



December 8, 2003

TO MAYOR MARTINEZ AND MEMBERS OF CITY COUNCIL

I am pleased to present to you the City of Fort Collins' Biennial Budget for 2004 and 2005. The City's budget plan that you adopted reflects the shrinking economy that we have experienced since 2002. This budget reflects some significant reductions in funding for City services as well as the suspension of employee pay increases for 2004 and possibly 2005, and an increase in the out of pocket costs that employees must pay for medical benefits.

While the economic times required reduced funding for services, this budget continues the City's commitment to and investment in the community's future through the voter approved eight-year Building Community Choices capital improvement program. During 2004 and 2005, the last year of Building Community Choices, this program will provide for new public facilities, street improvements and maintenance, and additional natural area acquisitions as approved by the voters.

The City's property tax mill levy of 9.797 mills, unchanged since 1991, will remain the same through 2005. The sales and use tax rate of 3% will also remain unchanged.

This budget does include rate increases for some of the City-owned utilities. To cover operating expenses and planned capital improvements, a 5% rate increase each year for Wastewater is planned for 2004 and 2005. Rate increases of 10% in 2004 and 7% in 2005 are planned for Stormwater in accordance with the Council approved Stormwater capital improvements and financing plan. Light and Power rates are planned to increase 5.3% in 2004 and 3.5% in 2005 due to increased wholesale energy costs, renewable energy (e.g., wind power) increases and higher residential peak usage, all of which reflects increased operating costs. No rate increases for water are anticipated in this budget but the financial situation will have to be reassessed after the summer billing is complete to fully determine if rate adjustments may be necessary.

The City's population continues to grow and demands and expectations for City services remain high. In the past two years we have seen an erosion of our key resources such as sales and use tax, earnings on investments, and user fees. As a result and in order to not imprudently draw down City reserves, funding for services was reduced in 2003; this budget includes more funding reductions for 2004. The reductions focus on delaying maintenance on public facilities, delaying equipment replacement, reducing training and

staff development, cutting supplies and materials and operational services as well as the suspension of employee pay increases.

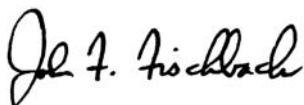
Current projections show that there will be an improvement in the economy and revenues for 2005. With the improved 2005 revenue picture, some service enhancements in police, fire, and transportation are planned. These enhancements will be a major part of the 2005 budget exception process discussion.

The City has adequate reserves that in conjunction with other cost saving measures will enable us to weather the existing sluggish economic environment for the short-term. However, in the long-term, we will have increasing pressure to keep up with existing and new service demands with limited funding resources.

The economic downturn the past couple of years has amplified the need to reassess what services the City provides and what of those services are essential or core services. We will identify and reassess those core services and how they can be delivered in a more effective and cost-efficient manner within the resources actually available. This work will be done in time for discussion during the 2005 budget exception process.

In closing, I would like to express my sincere appreciation to City staff for their sacrifices and dedication in providing services to the residents of our community during these difficult economic times. I also would like to thank City Council for their dedication and leadership in making the difficult decisions in adopting the financial and service plan for 2004 and 2005. With all of us working together, we will be able to meet the challenges that will face us in the coming years. Fort Collins will continue to be a community that will meet the coming challenges and one that all citizens can take pride in calling our home.

Respectfully submitted,

A handwritten signature in cursive script that reads "John F. Fischbach".

John F. Fischbach
City Manager

ORDINANCE NO. 156, 2003
OF THE COUNCIL OF THE CITY OF FORT COLLINS
BEING THE ANNUAL APPROPRIATION ORDINANCE
RELATING TO THE ANNUAL APPROPRIATIONS
FOR THE FISCAL YEAR 2004; ADOPTING THE BUDGET
FOR THE FISCAL YEARS BEGINNING JANUARY 1, 2004,
AND ENDING DECEMBER 31, 2005; AND FIXING THE MILL
LEVY FOR FISCAL YEAR 2004

WHEREAS, the City Manager has, prior to the first Monday in September, 2003, submitted to the Council a proposed budget for the next ensuing budget term, along with an explanatory and complete financial plan for each fund of the City, pursuant to the provisions of Article V, Section 2, of the City Charter; and

WHEREAS, within ten (10) days after the filing of said budget estimate, the Council set September 16 and October 7, 2003, as the dates for the public hearings thereon and caused notice of such public hearings to be given by publication pursuant to Article V, Section 3, of the City Charter; and

WHEREAS, the public hearings were held on said dates and all persons were then afforded an opportunity to appear and object to any or all items and estimates in the proposed budget; and

WHEREAS, Article V, Section 4, of the City Charter requires that, before the last day of November of each fiscal year, the Council by passage of the annual appropriation ordinance shall adopt the budget for the ensuing term and appropriate such sums of money as the Council deems necessary to defray all expenditures of the City during the ensuing fiscal year; and

WHEREAS, Article V, Section 5, of the City Charter provides that the annual appropriation ordinance shall also fix the tax levy upon each dollar of the assessed valuation of all taxable property within the City, such levy representing the amount of taxes for City purposes necessary to provide for payment during the ensuing fiscal year for all properly authorized expenditures to be incurred by the City; and

WHEREAS, Article XII, Section 6, of the City Charter permits the City Council to fix, establish, maintain, and provide for the collection of such rates, fees, or charges for water and electricity, and for other utility services furnished by the City as will produce revenues sufficient to pay into the General Fund in lieu of taxes on account of the City-owned utilities such amount as may be established by Council.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. Budget

a. That the City Council has reviewed the City Manager's 2004-2005 Recommended Budget, a copy of which is on file with the office of the City Clerk, and has approved certain amendments thereto.

b. That the City Manager's 2004-2005 Recommended budget, as amended by the Council, is hereby adopted, in accordance with the provisions of Article V, Section 4, of the City Charter and incorporated herein by reference; provided, however, that the comparative figures contained in the adopted budget may be subsequently revised as deemed necessary by the City Manager to reflect actual revenues and expenditures for the fiscal year 2003 and/or revised projections for the fiscal years 2006 through 2008.

c. That the adopted budget, as amended, shall be maintained in the office of the City Clerk and identified as "The Budget for the City of Fort Collins for the Fiscal Years Ending December 31, 2004 and December 31, 2005, as Adopted by the City Council on November 18, 2003."

Section 2. Appropriations. That there is hereby appropriated out of the revenues of the City of Fort Collins, for the fiscal year beginning January 1, 2004, and ending December 31, 2004, the sum of FOUR HUNDRED THIRTY-EIGHT MILLION SIXTY-NINE THOUSAND FOUR DOLLARS (\$438,069,004) to be raised by taxation and otherwise, which sum is deemed by the City Council to be necessary to defray all expenditures of the City during said budget year, to be divided and appropriated for the following purposes, to wit:

GENERAL FUND		\$ 88,934,017
<u>ENTERPRISE FUNDS</u>		
Golf		\$ 2,579,293
Light & Power	80,044,674	
Capital:		
Substation Improvements	481,314	
Underground Conversion Program	<u>2,368,210</u>	
Light & Power Capital Total	2,849,524	
Total Light & Power		82,894,198
Storm Drainage Operating	9,185,382	
Capital:		
Basin Master Planning	200,000	
Developer Repays	400,000	

Drainage System Replacement	351,000	
Dry Creek Basin	3,400,000	
McClelland/Mail Creek Basin Improvements	1,000,000	
Poudre River Basin	1,600,000	
Service Center Improvements	<u>235,000</u>	
Storm Drainage Capital Total	7,186,000	
Total Storm Drainage		16,371,382
Wastewater Operating	17,652,038	
Capital:		
Collection System Replacement	839,000	
Pollution Control Lab	50,000	
Service Center Improvements	100,000	
Sludge Disposal Improvements	400,000	
Treatment Plant Improvements	<u>370,000</u>	
Wastewater Capital Total	1,759,000	
Total Wastewater		19,411,038
Water Operating	25,681,245	
Capital:		
Distribution System Replacement	677,000	
Gravel Pit Storage Ponds	3,300,000	
Halligan Reservoir Expansion	2,250,000	
Michigan Ditch Improvements	200,000	
Service Center Improvements	100,000	
Southwest System Improvements	423,000	
Treatment Facility Improvements	350,000	
Water Supply Development	<u>100,000</u>	
Water Capital Total	7,400,000	
Total Water		<u>33,081,245</u>
TOTAL ENTERPRISE FUNDS		<u>\$154,337,156</u>
<u>INTERNAL SERVICE FUNDS</u>		
Benefits		\$ 17,230,016
Communications		1,674,556
Equipment		6,963,387
Self Insurance		2,894,518
Utility Customer Service & Administration		<u>13,269,999</u>
TOTAL INTERNAL SERVICE FUNDS		<u>\$ 42,032,476</u>
<u>SPECIAL REVENUE & DEBT SERVICE FUNDS</u>		
Capital Improvement Expansion		\$ 127,800
Capital Leasing Corporation		1,632,562

Cemeteries	638,545
Cultural Services & Facilities	3,934,050
Debt Service	2,733,551
Emergency Response	2,003,841
General Employees' Retirement	2,064,182
Natural Areas	8,368,739
Perpetual Care	65,680
Recreation	7,864,943
Sales & Use Tax	72,551,470
Street Oversizing	3,249,001
Transit Services	10,270,910
Transportation Services	<u>25,395,131</u>
TOTAL SPECIAL REVENUE & DEBT SERVICE FUNDS	<u>\$140,900,405</u>

CAPITAL IMPROVEMENT FUNDS

General City Capital

CSU Transit Center	\$2,400,000
Facilities MR&R Capital	220,495
Minor Street Capital	218,493
Pedestrian Accessibility	<u>382,788</u>

TOTAL GENERAL CITY CAPITAL \$ 3,221,776

1/4 Cent Necessary

Administration	\$ <u>121,878</u>
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TOTAL 1/4 CENT COMMUNITY ENHANCEMENTS \$ 121,878

1/4 Cent Community Enhancements

Administration	\$ 57,408
Northside Aztlan Center	<u>3,081,039</u>

TOTAL 1/4 CENT COMMUNITY ENHANCEMENTS \$ 3,138,447

1/4 Cent Natural Areas and Parks

Administration	\$ 55,255
Community Park Improvements	<u>126,402</u>

TOTAL 1/4 CENT NATURAL AREAS AND PARKS \$ 181,657

1/4 Cent Streets and Transportation

Administration	\$ 113,112
Pedestrian Plan	342,857
Mason Street Transportation Corridor	<u>1,470,496</u>

TOTAL 1/4 CENT STREET AND TRANSPORTATION	\$ 1,926,465
<u>Conservation Trust Fund</u>	
Administration	\$ 331,876
Fossil Creek Trail	375,000
Open Space Acquisition	20,000
Trails Maintenance	65,694
Trail Acquisition, Development & Repair	375,000
Tri-City Trails	<u>30,000</u>
 TOTAL CONSERVATION TRUST FUND	 \$ 1,197,570
<u>Neighborhood Parkland Fund</u>	
Administration	\$ 332,157
Avery Park Improvements	150,000
Dry Creek Park	50,000
Huidekoper Park	50,000
Iron Horse Park	300,000
Lee Martinez Park Addition	75,000
New Park Site Acquisition	200,000
New Park Site Development	150,000
Oak Street Plaza Park	150,000
Park Site Equipment	15,000
Provincetowne Park	100,000
Rabbit Brush Park	30,000
Registry Ridge Park	100,000
Richards Lake Park	100,000
Rosborough Park Improvements	125,000
Staley Park	100,000
Stewart Case Park	<u>50,000</u>
 TOTAL NEIGHBORHOOD PARKLAND FUND	 \$ 2,077,157
 TOTAL CITY FUNDS	 \$438,069,004

Section 3. Mill Levy

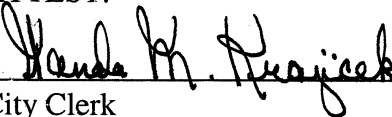
a. That the 2004 mill levy rate for the taxation upon each dollar of the assessed valuation of all the taxable property within the City of Fort Collins as of December 31, 2003, shall be 9.797 mills, which levy represents the amount of taxes for City purposes necessary to provide for payment during the aforementioned budget year of all properly authorized expenditures to be incurred by the City.

b. That the City Clerk shall certify this levy of 9.797 mills to the County Assessor and the Board of Commissioners of Larimer County, Colorado, in accordance with the applicable provisions of law, as required by Article V, Section 5, of the Charter of the City of Fort Collins.

