee.

**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 Districts:** 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.

**Supplemental Requests:** Programs and services that departments would like or have added (in priority order) over their target budget, or if revenue is received is greater than anticipated.

**System Impact Fee:** 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.

**Transfers:** Amounts distributed from one fund to finance activities in another fund. They are shown as an expenditure in the originating fund and a revenue in the receiving fund.

**Unreserved Fund Balance:** The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

**User Fee:** Charge to the benefiting party for the direct receipt of a public service.

**WAPA:** Western Area Power Authority.