

# CITY COUNCIL COMMUNICATION



Second Reading: February 9, 2010 Item Number: 8A

<b>MEETING DATE:</b> January 26, 2010	<b>ITEM NUMBER:</b> 9A
<b>TYPE OF ITEM:</b> Consent	O-2010-04
<b>PRESENTED BY:</b> Teresa Molloy, Budget Manager, 303-651-8970	

**SUBJECT/AGENDA TITLE:** A bill for an Ordinance making additional appropriations for the expenses and liabilities of the City of Longmont for the fiscal year beginning January 1, 2010

**EXECUTIVE SUMMARY:** This is the first additional appropriation for 2010. This ordinance appropriates an additional \$802,857 in 8 funds bringing the total 2010 budget to \$206,076,722.

- COUNCIL OPTIONS:**
- ◆ Approve ordinance as presented
  - ◆ Modify then approve ordinance
  - ◆ Do not approve ordinance.

**RECOMMENDED OPTIONS:** Approve ordinance as presented.

**FISCAL IMPACT & FUND SOURCE FOR RECOMMENDED ACTION:** \$802,857 in 8 different funds.

**BACKGROUND AND ISSUE ANALYSIS:** This is the first additional appropriations ordinance for 2010. Article 9.12 of the City Charter authorizes council to make additional appropriations during the fiscal year. This ordinance appropriates necessary funds for expenses above and beyond the 2010 Budget which was adopted in October 2009.

Three types of expenses are included in this appropriation:

1. \* Represent expenses that have an offsetting new (unbudgeted) revenue source such as grants, donations or fees.
2. # Represent new, previously unbudgeted expenses which are tied to a CIP amendment.
3. \*\* Represent new, previously unbudgeted expenses which require the use of fund balance.

This ordinance includes the following funds:

## Electric Fund

- \* Supplemental Environmental Project grant (offset by state grant revenue) **\$ 115,000**  
The SEP Grant Agreement between the City and the Colorado Governor's Energy Office was approved by Council On September 22, 2009. The funds are from a settlement agreement from a Longmont company that violated environmental regulations. The purpose of the grant is to increase the electric, natural gas and water efficiency of residential properties in the City. LPC will



sub-contract with Long's Peak Energy Conservation and the Conservation Resource Center to implement and administer the residential efficiency projects. The grant does not require matching City funds.

### **Water Fund**

#	PB-82 Municipal Buildings HVAC Replacement CIP project amendment. (offset by fund balance). See CIP amendment ordinance for details.	37,500
**	Purchase of the land at the former Compost Facility (offset by fund balance). In 1990 the City purchased the land associated with the Compost Site at 1994 Highway 19, with a grant from the US EPA and matching funds from the Sewer Fund. The grant provided 75% of the funds with a requirement that the City must pay 75% of the property value at the time the site changed use or was sold. The current valuation of the property is \$770,000. The Compost Site was designated with a 20 year life cycle and the buildings are considered completely depreciated at this time. In order for the City to best utilize this asset we are proposing to purchase the EPA interest in the property which is approximately \$557,500. This will remove the existing use restrictions and allow the City to determine the best utilization of the property. The purchase will be funded 25% from the Water Fund (\$144,375), 25% from the Street Fund (\$144,375) and 50% from the Storm Drainage Fund (\$288,750) based on the proposed usage for vehicle and material storage and debris management for the Public Works and Natural Resources department. Since the Sewer Fund matched the grant originally it already contributed its 25% share of this land.	144,375
<b>Total Water Fund</b>		<b>\$ 181,875</b>

### **Sewer Fund**

#	PB-82 Municipal Buildings HVAC Replacement CIP project amendment. (offset by fund balance). See CIP amendment ordinance for details.	\$ 37,500
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### **Storm Drainage Fund**