Introduced, considered favorably on first reading, and ordered published this 4th day of November, A.D. 2003, and to be presented for final passage on the 18th day of November, A.D. 2003.

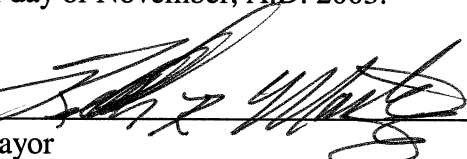


Mayor

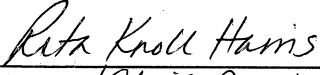
ATTEST:


City Clerk

Passed and adopted on final reading this 18th day of November, A.D. 2003.



Mayor

ATTEST:


City Clerk / Chief Deputy

2005 PROPOSED APPROPRIATIONS

GENERAL FUND		<u>\$89,930,477</u>
ENTERPRISE FUNDS		
Golf		2,668,568
Light & Power	85,949,424	
Capital:		
Substation Improvements	166,411	
Underground Conversion Program	<u>2,443,993</u>	
Light & Power Capital Total	<u>2,610,404</u>	
Total Light & Power		88,559,828
Storm Drainage Operating	9,168,045	
Capital:		
Basin Master Planning	200,000	
Developer Repays	250,000	
Drainage Systems Enhancements	354,000	
Dry Creek Bsin	3,300,000	
Fossil Creek Basin	400,000	
Spring Creek Basin	<u>1,000,000</u>	
Storm Drainage Capital Total	<u>5,504,000</u>	
Total Storm Drainage		14,672,045
Wastewater Operating	17,922,068	
Capital:		
Collection System Replacement	844,000	
Treatment Plant Improvements	<u>370,000</u>	
Wastewater Capital Total	<u>1,214,000</u>	
Total Wastewater		19,136,068
Water Operating	25,544,414	
Capital:		
Distribution System Replacement	695,000	
Gravel Pit Storage Ponds	1,200,000	
Halligan Reservoir Expansion	1,988,000	
Meter Conversion Program	1,175,000	
Michigan Ditch Improvements	450,000	
Southwest System Improvements	57,000	
Treatment Facility Improvements	150,000	
Water Supply Development	<u>100,000</u>	
Water Capital Total	<u>5,815,000</u>	
Total Water		<u>31,359,414</u>
TOTAL ENTERPRISE FUNDS		<u>\$156,395,923</u>
INTERNAL SERVICE FUNDS		
Benefits		\$19,784,716
Communications		1,431,118
Equipment		7,025,382
Self Insurance		2,939,615
Utility Customer Service & Administration		<u>13,335,168</u>
TOTAL INTERNAL SERVICE FUNDS		<u>\$44,515,999</u>

2005 PROPOSED APPROPRIATIONS

Neighborhood Parkland Fund	
Administration	\$335,492
Lee Martinez Park Addition	75,000
New Park Site Acquisition	150,000
New Park Site Development	150,000
Park Site Equipment	15,000
Provincetowne Park	130,000
Registry Ridge Park	100,000
Richards Lake Park	200,000
Rosborough Park Improvements	50,000
Staley Park	200,000
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Total Neighborhood Parkland Fund	\$1,405,492
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TOTAL CITY 2005 PROPOSED APPROPRIATIONS	\$450,174,400
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August 27, 2003

TO MAYOR MARTINEZ AND MEMBERS OF CITY COUNCIL

INTRODUCTION

I am pleased to present to you the City's recommended budget for 2004 and 2005. Preparation of this biennial budget has been one of the most challenging in recent years.

Fort Collins began to experience faltering sales and use taxes in 2001 and the impact of the nation's recession in 2002. As a result, our financial and service plan for 2003 was altered and \$4.4 million of ongoing costs was cut to balance the General Fund budget plan. As of this writing, revenue collections for 2003 have been sluggish and under adjusted projections. The shortfall will be covered by a combination of frozen position vacancies, anticipated year-end savings (this will likely be the second year of using year-end savings to cover revenue shortfalls—operational savings that are typically used in future years to pay for equipment replacements and other periodic operational needs), and General Fund reserves, if necessary.

The particular challenge of this biennial budget is closing the gap between revenue projections and the expense of providing municipal services for our community. Of special note is the trend related to sales and use taxes. Looking at the fixed 2.25% sales and use tax (used for our ongoing operations), since 1990 the sales tax growth rate (adjusted for population and inflation) is up 9% and the use tax growth rate (also adjusted for population and inflation) is down 4.5%. This is an incredible statistic given the growth in Fort Collins since 1990. For the total tax rate (3.00%--this includes the three quarter-cent capital improvement packages), the total sales and use tax has ranged from \$349 per capita in 1993 to a high of \$411 per capita in 1999 and is trending down at \$352 per capita in 2002.

Fort Collins' population continues to grow. Expectations remain high regarding the range and quality of services citizens expect our City to provide. We are faced with major service and capital needs—such as bringing Police benchmarks closer to the national norm and funding transportation capital that is desperately needed to relieve congestion and improve mobility.

The 2004-2005 Recommended City Budget reflects numerous service cuts and reduced resources for every general government operation. Salaries for all employees are frozen, with the exception of skill-ladder positions in Police. While we have tried to minimize

service reductions, it is impossible to absorb the reductions from 2003 and those recommended in 2004 and 2005 without affecting services.

ECONOMIC OUTLOOK

At the **national level**, forecasters say the U.S. economy will expand but at a slower rate than earlier predicted—a 2.2 percent Gross Domestic Product growth vs. an earlier estimate of 2.5 percent. A rebound is still expected the second half of the year. Unemployment may increase slightly and on the inflation front, the forecasters see the Consumer Price Index holding at around 2.4 percent.

Forecasters say that the **Colorado economy** is likely at the low point of the downturn. However, the turnaround will be gradual. State employment is expected to increase by a mere 0.1% in 2003 before increasing a predicted 2% in 2004. A weak economy and goods deflation should keep the local inflation rate low at 2% in 2003 and 2004.

The **Fort Collins' economy** has not escaped the impact of the national and state downturn. Most of the City's major employers have lost jobs. The City has yet to feel the full impacts of the staffing cutbacks and higher tuition rates at Colorado State University as well as the loss of many manufacturing and hi-tech jobs. According to the most recent statistics from the State, the northern Colorado regional economy is in the middle of the pack in terms of employment growth. The area remains a very attractive location for quality of life offerings and is expected to be competitive when the economy begins to rebound.

A key indicator for the City is sales and use tax collections, in particular the 2.25% that is used for general operations. Collections for the first half of 2003 are below projections. Through July, 2.25% sales and use tax collections are essentially even with the collections through July 2002. Revised projections show that there will be a shortfall of approximately \$3.7 million for 2003.

FINANCIAL OVERVIEW

2003 Revenue Update

Council adopted the 2003 amended budget that included a reduction in General Fund service funding of approximately \$2.5 million along with a delay in implementation of Pay Plan Labor Market Adjustments (this changed to a suspension for 2003 rather than a delay). The total ongoing expenditure reduction for services was \$4.4 million.

Through July of this year, sales and use tax revenue is even with collections for the same period in 2002. Based on tax collections so far in 2003, the City is anticipating an additional revenue shortfall of approximately \$3.7 million. This projected shortfall will be covered by a combination of organizational savings and, if necessary, the use of General Fund reserves if necessary.

Revenue in other funds has been down as well. Revenue collections in the City's Water Utility are down. Some of our fee revenues, such as Golf are also down. Supplemental revenues that we count on, such as State Highway User Tax dollars for street maintenance, have also been reduced from previous projections.

2004-2005 Revenue Outlook

Sales and use tax revenue amounts to 60% of total General Fund revenue. It's important to accurately forecast these revenues. In 1991, the City began using a statistical model that has proven to be an accurate gauge for forecasting revenues as much as 18 to 24 months into the future. The City's revenue estimates are typically conservative and over the 11-year period the variance between the actual collections and the projected revenues is about 1%.

The revenue shortfalls in 2002 and 2003 obviously impact 2004 and 2005. It lowers the base. The estimated 2004 tax collection growth over the adjusted 2003 base is 0.87%. For 2005, tax collections are projected to increase over 2004 by approximately 4.7%.

Given our sluggish revenues, it has been suggested that sales and use tax revenues for 2005 should be calculated at 2% above 2004. I do not believe that is advisable for two reasons. First, the forecasts have been remarkably on target for the 11-year period of its use—the exception was accurately forecasting the sustaining impact of the September 11 event on the economic downturn. Financial forecasting is integral to preparing our service plan. If we underestimate by too much, too often, the community becomes suspicious that we are hoarding the resources and not putting them to use for needed services. If we overestimate (as was done a couple of times before the model was implemented), services may have to be cutback. Second, we constantly monitor revenues—actual and forecasted. Any significant changes to the forecast for 2005 can be made during the “exception” process.

The revenue picture constantly evolves. Since last discussed with Council in early July, some non-tax revenue projections have slightly increased—namely the Utilities' PILOTs (Payments in Lieu of Taxes).

Based on current projections, the anticipated General Fund revenue for 2004 is short by approximately \$3.3 million to cover existing ongoing services (i.e., base budget services). For the General Fund, this translates into \$3.3 million of ongoing expenditures that must be cut. The details of the recommended reductions are in Attachment A.

Revenue projections in some of the City's other major funds, such as Utilities, Recreation and Transportation indicate most of the user fee projections are anticipated to remain stable.

RECAP OF 2003

Because of declining revenues, 2003 was the first year of some significant reductions. Labor Market Adjustments for all employees were suspended for the entire fiscal year. City wide, this saved approximately \$3.7 million--\$1.8 million in the General Fund.

