



Budget Transactions

Steve Bohn, Department of Finance
Stacey Covington, Department of Finance
November 21, 2023

Actions Requested

Supplementals 2.0

- BR 23-1803
- Rescinds budget from General Fund Contingency and authorizes appropriations and transfers to address 2023 unbudgeted needs.

TRUA Rescissions & Appropriation

- BR 23-1804
- Rescinds \$5M from agencies to support Temporary Rent and Utility Assistance (TRUA).

Migrant Sheltering Recission & Appropriation

- BR 23-1805
- Rescinds \$8M from Denver Human Services (DHS) Special Revenue Fund to support the Border Crisis Response Special Revenue Fund.

Capital Planning & Programming Recissions

- BR 23-1802
- Rescinds \$4.2M of unused Capital Improvement Funds from completed or deferred capital maintenance projects to support the 2024 Budget.

Supplementals Round 2 | BR 23-1803

General Fund Contingency

The City Charter requires that the proposed budget for the General Fund shall include no less than two percent of total estimated expenditures for unbudgeted expenditures. Fiscal Policy outlines criteria that include:

- An unexpected event such as a natural disaster or accident;
- Large unappropriated payouts or personnel costs such as retirement payout or midyear salary adjustments that cannot be absorbed by agency appropriation;
- Unfunded mandates as a result of legislation;
- Planned one-time expenditures that advance a programmatic or financial outcome.

2023 Contingency

Total Original Contingency	32,562,000
Supplementals Approved to Date	
CB23-0553 – Agency Reimbursements for Migrant Services	11,020,818
CB23-0829 - Transfer to new Border Crisis SRF	4,912,500
CB23-1538 – Year-end Supplemental Request	14,044,000
Currently Available Balance	2,584,682

*SRF – Special Revenue Fund

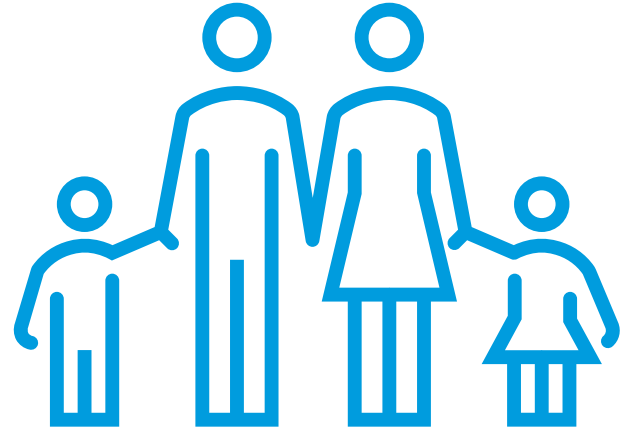
Projected Available Contingency

Agency	Description	Amount
Human Services	Migrant Sheltering	1,244,000
Transportation & Infrastructure	Additional fuel and parts	500,000
City Attorney	Outside Legal Counsel	500,000
Office of the Municipal Public Defender	Salaries exceeding budget + equity	140,000
District Attorney	Salaries exceeding budget	100,000
Independent Monitor	Salaries exceeding budget	100,000
	Total Request	2,584,000
	Balance	682

Denver Human Services

– Migrant Services

- The Border Crisis Response Special Revenue Fund was established in 2023 to support personnel and program costs related to supporting asylum seekers coming to Denver from outside of the southern border.
- Amount - \$1,244,000



Transportation and Infrastructure

- Fuel contract still under negotiation
- Aging fleet
 - Increase in outsourced fleet repairs
 - Increase in parts cost and ordering
- Amount - \$500,000

	FY22 Average \$/gallon	FY23 average \$/gallon	% change
Diesel	\$2.77	\$3.38	22%
Unleaded	\$2.54	\$3.20	26%

City Attorney's Office

- Outside Counsel
 - Conflict counsel makes up 81% of outside counsel
 - It is most typically used when the CAO is defending the city and a city employee, and the city employee's interests may not align with the city's interests
 - Specialized counsel makes up the balance
 - Bond and disclosure
 - Americans with Disabilities Act (ADA) Department of Justice (DOJ) settlement
 - Environmental
 - Overflow cases are a nominal portion also
 - To support workload issue
- Amount - \$500,000

