

# Budget Advisory Committee

City of Englewood, Colorado

City Manager's Office

1000 Englewood Parkway

Englewood, CO 80110-2373

Website: [www.engagewoodgov.org/budget-advisory-committee](http://www.engagewoodgov.org/budget-advisory-committee)



## AGENDA

Englewood Civic Center

City Council Conference Room, Third Floor

Tuesday, January 19, 2016

4:30pm to 6:00pm

These meetings are recorded, please be mindful of side conversations.

1. Call to Order and Roll Call of Members
2. Clarification to the Meeting Recording – December 15, 2015
3. New Business
  - Finance and Administrative Services Department Presentation – Shelley Becker
  - Priority Based Budgeting Results Map document (Informational Only)
4. Old Business
  - Discuss the Budget Advisory Committee Ordinance revisions
5. Budget Advisory Members' Choice
6. Adjourn

Please note: If you have a disability and need auxiliary aids or services, please notify the City of Englewood (303-762-2409) at least 48 hours in advance of when services are needed. Thank you.

***Council Orientation***  
***Administrative Services***

***Presented November 16, 2015***

## *Administrative Services: Who Are We?*

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- Budget and Revenue
- Accounting
- Information Technology Services
- Human Resources
- City Clerk

## *Budget and Revenue*

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- Core functions:
  - Preparation of Annual Financial Plan and Budget
  - Collection of Revenue Streams
  - Conduct Sales and Use Tax Audits
  - Issuance of Business Licenses

## Budget: FY 2016 Annual Financial Plan and Budget

Expenditure Budgets by Fund	2016
General Fund	\$ 46,206,656
Sewer Fund	17,626,078
Water Fund	9,112,957
Employee Benefits Fund	5,880,572
Public Improvement Fund	5,399,165
Servicenter Fund	2,267,000
Capital Projects Fund	2,242,458
Golf Course Fund	2,103,184
Risk Management Fund	1,435,555
Community Center Bond Fund-Recreation	1,108,113
Capital Equipment Replacement Fund	1,106,447
Housing Rehabilitation Fund	1,000,000
Open Space Fund	937,000
Concrete Utility Fund	877,664
Cons Trust Fund	556,500
Community Development Fund	360,000
Storm Water Fund	343,220
Central Services Fund	332,407
Donor's Fund Fund	228,000
Parks & Rec Trust Fund	13,000
Malley Center Trust Fund	5,000
	<b>\$ 99,140,976</b>
Littleton Englewood Wastewater Treatment *	\$ 17,197,121

\* 1/2 of expenditures are included in the City's Sewer Fund budget

## *Priority – Based Budgeting: What is it?*

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- Priority-Based Budgeting (PBB) is a budgeting philosophy that enables governmental organizations to understand and align financial resources with community priorities and values
- Provides the flexibility to budget according to changing community priorities and values
- PBB is a program based budget rather than a focus on individual departments or line items

## ***Priority – Based Budgeting: Defined for Englewood***

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- Seven priorities / results have been identified:
  - Safe, healthy and socially responsible community
  - Thriving and vibrant local economy
  - Orderly, well-managed growth and development
  - Attractive and engage community with desirable, livable neighborhoods
  - Recreational, cultural, educational and life-long learning opportunities
  - Sustainable natural environment
  - Effective mobility and reliable infrastructure

## *Accounting*

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- Core Functions:
  - Financial Statements / Annual Independent Financial Audit
  - Investments
  - Payroll
  - Accounts Payable
  - Procurement



## ***Accounting: Financial Statements / Annual Audit***

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- Comprehensive Annual Financial Report (CAFR)
  - Annual independent external audit
  - Governed by Governmental Accounting Standards Board (GASB) and Governmental Accounting and Auditing Principles (GAAP)
  
- Monthly Financial Statements
  - Current: Focus on General Fund
  - Future: All Funds Information

