



Recovery Restoration and Supplemental Services

Finance and Governance Committee
June 22, 2021

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2021 Supplemental Requests

Supplemental Request



- STAR \$1M expansion to DDPHE in addition to the \$1.4M added in 2021
 - 6 teams
 - 4 vans
 - Operating 7 days per week for 16 hours per day
 - Citywide coverage



- \$300K to Office of Human Rights and Community Partnerships to support public safety recovery through community partnerships in 5 neighborhoods

General Fund Supplemental

According to City Charter, the General Fund proposed budget shall include no less than 2% of total estimated expenditures in contingency for unbudgeted expenditures meeting specific criteria including:

- 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;
- Technical corrections of the original budget;
- 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.

Status of GF Contingency

Original 2021 General Fund Contingency	\$26,095,000
Ordinances 21-0082, 21-0254 and 21-0255: elected official furlough budget correction, HRCF DenverConnect and Risk Management SRF	(1,375,438)
Ordinances 21-0533 & 21-022: Excise & Licenses MJ license implementation and Long Term Rental	(784,750)
Ordinance 21-0395: City Council Transfer to SRF	(292,989)
Current Contingency Balance	\$23,641,823
Pending: 21-0622: City Council Redistricting resources	(74,000)
Current Request: CB 21-0705	(1,300,000)
New General Fund Contingency if All Approved	\$22,267,823



American Rescue Plan Act: Restoration of Services

American Rescue Plan Act Funding Status

- \$308M allocated for City and County of Denver Recovery Efforts
 - 50% to be distributed upon finalization of grant agreement
 - 50% to be distributed 12 months later
- Grant agreement and creation of fund approved by City Council June 14
- Final rules from U.S. Treasury anticipated after July 16

American Rescue Plan Act Eligible Uses



Public Health expenditures



Address negative economic impacts caused by the public health emergency



Replace lost public sector revenue



Provide premium pay for essential workers



Invest in water, sewer, and broadband infrastructure

Revenue Loss Category of ARPA

- Most flexible ARPA category
- Various formulas determine ‘ceiling’ for revenue loss
- Revenue loss calculated in ‘aggregate’ and includes more than the General Fund
- Based upon interim guidance, Denver’s revenue loss calculation exceeds the total amount of the city and county ARPA local funds award

Approach to Funding Recommendations

- Goal: no more than 30% of total \$308M ARPA for revenue loss category
 - Assures majority of funds used for pandemic response, economic recovery
 - Implies annual decision of expenditure transition to other funding sources (primarily the General Fund)



Total Recommended Restoration/Supplemental Services Package

- Recommendations for 2021 = **\$46.2M**
 - Agency restoration = \$26.3M
 - Agency supplemental services = \$2.6M
 - Citywide (all eligible funds furlough) 2021 = \$17.3M

Why focus first round on restoration and supplemental services?

- Next larger funding disbursement will focus on community and business supports based on public input from Rise Together Denver, City Council, and Stimulus Investment Advisory Committee recommendations
- Restoration of services proposals tied to reductions implemented and publicly shared during 2021 budget process
- Supplemental services driven by urgent pressures resulting from workload increases – usually because of ‘backlog’
- Critical first step to prepare for recovery, allows City to better align resources necessary to handle current/coming demand

Restoration of Services Approach



- Restorations = 2021 Reductions
- Primarily supports filling vacant positions
- Not recommending restoration of all reductions
 - Not recommending most supplies, travel and training due to indirect impact of most of these items
 - Maintain majority of ARPA for public health, economic recovery
 - Lessen the burden of ongoing expenses for future budgets
- Restoration falls only under revenue loss eligible expenditure ARPA category
- Proposed restorations are for remainder of 2021

Supplemental Services Considerations



- City Council meeting support
- Courtroom backlog: County Court, Office of the Municipal Public Defender, District Attorney, City Attorney's Office



- CPD Permitting demand
- Patio licensing pending workload



- Public Health inspections backlog
- Federal policy changes: foreclosure moratorium, federal funding management