While we tried to minimize the impacts on services to citizens, cuts were made in 2003 to those services that rely entirely, or in part, on General Fund resources. The reductions included:

- Cultural, Library and Recreational Services..... \$ 488,068
- Community Planning and Environmental Services \$ 282,583
- Administrative Services..... \$ 389,445
- Transportation Services \$ 368,769
- Executive, Legislative, Judicial Services \$ 226,580
- Poudre Fire Authority (Revenue Allocation) \$ 635,434
- Communication and Technology Services \$ 159,121

Total General Fund Service Reductions \$2,550,000

These resources were permanently cut from the ongoing or base budgets. Consequently, we began planning for 2004 operations with a lower base budget. This lowered base extends into and impacts the 2005 and all future budgets.

2004-2005 BUDGET OVERVIEW

The City provides a wide range of services to its 130,500 citizens. The City’s population continues to grow and demands and expectations for City services remain high. Yet in the last two years, we have seen an erosion of many of our key resources--sales and use taxes, earnings on investments, and some user fees. As a result, expenditures, particularly in the General Fund have been reduced in 2002 and 2003. Further reductions are necessary in 2004 to ensure a balanced budget; the reductions obviously carry over into 2005. However, given the anticipated improvements in the economic and revenue projections, a few service enhancements are planned in 2005.

The budget goals for 2004 and 2005 are focused on maintaining as many of our services as possible in these challenging economic times.

Targets for 2004

- a. Maintain to the degree possible existing services, i.e., minimize service reductions
- b. As services are provided by employees, avoid or minimize layoffs to the degree possible
- c. Maintain and, if possible, expand Police services
- d. Maintain to the degree possible current levels of Primary services

The reductions that were made in 2003 and the reductions necessary in 2004 have focused on delaying repairs and renovations, delaying equipment replacements, reducing training and staff development, cutting supplies and materials and operational services. We have whittled away all that we can of materials, equipment and some significant secondary and support services. We need to pause and reassess what our core services are and how they can be delivered in a more effective and cost-efficient manner within the resources actually available.

Targets for 2005

- a. Examine and identify the City’s core services and acceptable service levels
- b. Recommend adjustments to Council during the 2005 budget “exception” process

It’s important to systematically review all of the City’s services to identify which services are “core” to Fort Collins’ municipal government. It is also important to identify a baseline or acceptable level of service for each core service. This work is to be done over the next few months, with the assistance of a Budget Advisory Committee. The results will be considered for the 2005 budget “exception” process.

Total Budget Summary

The 2004 and 2005 Recommended Net City Budget (excludes internal transfers between funds) totals \$343.7 million for 2004 and \$356.6 million for 2005. The **Net Operating Budget** (the money necessary for operating day-to-day services, excluding internal transfers between funds, debt service, and capital projects) for 2004 is proposed to increase 3.4% over the 2003 operating budget and for 2005 to increase by 3.7% over the 2004 operating budget.

The following table compares the 2003 budget with the 2004 and 2005 recommended budgets, including the net operating budgets, capital improvement budgets and debt service.

	In Millions				
	2003	2004	% Change	2005	% Change
Net Operating	\$292.7	\$302.7	3.4%	\$314.0	3.7%
Debt	\$ 4.6	\$ 4.4	-5.6%	\$ 4.4	1.2%
Capital	\$ 38.2	\$ 36.6	-4.2%	\$ 38.2	4.3%
Total Net City	\$335.5	\$343.7	2.4%	\$356.6	3.8%
Internal Transfers	\$104.9	\$ 94.4	-10.1%	\$ 93.6	-0.8%
Total City Budget	\$440.4	\$438.1	-0.5%	\$450.2	2.8%

Resources

Revenues or resources supporting City operations come from a variety of sources. In general, the resources for the total City budget and the per cent of the total are:

Revenue Category	In Millions					
	2003	% of Total	2004	% of Total	2005	% of Total
Fees/Charges for Services	\$194.3	44.1%	\$208.0	47.5%	\$222.4	49.4%
Taxes	\$ 88.1	20.0%	\$ 86.6	19.8%	\$ 90.5	20.1%
Intergovernmental	\$ 15.5	3.5%	\$ 15.7	3.6%	\$ 16.0	3.5%
Earnings on Investments	\$ 7.5	1.7%	\$ 5.2	1.2%	\$ 5.6	1.2%
Contributed Capital	\$ 10.4	2.4%	\$ 10.3	2.3%	\$ 10.6	2.4%
Miscellaneous	\$ 10.5	2.4%	\$ 11.0	2.5%	\$ 8.9	2.0%
Transfers from Other Funds	\$104.9	23.8%	\$ 94.4	21.5%	\$ 93.6	20.8%
Reserves Used	\$ 9.2	2.1%	\$ 6.9	1.6%	\$ 2.6	0.6%
Total City Resources	\$440.4	100%	\$438.1	100.0%	\$450.2	100.0%

Total City revenue, less transfers from other funds and reserves used, is estimated to increase for 2004 over the 2003 amended budget projected revenues 3.2% and 5.1% for 2005 over 2004.

Restricted vs. Unrestricted Resources

A common misconception is that there is flexibility to spend or reallocate resources to where there is the greatest need. In fact, a large portion of the budget and revenues collected are legally restricted and can only be used for specific purposes. For example, fees collected from utility ratepayers can only be used for utility services and facilities. When all of the restrictions are taken into account and subtracted from the total budget, the remaining balance is what could be called “flexible” for spending purposes. These “flexible” or discretionary monies are in the General Fund and can usually be spent for general City services—the exceptions relate to specific grants, donations and dedicated taxes such as the Lodging Tax.

TABOR

The State Constitutional Growth Limit (Article X, Section 20—also known as TABOR) limits both revenue and spending. The annual limit is a combination of inflation (based on the Denver-Boulder-Greeley Consumer Price Index) and local growth due to new construction and annexation.

The City has been operating under the growth limit since 1992. However, in 1997, Fort Collins’ voters approved a ballot measures that allows the City to retain revenues that exceed the imposed growth limit. The approved measure specified that any retained revenue over the growth limit must be used for certain designated purposes:

- Public health and safety (including, but not limited to environmental monitoring and mitigation)
- Transportation
- Growth management
- Maintenance and repair of public facilities

Predominantly, revenue over the growth limit has been used for transportation needs—street maintenance and operations.

For the 2004 and 2005 budget, funds that exceeded the growth limit in 2001 and 2002 are recommended to be used for transportation capital and street maintenance. In 2004, approximately \$2.3 million will be allocated for street maintenance and in 2005, \$1.0 million will be reserved for transportation capital projects as they become identified. This \$1.0 million will be added to \$1.0 million reserved in 2003.

2004-2005 BUDGET

The 2004-2005 budget reflects a reduction in resources and services in the major funds of the City: General Fund, Transportation Fund, Recreation Fund, Cultural Services Fund and the Utilities’ Funds.

General Fund

The City’s General Fund supports most of our general government services such as police, park maintenance, libraries, planning, building review, information and technology, elections, and legal services to name a few. The General Fund also subsidizes and supports, in part, several other services such as fire, transportation, recreation, cultural services, etc.

Available Resources

Based on current projections, the anticipated General Fund revenue for 2004 is short by approximately \$3.3 million to cover existing ongoing services (i.e., base budget services). For the General Fund, this translates into \$3.3 million of ongoing expenditures that must be cut. The **2004 reductions** include:

a. Cultural, Library and Recreational Services.....	\$ 741,837
b. Community Planning and Environmental Services.....	\$ 368,591
c. Administrative Services	\$ 239,945
d. Transportation Services	\$ 683,500

e. Executive, Legislative and Judicial Services	\$ 231,085
f. Poudre Fire Authority (Revenue Allocation)	\$ 348,700
g. Communication and Technololgy Services	\$ 205,344
h. Police Services	\$ <u>520,000</u>
 Total General Fund Service reductions	 \$3,339,002

The details of the recommended reductions are in Attachment A.

We go into 2005 on this reduced base of ongoing service and expense reductions. However, projections indicate revenues will be stronger in 2005. As a result, we anticipate reinstating and **expanding a few services in 2005** and these include:

a. Expand Police staffing	\$ 799,763 ongoing
	\$ 261,998 one-time
b. Resume Police Building set aside	\$ 320,000 ongoing
c. Resume Labor Market Adjustments	\$1,900,000 ongoing ¹
d. Resume Street Maintenance expanded funding	\$ 200,000 ongoing
e. Resume full amount of PFA allocation	\$ 594,000 ongoing

Service Impacts

As mentioned earlier, the reductions in 2002 and 2003 (\$526,067 and \$2,550,000 respectively) and the recommended reductions for 2004 (\$3,339,000), the General Fund has been reduced a total of \$6.4 million. As a result, the recommended 2004 budget for the General Fund is approximately 5.2% less than the 2002 adopted General Fund budget.

Many reductions have been less visible or noticeable to the general public. For example:

- reduced office supplies, printing and materials
- delay in vehicle, computer and equipment replacements
- reduced training and staff development
- delay in repairs to buildings
- reduced maintenance and replacements in parks, forestry and cemeteries
- reduced meals for all types of meetings, including Council meetings
- delayed employee labor market, merit and skill adjustments

However, while we have tried to minimize the impacts to our citizens from the reductions, service cutbacks have gone into effect and there are more to come. Again, here is a sampling of the more visible and direct cutbacks:

1. reduce Lincoln Center Box Office hours

¹ This is a very preliminary estimate for the General Fund. Staff is working on a performance review system that considers all compensation adjustments – labor market, merit and skill.

2. reduce support for special events, e.g., New West Fest, River fest
3. eliminate day-time 4th of July events—evening concert and fireworks continue
4. eliminate City's allocation for the Boys and Girls Club
5. reduce planting and maintaining of annual flower gardens at various City facilities
6. reduce hours of operation for lighted tennis courts
7. reduce maintenance in medians and parkways
8. eliminate cemetery fertilization and weed control program
9. eliminate drop boxes for library materials
10. reduce number of pet waste pick-up bag stations
11. reduce weekend swimming pool hours—at Mulberry and Senior Center pools
12. eliminate various summer youth employment programs, e.g., Bilingual Youth Program (library) and assisting in summer recreational activities
13. increase administrative charges to the Community Development Block Grant program
14. reduce General Fund allocation to Affordable Housing
15. increase time for processing bids and Requests for Proposals for various projects
16. reduce and delay building maintenance and repair
17. reduce maintenance at the Harmony Park and Ride center
18. eliminate allocation for neighborhood speed bumps
19. reduce General Fund allocation to Street Oversizing
20. privatize ambulatory service—potential reduction in reliability
21. reduce street sweeping from twice per month to once per month
22. delay in some pavement management repairs
23. eliminate Management Assistant (Intern) in City Manager's office—reduces ability to work on specific policy projects
24. replace annual report with a press release
25. reduce Human Services contract with Larimer County
26. reduce multicultural workshops (youth and adult)
27. reduce neighborhood cleanups
28. eliminate printing of the recommended budget and the final Budget documents—budget is on the internet and a few copies will be available at City facilities
29. reduce law library resources
30. delay the opening of PFA Station #14
31. reduce web application development
32. reduce development and use of operational applications
33. reduce allocation for Computer Aided Dispatch replacement system—reflects savings realized from the original estimate
34. delay, for one year, the additional ongoing set aside for the new Police Building

Attachment A provides a detailed description of the recommended 2004 reductions.

