

# City of Boulder

## 2020 Budget in Brief



Service Excellence for an Inspired Future.



# Introduction & Budget Process

Municipal budgets serve a number of important functions. In addition to laying out a spending plan for the city and allocating resources to meet the diverse needs of the community, Boulder’s budget:

- Is a policy and management tool for the city’s administration, reflecting and defining the annual work program;
- Provides a framework for the city to accomplish its vision: “Service Excellence for an Inspired Future”; and
- Reflects core city values of customer service, respect, integrity, collaboration, and innovation.

This Budget in Brief provides information about the city, along with information about the budget process, revenues, expenditures, and city programs and services. It is intended to provide an accessible, transparent way of learning about the city budget, while accurately showing how the city invests in its resources.

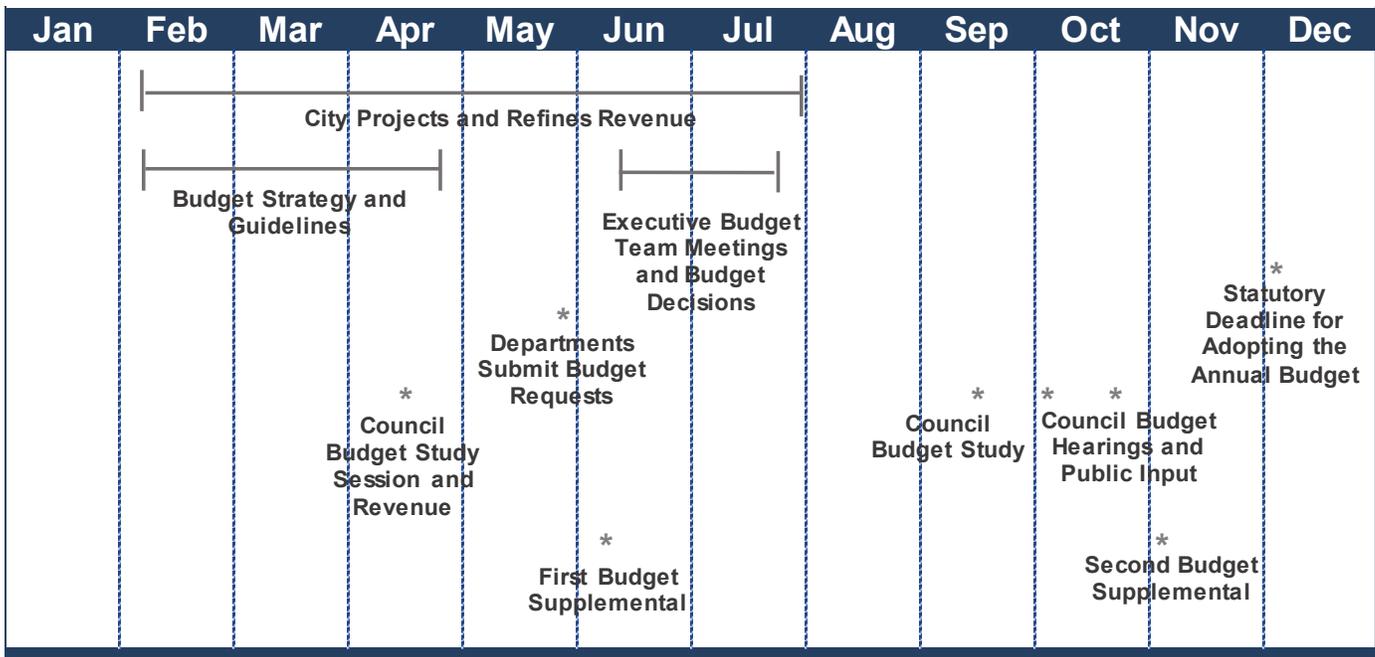
## BUDGET PROCESS

The city’s fiscal year runs in tandem with the calendar year (January 1 to December 31). The budget development timeline is established by the City of Boulder charter and the process is designed to allow for early and active City Council participation with an emphasis on public input. Although the budget is developed throughout the year, the majority of the effort occurs between February and October, with the budget for the coming fiscal year adopted by December 1 per the city charter.