## *Accounting: Investments*

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- Governed by Investment Policy
- Portfolio Value: \$50.49M
  - \$24.50M - US Instrumentalities
  - \$10.76M - Corporate Fixed Income
  - \$8.05M - US Treasury Notes
  - \$5.17M - Cash and equivalents
  - \$2.01M – International Fixed Income

## *Accounting: All Funds Payroll and Accounts Payable\**

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- Annual Payroll = \$34.45 million
- Annual Payments = 26,564
- Employee's Paid = 1,029
  
- Annual Accounts Payable = \$51.59 million
- Annual Vendor Payments = 22,412
  - Purchasing card: 14,397
  - Accounts payable: 8,015

\* Information reported as of 12/31/14

## *Accounting: Procurement*

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- Utilization of cooperative purchasing agreements with other governmental agencies
- Monitoring of compliance with purchasing policies and procedures
- Coordination of formal bidding processes to include request for bids (RFB), requests for information (RFI) and request for proposals (RFP)
- Maintain vendor information
- Purchasing card administration
  - 2014 purchasing card rebate: \$27,000 on total purchases of \$4.5 million

## *Information Technology Services*

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- **Mission:**

To succeed at the service of others by turning discrete technical tools into service oriented tools to serve all citizens and customers

## *Information Technology Services*

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Four Roadmaps:

- Strategic Priorities - business imperatives
- IT Goals - technology that targets supporting budget priorities
- IT Strategies - directions that achieve defined goals
- IT Projects - specific activities that accomplish defined strategies

## *Information Technology Services*

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Working to move our systems and products:

- Business overhead to customer service business tools
- Discrete technical tools to service oriented systems
- Enterprise on premise systems to cloud-based resource that pervades every part of our enterprise
- Silo focus to cross functional teamwork and improved cross-training

## *Information Technology Services: 2016 Projects*

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- Enterprise Content Management
- O365 Modules
- FQDN: Fully Qualified Domain Name
- Storage Upgrade
- Traffic Network / Systems Upgrade
- Network Development
- Disaster Recovery / Continuation of Operations (COOP)
- Enterprise Resource Planning System (ERP)
- GIS
- Citrix
- PC Replacements
- iTrakit - eTrakit - BlueBeam



## *Network & Telephone Backbone*

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- Most sites are on 10G backbone back to the core
- Waste Water Treatment Plant finalizing major network upgrade
- Allen Plant is running 1Gb to the core; network will be upgraded FY 2016
- Golf is running 3Mb circuit with no available upgrades in the area
- Upgrade telephone infrastructure to enterprise phones with 1GB output

## *Security, Storage & BackOffice*

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- In 2015 installed 140 security cameras on nine servers
- In August 2015 firewalls for all networks upgraded
- In 2015 reduced email outbreaks with a new email filtering service “MimeCast”
- In 2015 passed the onsite FBI security inspection for CJIS compliance
- Finishing data storage upgrade at Civic Center and PD
- Plan to replace ESX hosts for servers at Civic Center and PD in 2016
- Currently evaluating Hybrid Cloud Solutions for data backup that meets CJIS requirements

## *Human Resources*

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- Mission:

To promote and ensure a high quality of life, economic vitality and a uniquely desirable community identity by promoting a safe work environment that is characterized by fair treatment of personnel, open communications, personal accountability, trust and mutual respect. We will establish and provide strategic and innovative solutions to workplace issues that support and optimize the principles of the organization

## *Human Resources*

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Human Resources is responsible for all aspects of the City's Human Capital needs, compliance with federal or state requirements, risk management and benefit administration

### Core Functions of Human Resources:

- Strategic Human Capital Planning
- Training and Organizational Development
- Full Life-Cycle recruitment
- Union Negotiation and Labor Relations
- Risk Management
- Benefit and Leave Administration
- Classification and Compensation Administration
- Personnel Records Management and Retention
- Human Resources Information Systems Administration
- Retirement Administration

## *Union Negotiations / Labor Relations*

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In 2015 the Englewood Employee Association (EEA) and Administrative staff successfully negotiated a new contract for the EEA to be effective January 1, 2016. Significant changes to the contract include the following:

- Under Article 2 Duration of the Contract, employees covered by the Contract may reopen negotiations for Article 8 Compensation prior to May 15, 2016
- Under Article 8 Compensation, employees covered by the Contract will receive a 2 - 4% increase, based on their evaluation, on 2015 base wage rate, on their anniversary. A wage reopener for 2017 has been agreed upon under Article 2
- Under Article 17 Holidays, employees covered by the Contract will be eligible to receive two and one-half times the employee's regular hourly rate for hours actually worked on the holiday
- Under Article 18 Uniform Cleaning Allowance, employees covered by the Contract will be eligible to receive up to a maximum of \$200 of required work shoes

In 2016 the Englewood Police Benefit Association (EPBA) and Administrative staff will be negotiating a new contract to be effective in 2017

## *Human Resources*

	2015 Budget	2016 Budget
Administration	19.45	18.45
Community Development	16.00	16.00
Finance and Administration Services	40.65	40.65
<i>Fire</i>	<i>56.00</i>	<i>0.00</i>
Library Services	15.45	0.00
Parks, Recreation, Library and Golf	44.18	58.75
Police	105.00	110.00
Public Works	58.00	58.00
Utilities	46.00	46.00
WWTP	<u>74.00</u>	<u>74.00</u>
<b><i>Total Full-Time Equivalent (FTE)</i></b>	<b>474.73</b>	<b>421.85</b>

## *Human Resources: Retirement Administration*

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Management of all aspects of the City's retirement plans and the deferred compensation plan including employee education, coordinating board meetings, compliance with federal or state requirements and vendor / database management

### Retirement Plans:

- Managers' Money Purchase Plan
  - City Manager, Directors, City Attorney and Judge
  
- NonEmergency Employees Money Purchase Plan (NEMP)
  - Mid-Managers, Supervisors, and Confidential Employees
  - Englewood Employees' Association (option to elect this plan upon hire)
  
- Police Officers' Money Purchase Plan
  
- NonEmergency Employees Retirement Plan
  - Englewood Employees' Association are eligible
  - Board Members include one City Council Member that is appointed by Council for tenure

## *Human Resources: Retirement Administration*

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- **Fire and Police Pension Association Plans (FPPA)**
  - Police Officers and Fire Marshall are in the FPPA Statewide Defined Benefit Plan
  - FPPA has three additional plans that current employees are members
  
- **Old Hire Police Officers Pension Plan**
  - Board Members include the Mayor for the tenure of his / her term
  
- **Old Hire Firefighters Pension Plan**
  - Board Members include the Mayor for the tenure of his / her term
  - The Firefighters Pension Board also governs the Volunteer Firefighters Pension Plan
  
- **Fire and Police Supplemental Disability Benefit**
  - Board Members include the Mayor for the tenure of his / her term
  
- **Voluntary Plans – Council Members are eligible for both voluntary plans**
  - 457 Deferred Compensation Plan
  - Roth IRA



## *Human Resources: Benefits and Risk Management*

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- The City of Englewood offers a comprehensive benefit package to eligible full-time and part-time employees
- Implementation of the City of Englewood Benefit Marketplace: employees shop and enroll for benefits on line which provides in depth education for all benefits offered
- Employees have a choice of four medical plans, two dental plans, two vision plans and other benefit options

## *Human Resources: Benefits and Risk Management*

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- CIRSA (Colorado Intergovernmental Risk Sharing Agency) is a member-owned self-insurance pool that has been serving Colorado municipalities and affiliated public entities since 1982
- CIRSA is a not-for-profit organization owned by municipalities and allows for the municipalities to build equity from any funds left after all claims have been paid. The equity is re-invested to increase benefits and lower contributions
- Pooling with other municipalities decreases individual risk by absorbing the financial impact of claims, in addition to providing comprehensive coverage for property, liability, workers compensation and other specific coverages
- CIRSA also provides loss control and safety expertise for the municipalities in the pool

