

AGENDA
Blue Ribbon Commission Phase II

August 27, 2009 Meeting
6:00 p.m. to 8:00 p.m.
Twenty Ninth Street Community Rooms

Food will be provided since several members of the Commission are coming from other meetings or work.

<u>Time</u>	<u>Topic</u>
6:00 to 6:10	Public Participation
6:10 to 6:40	Review Highlights of the 2010 Recommended Budget: <ul style="list-style-type: none">• Budget Stabilization Plans• Allocation of “De-Bruced” Property Tax
6:40 to 7:40	Follow-up/Additional Information Items: <ul style="list-style-type: none">• Follow-up on Open Space Department Presentation• Consortium of Cities Revenue Sharing Report• General Fund Transfers• Prioritization of Follow-up/Additional Information Items
7:40 to 8:00	Group Review and Continued Identification of Key Findings



**City
Of
Boulder**
Office of the City Manager

DATE: August 13, 2009
TO: Mayor, City Council and the Residents of Boulder
FROM: Jane S. Brautigam, City Manager
SUBJECT: 2010 City Manager Recommended Budget

On behalf of the City of Boulder, I am pleased to present to City Council the 2010 Recommended Budget. The thoughtful planning, community input and financial diligence that has been Boulder's trademark provides the opportunity to reduce the total budget by \$13 million, of which \$5 million is from operating budgets, from the previous year's budget and continue the high standards set for public service.

The 2010 Recommended Budget reflects the current economic downturn and mirrors the findings of the Blue Ribbon Commission on Revenue Stabilization (BRC I), which indicate that current revenues are not keeping pace with inflationary costs. Indications are that this recession will set the new baseline for our economy and that the cost of providing services will continue to outpace the resources available to fund them. A primary focus of our budget process is to ensure that the City of Boulder has sufficient funds available to maintain core government services while closing the revenue/expenditure gap identified by BRC I. This requires the city to closely monitor revenues vs. inflationary costs, implement new tools for increased efficiencies and consider the long-term viability of proposed programs.

The city's business plan helps identify and inform trade-off decisions between services and programs. The 2010 Recommended Budget reflects the business plan approach and continues the city's focus toward financial sustainability through steps such as addressing critical deficiencies and completing service assessments to identify opportunities to increase efficiencies and improve business processes. Currently citywide efforts are focusing on information technology, maintenance of parks, transportation infrastructure and open space lands, and an interdepartmental review of all positions before they are filled. A second Blue Ribbon Commission (BRC II) is examining opportunities for greater efficiencies in city government and their report will be completed by the end of 2009.

ECONOMIC CHALLENGES

The City of Boulder began to feel the effects of the national economic downturn in the fourth quarter of 2008. This downturn had an impact on a number of revenue sources, including the accommodations tax, interest revenue and development-related fees. However, the most significant impact involves sales and use tax collections which represent 39% of the city's total revenues. Due to the recessionary economic conditions at the national, state and local levels, the

city collected \$2.1 million less sales/use taxes than projected for 2008. This downturn has extended to 2009 where the city anticipates that the sales and use taxes will be at least \$5.4 million less than originally budgeted. It is anticipated that the 2010 collections will be lower than originally projected by as much as 8%, or \$7.2 million. As a result, the city has made difficult decisions to reduce staffing and limit non-essential services to ensure a balanced budget in 2010.

This economic reality combined with the continued expectation for providing high quality, customer-focused services presents a challenge in how we prioritize essential and discretionary services. For the 2010 budget, the city has been challenged to:

- re-examine government services
- find more efficient ways to deliver services
- maintain public safety and other core services, and
- minimize reductions in services for those residents who most need assistance during tough economic times.

Based on Council direction, the city also continues to focus on community sustainability principles, which includes environmental, social and economic components. These principles provided an overarching framework for this budget and were echoed by residents during the public workshops seeking input on short-term and long-range budget stabilization strategies and community values. Residents acknowledged the critical relationship between economic, social and environmental sustainability elements that maintain and enhance the Boulder community.

2010 BUDGET HIGHLIGHTS

In order to inform the community about the city's short- and long-term budget situation and to determine community priorities for services provided by the city, a public outreach process was conducted in spring 2009. In general, participants in the public outreach efforts appreciated involvement in the budget process and considered ongoing community engagement to be an important element of the quality of life in Boulder. Acknowledging that stabilization of the city budget is a serious issue, participants agreed that efficiency in the provision of services, rather than elimination of services or programs, should be a high priority. A summary of the public outreach process and the corresponding findings are included in **Attachment A**.

