

Capital Projects Fund

Project requests for 2018:

Public Works

Street rehabilitation	\$2,966,904
Traffic signal improvements	170,000
Pedestrian Crossing Improvements	40,000
Curb, gutter, sidewalk improvements	105,000
Rio Grande Bridge	70,000
Downtown Infrastructure Improvements.....	50,000

Public Safety

Fire*

Station 12 Concrete Repair.....	175,000
Mobile Data Terminal replacement	33,500
RMS Laptop replacement.....	20,500
Thermal Imaging Cameras	7,000
Extrication Equipment.....	50,000
Opticom.....	10,500
Medical Equipment replacement.....	52,000

Police

Equipment Replacements.....	115,530
E-911 Radio Replacements	117,190

General

Technology	370,000
Building improvements	297,500
Codes software	160,000
Fleet vehicles and equipment	1,201,000
Fleet equipment.....	50,000

Capital Projects Total **\$6,061,624**

*Part of these costs will be paid by the fire partners.



2018 Budget in Brief

After many hours of meetings, the city manager and city department director's have created a budget for the City of Littleton. The budget consists of 14 funds and enterprises as listed below.

Expenditures by Fund/Enterprise:

General Fund	\$63,946,612
Capital Projects	7,814,484
Conservation Trust	395,350
Consolidated Special Revenue	743,350
Grants	460,500
Open Space	1,443,940
Impact Fees	1,680
Sewer Utility	17,012,560
Emergency Medical Transport	4,521,890
Storm Drainage	910,520
South Metro Comm. Center	1,321,480
Geneva Village	135,600
Employee Insurances	8,934,668
Property and Liability Insurance	1,052,000

Total \$108,694,634



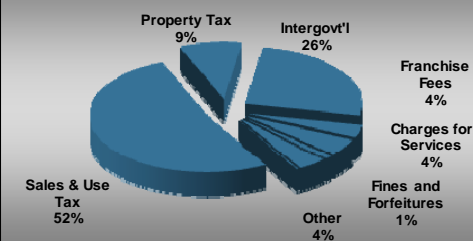
General Fund

Overview

Through September 2017, the city experienced a 7.5% upward fiscal trend in General Fund revenues as compared to 2016. The city's 2018 retail sales tax projected growth of 4.7% appears to be in line with past trends. State economists are forecasting continued retail sales tax growth of 5.0% into 2018.

The city's updated 2017 five-year financial projections show that without new or expanded revenues, the General Fund operating expenditures will continue to increase faster than the growth in revenue. With this challenge, staff continues reviewing the city's operations for efficiencies and improvements in providing city services within current budget constraints. This year's budget sets the stage for council and community conversation as to the level of investment to make in the community infrastructure not just in 2018, but more importantly, in the years to follow. It will be essential for the city to critically examine and align the priorities of citizens with the limited resources for future budgets. New revenue options or opportunities must also be evaluated and a priority based discussion considered as a strategic approach to managing our long-term financial stability.

2018 Revenues



General Fund Revenues

General Fund revenues are mainly derived from sales and use taxes, property taxes, fees for services and contractual service agreements. The sales and use tax rate in Littleton is 3% which amounts to 84% of total tax revenues and 51% of total revenues. The property tax mill levy remains at 6.662 mills per \$1,000 of assessed value and has not changed since 1991. This equates to \$5,623,050 in property tax revenues.

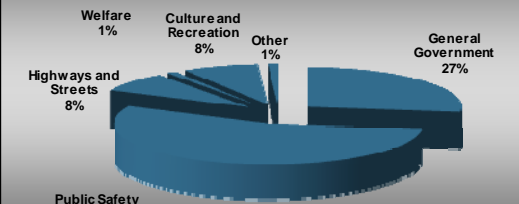
Intergovernmental revenues are the second largest source of revenue for the city; the largest component of which are the expenditure reimbursements per fire contracts with Littleton Fire Protection District, Highlands Ranch Metro District and Meadowbrook/Fairview Metro District.

General Fund Expenditures

Daily operations such as police, fire, street maintenance, planning, code enforcement, economic development, library, museum and other general government expenditures are paid from the city's General Fund. In addition, the General Fund includes support services such as city council, city attorney, city manager, communications and marketing, human resources, information services, finance, facilities management and city clerk.

Personnel costs amount to approximately 77% of total General Fund expenditures.

2018 Expenditures by Function



Conservation Trust Fund

The city receives a distribution of state lottery funds for open space and recreation purposes. Park land maintenance and South Platte Park management are budgeted at \$150,000 for 2018 with capital improvements at the Library and Museum estimated at \$245,350 in 2018.