**	Purchase of the land at the former Compost Facility (offset by fund balance). In 1990 the City purchased the land associated with the Compost Site at 1994 Highway 19, with a grant from the US EPA and matching funds from the Sewer Fund. The grant provided 75% of the funds with a requirement that the City must pay 75% of the property value at the time the site changed use or was sold. The current valuation of the property is \$770,000. The Compost Site was designated with a 20 year life cycle and the buildings are considered completely depreciated at this time. In order for the City to best utilize this asset we are proposing to purchase the EPA interest in the property which is approximately \$557,500. This will remove the existing use restrictions and allow the City to determine the best utilization of the property. The purchase will be funded 25% from the Water Fund (\$144,375), 25% from the Street Fund (\$144,375) and 50% from the Storm Drainage Fund (\$288,750) based on the proposed usage for vehicle and material storage and debris management for the Public Works and Natural Resources department. Since the Sewer Fund matched the grant originally it already contributed its 25% share of this land.	\$ 288,750
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### **Street Fund**

**	Purchase of the land at the former Compost Facility (offset by fund balance). In 1990 the City purchased the land associated with the Compost Site at 1994 Highway 19, with a grant from the US EPA and matching funds from the	\$ 144,375
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Sewer Fund. The grant provided 75% of the funds with a requirement that the City must pay 75% of the property value at the time the site changed use or was sold. The current valuation of the property is \$770,000. The Compost Site was designated with a 20 year life cycle and the buildings are considered completely depreciated at this time. In order for the City to best utilize this asset we are proposing to purchase the EPA interest in the property which is approximately \$557,500. This will remove the existing use restrictions and allow the City to determine the best utilization of the property. The purchase will be funded 25% from the Water Fund (\$144,375), 25% from the Street Fund (\$144,375) and 50% from the Storm Drainage Fund (\$288,750) based on the proposed usage for vehicle and material storage and debris management for the Public Works and Natural Resources department. Since the Sewer Fund matched the grant originally it already contributed its 25% share of this land.

**Public Safety Fund**

- \* Victim Advocate Coordinator position (offset by federal grant revenue) **\$ 20,308**  
 This grant was approved by Council on November 24, 2009 to provide victims of crimes with certain and specific rights. In the past the City has partnered with the Boulder County Sherriff's Office to provide this service. The service will now be provided directly by the City. The grant is matched by budget funds that was previously paid to Boulder County and will now be used to hire a Victim Advocate Coordinator.

**Lodgers Tax Fund**

- \*\* Additional funding request for the Longmont Area Visitors Association (LAVA) (offset by fund balance). The additional funding request was approved by Council on November 10, 2009. This action makes the funds available. **\$ 52,249**

**Downtown Development Authority Fund**

Downtown Development Authority Operating Fund

- \* Downtown events and holiday lighting support (offset by transfer from the General Fund). During the 2010 budget process Council approved this transfer. While the transfer was properly budgeted in the General Fund it was overlooked in the DDA fund. This appropriation is necessary to establish the budget so that the DDA can spend these funds. **\$ 22,800**

**ATTACHMENTS:**

- Ordinance making additional appropriations
- Summary of 2010 Budgeted Expenditures by Fund

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1 Street Improvement Fund - \$14,738,127 (original appropriation of \$14,593,752 and  
2 contribution of \$144,375 from the fund balance portion of the Street Improvement Fund),

3 Public Safety Fund - \$4,822,455 (original appropriation of \$4,802,147 and federal grant  
4 revenue of \$20,308),

5 Lodgers Tax Fund - \$302,784 (original appropriation of \$250,535 and contribution of  
6 \$52,249 from the fund balance portion of the Lodgers Tax Fund),

7 Downtown Development Authority Fund - \$3,671,069 (original appropriation of  
8 \$3,648,269 and transfer from other funds of \$22,800); and

9 WHEREAS The Council finds it necessary to make additional appropriations for  
10 unanticipated expenditures required of the City; and

11 WHEREAS actual and anticipated revenues, including drawing on fund balance, for the  
12 year for certain funds, are exceeding revenues estimated in the 2010 Budget in amounts adequate  
13 to fund additional appropriations within those funds; and

14 WHEREAS the Council has determined to re-appropriate money previously appropriated  
15 and encumbered, but unexpended at the end of the previous fiscal year, which did not revert to  
16 the funds from which the Council originally appropriated that money; and

17 WHEREAS the Council finds that every contract funded in this ordinance for a  
18 charitable, industrial, education, or benevolent purposes or with any denominational or sectarian  
19 institution or association serves a public purpose.