The 2010 Recommended Budget was informed by Council goals, the public outreach process, and core community values. These included confirming priorities for city services and balancing these with the need for a more focused and efficient government. While strategic reductions in staff and operations are necessary, this budget supports Council goals such as public safety, housing/human services, environmental initiatives and cultural resources for the City of Boulder. An overview of the strategies developed to address the significant reduction in city revenues and the details of the plan for 2010 are included in **Attachment B**.

In addition, the 2010 recommended budget reflects the allocation of funding available through the removal of the remaining TABOR restrictions on property tax, approved by voters in November 2008. This will allow the organization to provide funding for core city services such

as those identified as critical deficiencies, including fire apparatus, information technologies, energy costs and facility maintenance. A description of the recommended allocation of the “de-Bruced” property tax revenues for 2010 is included in **Attachment C**.

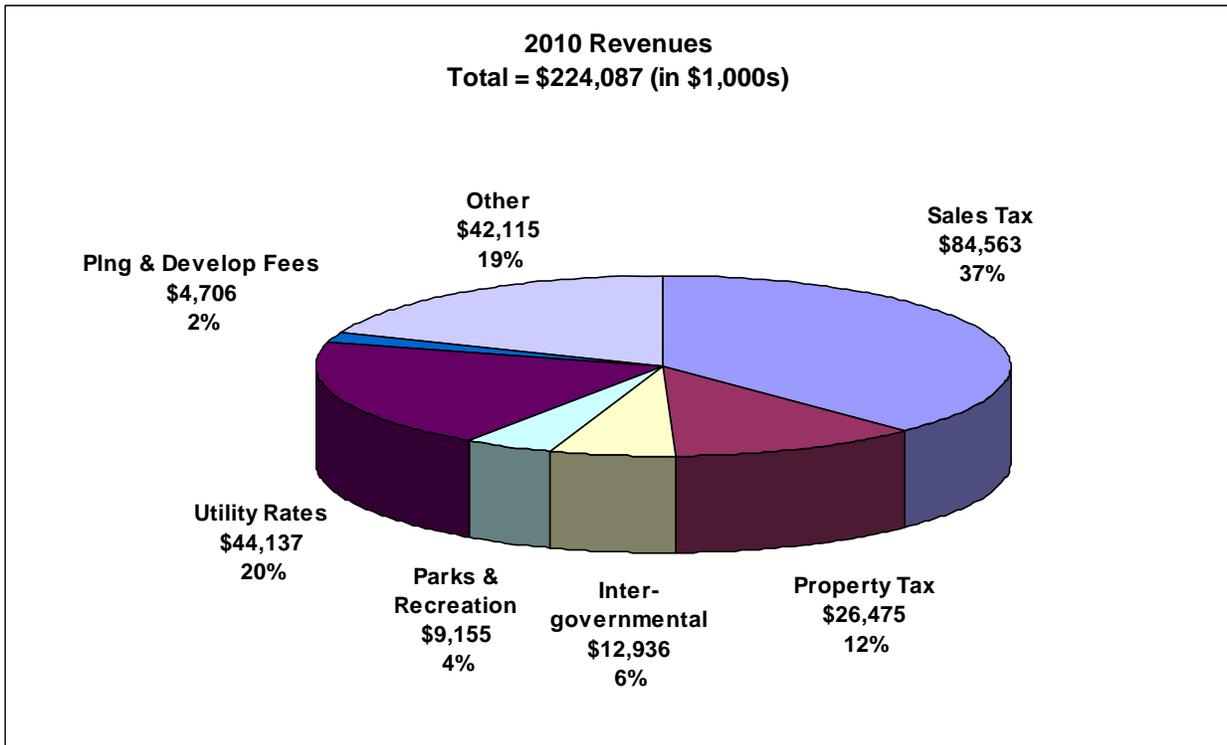
Key components of the 2010 Recommended Budget include:

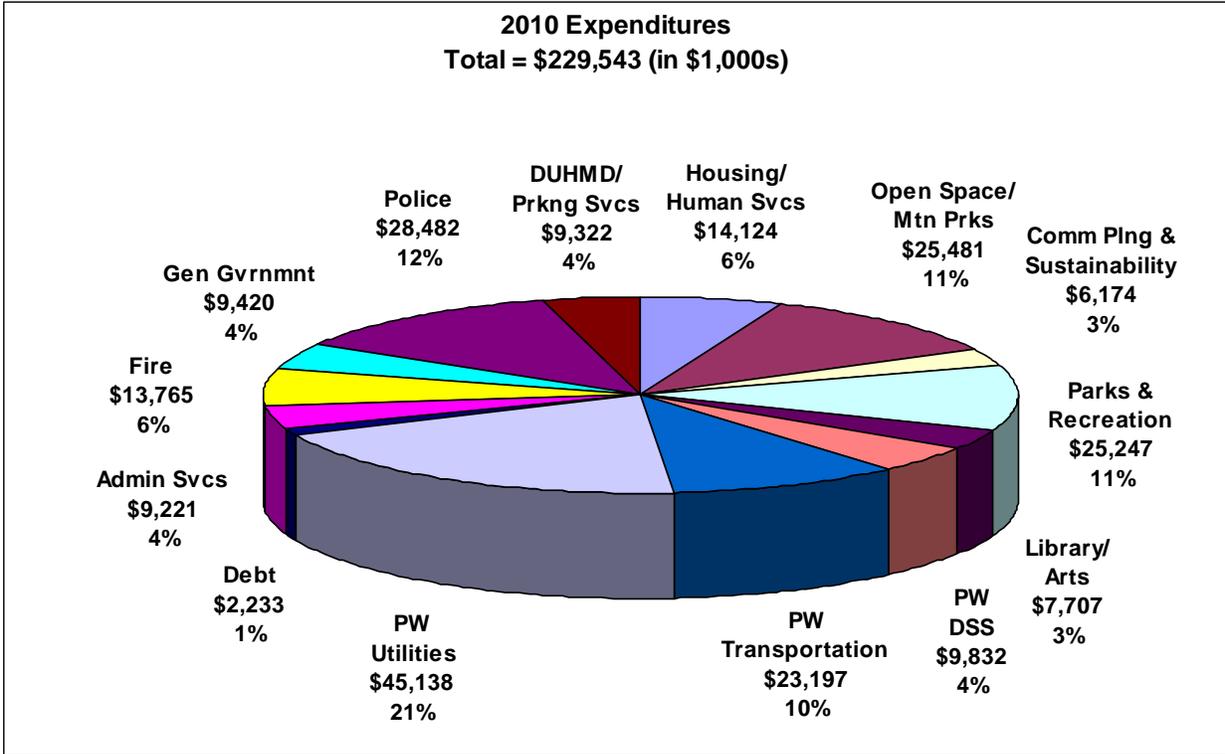
- Housing and Human Services funding remains a high priority in order to address the needs in our community.
- Boulder Police continue to operate the city’s community police centers at University Hill and the Downtown Annex. The department will eliminate some civilian positions and reduce non-officer operating hours at the Hill annex.
- The allocation of “de-Bruced” property tax revenues, approved by voters in November 2008, enables Boulder Fire Department to purchase a new fire engine to replace aging equipment and hire an additional fire fighter.
- All library facilities remain open with reduced hours on select days. Non-essential services such as home delivery of library materials will be eliminated, except for differently-abled populations.
- The recently approved increase in Climate Action Plan tax rates will support Boulder's continued leadership in sustainability, including maximizing the implementation of Smart Grid, additional investment in WindSource, and a strong focus on community engagement in climate action programs.
- The city’s focus on Economic Vitality continues through the work of the Business Liaison and the flexible rebate program which assists Boulder in attracting and retaining employers through various business assistance and incentive programs.
- Parks maintenance remains a high priority and all recreation centers remain open. The allocation of “de-Bruced” property tax revenues will also be used to improve park maintenance resources.
- The continued maintenance and construction of bike paths and multi-use trails support Council goals of encouraging healthy lifestyles, providing opportunities for recreational activities and promoting alternative transportation modes.
- The city’s employee wellness program is enhanced to encourage participation in order to help manage healthcare and workers’ compensation costs.
- The city’s commitment to facility maintenance and renovation is also being addressed through an allocation of “de-Bruced” property taxes.
- The Urban Designer position provides the city with direction on design issues and options to support land use review and long range planning projects, and facilitates

community design discussions to further the community's understanding of issues and potential solutions. This position will be extended through 2011.