Once the budget is adopted, departments are given full spending authority for their budgets within the parameters of the city’s policy guidelines. In years where new initiatives are launched and/or other unique circumstances become apparent after annual budget approval, adjustments to the base budget may be brought forward for council consideration.

## GET INVOLVED!

Good public processes and engagement are essential to fostering an effective and responsive city government, and the budget process is no exception. Throughout the year, there are multiple opportunities and venues for citizens to get involved in the budget process, including City Council meetings, study sessions, as well as advisory board meetings (including, but not limited to, the Parks & Recreation Advisory Board, Water Resources Advisory Board, Transportation Advisory Board, and Planning Board). To learn more about the city’s engagement strategic framework and view a calendar of upcoming opportunities to get involved, visit: <https://bouldercolorado.gov/engage>.



# City Manager's Message

## Dear City Council and Boulder residents,

The 2020 Approved Budget aligns resources with council and community priorities and is guided by the Boulder Valley Comprehensive Plan and the Community Sustainability + Resilience Framework. In addition, over the past several years, the city focused on recognizing the importance of the essential services we provide, identifying opportunities for collaboration across the organization and within the community, and reducing risks - including risks that could result in physical (to persons or property) or financial harm.

I am pleased to present the City Manager's 2020 Approved Budget for review and consideration. The total Approved Budget is \$369.7 million, which is a 4.6% increase over 2019 (excluding transfers/internal service funds). The 2020 Approved Budget balances ongoing expenses with ongoing revenues and limits new expenses. This operating budget includes important, strategic investments in the community and essential services, outlined in more detail below.

### 2020 Approved Budget Highlights

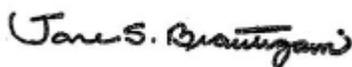
The 2020 Approved Budget continues the goal of increasing General Fund reserves to 19.5% of ongoing expenditures and includes funding for the following key initiatives as identified by City Council such as:

- Creation of a new *electronic signatures and petitioning system* as approved by 2018 ballot measure 2G.
- Continued investment in priorities outlined in the [Library's Master Plan](#) and expanded funding into the Meet Community Demand Level.
- Investment in *transportation essential services* such as snow and ice removal, pothole filling, and street repair as well as median maintenance to provide travel safety, multi-modal access, and protect the investment in the city's existing infrastructure.
- Continued *tribal consultation* with focus on updating existing and outdated agreements and rebuilding relationships with the people who are indigenous to the Boulder region.
- Increased funding for the *housing opportunities for people experiencing homelessness (Housing Voucher Program)* and case management support for permanent supportive housing units and an allocation for rapid-re-housing for navigation clients.
- Increased funding for prairie dog management and soil health in alignment of the *Prairie Dog Working Group recommendations*.
- Creation of a *language access plan* to identify and implement best practices in support of inclusive and meaningful communication and engagement.
- Increase to the city's minimum *Living Wage* to \$17.42/hour in support of Resolution 926.
- Increased support of the *cyber security program* as identified in the Innovation & Technology department's strategic assessment.
- Ongoing *grant funding, targeted to facilities-based cultural organizations* which was previously one-time.

A full list of 2020 budget changes can be found in the [2020 Budget Book](#).

City departments worked collaboratively on the 2020 Budget that reflects Boulder's vision for a sustainable future. As a result, the 2020 Approved Budget represents a conservative spending plan that supports council priorities and essential services while aligning expenditures with projected revenues to ensure the city is able to meet future community needs.