## *Property & Liability Claims – 5 Year Comparison*

Property and Liability Claims					
Year	Total # Claims	# Claims over \$50K	Total paid for claims over \$50K	Total Paid for all claims	Type of claims over \$50K
2010	24			\$53,428	
2011	21	1	\$179,752	\$253,523	EEOC claim
2012	30	5	625,600	\$681,492	E&O claim, ADA claim, Uninsured Motorist claim, GL and EEOC
2013	16	-	-	\$103,863	
2014	17	2	\$209,080	\$246,307	Hail, & GL claims
2015	25	-	-	\$117,238	

## *Workers' Compensation – 5 Year Comparison*

WORKERS' COMPENSATION					
Year	Total # Claims	# Claims over \$50K	Total paid for claims over \$50K	Total Paid for all claims	
2010	51	1	\$56,554	\$181,954	
2011	80	7	\$632,019	\$901,579	(includes multiple surgeries including back, shoulders, wrists; 6 impairment ratings with payouts)
2012	84	4	\$863,778	\$1,063,835	(Includes 1 death case, fall from attic area, several Impairment ratings)
2013	51	1	\$56,263	\$166,916	
2014	58	1	\$57,291	\$235,475	
2015	54	-	-	\$59,240	

## *Workers' Compensation Experience Modification – 5 Years*

Experience Modification Factors are based on NCCI's experience modification formulas  
 The main difference is that a factor of 1.0 equals the average loss experience for CIRSA pool members

The Experience Mod is computed based on the last three full calendar years of claims

		Experience Mod Rate	
	Year	Englewood's Mod Rate	
	2010	0.75	(2006, 2007, 2008)
	2011	0.84	(2007, 2008, 2009)
	2012	0.82	(2008, 2009, 2010)
	2013	1.07	(2009, 2010, 2011)
	2014	1.20	(2010, 2011, 2012)

## *City Clerk*

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### Mission Statement:

To serve the citizens, staff and visitors in an efficient, courteous and professional manner, while performing the functions and duties of the office in accordance with State and municipal laws. To be ever mindful of our neutrality and impartiality by rendering equal service to all with emphasis on ethics, integrity, and professionalism while committed to quality customer service, innovation and easy access to public records

## *City Clerk*

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### ***Core Functions***

#### **Serves as Clerk to City Council**

- Provides support to City Council by recording and maintaining the official records and legislative history of the City
- Processes contracts and other official documents in conjunction with Council actions
- Oversees publication of official legal notices

#### **Serves as custodian of the City records (with the exception of Criminal Records)**

- Provides technical and research assistance to City staff
- Receives and responds to Open Records Requests
- Maintains and updates the City Code
- Responsible for the Records Management Program
- Provides a wide range of public information to elected officials, the public and City staff

## *City Clerk*

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### **Administers the election processes and conducts City elections**

- Responsible for special, regular and consolidated municipal elections in accordance with State and municipal laws
- Serves as the recording secretary for the Election Commission
- The City Clerk is a voting member of the Election Commission

### **Responsible for the clerical and administrative duties related to the processing, documentation, and public notice of the City's Liquor and Medical Marijuana Licensing Authority**

- Serves as the recording secretary for the Liquor and Medical Marijuana Licensing Authority



## *Moving Forward...*

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### Budget and Revenue Goals

- Implementation and execution of Priority-Based Budgeting

### Accounting Goals

- Implementation of a new ERP system that will enhance our ability to continue ensuring responsible stewardship of public resources
- Implement a new online tool that will provide online access to detailed financial information

### Information Technology Goals

- Backup infrastructure
- ERP / Document Manager

## *Moving Forward:*

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### Human Resource Goals

- Implementation of updated Compensation Plan
- Online Performance Management System

### Retirement Administration Goals

- Amend all City ICMA-RC 401a Money Purchase Plan documents to comply with Internal Revenue Service requirements
- Continue high levels of retirement education and customer service for employees and retirees of the City

### City Clerk Goals

- Implementation of an agenda / work flow document management system
- Streamline Liquor and Medical Marijuana Licensing processes and update relevant information available on the website

