





2021 BUDGET OVERVIEW

THE CITY'S BUDGET IS A PLANNING TOOL THAT PROVIDES OVERALL DIRECTION TO ACHIEVE THE GOALS AND OBJECTIVES SET FORTH ANNUALLY BY CITY COUNCIL.

GOALS & PRIORITIES


- Revenue diversification through economic development
- Share information on a regular basis to enhance decisions
- Share timely and accurate information with residents
- Provide opportunities for public input 
- Maintain a stable, professional and quality workforce
- Enhance quality of life through services and amenities
- Preserve the unique character of the City
- Maintain infrastructure and ensure proper asset management
- Increase affordable housing rentals and ownership opportunities
- Increase stock of rental homes and a variety of other housing options 
- Incentivizing development
- Keep economy moving forward despite COVID-19 restrictions

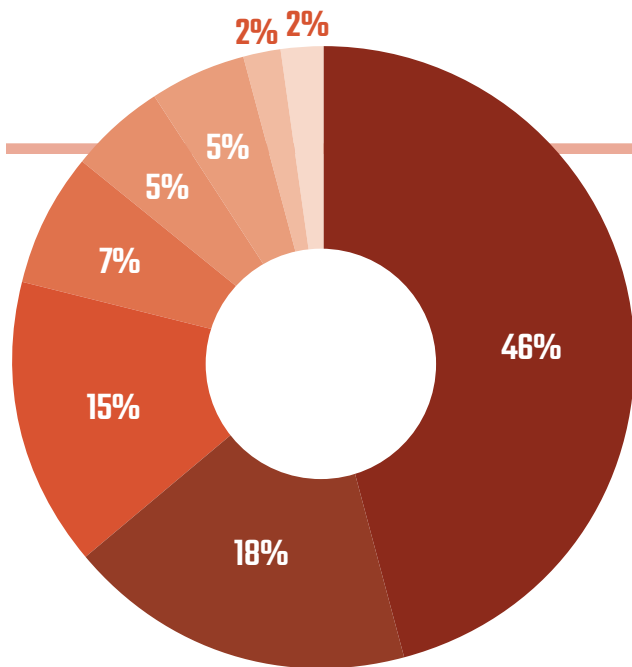


BUDGET HIGHLIGHTS

- Budget of \$25.9 million adopted on October 20, 2020
- Revenue forecast \$21.9 million
- Due to sustainable fund balance reserves, no deficit is projected
- Revenue (exclusive of fund transfers and financing proceeds) is conservatively forecast at 3.7% less than 2020 budget
- Expenses (exclusive of fund transfers) are budgeted at 0.3% less than 2020 budget 

CAPITAL PROJECTS

- Replace aging, deteriorating gallery transmission main water line
- Highway 50 Phase IV Streetscape Project (partnership with CDOT)
- Realignment and other safety upgrades at Poncha Boulevard's intersections with West Third and I Streets 
- Continue to pursue development of soaking pools adjacent to the Aquatic Center
- Complete Skate Park project that began in 2020



2021 TOTAL REVENUE

Taxes	\$10.0M
Financing Proceeds	\$3.9M
Fee for General Services	\$3.4M
Interfund Transfers	\$1.4M
Intergovernmental	\$1.2M
Capital Revenue	\$1.1M
Fees for Recreation and Events	\$.5M
All Other	\$.4M
TOTAL REVENUE	\$21.9M

REVENUE SOURCES

TAXES

- 3% City tax on the retail price of goods and materials
- Shared county sales tax
- Lodging taxed at \$3.66 per night, voter restricted
- Franchise fees

FINANCING PROCEEDS

- State revolving fund (SRF) low interest financing proceeds for water utility projects



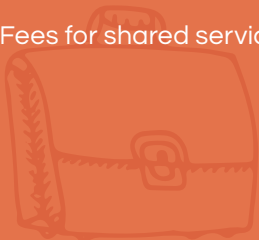
FEES FOR GENERAL SERVICES

- Water & Sewer Fees (92%)
- Other fees for service



INTERGOVERNMENTAL

- Grant revenue
- Highway users tax
- Lottery proceeds
- Fees for shared services



CAPITAL REVENUE

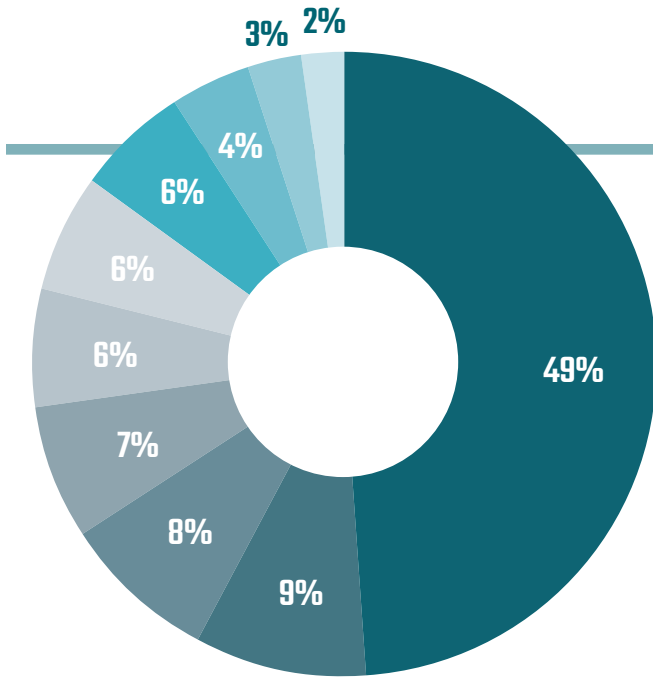
- Utility System Development Fees (SDF) for new development
- Capital improvement donations, specifically for 2021 related to:
- Water meter sales
 - Insurance proceeds
 - Equipment sales and trade-ins