Respectfully submitted,



Jane S. Brautigam  
City Manager



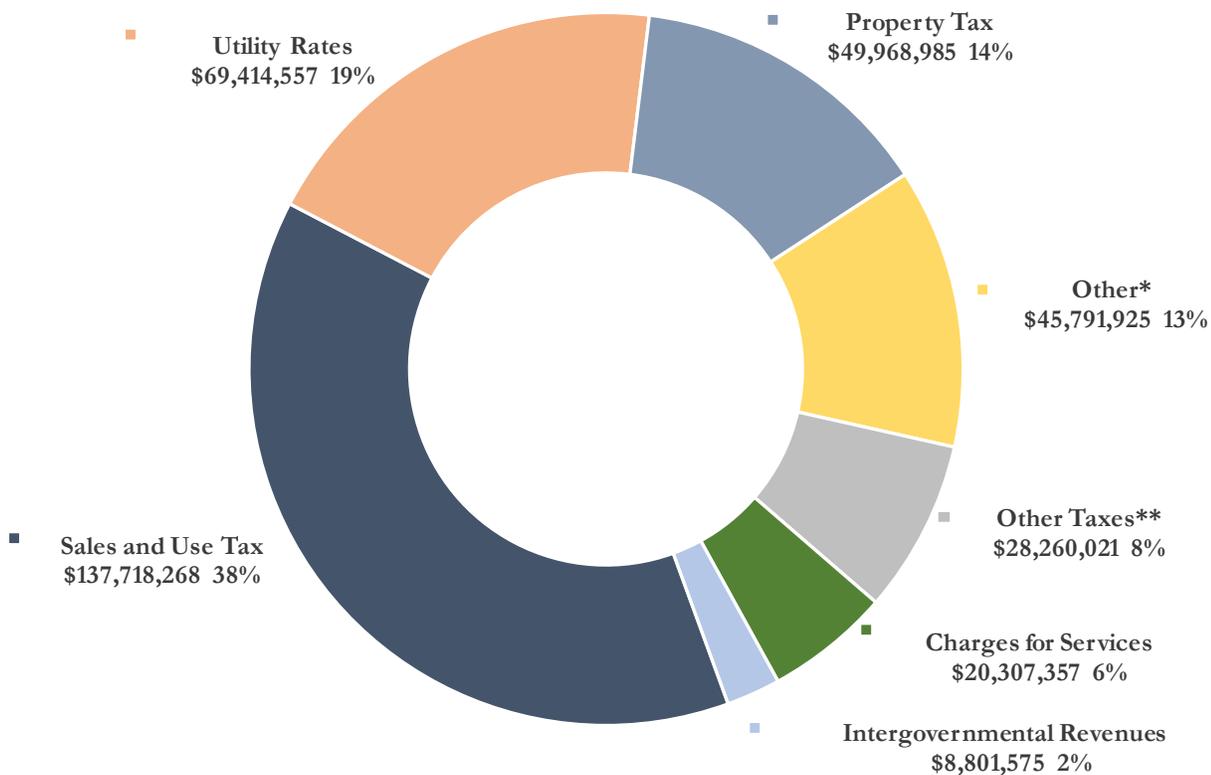
# Where does the money come from? 2020 Revenues

## 2020 REVENUE SUMMARY

The 2020 Approved Budget is based on projected citywide revenues of **\$360.3 million**, representing a 0.35% increase over the total revenues projected for the 2019 budget. This is mainly due to an increase in utility rates and the city's portion of property tax revenue, offset by a cyclical decrease in federal and state grant funding for transportation programs. The three largest revenue sources for the city are sales and use taxes, utility rate charges, and property taxes. These three funding sources represent roughly 71% of the total sources of city funds. When utility revenues (predominantly composed of service charges) are excluded, total 2020 budgeted revenues are **\$284.7 million**.

Local governments often seek to diversify their revenue sources to meet several public policy goals including revenue stability, which allows for the continued provision of ongoing core services. Boulder's diverse tax structure is designed to accommodate shifts in revenue sources. The 2020 Approved Budget projects retail sales tax will continue to grow, at a slower rate, and assumes a 2.1% increase above the 2019 end-of year projection of 1.9% growth over 2018. Although economic forecasts indicate a slowing local economy, overall revenues for the city remain stable.