## *Next Steps:*

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- Questions / Feedback / Comments

Encourages well-designed, well-planned, sufficiently regulated and future-focused neighborhood development and revitalization that upholds community standards

Sustains a safe, clean and visually appealing community with well-kept properties, well-maintained and connected transportation infrastructure and access to quality utility services

Facilitates a culture that is transparent, innovative, accessible and responsive to the needs of its residents, businesses and visitors

**Attractive, Engaged, Inclusive and Welcoming Community with Desirable, Livable Neighborhoods**

Provides a safe, accessible and well-maintained parks, trails, green spaces and public areas that are safe and well maintained

Ensures availability of a variety of quality housing options to accommodate the diverse needs of community

Offers and supports a diverse and affordable variety of activities, events and programs that provide "things to do" for residents and visitors alike

Instills a sense of community pride by proactively encouraging communication, engagement, involvement, outreach, participation and volunteerism

**Collaboratively plans and funds for the development, improvement and enhancement of sustainable infrastructure systems that meet the growth needs of the community**

**Provides a safe, multi-modal transportation system that eases congestion, improves traffic flow and enhances mobility**

**Constructs and proactively maintains a reliable utility infrastructure that delivers safe, clean water, controls storm water drainage and effectively manages sewage treatment**

## **Effective Mobility and Reliable Infrastructure**

**Partners to ensure local and regional access to reliable, affordable and convenient public transportation options**

**Designs, builds and continually invests in a well-planned transportation infrastructure network that is safe, reliable and well-maintained**

**Offers and maintains safe, accessible and connected mobility alternatives for cyclists and pedestrians**

Attracts, encourages and supports a balanced mix of sustainable new business development and existing business expansion that serves the diverse needs of residents and visitors

Builds and maintains a well-planned infrastructure network that adequately supports both the existing needs and future growth of the community

**Orderly, Well-Managed Growth and Development**

Develops and consistently follows integrated land-use, zoning and comprehensive plans that encourage well-balanced commercial and residential development, redevelopment and community revitalization that stimulates economic growth

Plans for, encourages and supports appropriately regulated, sustainable and future-focused development that is consistent with community standards

Partners with all community stakeholders to encourage input, foster clear communication and develop a sense of shared responsibility for sustainable growth that aligns with community values

Collaboratively promotes a diverse variety of accessible opportunities that focus on the arts, advance cultural enrichment, stimulate life-learning learning and knowledge enrichment

Supports and encourages community events and celebrations that foster a sense of community and embraces its cultural diversity

Ensures access to quality education, technical training information resources, literacy enhancement and life-long learning opportunities for all ages

**Recreational,  
Cultural,  
Educational and  
Life-long Learning  
Opportunities**

Provides a network of safe, clean and well-maintained parks, trails, green spaces and natural areas for the use and enjoyment of the community

Provides a diverse mix of affordable, safe and convenient recreational and leisure-time venues and programs that meet the interests and needs of a variety of ages and abilities



**Creates an informed, involved and engaged community through public outreach, volunteerism and increased participation**

**Fosters an environment where people feel safe, ensuring a visible, responsive and accessible presence that promptly addresses community concerns and proactively focuses on prevention, intervention and education activities**

**Provides for the physical and socio-economic needs of the community, working together to improve the welfare of those in need or at-risk**

## **Safe and Healthy Community**

**Offers protection from harm and wrong-doing, enforces the law and is well prepared, equipped and trained to promptly respond to emergencies and calls for service**

**Ensures sufficient regulatory compliance and enforcement to provide a clean, healthy environment and promote community revitalization and redevelopment that improves the appearance and safety of the community**

**Offers access to a variety of parks, recreational opportunities and outreach programs that promote a healthy and active community lifestyle**

**Maintains and invests in public infrastructure that ensures safe travel for vehicles and pedestrians, ensures the delivery of safe water and provides reliable and effective sewer and storm water management**



Engages the community in providing for the renewal of the environment through waste reduction, reuse, recycling and effective waste and refuse disposal