OTHER

- Investment earnings
- Court & traffic fines
- Fees in lieu (inclusionary housing)
- Community program donations
- Licenses and permits



2021 TOTAL EXPENSES



Public Works	\$12.7M
Police	\$2.4M
Capital Improvement (excludes Public Works)	\$2M
Fire	\$1.8M
Parks & Recreation	\$1.7M
Administration	\$1.7M
Interfund Transfers	\$1.4M
Other	\$1M
Arts & Culture	\$0.7M
Community Development	\$0.6M
TOTAL EXPENSES	\$26M

MAJOR EXPENSE CATEGORIES BY FUND

PUBLIC WORKS

- Streets Fund:
 - Rebuild or extend streets and sidewalks
- Water / Wastewater Utilities:
 - Maintain water supply lines and water treatment
- Maintain / Expand Utilized Buildings



POLICE

Operating and capital equipment expenses of the Police Department within the general fund.



FIRE

Operating and capital equipment expenses of the Fire Department within the general fund.



PARKS & RECREATION

- Operating and capital equipment expenses for the Aquatic Center.
- Maintenance of parks, facilities and grounds.



ARTS & CULTURE

- Operating & capital expenses of:
- SteamPlant Event Center
 - Riverside Park Events
 - Creative District
 - Scout Hut



CAPITAL IMPROVEMENT

Large (>\$20K) capital improvement projects. Examples include new construction, improvements to an existing building or land purchases.

ADMINISTRATION

Operating costs of:

- City Council
- City Administrator
- Finance
- Legal
- Licensing
- City Clerk
- Courts



COMMUNITY DEVELOPMENT

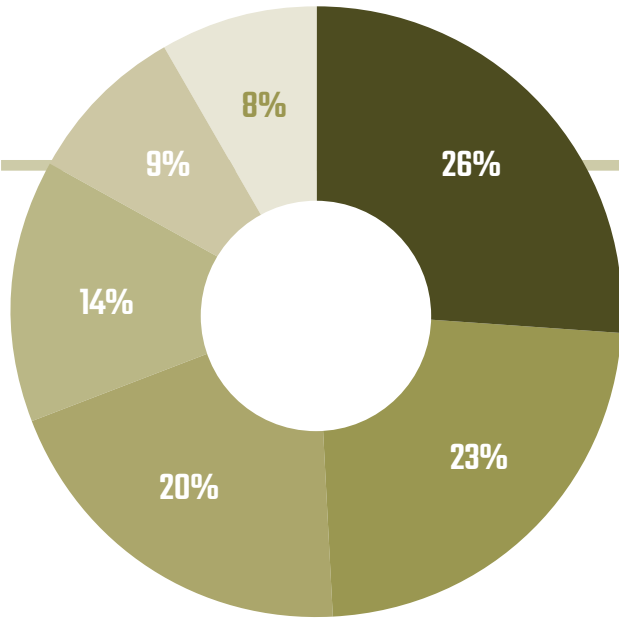
Operating and capital expenses of the Community Development Department. This department helps realize the vision of the community as outlined in the Comprehensive Plan.

OTHER

Expenses of:

- Economic Development Fund
- Conservation Trust Fund
- City share of Airport
- Community Support Grants
- Unplanned Contingency

2021 PERSONNEL BUDGET



Police	\$1.99M
Public Works	\$1.77M
Fire	\$1.52M
Parks and Recreation	\$1.06M
All Other	\$650K
Administration	\$630K
TOTAL	\$7.62M

Personnel makes up 29.4% of the 2021 expense budget and includes the salary and benefits for 89.8 full time equivalent (FTE) employees, stipends for elected officials, and wages for numerous part time and seasonal employees in the Pool, Arts and Culture and Public Works areas. For 2021, two new employees have been added (a firefighter and a communication manager) and a cost of living pay adjustment is provided at a maximum rate of 2.4%.



FUND BALANCE

Fund balance (reserves) is defined as the excess of assets over liabilities. It can also be viewed as the accumulation of all annual revenue surpluses or shortages over the life of the City. General Fund Reserves can generally be utilized more freely across the City compared to reserves in other funds that can usually only be spent on that fund's purpose.

The table to the right shows the 2021 Fund Balance story for the General Fund. At the end of 2021, the General Fund Reserves are projected to be at 40.2% of previous year operating expenses, well within the 25% minimum fund balance policy requirement.

2021 GENERAL FUND BALANCE SUMMARY

PROJECTED BEGINNING FUND BALANCE	\$5,516,958
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PROJECTED REVENUE	\$8,410,000
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PROJECTED EXPENSES	(\$10,580,738)
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ESTIMATED END OF YEAR FUND BALANCE	\$3,346,220
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PERCENTAGE OF 2020 OPERATING EXPENSES: 40.2%