- The Landscape Architect position provides landscape review for development proposals, including parks and transportation projects, and conducts site and zoning inspections. It also provides support for other tree and natural environment issues, monitoring and updating of the city's landscape code requirements, and ongoing collaboration with the city's urban forester to support the city's climate action goals. This position will be extended through 2011.

The 2010 Recommended Budget projects citywide revenues of approximately \$224 million and expenditures of \$230 million. Revenues are projected to decrease by 2.8% from the 2009 approved budget while expenditures will decrease by 5.4%. Below are charts that reflect the composition of citywide revenues and citywide expenditures.





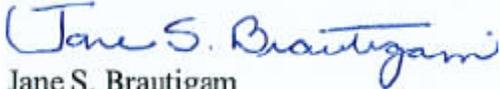
CONCLUDING COMMENTS

The 2010 Recommended Budget includes nearly \$5 million in operating reductions to address the sales/use tax shortfall. With improved efficiencies and restructuring, the proposed budget will eliminate approximately 26 full-time equivalent positions through downsizing, attrition and other efficiency measures.

The 2010 Recommended Budget supports the goals of Council and community values. It also addresses the city’s funding shortfall and moves the organization toward fiscal sustainability without eliminating core services.

As Boulder continues to focus on closing the funding gap identified by BRC I and adjusting to the new economy, the city will need to implement new methods to determine how limited resources can be used to best meet the city’s responsibility of delivering basic and essential services at a reasonable level.

My work with staff in this regard will include a renewed focus on measures and outcomes in order to be responsive to short-term and longer-term priorities and budget objectives.

Respectfully submitted,

 Jane S. Brautigam
 City Manager

ATTACHMENT A

Public Outreach Process

Due to the potential impact of the budget stabilization strategies on the users of city services, a public process was developed to inform residents on the city's short- and long-term budget situation and to determine community priorities for services provided by the city. The details of the public outreach process and a summary of the input received was presented at a council study session on July 14 and was used to help the City Manager formulate her recommended 2010 budget.

Four methods were chosen to solicit responses from both the community and city employees about the need to stabilize the city's budget, both in the short- and long-term. These include:

- Open Workshops
- Employee Workshops
- Online Survey
- Round Table Discussion

The findings which follow reflect consistent results across the public outreach methods (public workshops, online survey, and community roundtable), unless otherwise noted:

City Services

Public Safety

- Public safety is the city service area which residents consider a top priority and a core responsibility of city government.
- There is not a perceived need to increase services; however residents want emergency response and investigation services to remain at current levels.
- Budget adjustments to "softer" public safety services, such as fire code inspections and fire and crime prevention education, are acceptable.

Culture

- Residents want to retain library facilities, including the main library and branches, as well as library materials.
- A reduction in hours of operation of all library facilities is seen as an effective method for reducing library costs.
- Decreased support for specialized library programs (art exhibits, concerts, films, lectures, literacy program, children's programming) is acceptable.
- Some residents believe it may be possible to shift responsibility for specialized programs to the private or non-profit sectors; others doubt whether this transfer would be feasible.

Parks and Recreation

- Residents want all recreation centers to remain open.
- As with library facilities, a reduction in hours of operation of recreation centers is acceptable.
- Maintenance of parks is important to residents. Some suggested use of volunteers to reduce maintenance costs.
- There were mixed results on the level of support for specialized recreation (e.g. golf course, athletic fields, reservoir, outdoor pools, pottery lab). Online survey respondents expressed moderate support for such programs, while public workshop participants ranked them as much less important than other services and programs.
- There is less support for reducing programs for children and seniors than there is for reducing programs for adults.

Transportation

- Maintenance of bike paths, sidewalks, and streets is very important to residents.
- Maintenance of street medians is considered less important.
- There was moderate support for reducing travel mode choice programs.

Social Health

- Residents consider the services and programs quite important but are open to examining the role of the city in delivering them.
- Those most at risk need the most protection; the community needs to offer them a safety net.
- It's important to analyze and consider the unintended consequences of reductions in services and programs.

