

**STUDY SESSION NOTES**  
**CITY OF WHEAT RIDGE, COLORADO**  
**City Council Chambers 7500 W. 29<sup>th</sup> Avenue**  
**September 17, 2018**

Mayor Starker called the Study Session to order at 6:30 p.m.

Councilmembers present: Monica Duran, Janeece Hoppe, Tim Fitzgerald, Zachary Urban, George Pond, Kristi Davis, Larry Mathews, and Leah Dozeman

Also present: City Clerk, Janelle Shaver; City Manager, Patrick Goff; Police Chief Daniel Brennan; Scott Brink, Public Works Director; Ken Johnstone, Community Development Director; Joyce Manwaring, Parks and Recreation Director; Kersten Armstrong, Court Administrator; and interested citizens.

**CITIZEN COMMENT ON AGENDA ITEMS**

**Robert Robinson** (WR) expressed his disappointment that there is nothing in the 2019 budget to follow up on the work the WRESC did. He encouraged Council to budget some funds for this and to think of it as an insurance policy.

**Jan Rose** (WR) spoke about Golden's stainability goals. All cities around us have taken major steps towards sustainability; she gave some examples. Wheat Ridge needs to get going on this. She reported her solar panels were not damaged by the hail. She thinks all the buildings at Clear Creek Crossing and the Ward Station should have been required to have solar panels. She noted the large number of trash trucks that drive our streets.

**Rachel Hultin** (WR) has read the budget and is excited about the priorities. She spoke about Activate 38, a three-year grant program for 38<sup>th</sup> Ave west of Kipling and urged Council to provide funding so it can continue. Some elements suggested for the corridor include signs, refreshing existing cross walks, and highlighting alternative routes. She wants to work with the City to implement some of these items.

**Joe DeMott** (WR) asked for an increase to the Carnation Festival budget to provide for 50<sup>th</sup> Anniversary activities, and to add improvements to the Festival that use the remodeled park facilities. Ideas are already in the works. He noted that 17 different non-profit organizations benefited financially from the Festival this year. He distributed a proposed budget for next year's festival. He also encouraged a \$30K increase for the WRBD Façade Plus program. It's been a huge success. This year 2 businesses were given \$20K each and they ended up spending a minimum of \$126K on their businesses.

1. Edward Byrne Justice Assistance Grant (JAG) Grant ~ Chief Brennan

Chief Brennan gave background on the JAG grants and explained the proposed use. Council approval is required.

The City received a JAG grant for \$10,178 in 2017. Due to an unforeseen series of conditions and injunctions the plan to purchase a mobile license plate reader did not happen. This year PD has received an additional \$10,095 grant.

A department study recommended combining the grants to purchase police protective gear - specifically ballistic rated helmets, level IV armor plates and tactical vests for patrol officers that are not currently assigned to the West Metro SWAT Team. (The officers/supervisors assigned to SWAT already have this gear.) \$60,000 from the Police Asset Forfeiture Fund (Fund 17) will also be used.

Councilmember Mathews asked if this would replace the line item in the budget for uniforms and protective clothing. Chief Brennan said it would not.

Councilmember Hoppe received unanimous consent to use the JAG funds to purchase police protective gear.

2. Presentation of 2019 Proposed Budget – Patrick Goff

Note: The complete 2019 Proposed Budget is available at <http://www.ci.wheatridge.co.us/DocumentCenter/View/29092/2019-Proposed-Budget>

Mr. Goff went through the Goals for Vision 2035 and the structure of funds: General Fund, Special Funds, Capital Imprvmnt Program (CIP) Fund, and the 2E Bond Fund.

Specifics for the various expenditures and revenue include:

|                        | <u>2019 TOTAL PROPOSED BUDGET</u> |                    |                  |
|------------------------|-----------------------------------|--------------------|------------------|
|                        | <u>2E Funds</u>                   | <u>Other Funds</u> | <u>All Funds</u> |
| Beginning Fund Balance | \$26,780,258                      | \$16,247,529       | \$43,027,787     |
| Projected Revenue      | \$6,223,292                       | \$47,778,850       | \$54,002,142     |
| Revenue Increase       | 38%                               | 1.2%               | 4.4%             |
| Total Funds Available  | \$33,003,550                      | \$64,026,379       | \$97,029,929     |
| Proposed Expenditures  | \$22,385,758                      | \$53,265,025       | \$75,650,783     |
| Expenditures Increases | 27%                               | 2.8%               | 7.8%             |
| Ending Fund Balance    | \$10,617,792                      | \$10,761,354       | \$21,379,146     |