## 2020 REVENUES \$360,262,688



\* All taxes other than sales and use and property taxes: accommodation-admission taxes, franchise taxes, specific ownership, and tobacco tax.  
\*\* Parking fees & permits, interest on pooled investments, impact fees, bond refunds, municipal court fees & fines, miscellaneous leases & rents, and misc. revenues.

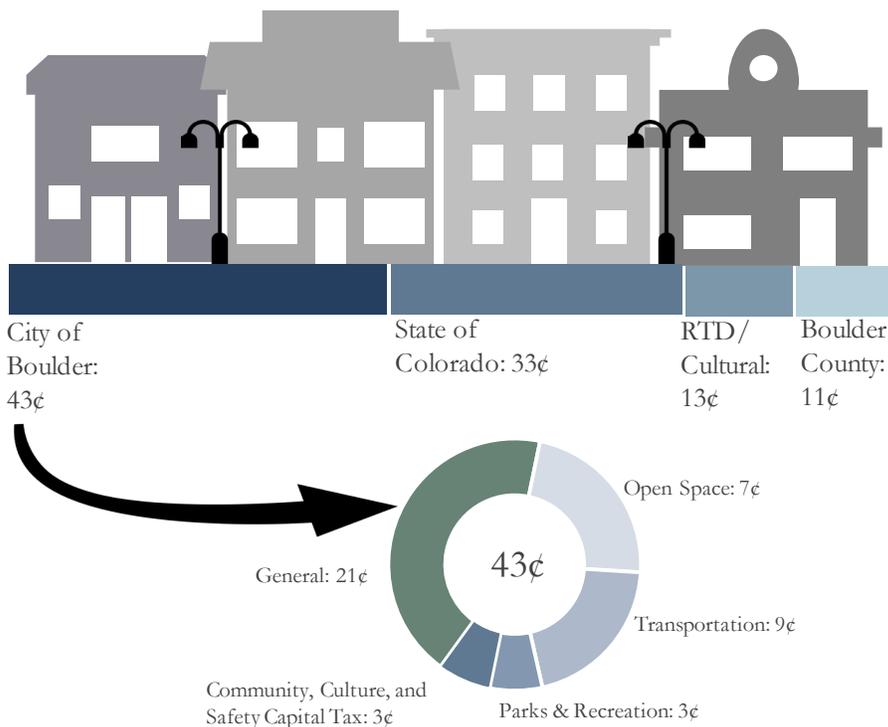
# Where does the money come from? 2020 Revenues

## SALES AND USE TAXES

Sales and use taxes comprise 38% of the city's total revenues. This category includes: retail sales taxes, business/consumer taxes, construction use taxes, and motor vehicle use taxes. As of August 2019, total sales and use tax collections increased 1.27% compared to the same period in 2018. Detailed sales tax revenue reports are available online at: <https://bouldercolorado.gov/tax-license/revenue-reports>