Provides for the protection, conservation, efficient use and quality of its natural environment (air, water and natural resources) and river amenities

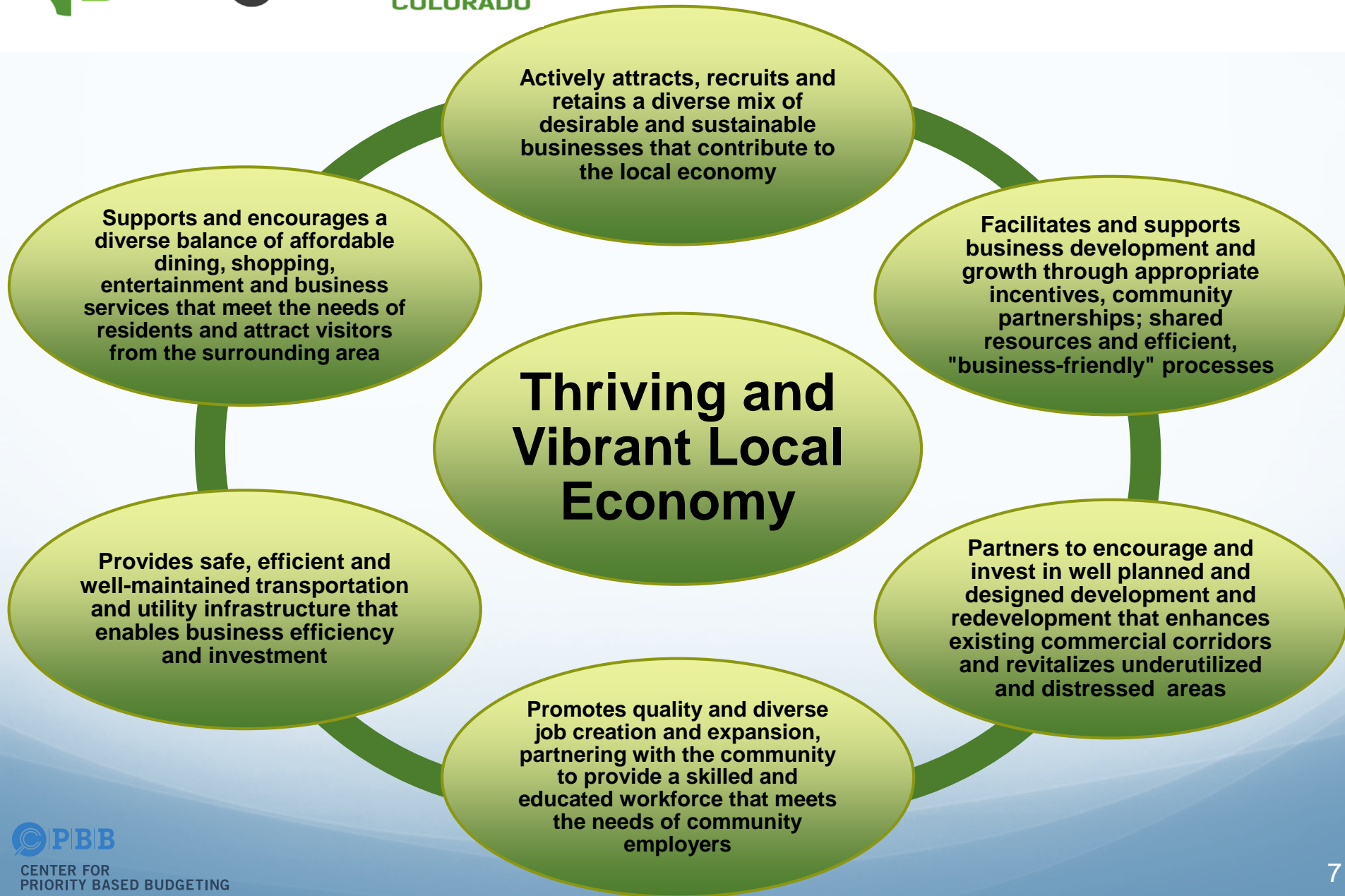
Ensures access to a reliable utility infrastructure that delivers safe, clean water, enables effective wastewater treatment and provides effective storm drainage management