Court System Supplemental Resources

City Attorney Office	3 Attorneys to address significant increase in cases re COVID issues, people experiencing homelessness, justice reform	\$185,400
District Attorney	Eleven positions to allow the office to catch up on backlog of cases and trials suspended during the pandemic	\$585,000
County Court	New Judge and two (2) JAllI to support additional courtroom needed for backlog of cases related to COVID-19, and for future increase in cases related to HB-1263	\$93,000
County Court	Upgrade technology and infrastructure to support Virtual Courtroom to support the implementation and sustainability of new hybrid model	\$150,000
Municipal Public Defender	2 paralegal to assist in viewing and transcribing body-worn camera recordings and performing initial discovery reviews; 2 administrative positions to assist in processing public defender application and downloading case-related discovery (*No 2021 Reductions)	\$90,000
Total Supplemental Amount		\$1,103,400

General Fund Considerations

- Full year of costs (realized in 2022)= \$67.9M
 - Source of ongoing expenditures will be presented with 2022 budget proposals
- Leverage ARPA funds to convert programs back into the General Fund
- Goal to restore fund balance to 15% over the next few years as city revenues recover

2021 Reduction Reminder

- On average, agencies were reduced by 4% in 2021
- Some agencies budgets grew including HOST, OMPD, OCA
- Other agencies took more that 4% reductions including DOTI, CPD, Finance

Elected Officials

	2021 Recommendation	2021 (full year) reduction for savings
Auditor	\$159,482	\$433,500
Restore 4 positions: Fin Mgr, Sr. Auditor & 2 prevailing wage analysts	\$159,482	
City Council	\$199,098	0
Supplemental City Council Reopening Security Equipment Restoration to SRF of transferred savings	\$55,952	
	\$143,146	
Clerk and Recorder	\$24,389	
Supplemental - Public Trustee position to assist upon ending of foreclosure moratorium	\$24,389	\$1,400,000
		*elections adjustment

Elected Officials (con't)

	2021 Recommendation	2021 (full year) reduction for savings
County Court	\$920,529	\$2,500,000
Restore 13 positions including Court Division Supervisor, Interpreter, IT Manager, Probation Supervisor	414,957	
Restore training for new judges	35,050	
Supplemental Services - to continue virtual courtroom technology	150,000	
Supplemental Services - New Judge and Two Judicial Assistant IIIs to address caseload backlog	93,022	
Restore Child Care Center funding	227,500	
District Attorney	\$1,345,391	\$1,100,000
10 Deputy District Attorneys 1 Legal Secretary to support opening of new courtroom	585,078	
Restore Victim Advocate Position	104,185	
Restore Witness Travel and Transportation funding	20,000	
Restore Technology, mailing and some supplies funding	235,000	
Restore Comp Time funding	25,000	
Restore ASA IV Position for CORA requests	86,149	
Supplement/Restore Courtroom 476 by adding court staffing	289,979	

Parks and Recreation

2021 Reduction

\$5.8M (full year)

Recommending - \$3.9M

\$2.7M to reopen Rec Centers including \$2M in HVAC and 2 positions

\$860K to increase maintenance of parks through on-calls, 6 positions, and equipment

\$350K to restore planning and technology

Denver Public Library

2021 Reduction

\$4.8M (full year)

Recommending- \$1.6M

\$1.4M to restore 42 frozen positions, 8 SIP backfills, and on-calls to support Library reopening, including programming and other services

\$150K to restore collections budget & \$100K in supplies

Children's Affairs

2021 Reduction

\$223K (full year)

Recommending \$68K

\$24K to restore some services and supplies to support advocacy and outreach activities, such as one-time event grants that provide supports directly to community organizations and as needed Youth Violence Prevention supports.

\$44K to restore & reclass a position to support distribution of funding to community

HRCP

2021 Reduction

\$397K (full year)

Recommending \$172k

\$26K for sponsorships for nonprofits to support special events and community projects.

