



2022 Year-end Requests

- BR22-1475

- BR22-1476

Finance and Governance Committee

November 15, 2022



Supplemental Appropriations

General Fund Contingency

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.

There are two other ‘reserves’ to be used under natural disaster or economic downturn circumstances. Both must be replenished.

Overview of 2022 GF Contingency

Original 2022 Contingency	29,400,000
Supplementals Approved to Date	15,553,314
City Council – Special Revenue Fund (CB22-0229)	111,100
City Attorney’s Office – Liability and Claims Fund (CB22-0571)	2,000,000
CPD oncall budget and TS Accela (CB22-0738)	775,000
City Attorney's Office - SAUSA Program (CB22-0832)	154,000
Yearend Supplementals (13 agencies) (CB22-1316)	12,513,214
Available Contingency	13,846,686

Requested GF Supplementals

Agency	Description	Amount
Department of Transportation and Infrastructure	Increased costs due to inflation of fuel, parts for fleet repairs, and cost and complexity of outsource repairs due to the age of the fleet infrastructure.	3,100,000
Clerk and Recorder	Security film for the Elections building, Inflationary Cost of ballot printing.	1,100,000
Climate Action Sustainability and Resiliency	To address an error that was identified from 2019 for revenue that was recorded in the General Fund instead of the Green Buildings SRF.	21,900
Total		4,221,900

Fleet Fuel: Financial Metrics

- The 2022 monthly cost of fuel is the highest DOTI has encountered
- DOTI has already spent more than \$5M on fuel YTD and will significantly exceed 2019 levels
- Cost per gallon of all fuel types is at a historic high (44% increase unleaded, 45% increase diesel)

Fleet Fuel Costs Through October		
	Total Costs	Monthly Avg
2019	\$ 4,546,224	\$ 462,728
2020	\$ 3,574,775	\$ 356,588
2021	\$ 3,804,164	\$ 384,179
2022	\$ 5,163,643	\$ 516,364

Year Over Year Increase per Gallon			
	2021	2022	Increase
Unleaded Cost per Gallon	\$ 1.79	\$ 2.57	44%
Diesel Cost per Gallon	\$ 1.92	\$ 2.78	45%

Fleet Parts (Fleet Logistics): Financial Metrics

- The age of the City’s fleet infrastructure has led to more complex and expensive repairs.
- In some cases, the level of complexity has required repairs to be outsourced to external vendors.
- Both the costs of parts and outsource repairs have been subject to cost escalations due to inflation.

Logistics (Fleet Parts) Annual Increases:

Year Over Year Fleet Part Increases		
	Parts Quantity	Cost
2021	105,075	\$ 6,234,965
2022 Projected	122,253	\$ 7,353,838
2022 Increase	17,178	\$ 1,118,873

Clerk and Recorder

- Given the current political climate, Clerk and Recorder is seeking to add protective film on glass in offices.
- A global paper shortage has increased the cost of paper by 30%.

CASR: Green Buildings SRF

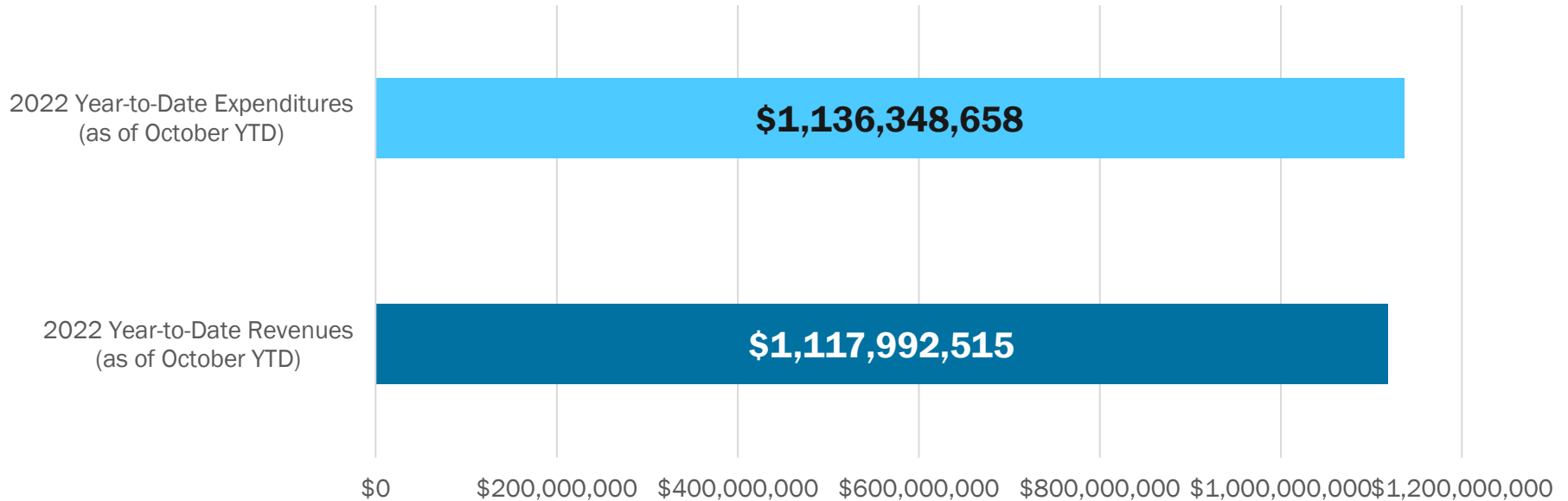
- The Green Building SRF collects revenue from building owners and developers for fees made in lieu of providing required green space as outlined in the Green Building Ordinance and was originally administered by CPD in a Capital Fund.
- In 2021, the program and fund moved to CASR, and in 2022 the Green Building SRF was created to become the primary program fund. The GB Capital Fund will receive transfers from the SRF, by ordinance, as needed.
- In reconciliation of funds from the Capital Fund to the SRF, CASR discovered \$21,900 of revenue was recorded to the General Fund. This action moves cash from the General Fund to the Green Buildings SRF

Remaining 2022 GF Contingency

Original 2022 Contingency	29,400,000
Supplementals Approved to Date	15,553,314
Supplemental Amount in this Request	4,221,900
Balance of Contingency if Approved	9,624,786

Targeted 'unspent' for 2022 = \$22M or 1.5% of 2022 Appropriation

Year to Date Expenditures and Revenue



BR22-1475

Action Requested:

City Council approval of the following:

A rescission of \$4,221,900 from General Fund contingency for supplemental appropriations in the General Fund and Special Revenue Funds address year-end 2022 unbudgeted needs and correct revenue recording error.

Rescissions and Reappropriations

Rescissions-Reappropriations

Rescission Agency/Fund	Amount	Appropriation Agency/Fund	Purpose
Denver Public Library/ General Fund	4,000,000	CIP	To address Council's request to fund the gap for modernization and deferred maintenance at Athmar Park, Barnum, Pauline Robinson, and Schlessman branches.
HOST/General Fund	25,000	Fleet Special Revenue Fund	Additional cost to outfit outreach vans for the Early Intervention Team
OMPD/General Fund	140,000	Technology Capital Fund	Case Management System modifications
Total	\$4,165,000		

Capital Purchase Authorization

Agency	Item
HOST/Fleet SRF	Three vans for the Early Intervention Team

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Action Requested:

City Council approval of the following:

A rescission of \$4,165,000 from agency General Fund appropriations to transfer cash to Special Revenue Funds and Capital Improvement and Capital Maintenance Funds; and the authorization to purchase capital equipment items.

Questions?

Thank you