## Sustainable Natural Environment

Provides for a safe, orderly, clean well-cared for and revitalized community that is visually appealing and welcoming

Preserves, protects and safeguards its parks, trails, open spaces, green spaces and natural areas for the enjoyment of future generations

Promotes energy efficiency, energy conservation, alternative energy/fuel solutions and other green initiatives through incentives and community awareness education



**Attracts, develops, equips,  
retains and values a high-  
quality workforce dedicated to  
service excellence**

**Fosters financial  
sustainability, operational  
excellence, trust and  
transparency through  
accountability, honesty,  
efficiency, innovation and best  
practices**

**Supports decision-making  
with timely and accurate  
short-term and long-range  
analysis that enhances vision  
and planning**

# **Good Governance**

**Protects, manages, optimizes  
and invests in its human,  
financial, physical and  
technology resources**

**Provides responsive, fair and  
accessible leadership,  
facilitates timely and effective  
two-way communication and  
utilizes input from all  
stakeholders**

**Provides assurance of  
regulatory, policy and safety  
compliance to minimize and  
mitigate risk**

## **BUDGET ADVISORY COMMITTEE**

### **2-14-1: Purpose.**

The Budget Advisory Committee (BAC) is established by Council and the City Manager to advise the City on the development, implementation, and evaluation of the annual City Budget. Participation in Budget Advisory Committee is an opportunity not only to advise on the prioritization of how City tax dollars are spent, but also to advise policymakers in their decision-making process in an open and transparent process.

### **2-14-2: Composition and Membership.**

The Committee will be comprised of five (5) members appointed by City Council and a non-voting Council liaison.

### **2-14-3: Terms of Members.**

Members will be appointed to overlapping terms of three (3) years. The City Council shall make appointments to fill vacancies for unexpired terms.

### **2-14-4: Compensation.**

- A. The members of the Committee shall serve without compensation.
- B. Reasonable expenses directly related to performing the duties of the Committee shall be allowed.

### **2-14-5: Powers and Duties.**

The Budget Advisory Committee shall have the following powers and duties:

- A. The Committee shall meet at least once each month at a time to be established by the City Manager.
- B. At the start of each budget year the City Manager shall meet with the Budget Advisory Committee and shall review projections of major revenue sources and expenditure uses.
- C. The City Manager and the Director of Finance and Administrative Services shall work with the Budget Advisory Committee to establish budget guidelines for the coming year.
- D. Each department shall present its budget to the Revenue and Budget, Manager, the Director of Finance and Administrative Services, the City Manager and Budget Advisory

Committee. Said meetings shall be open to the public and recorded in the same manner as other boards and commissions.

- E. Annual capital improvement recommendations shall be made only by the Planning and Zoning Commission as required by the Englewood Home Rule Charter not the Budget Advisory Committee.
- F. Once the budgets have been reviewed and have incorporated requests for new programs and/or personnel authorized by the City Manager, the Budget Advisory Committee shall submit a written report of its findings and recommendations (BAC Report). The BAC Report shall be delivered to Council prior to the public hearing regarding the budget.

**2-14-6: Appointment of Officers and Adoption of Rules.**

- A. The Committee shall organize, adopt administrative rules and procedures and elect from its members such officers as it shall deem necessary to accomplish its purposes. Officers of the Committee shall be elected for one-year (1) terms. No officer shall serve in the same capacity for more than two (2) consecutive terms.
- B. The chairperson may appoint such standing or special sub-committees from the membership of the Committee as the Committee shall determine necessary or useful in carrying out its purposes and powers. The purpose, term and members of each sub-committee shall be determined by the chairperson.

**~~2-14-7: Sunset Provision.~~**

~~The Budget Advisory Committee and the provisions of Title 2, Chapter 14, shall terminate in three (3) years unless the Committee and the provisions of Title 2, Chapter 14, are renewed by Council ordinance.~~