2019 TOTAL PROPOSED EXPENDITURES \$75,650,783

Includes General, CIP, 2E and 8 Special Revenue Funds

|                  |                      |                        |
|------------------|----------------------|------------------------|
| General Fund 47% | 2E 30%               | CIP 14%                |
| Open Space 5%    | Recreation Center 3% | Other Special Funds 1% |

2019 Projected General Fund Revenues

|                     |                        |
|---------------------|------------------------|
| \$35,562,186        | Projected Revenues     |
| <u>\$13,286,933</u> | Beginning Fund Balance |
| \$48,849,119        | Total Available Funds  |

- 1.5% increase compared to 2018 year-end estimated revenues
- 3.8% increase compared to 2018 original budget projection

59% Sales Tax

- 12% Use Tax
- 7% Other taxes
- 5% Intergovernmental
- 4% Licenses
- 4% Services
- 3% Property Tax
- 5.8% Other, Fines, Interest

Financial Health of the City Revenues ~ Revenues have rebounded yearly since 2013

2019 Proposed General Fund Expenditures

|                    |                       |
|--------------------|-----------------------|
| \$35,562,186       | Proposed Expenditures |
| <u>\$4,000,000</u> | Proposed transfers    |
| \$39,562,186       | Total                 |

- 1.2% increase compared to the adjusted 2018 budget
  - (3.5% increase without hailstorm expenses)
- Ending fund balance of \$9,286,933
- Unrestricted fund balance of \$6,886,378 (19.4%)

- 31% Police
- 14% Public Works
- 15% Parks & Recreation
- 12% Admin Services
- 11% Central Charges
- 9% General Govt
- 5% Community development
- 3% Municipal Court

Financial Health of City Expenditures ~ Expenditures have increased \$12M since 2009

2019 Proposed 2E Fund

Total Available Funds: \$33,003,550                      Ending Fund Balance: \$10,617,792

Debt Payment: \$3,498,300

- 37% Gold Line Station - \$8,328,000
- 23% Clear Creek Crossing hook ramps - \$5,059,055
- 13% Wadsworth widening - \$3,033,000
- 11% Anderson Park - \$2,467,403
- 16% Debt Payment

Revenues \$6,223,292                      Expenditures \$22,385,758

2019 Proposed Capital Improvement Program (CIP)

Total available funds: \$10,538,792

Ending Fund Balance: \$26,792

Revenues \$10,582,000

Expenditures \$10,512,000

- 65% Wadsworth EA Design/Construction \$6.8M
- 19% Preventative street Maintenance \$1.9M
- 7.4% Other Street
- 4% Municipal Capital

- 3% Drainage
- 1% Facilities
- 1% traffic
- 0.2% Econ Dev (\$100K available for development related City improvements)
- 0.1% Utility

Financial Health of the City CIP Budget ~ Has grown sporadically since 2009 depending on the projects and the revenue

CIP Major Projects include:

- o Bridge maintenance – 44<sup>th</sup> Ave \$395K
- o City Hall Improvements (space planning, security, court security update and sidewalks) - \$343,500
- o Misc drainage improvements – 26<sup>th</sup> & Fenton \$300,000 (joint with Edgewater)
- o Clear Creek Crossing (support services unrelated to 2E) - \$136,500
- o Sidewalk gaps, bike/ped enhancements - \$100K
- o Street striping maintenance - \$100K
- o Masterplan for PW and Parks Operations facility - \$100K
- o Bike/Ped improvements (on Garrison north of 44<sup>th</sup>) - \$90K
- o Traffic Signal Improvements - \$60K
- o ADA improvements - \$50K
- o Neighborhood Traffic management program - \$35K
- o Aerial photography/GIS updates \$35K
- o Gateway signage - \$25K
- o Clear Creek Master Plan update (flood plain maps) - \$25K
- o Easements and ROW (miscellaneous) - \$10K
- o Neighborhood street light program - \$10K

