2020 RECOMMENDED BUDGET

September 10, 2019
Agenda

- Context Setting
  - Revenue Update
  - 2020 Budget Summary
- 2020-2025 Capital Improvement Program
- 2020 Key Council & Organization Initiatives
Context Setting

- Slowing economic growth
- Tight labor market
- Conservative Sales Tax projections
- Heightened uncertainty
Context Setting
General Fund Reserve Policy Targets

Reserves as a Percentage of Operating Expenses

- Longmont: 16%
- Aurora: 16%
- Broomfield: 17%
- Arvada: 17%
- Westminster: 18%
- Boulder: 20%
- Fort Collins: 20%
- Denver: 20%
Historical Staffing

- 2020 Standard Staffing equals 1,475 FTE.
- Non Standard help supplement Standard employee during peak seasons.
2020 Key Council & Organization Initiatives

- Electronic Signatures and Petitioning
- Municipal Building East Entrance Doors
- Library Master Plan
- Transportation Essential Services
- Tribal Consultation
- Housing Opportunities for People Experiencing Homelessness (Housing Voucher Program)
- Prairie Dog Working Group Recommendation Implementation
- Language Access Specialist
- Living Wage
- Cyber Security
- Cultural Grants
REVENUES
2020 Citywide Revenues

$360,262,688

- Utility Rates: $69,414,557 (19%)
- Property Tax: $49,968,985 (14%)
- Other: $45,791,925 (13%)
- Other Taxes: $28,260,021 (8%)
- Charges for Services: $20,307,357 (6%)
- Intergovernmental Revenues: $8,801,575 (2%)
2020 Citywide Revenues (excluding Utilities)

- Property Tax: $49,968,985 (18%)
- Sales and Use Tax: $137,718,268 (48%)
- Other: $39,528,464 (14%)
- Other Taxes: $28,260,021 (10%)
- Charges for Services: $20,307,357 (7%)
- Intergovernmental Revenues: $8,389,277 (3%)

Total: $284,172,372
2020 General Fund Revenues

- Sales and Use Taxes: $66,076,087 (42%)
- Property Tax: $39,456,104 (25%)
- Other Taxes: $25,194,290 (16%)
- Cost Allocation/Transfers: $11,453,826 (7%)
- Other: $10,448,750 (7%)
- Charges for Services: $4,766,409 (3%)

Total: $157,395,466
2020 General Fund Revenues (w/out Cost Allocation)

- Charges for Services: $7,596,437 (5%)
- Other: $10,486,574 (7%)
- Other Taxes: $25,333,571 (16%)
- Utility Rates: $3,209,473 (2%)
- Sales and Use Taxes: $70,514,607 (45%)
- Property Tax: $40,254,805 (25%)

Total: $157,395,466
For every retail tax $ collected in Boulder:

- City of Boulder: 43¢
- State of Colorado: 33¢
- RTD/Cultural: 13¢
- Boulder County: 11¢

43¢

- General: 21¢
- Open Space: 7¢
- Transportation: 9¢
- Parks & Recreation: 3¢
- Community, Culture, and Safety Capital Tax: 3¢
Sales & Use Tax – % of Total Revenues

- City of Boulder in the middle
- Diverse Tax Structure
  - Recent property tax revenue increases
Buying Power (2002-2018)
For every property tax $ collected in Boulder:

- Boulder County Schools: 56¢
- Boulder County: 28¢
- City of Boulder: 14¢
- Special Districts: 2¢

14¢ in General
9¢ in General
<1¢ in Library
1¢ in Parks & Recreation
1¢ in Community Housing Assistance Program
2¢ in General - Public Safety
## UTILITY BILL IMPACT