The reductions both hinder our ability to provide services that citizens have enjoyed as well as actually reduce some of the programs and services on which some rely. These recommendations are in the spirit of the Council's budget goals: maintain to the degree possible existing services, avoid/minimize layoffs (services are delivered through

employees), maintain and, if possible, expand Police services, and maintain to the degree possible current levels of Primary services.

There are some available resources for one-time expenditures. There is approximately \$2.0 million available for one-time expenditures. However, I am recommending that we not program the use of the \$2.0 million at this time. The Fort Collins economic environment as judged by sales and use tax collections continues to be weak. There appears to be no definitive signs that this will markedly change in 2003. Therefore I recommend that the \$2.0 million be held in reserve and be subject for review during the 2005 "exception" process.

Personnel Impacts

When planning for the 2004-2005 budget began, the gap between General Fund expenses and projected revenues for 2004 was \$3.3 million.

All employee Labor Market Adjustments were suspended in 2003. Consequently, the base budget expenses projected in 2004 for the General Fund expenses do not include any 2003 Labor Market Adjustments—not even for the final pay period in December. If these were to go into effect in December 2003, the cost for 2003 would have been minimal. However, a full year (2004) of the impact of the Labor Market increases would have to be factored into the expenses. For the General Fund, this would have increased expenses by approximately \$1.9 million in 2004. For budget planning purposes, this meant that the shortfall would have been \$1.9 million plus \$3.3 million for a total shortfall of \$5.2 million.

Given current economic conditions, the projected gap between expenses and revenues and the goal of minimizing service reductions (and therefore minimizing staff reductions), the budget excludes any employee salary adjustments for 2004 and 2005. This means no Labor Market Adjustments for three years (2003, 2004, 2005) and no merit and or skill adjustments for two years (2004, 2005)—with one exception, Police. While this helps balance the budget, there are several negative impacts that must be addressed:

1. City's Pay Plan—our pay plan (the rate and range of pay for classified employees) is designed to be competitive with the public and private market to attract and retain top notch employees. If our pay plan falls too far behind the market, our ability to obtain and keep the excellent work force we have will be jeopardized.
2. Morale and service—employees understand the difficult economic times we face. However, as other employers (public and private) grant cost-of-living and labor market adjustments and continue or find ways to allow merit and skill increases to eligible employees, the willingness to keep doing more with less (less pay, fewer resources and tools to do the job) wanes. The result—the City and our citizens

3. will lose good employees who will be difficult as well as expensive to replace. Ultimately, service is interrupted and declines.

In addition to no salary adjustments, we are increasing the amount employees must pay for their medical benefits. In keeping with our targets for employees paying a larger share of the premium costs, on average, employees will be going from paying 5% of their premium costs in 2003 to 10% in 2004 and 15% in 2005.

The structure and design of the benefits that are offered and the cost is also being changed. For many employees, this will mean greater out-of-pocket costs. In other words, they will be paying more for the medications and services they use.

In summary, employees are shouldering a significant share of the cutbacks. They are faced with:

- no salary adjustments for possibly three years
- paying a larger share of premium costs for medical benefits
- greater out-of-pocket expenses for medications and services used

City employees are a tremendous asset. They are the ones who deliver the diverse services provided to our community. They risk their lives, frequently provide service and assistance that exceeds requirements, and are committed to the people in our community. I would hope that as the revenue picture improves, resources would be earmarked for future salary adjustments before we embark on major expansions of services.

The exception to suspended merit and skill adjustments relates to Police Services. Included in the budget are resources to grant salary increases to those officers who achieve skill competency. As Council has indicated, maintaining and expanding quality policing is a priority. In Police Services, officer's move through the pay range (from the bottom of the range to the top of the range) based on demonstrated skill development. If officers move through their training and evaluation, demonstrating required skills and competencies without any pay adjustments and leave, we jeopardize our services in a number of ways:

- we lose our initial investment—we invest approximately \$90,000 in hiring, training, equipping and getting an officer ready for field work
- it puts us further behind in our ability to police the community—if we cannot attract qualified people to do police work and/or we lose trained officers to other agencies, our public safety suffers
- it significantly reduces our ability to recruit good candidates

Without the ability to adjust for skill competency, Police services will be at an even greater disadvantage as we compete for qualified candidates with other Front Range organizations. For example, Larimer County expects to raise salaries 4.0 to 4.5% this year. Other Front Range communities are hiring and will recruit our officers. At a time when Fort Collins is trying to strengthen and expand Police services, we must be in a

position to remain an attractive employer and keep our public safety personnel in which we have invested significant resources to prepare them to work.

Employees Per Capita

From 1990 through 2002 the City population has grown and so have the number of City employees. As indicated in the chart below, over the 13-year period, the population has grown 45% and the **total City employees** have increased 52%. However, employees per 1000 population have remained relatively stable—11.86 employees per 1000 in 1990 and 12.1 per 1000 in 2003. Employees per 1000 population reached a high of 13.30 in 1998 and have declined in each of the four years since.

If we separate out the **General Fund (GF) employees**, the numbers show that the increase over the 13-year period is only 33% compared with a population growth of 45%. Further, the per capita ratio for General Fund employees has remained relatively constant—an average of 5.35 employees per thousand population over the 13-year period. It has declined since 1996 and for the first time in 13-years dropped below 5/per thousand in 2001 (4.91) with a further decline in 2002 (4.86).

	<u>Population</u>	<u>Total City Employees</u>	<u>Total Emp/1000</u>	<u>G.F. Employees</u>	<u>G.F. Emp/1000</u>
1990	87,758	1,041.01	11.86	462.23	5.27
1991	89,439	1,058.95	11.84	463.44	5.18
1992	91,117	1,095.20	12.02	479.72	5.26
1993	93,181	1,165.13	12.50	494.17	5.30
1994	95,889	1,216.30	12.68	518.99	5.41
1995	99,726	1,271.74	12.75	557.78	5.59
1996	102,571	1,343.53	13.10	579.48	5.65
1997	106,000	1,400.28	13.21	596.16	5.62
1998	108,932	1,448.86	13.30	604.71	5.55
1999	112,912	1,496.11	13.25	622.82	5.52
2000	118,652	1,561.12	13.16	643.69	5.43
2001	122,377	1,562.76	12.77	600.44	4.91
2002	126,848	1579.53	12.45	617.07	4.86

HIGHLIGHTS OF OTHER FUNDS

Recreation Fund

Recreation programs are supported by two sources of funds: Recreation Fund and General Fund. Revenues for the Recreation Fund are predominantly from user fees (for example, softball fees, swimming pool fee; skating fees at EPIC, etc.), rentals and concessions.

The City's recreation facilities continue to be very popular and in high demand. The completion of the City Park Pool renovation has drawn more users than in the past. Expanded ice skating activities with the opening of the second sheet of ice at EPIC, a remodeled room for cardio/weight training activities, and the reinstated paddle boat program at Sheldon Lake in City Park have broadened the activity choices and added revenue to cover these offerings. However, the General Fund shortfalls have reduced some recreation services namely, the subsidy to the Boy's and Girl's Club, some custodial service at the Youth Advisory Center, youth summer employment, and cut back some operational hours.

Transportation Fund

Transportation programs are supported primarily by two funds: Transportation Fund and General Fund. Revenues for the Transportation Fund are from several sources: State taxes, federal taxes, user fees (such as transit fares, engineering inspection fees, parking fees, etc.). General Fund resources amount to approximately 18% to support transportation services.

Revenues from non-General Fund sources are projected to remain relatively stable—some will modestly increase and others will remain at existing levels. The reduction in General Fund revenue translates into some service reductions, such as reduced maintenance at the Harmony Park and Ride center, reduce street sweeping, and delay in some pavement management repairs.

Water Fund

Water Fund revenues are primarily from user fees and impact fees. Water revenues are very unpredictable due to weather, drought-related use restrictions, and changes in the rate structure. The 2003 water revenues are down over the projections. Reserves have been adjusted and some capital projects will be delayed in 2004. While no rate increases are anticipated at this time, the financial situation will have to be reassessed after the summer billing is complete to determine if rate adjustments may be necessary for 2004.

Wastewater Fund

Wastewater Fund revenues are primarily from user fees and impact fees. Revenues decreased by approximately 4.9% in 2003 as a result of the water metering program (customers on a flat rate changed to a metered rate) and reduced water use related to the drought and water conservation measures. To cover operating expenses and planned capital improvements, a 5% rate increase is recommended in 2004 and 2005.

Stormwater Fund

Stormwater Fund revenues are primarily from user fees and impact fees. Revenues have remained stable and projections have been met. The proposed rate increases—10% in 2004 and 7% in 2005—are in accordance with the approved Stormwater capital

improvements and financing plan. Improvements over the next two years will be done in the Dry Creek Basin, Poudre River Basin for the Oxbow and Riverbend Pond levees, and McClelland/Mail Creek Basin.

Light and Power (Electric) Fund

Light and Power Fund revenues are primarily from user fees and impact fees. Revenues remain close to projections. The proposed rate increases—5.3% in 2004 and 3.5% in 2005—are driven by several factors: (a) Platte River Power Authority, our supplier of electric energy, increased wholesale costs which results in a 2.8% increase to our customers; (b) additional renewable energy (e.g., wind power) has increased 2%; and (c) residential peak usage is higher which translates into a 0.5% increase in operating expense. PRPA also projects rate increases in 2005 that will result in a 3.5% increase in operating costs. The proposed rate adjustments do not include any additional expenses for meeting energy policy consumption and demand targets that Council may consider later this year.

Golf Fund

The 2003 Golf Fund Operating Revenues are currently running behind projections. The year-end shortfall could be as much as \$200,000 but \$125,000 seems more realistic. The shortfall is based on a number of factors: the general economy is impacting golfer spending and play, bad weather, construction projects on or adjacent to our courses, and a general over supply of golf courses. To respond to the reduced revenues all equipment replacements in 2004 have been suspended, chemical supplies and other commodities purchases have been scaled back and seasonal personnel may be reduced by 10 percent in 2004, if necessary.

CAPITAL IMPROVEMENT PROGRAM

While our ability to provide services is hampered by our financial situation, we are in a position to continue and follow through on several of our capital improvement commitments. The voter approved eight-year Building Community Choices capital improvement program will be complete at the end of 2005. In the last two years of the program, funding is scheduled for the replacement of the Northside Atlan Center, construction of the bicycle and pedestrian way in the Mason Transportation Corridor (from Prospect to Harmony), continued funding for Natural Areas acquisitions, and community park improvements.

The City has a significant investment in its streets, public facilities, parks, natural areas, and utilities. Preserving and upgrading these investments as well as planning and financing future capital needs of the community are another of our challenges.