Community Livability and Economic Health

- Such services as planning key areas of the city, preserving the city's historic features, and building inspections and enforcing code requirements were ranked relatively low in importance to the community by public workshop participants.
- There were conflicting findings related to economic health. Workshop participants ranked the city's provision of business assistance and support quite low. Eight percent of online survey respondents cited economic vitality as the most important issue facing the city, making it the issue with the third-highest number of mentions. Additionally, many roundtable participants indicated they consider economic vitality essential to future economic sustainability and health.

Environmental Health

- There were mixed results on the level of support for some of the programs, such as reduction in carbon/greenhouse gas emissions. Online survey respondents expressed moderate support for such programs, while public workshop participants did not rank these programs as highly.
- There is a low level of support for the urban wildlife management programs (includes management of mountain lions, bears, prairie dogs).

Open Space

- It's important to residents to maintain and manage mountain parks and open space lands.
- There is a relatively low level of support for the acquisition of additional open space.
- Residents would like more information about the amount and location of open space owned by the city and what open space is left to purchase.
- Reductions in mountain parks/open space education/outreach programs are acceptable.

Big Picture Themes

- People appreciated being involved in the city's budget decisions and consider ongoing community engagement an important element of the quality of life in Boulder. Roundtable participants encouraged the city to take advantage of the considerable level of intelligence and innovative thinking that exists in the community by involving residents in coming up with innovative and creative ways to address the budget challenges.
- Residents agree that the stabilization of the city's budget is a serious issue that must be solved.
- Participants in the outreach process said they expect their city government to be run efficiently and with operating costs reduced as much as possible.
- Most people enjoy the high level of services the city has traditionally provided and are very reluctant to have services and programs reduced.
- There is support for the development of community-based values/principles/goals, i.e. "stakes in the ground" approach to long-term city budget approaches, as opposed to the "squeaky wheel" syndrome which some residents believe currently drives city budget decisions. Residents encouraged the city to use criteria-based decision-making rather than complaint-based decision-making when making final budget decisions. In determining the values/principles/goals, discussion could include identification of residents' preferred long-term role of city government in the community. For example, some residents spoke of the need for city government to serve as a catalyst to prompt citizen action/community-building. Others encouraged the city to take the lead in facilitating regional, intergovernmental solutions to service delivery/budget challenges.
- Residents indicated their desire to strengthen the local economy. To that end, some people expressed interest in city sponsorship of a "Buy Local" or "Buy Boulder" campaign to increase revenues by encouraging residents to shop in Boulder.
- Intergovernmental cooperation and collaboration is an approach many residents consider worth pursuing in areas where appropriate, such as public safety management.

ATTACHMENT B

Budget Stabilization Strategies

The City of Boulder began to feel the effects of the national economic downturn in 2008. This downturn had an impact on a number of revenue sources, including accommodations tax, interest revenue and development-related fees. However, the most significant impact was to sales and use tax collections which represent 39% of the city's total revenues.

The original projections for 2008 sales/use tax revenues reflected a 3.8% increase over 2007. Due to the recessionary economic conditions at the national, state and local levels, sales/use tax revenues for the City increased by only 0.2% in 2008. As a result, \$2.1 million less was collected in 2008 than originally projected.

In February 2009, staff provided council with an analysis of 2008 financial conditions and the cumulative impact this would have on future budgets. After analyzing sales/use tax performance and taking into account current economic trends, it was anticipated that 2009 total sales/use tax revenue collections will be at least 4% - 6% below budgeted revenues. Based on this, it is anticipated that 2010 collections will be up to 8% lower than originally projected, or \$7.2 million. The reduction in sales/use taxes impact not only the city's general fund, which supports many core services of the city organization (e.g., police, fire, library, parks, housing/human services), but also the restricted funds that receive sales/use tax revenues (e.g., transportation, open space and parks/recreation funds).

