



Legislation Text

File #: 15-00285, **Version:** 2

Ordinance No. 15-41 amending Ordinance No. 14-101 (2015 Appropriation Ordinance) for a supplemental appropriation to the General Fund in the amount of \$558,447 for repairs due to hail damage that was incurred on May 21, 2014, an increase in insurance premiums, and an increase in court-appointed attorney costs; and to the Parking System Fund in the amount of \$31,937, and the Patty Jewett Golf Fund in the amount of \$10,138 for repairs due to hail damage that was incurred on May 21, 2014

From:

Kara Skinner, Chief Financial Officer

Summary:

The attached ordinance is a supplemental appropriation for General Fund in the amount of \$558,447 for repairs due to hail damage that was incurred on May 21, 2014, an increase in insurance premiums, and an increase in court-appointed attorney costs; and to the Parking System Fund in the amount of \$31,937, and the Patty Jewett Golf Fund in the amount of \$10,138 for repairs due to hail damage that was incurred on May 21, 2014.

Previous Council Action:

On December 9, 2014, City Council approved the original 2015 Budget per Ordinance No. 14-101, which included the appropriation of funds for the General Fund, Parking System Fund, and Patty Jewett Golf Fund.

Background:

This supplemental appropriation is for the following purposes:

- **Hail Damage:** Several City facilities incurred hail damage on May 21, 2014. The total cost of repairs is estimated to be \$226,018. The City filed a claim with its insurance company for the damages and has received \$115,050. The deductible is \$50,000. The City expects to receive an additional \$60,968 from the insurance company once the repairs have been made. The General Fund's share of the deductible in the amount of \$40,692 is not included in the supplemental request; therefore, the amount of the supplemental appropriation request to the General Fund and Enterprise Funds for hail damage is \$185,326. See attached Exhibit A for a breakdown of the repair costs and deductibles for each fund.
- **Insurance Premium Increase:** The 2015 budget included \$370,345 for the premium on its property and vehicle policy, which was based on the 2014 premium. The 2015 premium is \$615,541, which is an increase of \$245,196 that is largely due to the vehicle portion of the policy.
- **Court-Appointed Attorney Costs:** Colorado State law changed in 2013 to provide court-

appointed attorneys to indigent defendants who are facing a potential jail sentence. The 2015 budget included \$170,000 for these mandated costs; however, based on activity through April, these costs are projected to be \$340,000 for 2015, which is an increase of \$170,000 over the 2015 budget.

Financial Implications:

Impacts of the supplemental appropriation are as follows:

- **General Fund:** The supplemental appropriation increases the 2015 General Fund expenditure budget by \$558,447. The sources of these funds are the General Fund's share of the insurance claim proceeds in the amount \$143,251 for the hail damage incurred on May 21, 2014, and the General Fund available fund balance in the amount of \$415,196.
- **Enterprise Funds:** The supplemental appropriation increases the 2015 Parking System Fund expense budget by \$31,937. The source of funds for the Parking System Fund are the insurance claim proceeds in the amount of \$24,872 for the hail damage incurred on May 21, 2014, and \$7,065 from the Parking System Fund available fund balance. The supplemental appropriation also increases the 2015 Patty Jewett Golf Fund expense budget by \$10,138. The source of funds for the Patty Jewett Golf Fund are the insurance claim proceeds in the amount of \$7,895 for the hail damage incurred on May 21, 2014, and \$2,243 from the Patty Jewett Golf Fund available fund balance.

Board/Commission Recommendation:

N/A

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:

Move approval of the attached ordinance approving a supplemental appropriation to the General Fund in the amount of \$558,447 for repairs due to hail damage that was incurred on May 21, 2014, an increase in insurance premiums, and an increase in court-appointed attorney costs; and to the Parking System Fund in the amount of \$31,937, and the Patty Jewett Golf Fund in the amount of \$10,138 for repairs due to hail damage that was incurred on May 21, 2014

An ordinance amending Ordinance No. 14-101 (2015 Appropriation Ordinance) for a supplemental appropriation to the General Fund in the amount of \$558,447 for repairs due to hail damage that was incurred on May 21, 2014, an increase in insurance premiums, and an increase in court-appointed attorney costs; and to the Parking System Fund in the amount of \$31,937, and the Patty Jewett Golf Fund in the amount of \$10,138 for repairs due to hail damage that was incurred on May 21, 2014