The 10-Year Capital Improvement Plan and Inventory was recently updated. The inventory represents over \$1.0 billion in capital improvement needs and places the City's projects into three categories of funding status:

- Funded \$ 369 million (40%)
- Partially funded \$ 270 million (21%)
- Unfunded \$ 366 million (39%)

Most of our utilities have dedicated capital funding sources and consequently, many of the capital needs are funded. Transportation and some of our secondary and support service facilities, such as a library, a performing arts center, and renovation of existing buildings for expanded office use remain partially or completely unfunded.

Building Community Choices, a voter approved, eight-year capital improvement plan for a variety of improvements, expires in December 2005. Voters renewed one of the quarter cent taxes in 2002 to fund natural area acquisitions for an additional 25 years. The remaining two quarter-cent packages are likely to be proposed for renewal to address other important capital needs. City Council endorsed a strategy to ask voters to permanently extend the street maintenance tax to pay for the ongoing Pavement Management program. Over the next two years, Council and staff will determine a strategy for financing some of our unfunded capital needs.

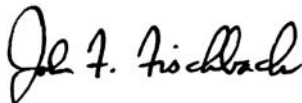
CONCLUSION

The 2004-2005 recommended budget is a fiscal plan for providing reduced but quality services to our Fort Collins’ community.

While our resource level has diminished and projections, though optimistic, remain much less robust than in the past 10 years, our City will still be able to deliver a wide-range of services and operate facilities that citizens depend on and enjoy. We are more fortunate than many communities across our state and many other organizations in our community.

Our challenges are many. We can successfully address the challenges before us by continuing to work together. Your leadership as a City Council is key. I appreciate your dedication and direction you have provided in preparing this budget and providing excellent services to the people of Fort Collins.

Respectfully submitted,



John F. Fischbach
City Manager

ATTACHMENT A
SUMMARY OF BUDGET REDUCTIONS

Description	Amount
SERVICE AREA	
CULTURAL, LIBRARY, and RECREATIONAL SERVICES	
Parks	
1. New West Fest - Organizers Pay for Showmobile, Large Event Fees, and Cleanup (.15 FTE)	\$5,000
Parks	
2. Riverfest - Organizers Pay for Showmobile, Large Event Fees, and Cleanup (.15 FTE)	\$5,000
Parks	
3. Fourth of July - No Daytime Activities (.1 FTE)	\$35,000
Administration	
4. Administrative Secretary II - Transfer to Park Planning and Development Division	\$29,300
Recreation	
5. Boys & Girls Club Ongoing Funding	\$10,000
Lincoln Center	
6. Conference and Training	\$5,000
Museum	
7. Conference and Training	\$3,800
Cemetery	
8. Conference and Training	\$5,500
Lincoln Center	
9. Food Supplies	\$1,000
Administration	
10. Conference and Commodities	\$3,927
Recreation	
11. Overtime	\$14,000
Parks	
12. Equipment Replacement	\$28,000
Horticulture	
13. Reduce Planting and Maintenance (.5 FTE)	\$13,320
Parks	
14. Tennis Lights (No Evening Lights During Fall, Winter, and Spring Except at Warren Park)	\$7,000
Recreation	
15. Equipment Replacement	\$37,442
Recreation	
16. Increase Fees by \$1 for Classes, Trips, and Special Events	\$38,000
Parks	
17. Life Cycle - Delay Replacement of Aging Infrastructure	\$45,000
Forestry	
18. Services for Golf - Golf Fund to Reimburse for Tree Planting, Pruning, and Other Services	\$13,108
Recreation	
19. Service Charge Increase for Phone and Fax Registration from \$2 to \$3	\$7,000
Lincoln Center	
20. Outside Reproduction - Cut Brochures, Flyers, and Printed Materials for Promotion of Room Rental	\$750
Lincoln Center	
21. Office Supplies	\$1,000
Library	
22. Eliminate Vacant Administrative Clerk I Position (1 FTE)	\$45,288

Description	Amount
Recreation	
23. Youth Activity Center Hourly Staff (1.0 hourly FTE)	\$18,000
Parks	
24. Reduce Frequency of Median and Streetscape Maintenance (Contractual)	\$30,000
Parks	
25. Horticulture - No New Plantings (.25 FTE)	\$7,000
Museum	
26. Cut Advertising by 50%	\$5,000
Parks	
27. Trail Maintenance - Eliminate Mowing Trail Edges (.17 FTE Seasonal)	\$5,000
Cemetery	
28. Fertilizer and Chemical Weed Control Funding	\$3,000
Lincoln Center	
29. Advertising	\$6,000
Lincoln Center	
30. Reduction of Expenditures for Commodities	\$25,282
Library	
31. Eliminate Book Drop-off Boxes	\$21,000
Forestry	
32. Reduce Contract Street Tree Pruning and Removal	\$38,000
Parks	
33. Eliminate Second Field Preparation	\$7,550
Parks	
34. Reduce Number of Pet Waste Pick-up Stations	\$15,000
Parks	
35. Reduce Fertilizing	\$10,000
Recreation	
36. Reduce Weekend hours at Mulberry Pool/Senior Center Pool	\$8,000
Library	
37. Eliminate Bilingual Youth Program	\$18,500
Recreation	
38. Reduction in Funding for Youth Summer Employment	\$16,000
Parks	
39. Reduce Frequency of Trash Pick-up and Litter Control	\$56,873
Museum	
40. Reduce Office Supply Expenditures	\$1,107
Cemetery	
41. Reduce Seasonal Maintenance .20 FTE	\$1,600
Recreation	
42. Drop Custodial Service at Youth Activity Center	\$15,000
CLRS Administration	
43. Eliminate Assistant CLRS Director/Parks & Recreation Director	\$80,490
CULTURAL, LIBRARY, AND RECREATIONAL SERVICES TOTAL	\$741,837
COMMUNITY PLANNING AND ENVIRONMENTAL SERVICES	
44. Transfer position from General Fund to Natural Areas)	\$93,260
45. Increase administrative charges to CDBG	\$53,910
46. Eliminate Associate Planner Position	\$63,357
47. Reduce GF contribution to Affordable Housing Trust	\$158,064
COMMUNITY PLANNING AND ENVIRONMENTAL SERVICES TOTAL	\$368,591

Description	Amount
ADMINISTRATIVE SERVICES	
Finance	
48. Rebate Program Reduction	\$25,000
49. Eliminate Conference Room Phones	\$3,600
50. Purchasing & Commodity Service Reductions	\$14,062
Human Resources	
51. Reduce Photocopying Services	\$4,677
Operation Services	
52. Downgrade Vacant Real Estate Specialist	\$9,867
53. Reduce Vehicle/Training/Supplies, etc.	\$1,852
54. Eliminate Repair & Maintenance Technician	\$57,073
55. Charge-out Project Planning Salary	\$39,814
56. Reduce Deputy Director Position to .5 FTE	\$50,000
57. Reduce Custodial Contract to .5 FTE	\$29,000
58. Reduce Capital/Facility Maintenance	\$5,000
ADMINISTRATIVE SERVICES TOTAL	\$239,945
TRANSPORTATION SERVICES	
Planning & Parking	
59. Harmony Transfer Center Maintenance	\$26,000
Traffic Operations	
60. Traffic Calming - Eliminate Speed Hump Allowance	\$50,000
Engineering	
61. Street Oversizing	\$110,000
Transfort	
62. Dial A Ride - Privatize Ambulatory Service	\$88,500
Streets	
63. Unpaved Roads and Alleys - Reduction in Dust Control and Grading Equivalent	\$50,000
64. Street Sweeping - Reduce Residential Sweeping to Monthly	\$50,000
65. Pavement Management	\$300,000
66. Capital/Pedestrian Accessibility	\$9,000
TRANSPORTATION SERVICES TOTAL	\$683,500
EXECUTIVE, LEGISLATIVE, & JUDICIAL SERVICES	
City Council	
67. Reduce meals and conference line items	\$8,864
City Attorney	
68. Charging attorney time for services performed	\$45,069
City Clerk	
69. Office equipment, meals and supplies	\$4,056
70. Computer hardware and software	\$3,000
71. Conference	\$1,400
City Manager	
72. Intern program and Home Run program	\$50,860
Legislative Affairs	
73. Training, conference and supplies	\$1,733
Policy Agenda	
74. Training, conference and supplies	\$5,276
Human Rights	

Description	Amount
75. Reduce education	\$5,355
Human Service Contract	
76. Reduce allocation	\$19,498
Budget Office	
77. Reduce printing of documents	\$2,264
Neighborhood Resources	
78. Reduce printing, software, repairs, and supplies	\$3,688
79. Training and conference	\$2,330
80. Celebration of Neighborhoods	\$5,092
81. Neighborhood grants	\$5,436
82. Community liaison program	\$2,500
Municipal Court	
83. Eliminate vacant positions of part-time employees	\$24,837
Non-departmental/Leasing	
84. Use of dollars set aside for office space lease	\$39,827
EXECUTIVE, LEGISLATIVE, & JUDICIAL SERVICES TOTAL	\$231,085
POUDRE FIRE AUTHORITY	
85. Reduction of allocation	\$348,700
COMMUNICATION AND TECHNOLOGY SERVICES	
Information Technology	
86. Systems Analyst Positon	\$87,076
87. Web Developer	\$73,359
88. Computer Support Technician	\$44,909
COMMUNITY AND TECHNOLOGY SERVICES TOTAL	\$205,344
POLICE SERVICES	
89. Reduction in CAD Lease/Purchase Funding	\$200,000
90. 2004 Police Building Allocation (In non-departmental)	\$320,000
POLICE SERVICES TOTAL	\$520,000
TOTAL REDUCTIONS	\$3,339,002

CULTURAL, LIBRARY AND RECREATIONAL SERVICES

1. TITLE: Parks – New West Fest

FTE Reduction: .15 FTE Seasonal (\$3,000)
Non-personnel reduction: \$2,000

TOTAL CUT: \$5,000

Description: Reduce support for this event. Parks involvement in the New West Fest has been to provide the showmobile, offer logistical support and manage litter removal from Library Park.

Service Impact: New West Fest organizers would have to assume all costs for the showmobile, pay large event fees and be responsible for site clean-up.

2. TITLE: Parks – Riverfest

FTE Reduction: 0.15 FTE (seasonal \$3,000)
Non-personnel reduction: \$2,000

TOTAL CUT: \$5,000

Description: Reduce support for this event. Parks Division provides the showmobile, assists with pre-planning and provides logistical support during this event.

Service Impact: Riverfest organizers would have to assume all costs for the showmobile, pay large event fees and be responsible for site clean-up.

3. TITLE: Parks – Fourth of July

FTE Reduction: 0.1 FTE seasonal (\$2,000 hourly \$8,000 overtime \$25,000 contractual)

TOTAL CUT: \$35,000

Description: Elimination of event day-time City Park activities.

Service Impact: . Fourth of July event at City Park currently consists of day-time children's games and activities, arts and crafts fair and food booths. Evening events include entertainment and a fireworks display. Event reverts to evening concert and fireworks.