### Typical Single Family Customer

<table>
<thead>
<tr>
<th>Service</th>
<th>2019 Rates</th>
<th>2020 Rates</th>
<th>Monthly Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>$38.99</td>
<td>$41.72</td>
<td>$2.73</td>
</tr>
<tr>
<td>Wastewater</td>
<td>$35.67</td>
<td>$37.45</td>
<td>$1.78</td>
</tr>
<tr>
<td>Stormwater/Flood Management</td>
<td>$16.39</td>
<td>$17.54</td>
<td>$1.15</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$91.05</strong></td>
<td><strong>$96.71</strong></td>
<td><strong>$5.66</strong></td>
</tr>
</tbody>
</table>
2020 RECOMMENDED BUDGET
2020 Recommended Budget (excluding Transfers & Internal Service Funds)

- **Total Budget**: $369,017,595
- **Operating Budget**: $288,249,901
  - **General Fund**: $131,557,455
  - **Dedicated Funds**: $156,692,446
- **Capital Budget**: $80,767,694
  - **Governmental Capital Fund**: $10,408,446
  - **Dedicated Funds**: $70,359,248
2020 Recommended Budget

$369,017,595

- Public Works: $145,340,839 (39%)
- Public Safety: $62,318,437 (17%)
- Parks & Recreation: $28,783,746 (8%)
- Planning: $6,203,135 (2%)
- Climate Initiatives: $6,376,516 (2%)
- Community Vitality: $12,112,069 (3%)
- General Governance: $18,322,707 (5%)
- Housing & Human Services: $21,635,946 (6%)
- Internal Services: $29,044,004 (8%)
- Library & Arts: $10,604,966 (3%)
- Open Space & Mountain Parks: $28,275,231 (7%)
2020 Recommended Budget (excluding Utilities)

$292,211,518

- Public Works: $68,534,761 (24%)
- Public Safety: $62,318,437 (21%)
- Planning: $6,203,135 (2%)
- Parks & Recreation: $28,783,746 (10%)
- Open Space & Mountain Parks: $28,275,231 (10%)
- Library & Arts: $10,604,966 (4%)
- Housing & Human Services: $21,635,946 (7%)
- General Governance: $18,322,707 (6%)
- Community Vitality: $12,112,069 (4%)
- Climate Initiatives: $6,376,516 (2%)

Total: $292,211,518
2019 Balanced Budget – General Fund

<table>
<thead>
<tr>
<th>Sources</th>
<th>Budgeted Revenue</th>
<th>$152.6 M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uses</td>
<td>Budgeted Expense</td>
<td>$158.2 M</td>
</tr>
<tr>
<td>Draw from Reserves - UOT</td>
<td>$3.8 M</td>
<td></td>
</tr>
<tr>
<td>Draw from Fund Balance</td>
<td>$1.8 M</td>
<td></td>
</tr>
</tbody>
</table>

Budget ($ Millions)
2020 Balanced Budget – General Fund

- Budgeted Expense: $160.8 M
- Budgeted Revenues: $157.4 M
- Draw from Reserves: Homelessness & UOT, $0.9 M
- Draw from Fund Balance: $2.5 M

Uses

- Budgeted Expense $160.8 M

Sources

- Budgeted Revenues $157.4 M
2020 General Fund Budget

$160,802,758

- Public Works: $5,811,343 (4%)
- Public Safety: $62,218,437 (39%)
- Transfers Out: $17,819,477 (11%)
- Climate Initiatives: $4,223,514 (3%)
- Community Vitality: $2,518,690 (1%)
- General Governance: $18,322,707 (11%)
- Housing & Human Services: $9,731,932 (6%)
- Open Space & Mountain Parks: $184,661 (0%)
- Internal Services: $25,402,816 (16%)
- Library & Arts: $9,044,061 (6%)
- Planning: $837,767 (0%)
- Parks & Recreation: $4,687,353 (3%)
Components of the Budget

Capital Improvement Program + Operating = Annual Budget
CAPITAL IMPROVEMENT PROGRAM

2020-2025
Capital Improvement Program (CIP)

"CIP projects are any major projects requiring the expenditure of public funds for the purchase, construction, or replacement of the physical assets of the community”

Includes:

• Projects that are bondable
• Technology infrastructure
• New or expanded physical assets
• Land necessary for a project
2020-2025 CIP

- 2020 CIP - $85.6M
- 6 Year CIP - $564.9M, spanning over 145 discreet projects
- City Council, advisory boards, community members and others have the highest amount of influence during the master planning process and in the scheduling of years two through six of the CIP
City Council adopted a budget to address critical CIP needs that do not have alternative funding sources.