District Attorney

- Positions hired at a higher rate than budgeted
- Unbudgeted technology services costs for new office space
- Amount - \$ 100,000



Independent Monitor & Office of the Municipal Public Defender

- Positions hired at a higher rate than budgeted
- Pay equity adjustments
 - Pay equity studies are conducted by the Office of Human Resources to align salaries with comparative market salaries
 - These increases may occur after the ensuing budget year has been approved
 - Vacancy savings may offset some of the unbudgeted increases
- Amount - \$140,000 – OMPD
- Amount - \$100,000 - OIM

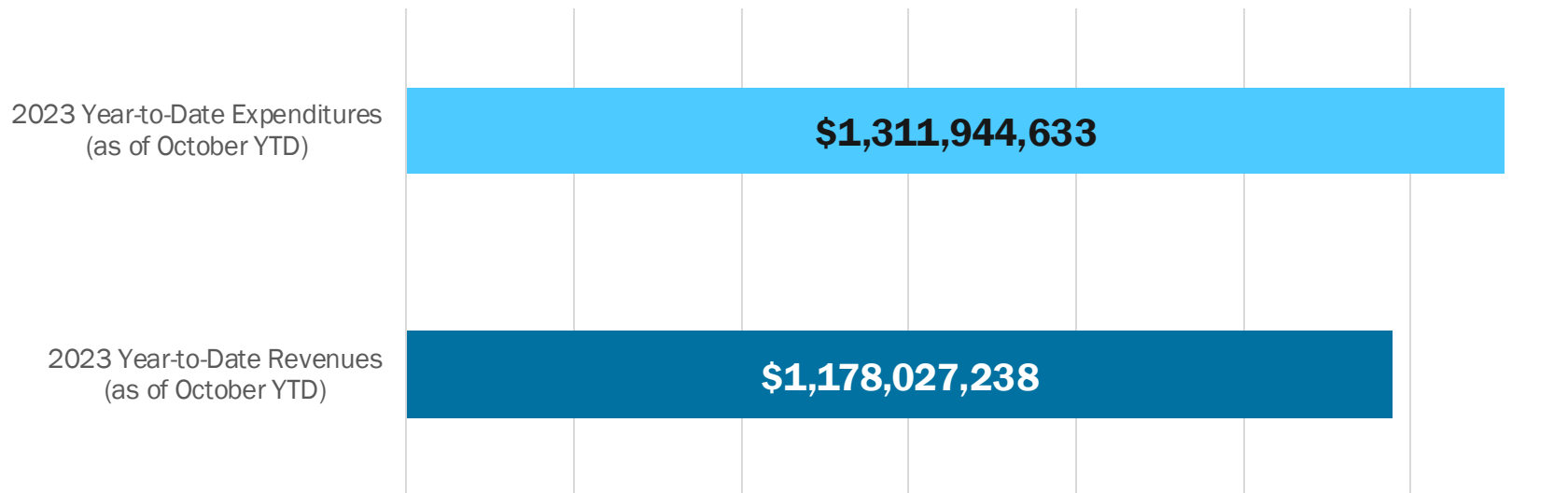
Recap on 2023 Contingency

Total Original Contingency	32,562,000
Supplementals Approved to Date	
CB23-0553 – Agency Reimbursements for Migrant Services provided Q1	11,020,818
CB23-0829 - Transfer to new Border Crisis SRF	4,912,500
BR23-1538 - Yearend Supplemental Request	14,044,000
Currently Available Balance	2,584,682
BR23-1803 Second Yearend Supplemental Request	2,584,000
If request is approved, balance of Contingency	682