4. Title: CLRS Administration – Administrative Secretary II

FTE Reduction: .30
Non-personnel reduction: 0

TOTAL CUT: \$29,300

Description: Currently funding for this position is split. CLRS Administration, Parks and Forestry portion of the position would be eliminated. Park Planning and Development Division would fund 100% of position.

Service Impact: Minimal. Position in recent years has evolved serving Park Planning.

5. Title: Recreation – Boys and Girls Club Ongoing Funding

FTE Reduction: 0
Non-personnel reduction: \$10,000

TOTAL CUT: \$10,000

Description: When City Council agreed to gradually reduce the funding for Boys and Girls Club, this small on-going portion remained in the budget.

Service Impact: Some programs and activities at this non-profit organization may be reduced until alternative funding is secured by the Club. (Note: one-time funding in the amount of \$40,000 available in 2003 is not available nor included in the 2004-2005 recommended budget).

6. Title: Lincoln Center – Conference and Training

FTE Reduction: 0
Non-personnel reduction: \$5,000

TOTAL CUT: \$5,000

Description: Reduce funding for training programs, staff retreats, conferences and other job related courses designed to improve productivity.

Service Impact: Reductions will impact staff planning and gathering of new information.

7. Title: Museum – Conference and Training

FTE Reduction: 0
Non-personnel reduction: \$3,800

TOTAL CUT: \$3,800

Description: Reduce conference and training budget by 85%.
Service Impact: Underwrites only registration and travel for one staff conference attendance.

8. Title: Cemetery – Conference and Training

FTE Reduction: 0
Non-personnel reduction: \$5,500

TOTAL CUT: \$5,500

Description: Eliminates all conference and outside employee training.
Service Impact: Reduces cemetery employee's ability to remain current on trends and practices in the cemetery industry.

9. Title: Lincoln Center – Food Supplies

FTE Reduction: 0
Non-personnel reduction: \$1,000

TOTAL CUT: \$1,000

Description: This line item provides food items for volunteer recognition events, Cultural Resources Board functions, and the Parks/Forestry luncheon.
Service Impact: Reduces food items at volunteer recognition events and Board meetings.

10. Title: CLRS Administration – Conference, Supplies

FTE Reduction: 0
Non-personnel reduction: \$3,927

TOTAL CUT: \$3,927

Description: Reduce expenditures on office supplies, equipment maintenance, conferences and office expenses.
Service Impact: Office equipment more likely to break, quality of office supplies to be reduced, staff retreat scaled back.

11. Title: Recreation - Overtime

FTE Reduction: 0 (reduced overtime)
Non-personnel reduction: 0

TOTAL CUT: \$14,000

Description: Staff overtime would be reduced

Service Impact: Recreation programs and service would be reduced.

12. Title: Parks – Equipment Replacement

FTE Reduction: 0

Non-personnel reduction: \$28,000

TOTAL CUT: \$28,000

Description: 10% funding reduction for equipment replacement

Service Impact: Creates longer intervals between replacing worn and older equipment such as maintenance vehicles, lawn mowers and snow removal equipment Potential for increased operation and maintenance costs.

13. Title: Horticulture – Reduced Planting and Maintenance

FTE Reduction: .5 hourly (\$11,320)

Non-personnel reduction: \$2,000

TOTAL CUT: \$13,320

Description: Eliminate City planted and maintained flowerbeds – with the exception of the ten most prominent annual flower gardens maintained by the Horticulture Program.

Service Impact: Eliminate planting and maintenance at the following sites: 35 annual flower gardens located in the downtown area, street rights-of-way, various park and at City facilities; Children’s Demonstration Garden at The Farm; 12 container plantings located at City buildings. Benefits of beautification and education would be lost.

14. Title: Parks – Tennis Court Lighting

FTE Reduction: 0

Non-personnel reduction: \$7,000

TOTAL CUT: \$7,000

Description: Reduce hours of operation at most of the 24 lighted tennis courts available for evening play.

Service Impact: During the fall, winter and spring, tennis lighting would not be available except at the four courts at Warren Park.

15. Title: Recreation – Divert Equipment Replacement Revenue

FTE Reduction: 0
Non-personnel reduction: \$37,442

REVENUE GAIN: \$37,442

Description: This reduces the General Fund subsidy to Recreation. To make up for the reduction, a portion of each registration fee for equipment replacement will be earmarked to operations. The monies are used to upgrade equipment such as tables and chairs, diving boards, rental skates.

Service Impact: None-General Fund monies are replaced by fee revenues.

16. Title: Recreation – Revenue Increase from Classes, Trips and Events

FTE Reduction: 0
Non-personnel reduction:

REVENUE GAIN: \$38,000

Description: This reduces the General Fund subsidy to Recreation. The difference is made up by adding a \$1 fee for each class, trip and special event registration.

Service Impact: None

17. Title: Parks – Life Cycle

FTE Reduction: 0
Non-personnel reduction: \$45,000

TOTAL CUT: \$45,000

Description: Reduce funding for Life Cycle, the Parks infrastructure replacement program.

Service Impact: 8% reduction will delay replacement of infrastructure resulting in higher maintenance costs. Life Cycle projects include vehicle access, parking lots, tennis and basketball courts. Deterioration will affect life span of infrastructure.

18. Title: Forestry – Services for Golf

FTE Reduction: 0
Non-personnel reduction: \$13,108

REVENUE GAIN: \$13,108

Description: This reduces the General Fund contribution. Forestry will provide tree planting, pruning and other services to the City's three golf courses. The Golf Fund will reimburse Forestry for the cost of providing these services.

Service Impact: None

19. Title: Recreation – Service Charge Increase

FTE Reduction: 0

Non-personnel reduction:

REVENUE GAIN: \$7,000

Description: This reduces the General Fund subsidy to Recreation. The difference is made up by a service charge increase for phone and fax registrations; it is currently \$2 and would be raised to \$3.

Service Impact: None

20. Title: Lincoln Center – Outside Reproduction

FTE Reduction: 0

Non-personnel reduction: \$750

TOTAL CUT: \$750

Description: Eliminate this line item that provides brochures, flyers and printed materials for the promotion of the rental rooms at Lincoln Center

Service Impact: Cutting this item would diminish the ability of promoting the rooms and could reduce rental revenue.

21. Title: Lincoln Center – Office Supplies

FTE Reduction: 0

Non-personnel reduction: \$1,000

TOTAL CUT: \$1,000

Description: Reduce this line item which is used for the purchase of general office supplies.

Service Impact: Reduced quantity and quality of office supplies

22. Title: Library – Administrative Clerk I Position

FTE Reduction: 1.0
Non-personnel reduction: 0

TOTAL CUT: \$45,288

Description: Eliminate vacant Administrative Clerk I position
Service Impact: The administrative duties of this position have been assigned to other full-time and hourly staff. This is a less efficient way to accomplish these duties and takes staff away from their primary responsibilities.

23. Title: Recreation – Youth Activity Center, Hourly Staff

FTE Reduction: 1.0 hourly
Non-personnel reduction: 0

TOTAL CUT: \$18,000

Description: A classified clerical staff member would be transferred from recreation administration to the Youth Activity Center to cover daytime hours and coordinate computerized recreation registration at the YAC, reducing the need for hourly clerical.
Service Impact: This change would enhance customer service and improve consistency in operation.

24. Title: Parks – Median and Streetscape Maintenance

FTE Reduction: 0
Non-personnel reduction: \$30,000 (contractual)

TOTAL CUT: \$30,000

Description: Reduce maintenance frequencies on over 60 acres of medians, parkways and streetscapes are maintained by a contractor for 8 months of the year
Service Impact: This would result in some unsightly areas, especially in warm weather months.

25. Title: Parks – Horticulture-No New Plantings

FTE Reduction: 0.25 Seasonal
Non-personnel reduction: \$2,000

TOTAL CUT: \$7,000

Description: Parks maintains a mixture of shrub and flowerbeds throughout the park system and around city buildings.

Service Impact: No new plantings. Parks would maintain current plantings. No planting barrels, flower pots, etc.

26. Title: Museum - Advertising

FTE Reduction: 0

Non-personnel reduction: \$5,000

TOTAL CUT: \$5,000

Description: Cut advertising budget by 50%

Service Impact: Attendance and visibility reduced. Negative impact on fundraising.

27. Title: Parks – Trail Maintenance: Eliminate Mowing Trail Edges

FTE Reduction: 0.17 Seasonal

Non-personnel reduction: \$1,500

TOTAL CUT: \$5,000

Description: Eliminate mowing of nuisance weeds and grasses adjacent to trails.

Service Impact: This will result in unsightly weeds and grasses encroaching onto trails.

28. Title: Cemetery – Fertilizer and Chemical Weed Control

FTE Reduction: 0

Non-personnel reduction: \$3,000

TOTAL CUT: \$3,000

Description: Eliminate the cemetery fertilization and weed control program.

Service Impact: This will affect the health and appearance of turf in cemeteries and allow unsightly weeds to propagate.

29. Title: Lincoln Center - Advertising

FTE Reduction: 0

Non-personnel reduction: \$6,000

TOTAL CUT: \$6,000

Description: Cut to this line item which is used to publicize meeting rooms.
Service Impact: Possible reduction in room rental revenue.

30. Title: Lincoln Center – Equipment, Supplies

FTE Reduction: 0
Non-personnel reduction: \$25,282

TOTAL CUT: \$25,282

Description: Eliminate the line item that funds the purchase of chairs, dishware, tables, technical equipment and other items in the Conference and Backstage areas of the Lincoln Center.
Service Impact: There will be deterioration of such equipment and less equipment available for customers resulting in a negative effect on room rental revenue.

31. Title: Library – Drop Boxes

FTE Reduction: 0
Non-personnel reduction: \$21,000

TOTAL CUT: \$21,000

Description: There are seven remote drop boxes for library materials located throughout the city and all would be eliminated
Service Impact: Reduction in customer convenience. Materials will be have to be returned directly to libraries.

32. Title: Forestry – Reduce Street Tree Pruning

FTE Reduction: 0 (contractual \$38,000)
Non-personnel reduction: 0

TOTAL CUT: \$38,000

Description: This cut reduces the street tree pruning contract from eight blocks to five blocks to be pruned. There are 4,500 mature street trees in the old section of Fort Collins located around 145 city blocks. Eight blocks of large street trees are pruned each year by a contractor.
Service Impact: Trees will be more susceptible to storm damage and disease.

33. Title: Parks – Ball field Preparation

FTE Reduction: 0
Non-personnel reduction: \$7,550

TOTAL CUT: \$7,550

Description: Ball field preparation includes such items as dragging and lining often twice in one day during times of heavy use, such as tournaments.

Service Impact: Eliminates second daily field treatments. Sunday City League and tournaments would lose clearly defined chalk lines by late games.

34. Title: Parks – Pet Waste Pick-Up

FTE Reduction: 0

Non-personnel reduction: \$15,000

TOTAL CUT: \$15,000

Description: There are more than 100 pet waste pick-up bag stations throughout the parks and trail system.