To strategically address the impact of decreasing city revenues, a budget stabilization plan was created to manage the 2009 budget and to guide development of the 2010 budget. In addition, it provided a vehicle to inform council of the approaches being used to rebalance the city's budget. Although specific approaches vary by fund, the following guiding principles provided an overarching framework for management to use in applying approaches to stabilize the budget:

- 1) *Balance funding needs to achieve long-range city goals while sustaining basic city services.*
- 2) *Maintain essential services at reasonable service delivery levels before expanding and/or enhancing services.*
- 3) *Ensure compliance with legal mandates and commitments to voters.*
- 4) *Achieve narrow and deep sustainable reductions.*
- 5) *For 2009, focus primarily on one-time temporary reductions to "bridge" the period until permanent and sustainable reductions can be implemented later in 2009 or through the 2010 budget.*
- 6) *Reduction schedule provides time to monitor and evaluate revenues, reflects expenditure reduction "tiers" or phases and supports notice to impacted employees.*
- 7) *Continue to pursue organizational efficiency and technology improvements.*
- 8) *Continue to invest in key capital projects to leverage funding, maintain safety of infrastructure/ facilities and decrease ongoing costs. Expansion of infrastructure/ facilities should only be considered if adequate funding is available for both the capital investment and its ongoing maintenance.*
- 9) *Revise organizational policies to maximize cost efficiency and pursue the examination of additional policies and practices.*
- 10) *Further implement recommendations of the Blue Ribbon Commission.*

To offset lower 2009 revenues, the city adopted a short-term plan to bridge the shortfall until ongoing, sustainable solutions could be implemented beginning in 2010. The 2009 short-term plan was achieved by holding vacant positions open, reducing non-personnel expenditures and using one-time revenues.

As mentioned above, the guiding principles provided a framework for developing a strategy for rebalancing the budget for 2010. To complete plans for each of the impacted funds, the steps outlined in Table 1 below were taken.

Table 1

Timeframe	Step
January 30	Departments submitted proposed expenditure reductions and/or revenue enhancements to be used as base for draft budget stabilization plans
February 17	City Manager informed council about the need to develop a budget stabilization plan
March 5	City Manager and department directors reviewed and adjusted draft budget stabilization plans
April 7	City Manager updated council on the budget stabilization plans for 2009
April 14	City Council Budget Committee met to review the budget stabilization plans and the proposed public outreach process
April 21	City Manager updated council on the budget stabilization plans for 2010
April – June	Public outreach process held to inform residents about the budget situation and to determine community priorities for city services; sessions also held to inform city employees about the budget situation and to seek their input on possible cost reduction measures (see Attachment A to the 2010 Budget Message)
July 7	City Council Budget Committee met to review the findings from the public outreach process
July 14	Findings from the public outreach process presented at council study session
June - July	City Manager and Budget Team worked with departments to refine and finalize budget stabilization plans, based on guiding principles and findings from the public outreach process
August 13	2010 recommended budget distributed to council, including budget stabilization plans

As indicated in the table above, the budget stabilization plan was refined and finalized in June and July, based on further discussions with departments and the results of the public outreach process. Below is an overview of the plans developed for each of the impacted funds.

Budget Stabilization Strategies for Impacted Funds

General Fund – In order to maintain General Fund reserves at the minimum 10% level, \$3.2 million in ongoing reductions needed to be identified and implemented. The plan was developed in accordance with the guiding principles outlined above and was informed by the public outreach process. For example, a consistent message received throughout all elements of the public outreach process indicated that the community preferred a reduction in hours at city facilities rather than full closure. As a result, the 2010 plan reflects a reduction in hours at branch libraries and recreation centers rather than the closure of any of these facilities.

To assist the organization in achieving the economic sustainability goal, funding has been reallocated in order to continue elements of the Economic Vitality program. This includes the Flexible Rebate Program (\$350,000 in 2010 funding) and various sponsorships/contracts with key local partners, such as

the Boulder Economic Council and the Boulder Innovation Center (\$110,000 in 2010 funding).

Please refer to **Attachment B-1** for details on the General Fund budget stabilization plan for 2010.

.15 Cent Sales Tax Fund – Programs and services funded by the .15 cent sales tax implemented reductions based on their current share of the sales tax. The areas supported by this fund include environmental services, human services, youth opportunities, arts programs and recreation programs. Some of these areas, such as human services, will be able to soften the impact of the sales tax decline by using available fund balance from their allocation of the .15 cent sales tax.

.25 Cent Sales Tax Fund - The .25 Cent Sales Tax budget was balanced by implementing a combination of 2010 budget reductions (please see **Attachment B-1**), the strategic use of fund balance to soften the financial impact and refinancing bond debt based on favorable market rates.

