2022 Year-end Requests

Finance and Governance Committee
October 18, 2022

Agenda

- CB22-1316 – Supplemental Appropriations
- CB22-1318 – Rescissions and Re-appropriations
- CB22-1317 – FIT Rescissions and Re-appropriations

Supplemental Appropriations

General Fund Contingency and Non-General Fund Requests

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

Total Original Contingency	**29,400,000**
Supplementals Approved to Date	**3,040,100**
City Council – Special Revenue Fund (CB22-0229)	111,100
City Attorney's Office – Liability & 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
Available Contingency	**26,359,900**

Requested GF Supplementals

Agency	Description	Amount
General Services	Increases to security and janitorial contracts and pay equity audits	3,300,000
Fire	Unbudgeted Collective Bargaining Agreements Costs and additional recruits	3,000,000
City Attorney's Office/Liabilities and Claims Special Revenue Fund	Liability and Claims Fund for approved claims between June - September	1,662,377
Parks and Recreation	Water Bill	1,468,837
Technology Services/Transfer to CIF	Salesforce for contracting system to track housing contracts	1,225,000
Department of Finance/Risk Special Revenue Fund	Replacement of totaled DPD, DFD, DOTI & CPD vehicles	1,117,000
Hotel TIF	DOF appropriated payment to DURA for the Colorado National Bank Hotel TIF	345,000
Civil Service Commission	Support for timely background checks & psychological evaluations	100,000
DHHA / DDPHE-Park Hill Payment	Increased Interest and delayed invoice	100,000
Office of Social Equity and Innovation	Pay equity audits & audit response support	75,000
Office of Special Events	Pay equity audits	50,000
Fleet SRF	Purchase of unbudgeted van for safe removal of propane	45,000
Board of Ethics	Unbudgeted personnel expenses	25,000
	Total of all above requests	12,513,214

General Services

- $3,300,000
- Security contract increase by 33%
- Janitorial contract increase by 17%
- Equity adjustments for 55 Facility Management Division positions (trades, maintenance, custodial, utility, supervisor)

Fire

- $3,000,000
- Collective Bargaining Increases, including pay increases starting mid-2022 and Holiday Bank
- Added 24 recruits to existing classes to help address vacancies

City Attorney's Office/Liabilities and Claims Fund

- $1,662,377
- Reimbursing the SRF for claims and settlements already authorized by City Council as well as unconditional liabilities (small claims/court orders)
- This is similar to CB22-0571

Resolution Number	Amount
CR22-0624	46,751
CR22-0651	325,000
CR22-0719	27,000
CR22-0720	25,000
CR22-0742	40,000
CR22-0843	100,000
CR22-0916	95,000
CR22-0954	50,000
CR22-0955	19,800
CR22-0956	25,000
CR22-0957	19,500
CR22-1010	128,002
CR22-1048	185,000
Small Claims - No Resolution	208,599
Court Order/ Final Judgement	367,724

Parks and Recreation

- $1,468,837
- Water Bills projected to exceed budget
- Water overage due to a combination of factors including the lengthening of warm seasons that require watering, price increases, and unforeseen issues with pumps that have now been resolved

Technology Services – CIF Fund

- 1,225,000
- Salesforce modification to track housing contracts to ensure compliance
- HOST contributed $500K for project
- TS identified $100K for project
- This GF Supplemental appropriation would be transferred from the GF contingency to a Capital Improvement Fund for this purpose

Dept. of Finance - Risk Management Fund

- $1,117,000
- For 22 vehicles
  - 16 Police vehicles
  - 3 Fire vehicles
  - 2 DOTI vehicles
  - 1 CPD vehicle
- SRF pays for property and insurance liability deductibles as well as the replacement of totaled vehicles
- Subrogation will be pursued against responsible parties as applicable
- GF Transfer from Contingency to the Risk Management SRF

Hotel Tax Increment Finance

- $345,000
- For the Colorado National Bank TIF
- This is a true up to reflect actual 2021 collections, paid in 2022 that should have been accrued back to 2021.
- Since the final 2021 payments were not accrued back before the year closed, they must be recorded in 2022.

Civil Service Commission

- $100,000
- For 5 additional on-call investigator positions to expedite the background check process
- And for an increase in the vendor contract for psychological evaluations

Park Hill Family Health Center Payment

- $100,000
- The City partially funds the land acquisition, construction, and equipping of the Park Hill public health clinic.
- Supplemental is needed to account for a 2021 invoice not being remitted and paid until 2022 and to account for increased interest.

Personnel increases for smaller agencies

- $75,000 for Office of Social Equity and Innovation (also includes professional services support)
- $50,000 for Office of Special Events equity adjustments
- $25,000 for Board of Ethics pay adjustment