2018

Projects Adopted Include:
- Hogan Pancost Payment
- Fiber Backbone COPs
- Public Safety Incident Command Vehicle
- Fire Station #3

$4.2M

2019

$4.7M

Proposed Projects Include:
- Hogan Pancost Payment
- Fiber Backbone COPs
- Bomb Team Vehicle
- Electronic Signatures & Petitioning System
- Municipal Building East Entryway Doors

2020
2020 CIP Project Highlights

- Parking Pay Station Replacement $1.2M
- Hospital Deconstruction $3.5M ($16.0M over two years)
- North Boulder Library Branch $5.6M ($8.5M over two years)
- Pavement Management Program $4.8M
- Non Profit Support from Community, Culture, Safety Tax ($1.8M)
Other Notable Investments thru 2025

- Pavilion Remodel Debt Service
- Aquatic Facility Repairs
- Enterprise Technology Replacement
- Flatiron Golf Course Repairs
- Valmont City Park Phase II
- 28th Street Multi Modal Enhancements
- Water Resource Recovery Facility Improvements
2020 KEY COUNCIL & ORGANIZATION INITIATIVES
2020
Key Council & Organization Initiatives

- Electronic Signatures and Petitioning
- Municipal Building East Entrance Doors
- Library Master Plan
- Transportation Essential Services
- Tribal Consultation
- Housing Opportunities for People Experiencing Homelessness (Housing Voucher Program)
- Prairie Dog Working Group Recommendation Implementation
- Language Access Specialist
- Living Wage
- Cyber Security
- Cultural Grants
Electronic Signatures and Petitioning

Municipal Building East Entrance Doors
Library Master Plan
Transportation Essential Services
Tribal Consultation
Housing Opportunities for People Experiencing Homelessness (Housing Voucher Program)
Prairie Dog Working Group Recommendation Implementation
Language Access Specialist
Living Wage
Cyber Security
Cultural Grants

- Measure 2G authorized the council to allow for on-line signing or endorsement of initiative petitions.

- Budget = $400,000
Municipal Building East Entrance Doors

Library Master Plan
Transportation Essential Services
Tribal Consultation
Housing Opportunities for People Experiencing Homelessness (Housing Voucher Program)
Prairie Dog Working Group Recommendation Implementation
Language Access Specialist
Living Wage
Cyber Security
Cultural Grants

- Exterior building entry on the north-east side of the Municipal building facing Broadway including,
  - *Flood-proofed vestibule and exterior doors; and*
  - *Sidewalk and Sister-Cities plaza reconfiguration; and*
  - *Interior modifications to the current reception desk.*

- **Budget = $700,000**
Addressing Community Demand
Master Plan Level
  - NoBo Library Manager regrade
  - New bilingual Youth Services Specialist
  - Increase Volunteer Services Specialist from 0.50 FTE to 1.0 FTE
  - George Reynolds Library collection and public space reconfiguration

Budget = $206,200

Annual NoBo library operating and staffing expenses beginning in 2021.
Library Master Plan

Transportation Essential Services
Tribal Consultation
Housing Opportunities for People Experiencing Homelessness (Housing Voucher Program)
Prairie Dog Working Group Recommendation Implementation
Language Access Specialist
Living Wage
Cyber Security
Cultural Grants

2019
$772,000
Electronic Signatures and Petitioning
Municipal Building East Entrance Doors

Library Master Plan

Transportation Essential Services
Tribal Consultation
Housing Opportunities for People Experiencing Homelessness (Housing Voucher Program)
Prairie Dog Working Group Recommendation Implementation
Language Access Specialist
Living Wage
Cyber Security
Cultural Grants
Electronic Signatures and Petitioning
Municipal Building East Entrance Doors