20 NOW, THEREFORE, according to Sections 9.4 and 9.12 of the Charter of the City of  
21 Longmont,

1 THE COUNCIL OF THE CITY OF LONGMONT, COLORADO HEREBY ORDAINS:

2 Section 1

3 For the purpose of defraying the expenses and liabilities of the City of Longmont, for the  
4 fiscal year beginning January 1, 2010, the Council appropriates the following additional funds  
5 from the revenues and other available funds of the City for the purposes designated here, to wit:

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7 FUND	ADDITIONAL APPROPRIATION
8 Electric Fund	115,000
9 Water Fund	181,875
10 Sewer Fund	37,500
11 Storm Drainage Fund	228,750
12 Street Improvement Fund	144,375
13 Public Safety Fund	20,308
14 Lodgers Tax Fund	52,249
15 Downtown Development Authority Fund	22,800

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17 Introduced this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

18 Passed and adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

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20 \_\_\_\_\_  
MAYOR

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23 ATTEST:

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26 CITY CLERK

1 NOTICE: THE COUNCIL WILL HOLD A PUBLIC HEARING ON THIS  
2 ORDINANCE AT 7:00 P.M. ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2010,  
3 IN THE LONGMONT COUNCIL CHAMBERS.

4 APPROVED AS TO FORM:

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6 \_\_\_\_\_  
7 ASSISTANT CITY ATTORNEY DATE

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9 \_\_\_\_\_  
10 PROOF READ DATE

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13 APPROVED AS TO FORM AND SUBSTANCE:

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15 \_\_\_\_\_  
16 BUDGET MANAGER DATE

17  
18 File: 8172

**SUMMARY OF 2010 BUDGETED EXPENDITURES BY FUND**

<b>Fund</b>	<b>2010 Budget Ordinance</b>	<b>2/9/2010 Ordinance</b>	<b>TOTAL 2010 Appropriations</b>
General Fund	60,451,956		60,451,956
Sanitation Fund	5,697,697		5,697,697
Golf Fund	2,807,984		2,807,984
Electric Fund	54,818,062	115,000	54,933,062
Electric CIF Fund	375,000		375,000
Telecommunications Fund	486,796		486,796
Water Fund	19,418,858	181,875	19,600,733
Water Construction Fund	1,469,773		1,469,773
Water Acquisition Fund	300,000		300,000
Raw Water Storage Fund	10,000		10,000
Sewer Fund	7,915,031	37,500	7,952,531
Sewer Construction Fund	354,929		354,929
Storm Drainage Fund	9,014,552	228,750	9,243,302
Airport Fund	219,183		219,183
Public Improvement Fund	4,618,191		4,618,191
Probation Services	79,093		79,093
Judicial/Wedding Fee Fund	2,283		2,283
CDBG/HOME Fund	1,082,885		1,082,885
Affordable Housing Fund	840,585		840,585
Downtown Parking Fund	68,575		68,575
Street Improvement Fund	14,593,752	144,375	14,738,127
Youth Services Fund	6,000		6,000
Library Services Fund	71,000		71,000
Museum Services Fund	91,582		91,582
Callahan House Fund	77,239		77,239
Senior Services Fund	157,647		157,647
Art in Public Places Fund	117,667		117,667
Park Improvement Fund	141,454		141,454
Transportation CIF Fund	0		0
Public Buildings CIF Fund	300,000		300,000
Open Space Fund	3,368,295		3,368,295
Public Safety Fund	4,802,147	20,308	4,822,455
Lodgers Tax Fund	250,535	52,249	302,784
Conservation Trust Fund	0		0
Museum Trust Fund	19,200		19,200
General Improvement District Fund	86,745		86,745
DDA Fund	3,648,269	22,800	3,671,069
Fleet Fund	7,510,900		7,510,900
<b>TOTAL</b>	<b>205,273,865</b>	<b>802,857</b>	<b>206,076,722</b>