Service Impact: Reduce the number of stations. Provide less expensive bags.

35. Title: Parks - Fertilizer

FTE Reduction: 0

Non-personnel reduction: \$10,000

TOTAL CUT: \$10,000

Description: Parks has a turf grass management program designed to keep the turf healthy, vigorous, able to survive heavy use and resist weed and disease infestation.

Service Impact: Reduction in program will cause stress and the turf will lose its health and vigor. Stressed turf performs poorly under heavy use.

36. Title: Recreation – Weekend Swimming Pool Hours

FTE Reduction: 1.10

Non-personnel reduction: \$4,000

TOTAL CUT: \$8,000

Description: Weekend drop-in hours would be reduced at the Senior Center. Mulberry Pool would be closed Sundays for drop-in swim and open for three hour Saturday sessions only during the school year.

Service Impact: Reduced citizen access to pool time.

37. Title: Library – Bilingual Youth Program

FTE Reduction: 0

Non-personnel reduction: \$18,500

TOTAL CUT: \$18,500

Description: Eliminate Bilingual Youth Program.

Service Impact: This summer employment program for Hispanic youth employs eight youths and two part-time adults. It introduces the young people to the library operation and employs them for outreach programs in the Hispanic community. These funds also pay for Spanish language computer classes for bilingual youth.

38. Title: Recreation – Youth Employment

FTE Reduction: 1.28 hourly

Non-personnel reduction:

TOTAL CUT: \$16,000

Description: Eliminates the remainder of funds appropriated to hire youths in the summer months to assist in various recreation activities.

Service Impact: These positions would be eliminated or covered by practicum or intern students. RAD Van which delivers recreation opportunities to low-income neighborhoods will remain in operation due to outside funding.

39. Title: Parks – Trash and Litter Control

FTE Reduction: 1.75 Seasonal

Non-personnel reduction: \$21,873

TOTAL CUT: \$56,873

Description: Trash and litter control at approximately 40 park sites, 20 miles of trail and several city facilities.

Service Impact: Reduced frequency of trash pick-up, development of “pack in, pack out” policy for selected parks, reduced number of trash bins, etc.

40. Title: Museum – Office Supplies

FTE Reduction: 0

Non-personnel reduction: \$1,107

TOTAL CUT: \$1,107

Description: Cut office supply budget by 50%.

Service Impact: Reduction in staff efficiency that is short of resources and decline in professionalism of product.

41. Title: Cemetery – Reduce Seasonal Budget

FTE Reduction: 0.20

Non-personnel reduction:

TOTAL CUT: \$1,600

Description: Summer seasonal budget would be reduced.

Service Impact: Reduces the amount of trimming around the 17,000 monuments and 600 trees in the cemeteries. Leaf accumulation in fall would cause damage to cemetery turf.

42. Title: Recreation – End Custodial Service at YAC

FTE Reduction: 0

Non-personnel reduction: \$15,000 (contractual)

TOTAL CUT: \$15,000

Description: Hourly and classified staff would perform custodial services.

Service Impact: Decline in maintenance levels at YAC.

43. Title: CLRS Administration – Assistant Director of CLRS/Parks and Recreation Director Position

FTE Reduction: .80

Non-personnel reduction:

TOTAL CUT: \$80,490

Description: Eliminate the vacant and presently frozen Parks and Recreation Director position.

Service Impact: The management and leadership of the CLRS Service Area, and particularly the Parks and Recreation Department, will be compromised. Additional responsibilities will have to be assumed by CLRS Director and Department managers. The Parks and Recreation Department has 292 FTE and a budget of more than \$18 million. Coordination between Parks and Recreation Divisions will be more difficult and service delivery will be less efficient and effective. Strategic planning will be reduced as staff must devote its time to day-to-day management. Grant identification and fundraising activities may be missed.

COMMUNITY PLANNING AND ENVIRONMENTAL SERVICES

44. TITLE: Natural Areas – Senior Environmental Planner

FTE Reduction: 0 (\$83,335 out of General Fund)
Non-personnel reduction: \$9,925

TOTAL CUT: \$93,260

Description: Transfer Senior Environmental Planner position from general fund to Natural Areas dedicated revenue.

Service Impact: None

45. TITLE: CDBG – Administrative Charges

FTE Reduction: 0 (\$53,910 out of General Fund)
Non-personnel reduction: 0

TOTAL CUT: \$53,910

Description: Increase administrative charges to the Community Development Block Grant Program. Transfer 0.65 FTE to CDBG. The charge to administer the CDBG program would increase from 11% to 15%. The majority of agencies charge 20%, which is the maximum allowable, to cover costs to operate the program.

Service Impact: Reduces funds available for CDBG activities.

46. TITLE: Current Planning – Associate Planner

FTE Reduction: 1.0
Non-personnel reduction: 0

TOTAL CUT: \$63,357

Description: Eliminate the vacant Associate Planner position in Current Planning.

Service Impact: Reduced staff will slow service in development review applications. Senior planners will be required to handle additional minor application cases.

47. TITLE: Affordable Housing - Trust

FTE Reduction: 0
Non-personnel reduction: \$158,064

TOTAL CUT: \$158,064

Description: Reduce the General Fund contribution to the Affordable Housing Trust.

Service Impact: Reductions will impact the amount of affordable housing constructed by about 11 units per year.

ADMINISTRATIVE SERVICES

48. TITLE: Finance – Rebate Program

FTE Reduction: 0

Non-personnel reduction: \$25,000

TOTAL CUT: \$25,000

Description: Decrease the allocation to the Rebate Program for Low Income, Elderly and Disabled Citizens.

Service Impact: None anticipated. This budget was increased in both 2001 and 2002 to cover shortages. In 2002, this program carried a surplus exceeding \$30,000. It appears \$25,000 can be cut from on-going appropriations without a reduction in service.

49. TITLE: Finance – Conference Room Telephones

FTE Reduction: 0

Non-personnel reduction: \$3,600

TOTAL CUT: \$3,600

Description: Finance pays the monthly costs of telephones in four conference rooms and two phone booths in the 215 North Mason building.

Service Impact: Conference room users would no longer have access to telephones for conference calls. Employees would no longer have access to a phone booth for private calls. Impact may be mitigated by increased personal cell phone use.

50. TITLE: Finance – Purchasing Commodity/Service Line Items

FTE Reduction: 0

Non-personnel reduction: \$14,062

TOTAL CUT: \$14,062

Description: Reduction in telephone, postage and office supply line items.

Service Impact: Postage will be reduced as the result of the on-line vendor registration and vendor bid distributions system. Departments will be required to pick up the charges for overnight mailing of contracts and bids. It will result in a

delay of one week on execution of most contracts. Quality and quantity of office supplies will decrease.

51. TITLE: Human Resources – Photocopying Services

FTE Reduction: 0
Non-personnel reduction: \$4,677

TOTAL CUT: \$4,677

Description: Reduce photocopying services for Employee Relations/Training and General Personnel Administration.

Service Impact: Savings will be gained by producing more copies in-house. The result may be more staff overtime or the increased use of electronic versions of documents.

52. TITLE: Operations Services – Real Estate Specialist Position Downgrade

FTE Reduction: 0 FTE (\$9,867 in personnel cost)
Non-personnel reduction: 0

TOTAL CUT: \$9,867

Description: Downgrade the vacant Real Estate Specialist III position to a Real Estate Specialist II.

Service Impact: Hiring lower level position will impact the level of work that can be assigned to new employee.

53. TITLE: Operations Services – Reduced Support Supplies

FTE Reduction: 0
Non-personnel reduction: \$1,852

TOTAL CUT: \$1,852

Description: Reduce vehicle, training, supplies, etc. in Building Maintenance Repair.

Service Impact: Minimal. Supplemental savings as a result of staff cuts.

54. TITLE: Operations Services – Repair and Maintenance Technician

FTE Reduction: 1.0
Non-personnel reduction: \$57,073

TOTAL CUT: \$57,073

Description: Eliminate Building Repair and Maintenance Technician position.
Service Impact: Reduction in response time to service work and increased backlog of work orders. Potential increase in overtime for remaining staff.

55. TITLE: Operations Services – Project Management, Planning and Design

FTE Reduction: 0 (\$39,814 salary)
Non-personnel reduction: 0

TOTAL CUT: \$39,814

Description: Reduce Project Management, Planning and Design salary charged to the General Fund.
Service Impact: Increases the amount of charge to others for frequent services.

56. TITLE: Operations Services – Deputy Director

FTE Reduction: 0.5
Non-personnel reduction: 0

TOTAL CUT: \$50,000

Description: Reduce Deputy Director position to 0.5 FTE
Service Impact: Increases workload for other staff members.

57. TITLE: Operations Services – Custodial Contract Position

FTE Reduction: 0.5 (contractual)
Non-personnel reduction:

TOTAL CUT: \$29,000

Description: Reduce Building Operations custodial contract position to 0.5 FTE.
Service Impact: Non-general fund departments may need to manage their custodial services.

58. TITLE: Capital/Facility Maintenance

FTE Reduction: 0
Non-personnel reduction: \$5,000

TOTAL CUT: \$5,000

Description: The reduction is for minor capital expenditures related to maintenance of general government facilities.
Service Impact: Minimal effect on the continued maintenance and repairs of City buildings.

TRANSPORTATION SERVICES

59. TITLE: Planning and Parking – Harmony Transfer Center

FTE Reduction: 0
Non-personnel reduction: \$26,000

TOTAL CUT: \$26,000

Description: Reduce maintenance at Harmony park and ride by 20%.
Service Impact: Minimal.

60. TITLE: Traffic Operations – Traffic Calming

FTE Reduction: 0
Non-personnel reduction: \$50,000

TOTAL CUT: \$50,000

Description: Eliminate speed hump allowance.
Service Impact: This has proven to be a marginally effective traffic calming tool.

61. TITLE: Engineering - Street Oversizing

FTE Reduction: 0
Non-personnel reduction: \$110,000

TOTAL CUT: \$110,000

Description: Reduction in the General Fund allocation to the Street Oversizing Fund. (No reduction related to impact fees).
Service Impact: Minor impact on projects. Possible complaints from development community.

62. TITLE: Transfort – Dial-A-Ride

FTE Reduction: 2.0
Non-personnel reduction:

TOTAL CUT: \$88,500

Description: Privatize ambulatory service outside service area required by federal government.

Service Impact: Retains current service within three-quarters of a mile of Transfort routes. Private service outside that boundary. Potential reduction in reliability.

63. TITLE: Streets – Unpaved road maintenance

FTE Reduction: 0
Non-personnel reduction: \$50,000

TOTAL CUT: \$50,000

Description: Reduction in dust control and grading for 24 blocks of unpaved streets and alleys.

Service Impact: Increased citizen complaints – especially for dust.

64. TITLE: Streets - Sweeping

FTE Reduction: 0 (seasonal)
Non-personnel reduction: 0

TOTAL CUT: \$50,000

Description: Reduce street sweeping of residential streets from twice a month to once a month.