Consolidated Special Revenue Fund

This fund pays for a wide variety of special activities that do not fit within normal operating budgets. Some activities include monies received from South Metro Drug Task Force and wildland fire activities. It also includes funds for cable television equipment and assistance to victims of crime. These revenues and expenditures vary from year to year. The budgeted expenditures in 2018 are \$743,350.

Grants Fund

The city receives grants throughout the year. Grants expected to be received in 2018:

- Federal grants - \$417,500
- State and local grants - \$43,000

Open Space Fund

The city receives share-back funding of open space monies from Arapahoe and Jefferson Counties. There are projects budgeted in 2018 totaling \$1,168,710 such as improvements at Progress Park, Sterne Park, Promise Park Playground, Elati Playground and Bowles Grove Ballfield. Also included is \$275,230 for South Platte Park management.



Impact Fee Funds

In 2014, the city began collecting six types of impact fees: police, fire, facilities, library, museum, and transportation. These fees are legally restricted to funding capital projects resulting from new growth within the city. In 2018, due to various development projects, \$1,245,690 is anticipated to be collected from impact fee revenues; budgeted expenditures are \$1,680.

Sewer Utility Enterprise

This enterprise is the largest of this type which provides for the city's 50% share of funding for the Littleton/Englewood Wastewater Treatment Plant. This regional facility serves the cities of Littleton and Englewood as well as 19 connector districts within the 75 square mile service area of the cities. The plant is managed by the City of Englewood under a joint agreement with the City of Littleton.

Revenues are derived from tap fees collected from new development and user charges for existing customers. Tap fee revenues have been significantly lower in recent years as a direct result of the economy and lack of growth in the area. There was no increase in user fees for 2018. Expenditures are projected to be 4% lower than 2017 due to a decrease of \$1.1 million in repair and maintenance expenses.

Emergency Transport Enterprise

Littleton Fire Rescue provides emergency medical transport and collects fees for this service. Revenues in this enterprise vary from year to year. Revenues of \$4,610,000 and expenditures of \$4,521,890 are estimated for 2018.

Storm Drainage Fund

This fund accounts for construction and maintenance of storm sewer facilities and detention ponds within the city limits. Service fees are collected from land-owners within the city to fund these services. Total expenditures in 2018 are budgeted at \$910,520 with revenues of \$816,140.

South Metro Area Communication Center Fund

Until 2018, the City of Littleton provided emergency dispatch service to Littleton Fire Rescue. In 2017, the City Council voted to enter into a contract with South Metro Fire Rescue for fire dispatch services. The 2018 appropriated expenditures in this fund of \$1,321,480 are not anticipated to be spent, nor will any revenues be collected.

Geneva Village Fund

This fund accounts for the operation of a 28 apartment community for disabled and senior citizens located on the Littleton Center campus. The city does not receive any federal or state subsidies related to this program. Rental payments allow for this fund to be self-supportive. There are no significant improvements scheduled for 2018.

Budget Process

The budget process for 2018:

9/11/2017	Council Budget Session
9/12/2017	Council Budget Session
9/13/2017	Council Budget Session
10/3/2017	Public Hearing - First Reading for 2018 Appropriation
10/17/2017	Public Hearing - Second Reading for 2018 Appropriation
12/15/2017	Certification of Mill Levy to County Commissioners

Insurance Funds

For budgeting purposes, the city maintains four insurance funds:

- Employee Health Insurance
- Employee Life AD&D, Long and Short Term Disability, and Unemployment
- Workers Compensation Insurance
- Property and Liability

In 2012, the city assembled a compensation committee that reviewed all employee compensation components including health and created recommendations and priorities for future benefits. In June 2014, this committee brought a five-year compensation plan to the city council with a request to support the plan via a resolution. This plan was approved and will be phased in over five years or less, depending on city resources.

In 2018, health insurance expenses are slightly decreasing (1.5%). The estimated 2018 ending fund balance is \$2 million. Health premiums fund claim payments and help maintain adequate claim reserves.

For all other insurances, expenditures in 2018 are estimated at \$2,789,848, an increase of \$14,268 or 1% over the 2017 adopted budget amount. This is largely due to higher claims from property and liability damages.

The city maintains a reserve of approximately \$1,600,000 related to workers compensation and property and liability claims as recommended by an actuarial.

For more information about the City of Littleton's 2018 Annual Budget, call the finance department at 303-795-3765.

Additional budget information is available on the city website at littletongov.org.