\$10K to restore training to address ongoing challenges for the disability community exacerbated by COVID

\$6K for outreach supplies, community engagement and staff support

\$130K to restore one Admin II and two Admin III supporting mayoral initiatives

Arts & Venues

2021 Reduction

\$6.5M

Recommending \$500K

\$500K to restore grant programs (1x), including the Mayor's summer reading program

Public Health

2021 Reduction

\$1.8M (full year)

Recommending \$370k

\$236K to support a backlog in public health inspections, which is needed since resources were diverted to address the pandemic

\$80K to build out space for the Department Operations Center (DOC)

\$38K for contract dollars in the Medical Examiner to catch up on updating policies and procedures to the ISO standards. Resources for this were diverted during the pandemic

\$14K to restore the Anti-Stigma Campaign

Denver Health

2021 Reduction

\$4.6M

Recommending

\$21.5K for additional Fire EMT

HOST

2021 Reduction

\$211K in services and supplies reductions and a shift of \$1M to AHF for personnel

Recommending \$550k

\$50K to restore professional services for salesforce

\$500K for Affordable Housing Fund to restore a half-year for the nine (9) FTE that were moved from GF to AHF;

Community Planning & Development

2021 Reduction

\$3.1M (full year)

Recommending \$960K

\$605K to restore 17 positions across CPD to return to pre-pandemic levels and allow planning services, inspections and permitting to address backlogs and respond to increased workloads as the building and construction industry recovers

\$116K to create 3 limited positions to address workloads that increased during the pandemic including residential plan review and landmark preservation review

\$125K to restore on-call for inspections and overtime for permitting and plan review to address backlogs that developed as a result of the pandemic and 2021 reductions in capacity

\$66K for a Process Navigator and a City Planner Associate to support the Patio Program

\$46K to restore an Administrator III position that supports mayoral initiatives

DOTI

2021 Reduction

\$15.9M (full year without fleet reduction)

Recommending \$1.79M

Street Maintenance	\$304K to support snow removal and street maintenance
Fleet	\$305K for staff overtime, fuel costs, and repair outsourcing \$108K to restore four Technicians
Right of Way	\$62K for handheld citation devices \$148K to restore two ROWE and two ROWS positions \$48K for two ROW Agents supporting the Patio Program
Administration	\$76K to restore two positions to assist with capital project payments \$56K to restore one Administrator to support mayoral initiatives
Solid Waste	\$325K for replacement of carts and outreach to residents \$119K to restore five positions
Infrastructure Project Management	\$242K to support transportation capital projects

Denver Economic Development & Opportunity

2021 Reduction

\$583K full year

Recommending \$105k

\$46K for 1 position associated with NEST Neighborhoods & Small Business

\$59K to restore one position to support mayoral initiatives

Excise & License

2021 Reduction

\$608K (full year)

Recommending \$192K

\$70K for short-term rental (STR) contract

\$65K for an STR Program Administrator

\$53K to extend an expired Business License Inspector and a Program Administrator to restore full-service capabilities to customers

\$23K to support the Patio Program with an additional Licensing Technician (additional positions are recommended in DOTI and CPD for this program)

Safety

2021 Reduction

\$2.2M (full year)

Recommending \$330k

\$330K to restore 8 civilian positions

Fire

2021 Reduction

\$ 11.9M (full year)

Recommending – \$6.1M

\$128K for 3 Technicians

\$2.5M to reverse fire suppression redeployment

\$3.2M to restore unrealized vacancies

\$183K for 2 Technicians to support patio expansion/licensing

Police

2021 Reduction

\$4.9M (full year)

Recommending \$2.4M

\$467K Restore 16 civilian positions including fleet technicians & forensics investigations scientists and support

\$1M Back fill OT as a result of historically high attrition

\$980K Academy Class of 40 in October (\$1.2M in 2022) to backfill cancelled class in 2020 and address attrition

Sheriff

2021 Reduction

\$10.8M (full year)

Recommending \$1.3M

\$321K to restore 11 civilian positions

\$650K OT restoration as a result of jail population above 1300

\$282K to activate two floors of building 21 for men

City Attorney's Office

2021 Reduction

\$1.2M (full year)