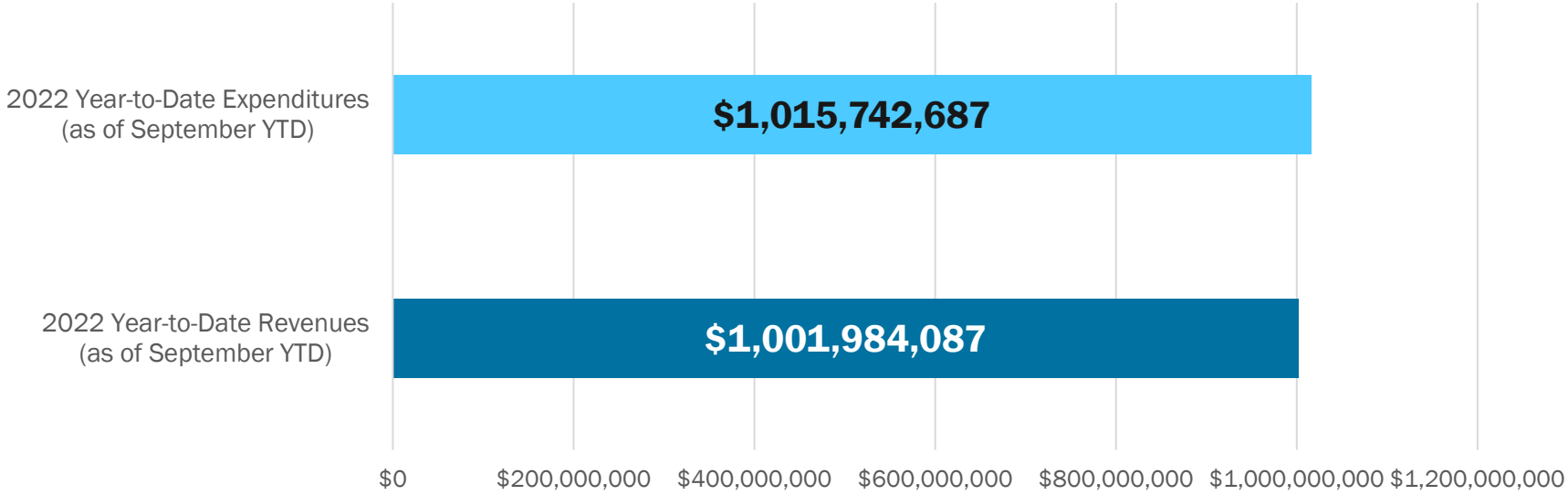
Transfer to Fleet SRF

- $45,000
- For vehicle to be used by the Fire Department for propane removal
- This will be a transfer from GF contingency to the Fleet Special Revenue Fund

Remaining 2022 GF Contingency

Total Original Contingency	$29,400,000
Supplementals Approved to Date	3,040,100
Supplementals in this Request	12,513,214
Remaining Contingency if Request is Approved	$13,846,686

Year to Date Expenditures and Revenue



Non-General Fund Supplemental Appropriations

- DEN, Golf and DAV do not receive tax revenue
- All agencies requesting a supplemental appropriation have revenue needed to cover the request
- Require the supplemental appropriation to support their operations

Requested Non-General Fund Supplemental Appropriations

Agency	Description	Amount
Denver Airport SRF	Uniform Increases as a result of OT and payouts	3,000,000
Denver Airport	Hotel Expenditures for contract increases and occupancy increases leading to higher operating costs	2,500,000
Golf	Increased labor and inflation	500,000
Denver Arts and Venues	Increased events and attendance over those budgeted including stagehands, janitorial services, ushers, security expenses, etc.	5,000,000
	Total Appropriations	**11,000,000**

BR22-1316

Action Requested:

City Council approval of the following:

A rescission of $12,513,214 from General Fund contingency for supplemental appropriations in the General Fund, Special Revenue Funds, and Capital Funds; and $11,000,000 in appropriations for appropriated Special Revenue Funds and Enterprise Funds to address year-end 2022 needs.

Rescissions and Reappropriations

Rescissions-Reappropriations

Rescission Agency/Fund	Amount	Appropriation Agency/Fund	Purpose
Sheriff/General Fund	221,000	Fire/Capital Equipment Fund	Tablets, gas detectors
Sheriff/General Fund	485,000	Sheriff/Capital Equipment Fund	Fingerprint machines, body scanners, mounted vehicle unit, console
Sheriff/General Fund	430,000	Sheriff/Capital Improvement Project	County jail improvements
Library/General Fund	120,000	Library/Capital Improvement Fund	Decker Branch renovations including ADA
Library/General Fund	120,000	Library/Capital Equipment Fund	Material Hold Lockers
Denver Health/General Fund	300,000	Denver Health/General Fund	Reallocate within Operating Agreement to cover increased costs at public health clinics
Technology Services/Capital Improvement Fund	393,000	Clerk and Recorder/CIF	Ballot sorter machine
Total	**2,069,000**		

Capital Equipment Authorization

Agency	Item
Library	Video Wall
Library	Material Hold Lockers
Sheriff	Fingerprint Machine(s)
Sheriff	Body Scanners
Sheriff	Mounted Vehicle Unit
Sheriff	Console in the Jail
Fire	Replacement Capital Equipment – tablets, gas detectors and calibration
Clerk & Recorder	Ballot Sorter

BR22-1318

Action Requested:

City Council approval of the following:

A rescission of $1,676,000 from agency General Fund appropriations and $393,000 from Capital Improvement Fund appropriations to transfer cash to Special Revenue Funds and Capital Improvement and Capital Maintenance Funds; an appropriation in Funds to address 2022 and 2023 needs; and the authorization to purchase capital equipment items.

FIT Rescissions and Appropriations

Rescission of $1,141,836 from completed facilities capital maintenance projects including

- Roof and window repairs
- Plumbing and HVAC improvements, alarm system upgrades

Project Name	Description	Amount
Administration	Webb building fire alarm panel synchronization	149,700
Community Services	Elevator repair at 1245 Champa and electrical and HVAC upgrades at the Arie P. Taylor Municipal Center	239,700
Safety	Fire suppression upgrades, gate repairs, ADA improvements, and exit access control at a variety of public safety facilities	452,436
Industrial	Site safety improvements, structural improvements, and gate repairs at the Roslyn and Cherry Creek campuses	300,000

BR22-1317

Action Requested:

City Council approval of the following:

A rescission of $1,141,836 from completed or deferred facilities maintenance capital projects and reappropriates the funds to support other priority facility maintenance projects in the City.

Questions?

Thank you