Open Space/Mountain Parks (OSMP) Fund – Since the Open Space Fund is funded 92% by sales/use taxes, it was necessary to implement budget adjustments earlier than for other city funds. The Open Space budget was balanced by implementing a combination of 2009 budget reductions, the strategic use of fund balance to soften the financial impact and refinancing bond debt based on favorable market rates.

In anticipation of reduced revenue in the years following 2009, unexpended 2008 real estate acquisition funds totaling \$1.9 million were retained in the Open Space fund balance rather than being carried over into 2009. Retaining these dollars in the fund balance will provide an additional buffer against reduced revenue in the future.

Specific 2009 measures include one-time reductions to the capital budget of \$850,000 and the operations budget of \$850,000 for a total reduction of \$1,700,000. In addition, the General Fund transfer to Open Space was reduced by \$100,000. On an ongoing basis, Open Space bond debt was refinanced, which will result in savings of approximately \$220,000 per year.

The 2010 budget for operations, capital and acquisitions remains intact due to the 2009 reductions and strategic use of fund balance in order to maintain core Open Space functions. In addition, 9.50 fixed term positions will be approved through 2010 although all OSMP positions will be closely monitored based on actual sales/use tax collections.

Transportation Fund - Transportation budget guiding principles are in place to guide the city's service delivery and infrastructure investment choices. These guiding principles are based on the city's Transportation Master Plan and align with the guiding principles for the budget stabilization plan outlined above.

Transportation Budget Reductions - Guiding Principles

- Maintain integrity of the Transportation Prioritization approach previously developed with Council, in priority order:
 - Maintenance and Operations - limited/strategic reductions
 - Multi-modal system expansion – slow expansion, focusing reductions on projects which increase maintenance responsibilities
 - Neighborhood Enhancements – defer additional capital investments
- Achieve sustainable reductions over time, rather than one-time reductions
- Continue efficiency improvements, such as reducing service in technical support categories where appropriate

- Maintain leveraged funded projects

Strategic Reductions

Based on these guiding principles the following reductions have been developed and many were implemented in 2009:

- Efficiencies in service delivery. Examples include:
 - Organization change combining clerical support functions allowing for more efficient utilization of positions.
- Reduced implementation of enhancements to the transportation system. Examples include:
 - Reduced summer service frequencies for the HOP (15 minutes headways will increase to 18 minutes), JUMP, and BOUND (15 minutes headways will increase to 30 minutes for mid-day service).
- Reduced maintenance related to aesthetics that does not impact the life cycle of the infrastructure. Examples include:
 - Reduced street sweeping level of service, mostly for Downtown and University Hill areas.
 - Reduced median mowing frequencies with some areas becoming semi-native.
- Reduced infrastructure life cycle maintenance. An example includes:
 - Reduced sidewalk maintenance and maintenance on bike facilities.

Based on current projections during this economic decline, the Transportation Fund needs to reduce expenditures by approximately \$1.1 million annually in order to balance in the short- and long-term. The \$1.1 million reduction also accounts for added revenues from the FASTER Bill passed in the latest legislative session. The \$1.1 million includes approximately \$900,000 in operating budget and \$200,000 in CIP reductions.

Please refer to **Attachment B-1** for details on the Transportation budget stabilization plan for 2010 and to the Transportation section of the Department Overviews.

Planning and Development Services Fund (P&DS) Fund - P&DS is funded from three sources: revenue from fees (65%), a General Fund transfer (27%), and a transfer from the Utilities and Transportation funds (8%). As the city continues to address the economic challenges of declining sales tax revenue and the impact on General Fund services, P&DS also has to address the decline in building activity and associated fee revenue.

Based on declining building activity and General Fund financial constraints, 8.0 fixed-term positions (3.0 of these are vacant and 5.0 are filled) funded through the P & DS Fund will not be extended to 2010. Two positions will be extended through 2011 – The Urban Designer position and the Landscape Architect position – in order to implement Community Planning’s work plan and to provide landscape review for development proposals.

Please refer to **Attachment B-1** for the P & DS Fund budget stabilization plan for 2010.

For further information on Community Planning and on PW/Development Support Services, please refer to the section for these areas under the Department Overviews.