Recommending \$565K

\$213K to restore three Assistant City Attorneys (two perm., one limited) in PACE to provide courtroom coverage (also reflected in court supplemental resources slide)

\$151K for Municipal Operations to restore two Assistant City Attorneys and one Paralegal

\$95K to restore a limited Assistant City Attorney & a Paralegal in Litigation

\$56K for partial restoration of the CAO Fellowship Program (on-calls)

\$50K for partial restoration of contract funds for the Prosecution & Litigation divisions

Finance

2021 Reduction

\$8.1M (full year)

Recommending \$ 1.3M

\$252K to restore 5 positions in the Assessor Office, Capital Planning and Programming, Cash & Capital Financing & the Budget Office

\$206K to restore 8 positions in the Controllers Office, Treasury Tax Compliance and the DMV

\$400K mailing in Treasury & grant writing in BMO

\$300K in supplemental Real Estate software to support return to the office

\$143K in supplemental for 4 positions in finance and administration assistance for ARPA Fund Management

General Services

2021 Reduction

\$6.7M (full year)

Recommending \$1.8M

\$240K to restore 7 positions in purchasing & facilities

\$740K to restore maintenance materials

\$740K to restore service budget for security contract and for security supplies and equipment

\$40K to supplement security services during City Council meetings

Climate Action, Sustainability & Resiliency

2021 Reduction

\$520K (full year)

Recommending \$65,200

\$34,500 to restore one Administrator I for the Certifiably Green Denver program that will provide services and support for small businesses, MWBEs, & NEST neighborhood businesses.

\$30,700 to restore one Program Administrator to provide neighborhood and nonprofit partners with recovery support and services that includes a focus on sustainability, resiliency and climate action in NEST neighborhoods.

Human Resources

2021 Reduction

\$1.9M

Recommending \$218k

\$218K for 5 positions to support recruiting and HR business processes.

Technology Services

2021 Reduction

\$8M (full year)

Recommending \$1.75m

\$752K to restore 16 positions

\$657K for professional services for quicker customer response, system upgrades, increased resident access to information, and reduce cyber vulnerabilities

\$341K for capital equipment incl fire inspectors' mobile units and improved network and voice communication systems

Other Agencies

	2021 Recommendation
Board of Ethics	\$3,000
- Restore printing reduction to address recent changes to the ethics code	\$3,000
Civil Service Commission	\$43,500
- Restore professional services to support additional class	\$43,500
Special Events	\$2,000
- Restore Technology Supplies & Equipment Budget for software upgrade	\$2,000
- Reinstate Supplies Budget to help respond to increase in events in 2021	\$1,500
	\$58,500

Next Steps

- **June:**
 - Present recommendations for ARPA Restoration of Services to City Council & begin approval process
 - Present RISE Denver community engagement feedback results to Mayor, City Council, the Stimulus Investment Advisory Committee and G.O. Bond Executive Committee
- **July:**
 - Finalize and present recommended G.O. Bond project funding to City Council & begin approval process (early to mid-July)
 - Finalize and present ARPA Round 1 of Community & Business Recovery Investments to City Council & begin approval process (mid- to late-July)
- **August:**
 - City Council Review & Approval Process for G.O. Bond initiative and ARPA Round 1 of Community and Business Recovery Investments
- **September:**
 - Announce Mayor's 2022 proposed budget

Today's Council Actions

CB 21-0705

Rescinds \$1,000,000 from General Fund Contingency to make an appropriation in the Denver Dept. of Public Health and Environment to fund an expansion of the STAR program and rescinds \$300,000 from General Fund Contingency to make an appropriation in Human Rights and Community Partnerships to support community partners that collaborate with DPD in efforts to strengthen communities in areas of Denver identified as having high criminal activity.

CB 21-706

Amends Ordinance No. 591, Series of 2021, to authorize \$46,208,643 of spending in 2021 in the American Rescue Plan Act Grant Fund to restore services reduced in the original budget process due to revenue loss resulting from COVID-19.



Questions?