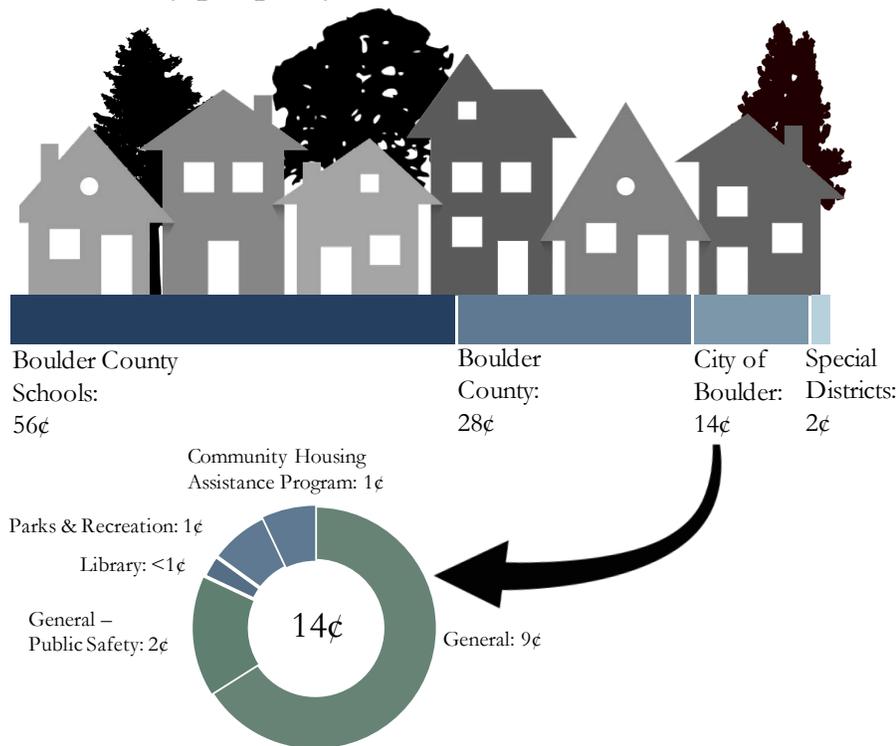
For every retail tax dollar collected in Boulder, the city retains 43 cents, which is distributed across the city's General Fund, Open Space Fund, Transportation Fund, .25 Cent Sales Tax Fund (which supports Parks and Recreation), and the Community, Culture, and Safety Capital Tax, which supports capital infrastructure.

For every retail tax \$ collected in Boulder:



## PROPERTY TAXES

For every property tax \$ collected in Boulder:



Property tax revenues are a function of assessed values and the mill levy and property values are reassessed every other year. For 2020, the city's portion of property tax is estimated to increase approximately 10.5% or \$4.5 million citywide (\$3.4 million in the General Fund). For more on property tax calculations, visit: <https://www.bouldercounty.org/property-and-land/assessor/tax-calculation/>

For every dollar of property taxes collected in Boulder, the city receives 14 cents. Of these 14 cents, 9 cents go to General City Operations, 2 cents go to Public Safety, 1 cent goes to Parks and Recreation, 1 cent goes to the Community Housing Assistance Program (CHAP), and less than 1 cent goes to the Library.