CIP 2020 and beyond

- Expect to transfer \$3.0M annually from the General reserves
- Annual preventative street maintenance will be \$2M
- Wadsworth reconstruction thru 2022 is \$29M
- Additional upcoming annual project funding
  - o Drainage - \$200K
  - o Bike/Ped - \$450K over the next 5 years
  - o Bridge maintenance - \$1.8M over the next 5 years

2019 Proposed Open Space Fund

|  |                                    |
|--|------------------------------------|
| Revenues: \$2,340,247  | Total Available Funds: \$4,071,827 |
| Expenditures: \$3,518,980  | Ending Fund Balance: \$552,847     |
| Restricted Fund Balance: \$127,362 (G Line station park improvement) |                                    |
| Projects: Renovation of Prospect Park, Phase 2 - \$1.2M              |                                    |
| Renovation of Anderson Park - \$912,890                              |                                    |
| "The Green" - \$900,000  |                                    |
| Open space improvements - \$25K                                      |                                    |
| Park maintenance projects - \$25K                                    |                                    |



## 2019 Staffing Changes

### New positions – General Fun:‘

- 2.0 FTE Parks Maintenance Worker I - Parks & Rec
- 1.0 FTE Forestry Assistant - Parks & Rec
- 1.0 FTE Horticultural Assistant - Parks & Rec
- 2.0 FTE Police Officer - Police
- 1.0 FTE Persons Detective \_ Police
- 1.0 FTE Special Investigations Sergeant - Police
- 0.5 FTE IT Support Technician - Admin Services
- 0.5 FTE Digital Communications Specialist – Admin Services

Overall net increase of 9.0FTE’s

## 2019 Proposed Staffing by Department

|                       |       |                |        |
|-----------------------|-------|----------------|--------|
| Municipal Court       | 10.25 | Parks & Rec    | 52.125 |
| Public Works          | 31    | Police         | 107    |
| Community Development | 6     | Admin Services | 23     |
| General Government    | 5     |                |        |

## Highlights of Employee benefits

- 3% increase for employees (\$460,000)
- 2018 Market Study showed there is a competitive job market, tough competition for talent, and low unemployment rate
- Retirement Contributions – increasing employer contribution from 4% to 6% (\$180K)
- Medical/dental has no increase in 2019.

## Short-term fiscal notes

Sales Tax: Predicting 5.4% increase compared to 2018 estimated revenue (33% from Corners project)

Walmart Closure: Owner planning to replace with 4 new tenants in 2019/2020. Sales tax revenue estimated at \$800-900K annually; this is not included in the 2019 budget.

Clear Creek Crossing: Reimbursement of \$507,038 for I-70/32<sup>nd</sup> Ave in 2019. Annual revenues projected at \$1.8M starting in 2020/2021

### Misc Redevelopment Projects:

Applewood Shopping Center, Kipling Ridge, West End 38 to have 10K sf of retail  
Annual Revenues projected at \$300K starting in 2019.

Extra requests to consider that are not in the budget:

- WRESC requesting \$18,000
- Carnation Festival requesting an additional \$40K for the 50<sup>th</sup> anniversary festival
- WRBD request for \$30K more for the Façade Plus program
- Some additional requests for 38<sup>th</sup> Ave that are not in the budget.

Discussion followed. Budget items receiving further discussion included:

- The net effect of outsourcing the Building Division
- The Circus (Mr. DeMott provided input.)

- The \$30K for marketing materials for 38<sup>th</sup> Ave is part of the Localworks budget
- Raising the City's contribution to employee retirement up to 6% to be more competitive in the municipal market. We've lost employees because of that.
- Chief Brennan explained he plans to hire 12 new recruits to replace retirements and 3 people who left for larger departments that could offer more.
- Would like fewer new FTE's – only add 1 parks maintenance worker.
- Adding a 0.5 FTE sustainability coordinator in 2019 instead of waiting.
- Snow removal for abandoned areas is not factored in the budget.
- Why can't current PIO cover the social media so digital communications person has time to work on the website? She does. She also does event planning: is working on the 50<sup>th</sup> anniversary planning; planning a G-Line opening event; she does all the ribbon cuttings with Steve Art and the Business District. Chief Brennan explained what she does for PD.
- Support for \$20K for the Carnation Festival and \$45K to the WRBD.
- Is the Localworks budget reflective of the City's Strategic Priorities?
- \$13,700 for NRS help was deleted from the Localworks budget.
- Localworks is under the City Manager's budget under Economic Development, and there are other expenditures spread throughout the budget.
- Issues with the Localworks budget: need a more detailed explanation of their budget; too much for communication, community engagement and outreach; overlap of the categories within the Localworks budget and with other agencies in the community (e.g. WRBD); lot of money for Ridge at 38; the cost of the tours (none are even planned for 2018)
- Overtime for PD, Public Works and Parks for Ridge events and Carnation Festival are absorbed in the General Fund's overtime budgets.