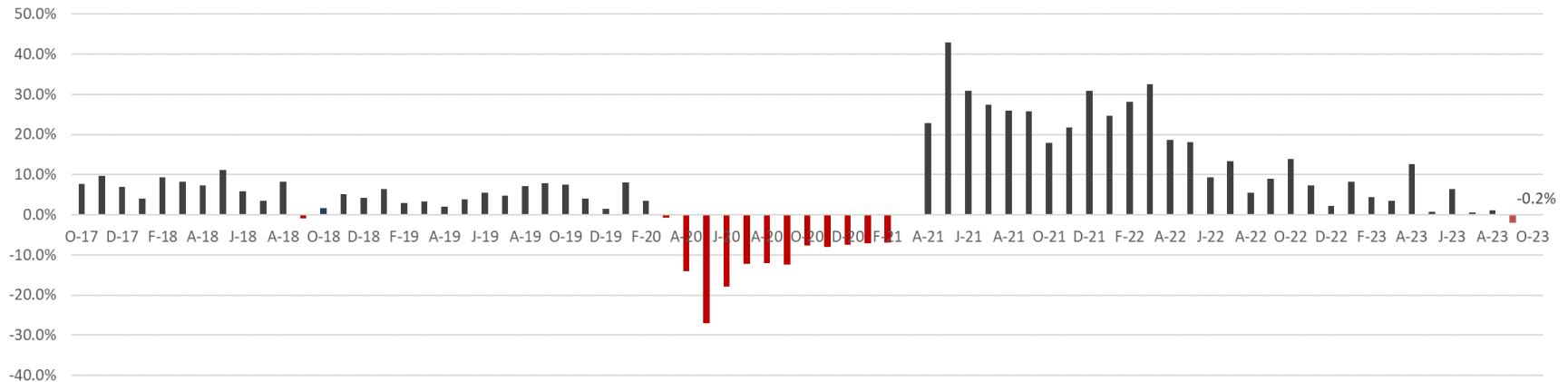
Previous Years Contingency

	Contingency	Remaining	Contingency Spent	% remaining of original
2018	\$34,457,698	\$9,370,378	\$25,087,320	27%
2019	\$28,684,000	\$6,966,127	\$21,717,873	24%
2020	\$29,200,000	\$11,771,272	\$17,428,728	40%
2021	\$26,095,000	\$4,837,823	\$21,257,177	19%
2022	\$29,400,000	\$9,624,786	\$19,775,214	33%
2023	\$32,562,000	\$682	\$32,561,318	0.002%

Year to Date Expenditures and Revenue



Core Sales Taxes YOY Changes per Month, Oct. 2017 through Oct. 2023



Airport Police Expenditures

- No general fund revenue
- Increase to appropriation of \$450,000 for the Internal Billings and Reimbursement Fund:
 - Used to bill Denver Human Services and Denver International Airport for direct services
- Increase in appropriation request to allow the airport to cover all police expenditures

TRUA Rescissions | BR 23-1804

Background

- City Council introduced 23-1845, which called for additional assistance toward temporary rent and utility assistance (TRUA).
- This request is being undertaken to make \$5M available for TRUA in 2024.



To comply with budget amendment 23-1645

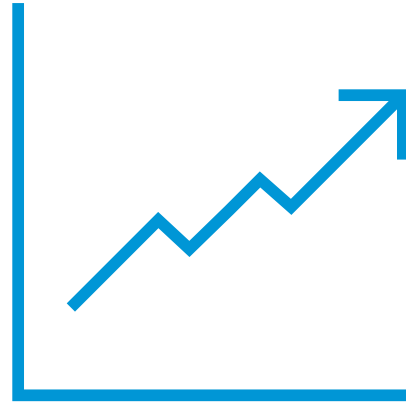
Agencies	Recissions
Department of Parks and Recreation	1,500,000
Unemployment + Certificate of Participation for Platte	1,000,000
Community Planning & Development	750,000
Office of Climate Action, Sustainability and Resiliency	400,000
Office of Human Resources	300,000
Office of Social Equity and Innovation	250,000
Fire Department	250,000
Department of Public Health and Environment	250,000
Denver Economic Development and Opportunity	150,000
Office of Education and Children	150,000
Grand Total	5,000,000

\$5M will be transferred to the Affordable Housing Fund

Border Crisis Special Revenue Fund | BR 23-1805

Increase appropriation in fund by \$8M

- Border Crisis SRF
 - \$8M will be rescinded from Denver Human Services operating fund
- The source of operating funds for DHS is dedicated property tax