Service Impact: Possible citizen complaints – dust problems.

65. TITLE: Engineering – Pavement Management

FTE Reduction: 0
Non-personnel reduction: \$300,000

TOTAL CUT: \$300,000

Description: Reduction of pavement management program target budget.

Service Impact: Short term savings, but cumulative degradation of paving condition over time.

66. TITLE: Capital/Pedestrian Accessibility

FTE Reduction: 0
Non-personnel reduction: \$9,000

TOTAL CUT: \$9,000

Description: Reduction in General Fund dollars used for maintaining existing sidewalks, filling in gaps in the sidewalk system, and installing pedestrian access ramps at various intersections.

Service Impact: Minimal effect on the program as BCC resources are also used for this purpose.

EXECUTIVE, LEGISLATIVE, & JUDICIAL SERVICES

67. TITLE: City Council

FTE Reduction: 0

Non-personnel reduction: \$ 8, 864

TOTAL CUT: \$ 8,864

Description: Reduce the meals and conference line items.

Service Impact: Some meals provided for working meetings will be scaled back or eliminated entirely. The reduction in conference spending may result in decreased advocacy for City issues and/or the ability to attend City related conferences and training programs.

68. TITLE: City Attorney

FTE Reduction: .60 FTE (\$45,069 in personnel costs)

Non-personnel reduction: 0

TOTAL CUT: \$45,069

Description: One of the attorneys devotes approximately 60% of work time to matters related to Utilities and Natural Areas. Consequently, that portion of time will be paid for by the Utilities and Natural Areas. The General Fund reduction amounts to \$45,069.

Service Impact: None

69. Title: City Clerk -- Office Equipment, Meals and Supplies

FTE Reduction: 0

Non-personnel reduction: \$4,056

TOTAL CUT: \$4,056

Description: Eliminate replacement of office equipment and meals; reduce other supplies and services.

Service Impact: Minimal; may be some added costs for repair of equipment.

70. Title: City Clerk -- Computer Hardware and Software

FTE Reduction: 0
Non-personnel reduction: \$3,000

TOTAL CUT: \$3,000

Description: Eliminate replacement of personal computers/printers; reduce software upgrades.

Service Impact: Initial impact minimal; continued reduction in future years will affect productivity.

71. Title: City Clerk -- Conference

FTE Reduction: 0
Non-personnel reduction: \$1,400

TOTAL CUT: \$1,400

Description: Reduce funding for conferences designed to improve knowledge and productivity.

Service Impact: Reduction impacts staff's ability to interact with professional peers for the purpose of sharing ideas/solutions and maintaining knowledge of industry standards and trends.

72. TITLE: City Manager – Intern Program and Home Run Program

FTE Reduction: \$ 33,360
Non-personnel reduction: \$ 17,500

TOTAL CUT: \$ 50,860

Description: Eliminate the Management Assistant position and reduce the ongoing amount allocated for the Home Run Program.

Service Impact: Some projects will be eliminated or else must be handled by other staff, such as the Earned Income Tax Credit program and Humane Society liaison responsibilities. The Home Run Program will be limited to its current size and number of participants.

73. TITLE: City Manager/Legislative Affairs – Training and Conference and Supplies

FTE Reduction: 0
Non-personnel reduction: \$ 1,733

TOTAL CUT: \$ 1,733

Description: Reduce conference and other supply and service resources.
Service Impact: Eliminates most opportunities for staff development and provides very minimal resources for supplies, printing, etc.

74. TITLE: City Manager/Policy Agenda – Training and Conference and Supplies

FTE Reduction: 0
Non-personnel reduction: \$ 5,276

TOTAL CUT: \$ 5,276

Description: Eliminate conference and training line items and reduce other resources for supplies and equipment.
Service Impact: This reduction eliminates most opportunities for training and professional development for staff; provides minimal funds for office equipment and other supplies.

75. TITLE: City Manager/Human Rights Resources and Education

FTE Reduction: 0
Non-personnel reduction: \$5,355

TOTAL CUT: \$5,355

Description: Reduces the Multicultural Community Workshops from two to one per year and eliminates the Youth Multicultural Leadership Workshop.
Service Impact: This reduces the exposure and experience of citizens, adults and youth, to address and enhance communication about cross-cultural issues.

76. TITLE: Human Services Contract – Various

FTE Reduction: 0
Non-personnel reduction: \$ 19,498

TOTAL CUT: \$ 19,498

Description: Reduce the overall funds allocated for the Health and Human Services Community Partnership Program (HHSCPP) by 5%.
Service Impact: These funds are provided to a variety of non-profit agencies that serve Fort Collins citizens. As a result of this reduction, the number of people served and the number of agencies providing service will be lessened. This will also reduce the amount of contingency funding available to support unpredicted needs throughout the year.

77. TITLE: City Manager/Budget Office

FTE Reduction: 0
Non-personnel reduction: \$2,264

TOTAL CUT: \$2,264

Description: Printing of the recommended and final budget documents will be limited to 30 copies versus 150 copies. The budget documents will be posted in the City's web page.

Service Impact: Minimal—most of the requests for the budget documents are from outside agencies and they can now access the budget over the internet.

78. TITLE: City Manager/Neighborhood Resources – Printing, Computer Software, Repairs, Office Supplies, Food Supplies

FTE Reduction: 0
Non-personnel reduction: \$3,688

TOTAL CUT: \$3,688

Description: Reduces a variety of supporting supplies and services that support neighborhood programs.

Service Impact: Reduces the ability to print pamphlets and brochures and some of the subsidy support for neighborhood newsletters.

79. TITLE: City Manager/Neighborhood Resources – Training and Conferences

FTE Reduction: 0
Non-personnel reduction: \$2,330

TOTAL CUT: \$2,330

Description: The training and conference budget for staff has been reduced 90% since 2002. The remaining resources allow for one workshop for one staff member per year; staff will rely to the degree possible on in-house course offerings. Related to training offered to volunteers, some supplies will be reduced.

80. TITLE: City Manager/Neighborhood Resources – Celebration of Neighborhoods

FTE Reduction: 0
Non-personnel reduction: \$5,092

TOTAL CUT: \$5,092

Description: The Celebration of Neighborhoods, in its present format, has been held for 10 years. With the current resource constraints, it is an opportune time to work with the neighborhoods to restructure an annual event.

Service Impact: The structure of the annual event will change.

81. TITLE: City Manager/Neighborhood Resources – Neighborhood Grants

FTE Reduction: 0

Non-personnel reduction: \$5,436

TOTAL CUT: \$5,436

Description: Grant money is awarded to neighborhoods to assist them in funding social events, landscaping, and neighborhood improvements with the purpose of helping neighbors better know each other and create more open communication.

Service Impact: Fewer neighborhoods will receive funding and the amount available for funded projects will be less.

82. TITLE: City Manager/Neighborhood Resources –Community Liaison Programs

FTE Reduction: 0

Non-personnel reduction: \$2,500

TOTAL CUT: \$2,500

Description: Programs are a collaborative effort with CSU Off-Campus Student Services and various other CSU departments to improve relations between citizens and students living off campus. Education programs are funded to teach students how to be responsible citizens while living in the neighborhoods.

Service Impact: Programs will be limited to those that have been established during the past 24 months. No new programs will be added.

83. TITLE: Municipal Court

FTE Reduction: \$24,837

Description: Eliminate the positions of a .50 FTE Deputy Court Clerk II and .25 FTE Deputy Court Clerk I. These partial positions have been unfilled since mid-2002.

TOTAL CUT: \$24,837

Description and Service Impact: After this reduction, the Court will have no remaining unfilled positions. With our existing staffing, we are maintaining quality customer service and keeping up with the workload. Our staffing level is

minimal enough, however, that it is difficult to keep up when anyone is on leave for any reason. We are anticipating that, during the 2004/2005 budget cycle, the installation of the new Records Management System for Fort Collins Police Services will minimize the time Court staff spends on manual ticket entry. If, however, the number of tickets issued continues to increase and ticket entry time is not minimized, we will likely experience a significant decrease in the quality of service provided to customers; paperwork will pile up, making it more difficult and time-consuming to find files, and the number of errors made by staff will increase as we are forced to trade quality for quantity.

84. TITLE: Non-departmental/Leasing

FTE Reduction: 0
Non-personnel reduction: \$39,827

TOTAL CUT: \$39,827

Description: The City sets aside monies as part of the total cost for each new employee hired. The monies set aside are to be used in the event office space had to be leased to offset the impact of limited space in City owned buildings. The additions of the 215 Mason office building has alleviated, in the short-term, the need to lease additional space to house employees.

Service Impact: None

POUDRE FIRE AUTHORITY

85. TITLE: Poudre Fire Authority Allocation

Non-personnel reduction: \$348,700

TOTAL CUT: \$348,700

Description: Reduction of allocation to Poudre Fire Authority

Service Impact: Delays opening of Station 14 to mid-2004

COMMUNICATION AND TECHNOLOGY SERVICES

86. TITLE: Information Technology – Systems Analyst

FTE Reduction: 1.0
Non-personnel reduction: 0

TOTAL CUT: \$87,076

Description: Eliminate Systems Analyst position.

Service Impact: Reduced web application development. It impacts development of web applications such as Clerk's central records and liquor licensing; City Manager central records; Budget program sheets; EPIC etc. It significantly extends waiting list longer for design and implementation of the city's many web projects.

87. TITLE: Information Technology – Web Developer

FTE Reduction: 1.0
Non-personnel reduction: 0

TOTAL CUT: \$73,359

Description: Eliminate Web Developer position.

Service Impact: Position 75% dedicated to design and development of departmental web sites and applications, such as city forms and documents. Service level for this function would decrease by 50%. Web site quality would deteriorate. Posting of timely information may be delayed. Anticipated redesign of City website would not be possible.

88. TITLE: Information Technology – Computer Support Technician

FTE Reduction: 0.75
Non-personnel reduction: 0

TOTAL CUT: \$44,909

Description: Elimination of Computer Support Technican, a three quarter time position.

Service Impact: Longer response times for computer support requests. Remaining staff diverted from assigned responsibilities. Loss of skills needed for Permits Plus and other CPES oriented applications.

POLICE SERVICES

89. TITLE: Administration – Computer Aided Dispatch System

FTE Reduction: 0
Non-personnel reduction: \$200,000

TOTAL CUT: \$200,000

Description: Cuts in half the \$400,000 budgeted for the ongoing CAD lease purchase program.

Service Impact: Enough money remains to fulfill lease purchase payment, but halts funding of upgrade/replacement fund being built for future needs.

90. TITLE: Police – New Police Building

FTE Reduction: 0

Non-personnel reduction: \$320,000

TOTAL CUT: \$320,000

Description: Delay, for one year, the additional ongoing set aside for the new Police Building.

Service Impact: None. The five-year funding strategy has been to add \$320,000 per year of ongoing funding so that by 2006 the City will have \$1.6 million per year for debt service on a new Police Services building. The plan is to resume the \$320,000 set aside in 2005 and set aside \$640,000 in 2006 to reach the goal of \$1.6 million per year by 2006.