**Library Master Plan**

Transportation Essential Services
Tribal Consultation
Housing Opportunities for People Experiencing Homelessness (Housing Voucher Program)
Prairie Dog Working Group Recommendation Implementation
Language Access Specialist
Living Wage
Cyber Security
Cultural Grants

2021
$1,955,300

- Meet Community Demand
- Service Expansion
- Maintain Services
Electronic Signatures and Petitioning
Municipal Building East Entrance Doors
Library Master Plan

Transportation Essential Services

Tribal Consultation
Housing Opportunities for People Experiencing Homelessness (Housing Voucher Program)
Prairie Dog Working Group Recommendation Implementation
Language Access Specialist
Living Wage
Cyber Security
Cultural Grants

- Increased funding for transportation-related essential services such as:
  - Snow and ice removal
  - Pothole filling
  - Street repair
  - Median maintenance
  - Vision Zero safety actions

- Budget = $600,000
Electronic Signatures and Petitioning
Municipal Building East Entrance Doors
Library Master Plan
Transportation Essential Services

**Tribal Consultation**

Housing Opportunities for People Experiencing Homelessness (Housing Voucher Program)

Prairie Dog Working Group Recommendation Implementation

Language Access Specialist

Living Wage

Cyber Security

Cultural Grants

- **Build on 2019 a government-to-government consultation.**

- **The goal of future consultations is to update existing and outdated agreements and rebuild relationships with the people who are indigenous to the Boulder region.**

- **Budget = $75,000**
Direct voucher financial assistance and case management support for permanent supportive housing units and an allocation for rapid-re-housing for navigation clients.

Aligns with the goal of providing 200+ permanent supportive housing resources in Boulder County.

Budget = $769,875
Increased support for prairie dog management and soil health upon review of Prairie Dog Working Group recommendations.

- Budget = $200,000
Electronic Signatures and Petitioning
Municipal Building East Entrance Doors
Library Master Plan
Transportation Essential Services
Tribal Consultation
Housing Opportunities for People Experiencing Homelessness (Housing Voucher Program)
Prairie Dog Working Group Recommendation Implementation

Language Access Specialist
Living Wage
Cyber Security
Cultural Grants

- Identify and implement best practices to support inclusive and meaningful communication and engagement.
- Create a language access plan and back-translate city documents to ensure consistency and quality.
- Budget = $142,200
In 2015, the methodology was updated to reflect the Colorado Self Sufficiency Scale (SSS), a better predictor of regional living costs.

The 2020 budget increases the minimum living wage to $17.42/hour.

Budget = $825,000
Electronic Signatures and Petitioning
Municipal Building East Entrance Doors
Library Master Plan
Transportation Essential Services
Tribal Consultation
Housing Opportunities for People Experiencing Homelessness (Housing Voucher Program)
Prairie Dog Working Group Recommendation Implementation
Language Access Specialist
Living Wage

Cyber Security

- Support the cyber security program.
- Support auditing the credit card processing systems for compliance.
- Budget = $107,200
Electronic Signatures and Petitioning
Municipal Building East Entrance Doors
Library Master Plan
Transportation Essential Services
Tribal Consultation
Housing Opportunities for People Experiencing Homelessness (Housing Voucher Program)
Prairie Dog Working Group Recommendation Implementation
Language Access Specialist
Living Wage
Cyber Security

Cultural Grants

- Make the 2019 one-time increase to grant funding, targeted to facilities-based cultural organizations, an ongoing grant category.

- Budget = $250,000
Next Steps

- **October 1**
  - 1st Reading & Public Hearing

- **October 15**
  - 2nd Reading & Public Hearing
  - 1st Reading & Adoption of Special Districts
QUESTIONS & FEEDBACK?

Does council have any questions about the economic projections on which this recommended 2020 budget is based?

Does council have any feedback on the 2020 Recommended Budget?