Councilmember Dozeman noted that one of the biggest budget items for these events is tent rental. She suggested it would be wise for the City to purchase tents to be used for these events – to avoid repeated rental costs.

Councilmember Fitzgerald asked for consensus to fund Phase 2 of the recommendations of the WRESC committee (\$18K) and to add an additional \$7,500 for Excel Home Energy evaluations - for a total of \$25,500. (e.g. If the City paid \$30 of the required \$75, perhaps more people would participate in the Home evaluations.)

- Councilmember Mathews expressed concerns about some of Excel's plan. They want to close two perfectly good, clean, coal fire plants ahead of schedule. The PUC approved it, but agreed it made no monetary sense. He also questioned some line items in the WRESC budget - \$4K to promote waste reduction by residents; \$4K to monitor water quality of Clear Creek – which is already done by other agencies; \$2K to create a green business promotional program. He feels this amounts to the birth of a new bureaucracy in the city.
- Councilmember Pond asked for a friendly amendment to allow City Council to have oversight with the various line items of the \$18K. Councilmember Fitzgerald agreed.
- Mayor Starker announced he will be continuing the WRESC as a mayoral committee.

- Councilmember Duran thinks \$18K is reasonable.
- Councilmember Urban suggested the City start by setting a good example and doing the things the WRESC suggests (e.g rain barrels). There are no requirements for the City to practice what it is preaching and encouraging – and possibly subsidizing. He feels the funds should only be used to promote things the City is already doing.
- Councilmember Dozeman noted our Smart Goals say we are committed to environmental stewardship. She would like to see the City create a culture of sustainability within the departments. She'd rather see the funds spent for the City to start some of these practices.
- Mr. Goff noted the City already has a committee of staff members that have identified sustainable practices that are/can be put in place.

Councilmember Fitzgerald's consensus passed 5-3.

- Councilmember Mathews asked where the money would come for this. Councilmember Hoppe suggested it could come from the 19% reserves.

At 9:10pm the Mayor declared a 10 minute recess. He meeting resumed at 9:21.

Councilmember Pond shared his thoughts on the positive economic picture, the FTE's, sustainability, bonds, being behind the curve on service delivery, the balanced budget, the reserve fund, and the additions he supports.

Councilmember Davis would like to delete the regular \$3K donation to the Action Center, since we are giving them \$20K for their current fundraiser. She was reminded the \$20K is a one-time donation.

Councilmember Urban spoke to the level of spending on 38<sup>th</sup> Ave.

- We plan to spend \$1.173 on various 38<sup>th</sup> Ave related activities -- 61% of the sales tax revenue from 38<sup>th</sup> Ave. The money spent to help 44<sup>th</sup> Ave is less than 7% of the revenue 44<sup>th</sup> generates.
- He has reservation about spending \$900K on The Green when the School District will maintain ownership and chip in nothing for the improvements.
- 38<sup>th</sup> Ave is doing well generating sales tax. 44<sup>th</sup> Ave is doing even better – and without the dump of cash from the City.
- He'd like to shift some of the money to 44<sup>th</sup> Ave. and reconsider The Green project.

Councilmember Dozeman agreed that other neighborhoods feel left out and 38<sup>th</sup> Ave keeps getting more money. She recommends not doing The Green. She resents putting \$900K into one school and neglecting the others.

- Ms. Manwaring cited examples of the City spending money at various schools for playgrounds and ball fields with IGA's for joint use.
- Councilmember Duran would like to see sidewalks to the 29<sup>th</sup> Ave businesses.
- Councilmember Hoppe suggested The Green has become a gathering spot. She maintained the comparison of 38<sup>th</sup> Ave revenue to that of 44<sup>th</sup> Ave is faulty since the 38<sup>th</sup> figures are only Wads-Sheridan, and the 44<sup>th</sup> figures include Youngfield.