# Where does the money go? 2020 Expenditures

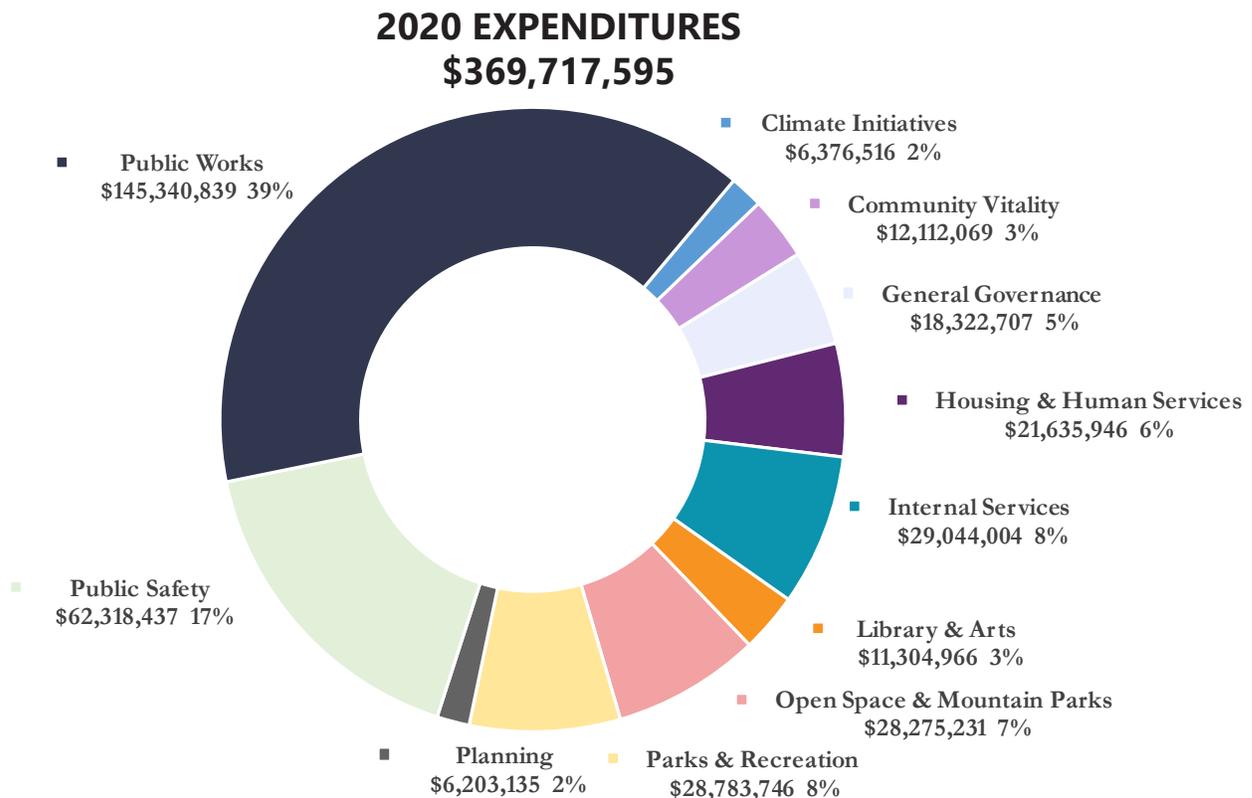
Spending in the 2020 Approved Budget totals **\$369.7 million**, a **4.6% increase** over total 2019 expenditures. The total budget is composed of two major categories: Operating and the Capital Improvement Program. The majority of the increase in 2020 is capital spending, which can vary significantly from year to year. When capital expenditures are excluded, the 2020 city operating budget increases by **2.3%** compared to 2019.



Total General Fund expenditures for 2020 are **\$161.5 million**, which represents a **2.1% increase** over the 2019 budget. The majority of this increase is due to an increase in transfers to the new Governmental Capital Fund for General Fund funded projects offset by a decrease in the Electric Utility Development project.

The City of Boulder uses funds to budget, as well as to report on its financial position and the results of its operations. Fund accounting is used to demonstrate legal compliance and to aid in financial management by segregating transactions related to certain government functions or activities. Funds are classified into three categories: governmental, proprietary, and fiduciary. For more details, see the 2020 Approved Budget, available here: <https://bouldercolorado.gov/budget>

The General Fund accounts for revenues and expenditures used to carry out basic governmental activities of the city such as public safety, human services, legal services, administrative services, and others not required to be accounted for in another fund. All other funds have varying degrees of restrictions for their use and are therefore less flexible in their ability to shift dollars. The chart below shows 2020 expenditures across both the operating budget and the capital budget by department.