Capital Rescissions | BR 23-1802

Capital Rescissions

- These rescissions are programmed into the approved 2024 budget
- Annual process to review completed projects
- Often, funds become “stranded” within capital programs when projects are complete, requires council action to repurpose funds
- Rescissions from 20+ projects



Rescission Amounts

- \$4.2M of total rescissions
 - \$3.9M Capital Improvement Fund
 - \$182K Entertainment and Cultural Fund
 - \$93K Wastewater Enterprise Fund
 - \$7K State Conservations Trust Fund

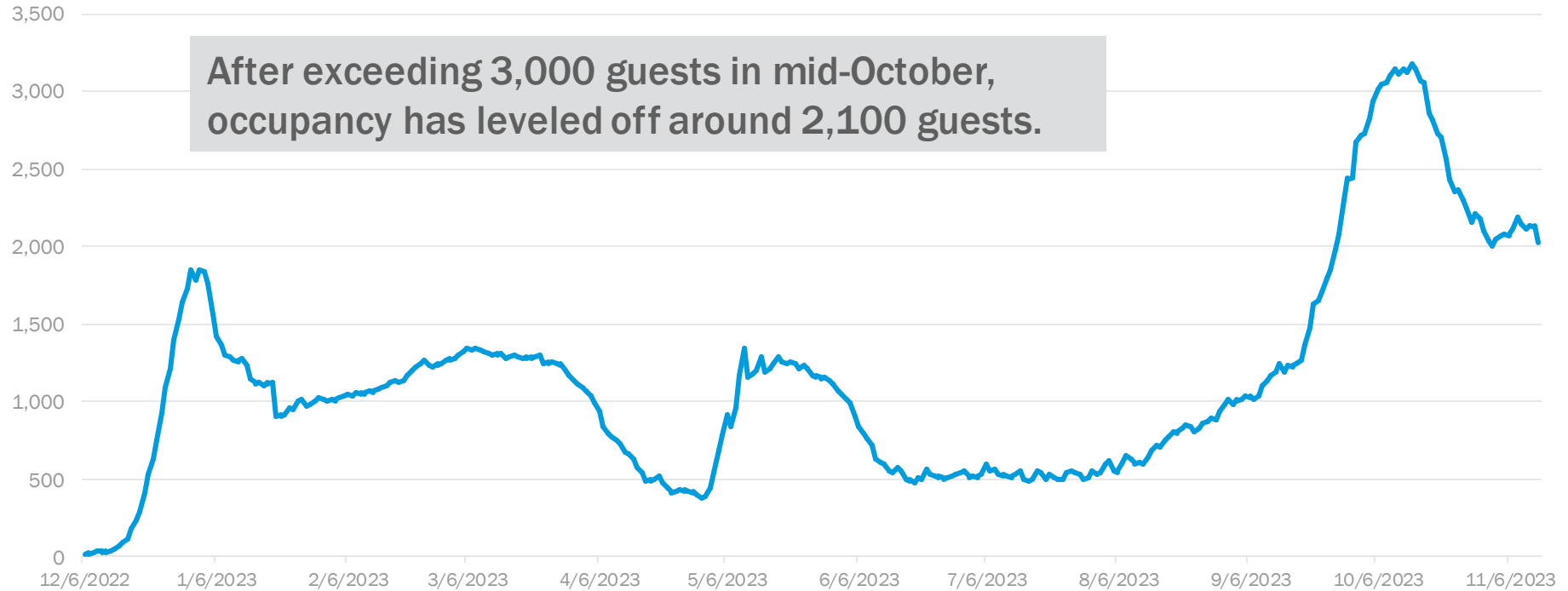


Questions?

Thank you!

Appendix

Migrant Shelter Occupancy Trends



Current Migrant Services

- Reception/intake including health screening
- Sheltering (37-day length of stay for families, 14-day length of stay for single adults)
- Distribution of donations — winter clothes needed!
- Onward transportation to destination of choice in continental United State
- Resource navigation including housing navigation provided by nonprofit partners funded by state