- Councilmember Fitzgerald addressed how the Green is our central gathering place.

Ms. Manwaring informed Councilmember Urban the marketing budget for the Rec Center was moved to the General Fund budget under Recreation Administration.

Councilmember Urban has concerns about continued renewal of branding and marketing and logos by several City departments and various other organizations.

Councilmember Duran asked about the marijuana revenue. Estimates for 2018 are \$750K. Councilmember Fitzgerald has the information about projected increased revenue if hours of operation are extended; he will bring it to the next study session.

Councilmember Dozeman noted Localworks received \$10K in 2018 for 50<sup>th</sup> anniversary preparation and is asking for another \$10K in 2019 for the gala. She asked how the 2018 money was spent. Mr. Goff wasn't sure – possibly staff time; there have been no hard costs yet. He answered that the City's \$60K for the Gala is separate from Localworks \$10K for the Gala.

Councilmember Pond received consensus to approve the addition of \$20K for the Carnation Festival and \$45K for WRBD, with funding to come from reserves.

Councilmember Dozeman asked for consensus to reduce Localworks budget by \$85,500 – bringing the total to \$465K.

There was discussion and questions about reducing the amount for business loans; education outreach; marketing tours; communications/community engagement outreach for 38<sup>th</sup> Ave vs the entire City; how Activate 38 has spent \$250K if it is a volunteer group; Ridge at 38 events; 38<sup>th</sup> Ave Leadership Committee; the City's digital/media support; and the new director's pledge to increase fundraising.

The consensus failed 4-4.

Councilmember Hoppe suggested that some money could come off the BUBL loans, marketing/positioning tours, communications/community engagement, the requested increase for Ridge at 38 events; and the 38<sup>th</sup> Ave Leadership Committee. There was discussion.

Councilmember Hoppe received sufficient consensus to reduce the Localworks budget to \$490,500.

Councilmember Hoppe asked for a consensus to allocate money to hire a sustainability coordinator as a 0.5 FTE. Following discussion the consensus failed 4-4.

Councilmember Mathews inquired about unfunded liabilities. Mr. Goff said the Wadsworth project is potentially \$5M short. He spoke about the Value Engineering and plans to apply for additional DRCOG TIF funding.

Councilmember Urban appreciates the realistic acknowledgment of risks and potential unforeseen pitfalls and windfalls, and being prepared. Mr. Goff said he believes in a healthy reserve; it is a "best practice".

Councilmember Dozeman had specific questions about staffing in Administrative Services and the City manager's staff. Mr. Goff explained some changes in structure for the Admin Services Department.

- Carley Lorentz's position has become Assistant to the City Manager and moved from Administration to the City Manager's budget.
- We had to offer more to fill the Human Services Director's position.
- The Performance Management increases budget is moving from Central Charges to the various Admin budgets.

Councilmember Dozeman asked for consensus to decrease the amount for The Green or delete it until we have further talks with the School District. It failed 3-5.

Councilmember Davis received consensus to approve the 2019 proposed budget with the revisions approved tonight, including money for Ms. Hultin's request for Activate 38 in an amount not to exceed \$40K.

### 3. Staff Report(s)

Mr. Goff reported receiving word from the Denver Transit Partners that they made it through the 21-day testing period. More information will follow.

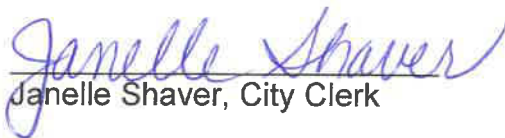
### 4. Elected Officials' Report(s)

**Leah Dozeman** thanked Wheat Ridge High School for putting on the Farmers 5000.

**Clerk Shaver** encouraged Councilmembers and Board and Commission members to please RSVP for the Boards and Commissions Dinner.

**George Pond** noted the passing of former Councilmember Nancy Snow.

**ADJOURNMENT:** The Study Session adjourned at 10:29 p.m.

  
Janelle Shaver, City Clerk

APPROVED BY CITY COUNCIL ON October 22, 2018

  
Tim Fitzgerald, Mayor pro tem