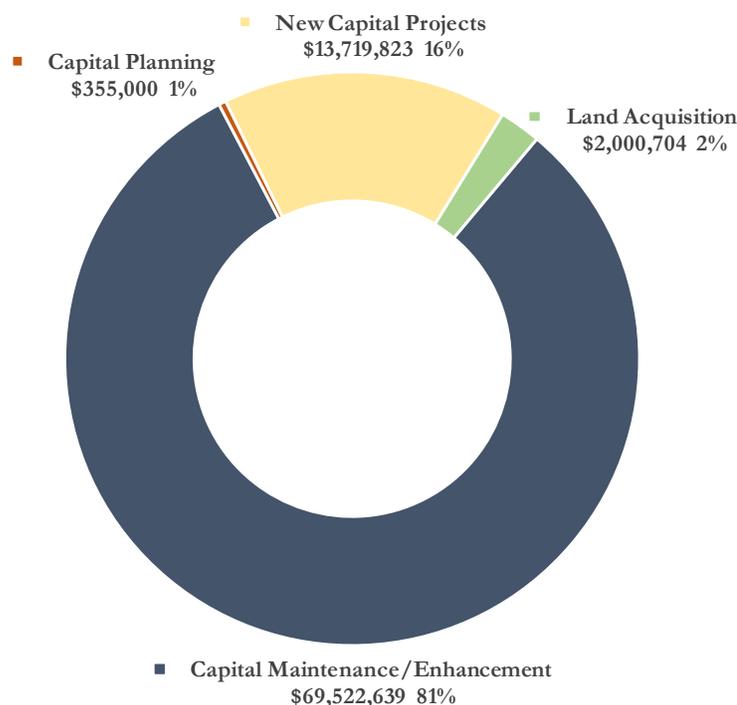


# 2020 Capital Improvement Program

Boulder's Capital Improvement Program (CIP) is a comprehensive plan for capital investment in maintaining and enhancing public infrastructure, ensuring the city continues to provide a high level of municipal services. The 2020 CIP calls for total spending of **\$85.6 million** and the 2020-2025 CIP provides funding for **192 projects**. The city owns and maintains 385 buildings and structures (including three recreation centers, five library facilities, eight fire stations, and five parking structures), 1,800 acres of parkland, 46,210 acres of open space, 305 centerline miles of streets, 159 centerline miles of bike facilities, 80 underpasses, two water treatment facilities, one wastewater treatment facility, 11 dams, and over 800 miles of water and wastewater piping. The city funds the construction and maintenance of these assets using a wide range of sources, including tax revenues, bond proceeds, and fees and continues to look for ways to leverage its funding, through federal, state, and local grants and reimbursements, to maximize funding for capital projects.

## 2020 CAPITAL IMPROVEMENT PROGRAM

**\$85,598,166**



## 2020 CAPITAL PROJECT EXAMPLES

### North Boulder Branch Library (top picture)

Funded, in part, by the Community, Culture, and Safety Tax, the new North Boulder Branch Library will begin construction in 2020 with an anticipated opening in late 2021. The facility design includes sustainable energy systems to achieve a net zero energy usage.



### Flatirons Golf Course Repairs & Enhancements (bottom picture)

The Flatirons Golf Course is the only public course in Boulder. This project will provide design and construction of a new pro shop, clubhouse and staff office to replace the former events center that was demolished as a result of the 2013 flood

# 2019 Boulder City Council

(Approved the 2020 Budget)



### Top Row (Left to Right):

Aaron Brockett (Mayor Pro Tem), Sam Weaver, Bob Yates, Cindy Carlisle

### Bottom Row (Left to Right):

Mary D. Young, Lisa Morzel, Suzanne Jones (Mayor), Mirabai Kuk Nagle

Incorporated: 1871  
Government: Home Rule  
Municipality  
Area: 25.85 sq. miles  
Elevation: 5,430 ft.  
Credit Rating: Aa1



**Major Employers:** University of Colorado, St. Vrain Valley School District, Boulder Valley School District, Boulder County, IBM Corporation, Medtronic Surgical Technologies, Ball Corporation, National Center for Atmospheric Research, Boulder Community Hospital, and City of Boulder.

Population	108,707	(1)
Median Age	28.5	(2)
Median Education	73% with Bachelor's degree or +	(2)
Median Family Income	\$113,391	(2)
Median Household Income	\$70,158	(1)
Per Capita Income	\$40,037	(2)
Median Sales Price - Detached Home	\$860,000	(1)
Median Rent	\$1,313	(2)
% of Population in Poverty	22.0%	(2)
Unemployment Rate	2.7%	(3)

- (1) City of Boulder Community Profile
- (2) American Community Survey
- (3) Bureau of Labor Statistics (May 2017)

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Instagram: [@bouldergov](https://www.instagram.com/bouldergov)

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