ATTACHMENT B-1

Fund	Dept	Description	2010 Ongoing Amount	2010 One-Time Amount	FTEs
Operating Reductions and Revenue Enhancements for 2010					
General Fund					
	Arts	Minimal reduction to arts grant program	\$ 8,500		
	Citywide	Eliminate printing hard copies of city council packets for all department directors	\$ 6,000		
	CMO	Minimize printing requirements for "News from City Hall"	\$ 60,000		
	CMO	Restructure Channel 8 operations; Although programming may be reduced, Channel 8 will continue to broadcast council meetings and other core programs	\$ 80,000		1.00
	CMO	Integrate Internal Audit functions with existing Finance operations	\$ 102,000		1.50
	CMO	Restructure City Manager's Office	\$ 75,000		1.00
	Community Planning	Convert two paid intern positions to unpaid intern positions	\$ 27,000		
	Community Planning	To better align costs with the most appropriate funding source, reallocate 10% of Executive Director's salary/benefit costs to the .15 Sales Tax Fund	\$ 13,600		
	Community Planning & Public Works/DSS	Eliminate GIS Technician position, which will impact base map maintenance activities	\$ 26,300		0.50
	Community Planning & Public Works/DSS	Eliminate portion of Code Compliance position, which will increase time to respond to public via telephone and e-mail.	\$ 12,700		0.25
	Community Planning & Public Works/DSS	Eliminate the Administrative Specialist II positions that supports Community Planning and Public Works. This will shift associated work duties to other staff; the remaining portion of the position, funded from various Public Works divisions, is also being eliminated.	\$ 7,400		0.09
	Public Works/DSS	Increase cost recovery policy for Rental Housing Inspection and Licensing Program	\$ 23,000		
	Council	Implement advertising/ public notice requirement changes related to city meetings	\$ 22,000		
	DUHMD	Historically, all of the General Fund's on-street parking revenues collected within CAGID's geographic boundaries have been transferred from the General Fund to the Downtown Commercial District (DCD) Fund. The change proposes to adjust the parking revenue transfer to CAGID by \$425,000 to reflect that parking revenues have exceeded the funding necessary to provide current programs and services funded through the DCD, including the Eco Pass program for downtown businesses and maintenance/replacement of on-street parking equipment.	\$ 425,000		
	DUHMD	Transfer BID Eco Pass costs to the Downtown Commercial District Fund to be funded through the on-street parking revenue portion of the Downtown Commercial District Fund.	\$ 70,000		
	Finance	Eliminate Assistant to the Finance Director position; associated work will be absorbed by other staff	\$ 68,000		1.00

ATTACHMENT B-1

Fund	Dept	Description	2010 Ongoing Amount	2010 One-Time Amount	FTEs
	Finance	Placeholder related to current IT audit implementation, anticipated Finance audit and other identified efficiencies	\$ 67,500		1.00
	Fire	Rescue Squad (eliminate squad and move fire fighters into general fire station coverage to reduce overtime costs)	\$ -		
	Housing and Human Services	Reduce GF transfer to Affordable Housing. This reduction will eliminate the subsidy currently provided to housing projects that exceed the city's minimum affordable housing standards. Total city 2010 funding allocations for affordable housing will increase due to additional "de-Bruced" property revenue (\$192K) transferred to the Community Housing Assistance Program (CHAP)	\$ 100,000		
	Housing and Human Services	Elimination of senior programs now provided by other organizations	\$ 11,000		
	Housing and Human Services	Eliminate Senior Services Assistant Director; duties will be assumed by Senior Services Division Manager, along with other staff	\$ 100,000		1.00
	Human Resources	Eliminate HR front desk position by implementing a self service model and promoting use of on-line tools and forms	\$ 38,900		1.00
	Human Resources	Implement seasonal hiring processes in existing Human Resources Information System (HRIS).	\$ 16,500		
	Human Resources	Restructure payroll duties; This will be achieved by eliminating the Payroll Manager position, adding a 0.50 FTE Payroll Technician and reorganization of duties within HR	\$ 41,000		0.50
	Information Technology	Implement efficiencies/recommendations from IT Audit	\$ 215,000		
	Information Technology	Computer Replacement Savings	\$ 15,000		
	Information Technology	Fiber Optic Efficiency Project with Boulder Valley School District	\$ 15,000		
	Information Technology	Consolidation of Yards Data Center	\$ 15,000		
	Library	Eliminate home delivery of library materials except for differently-abled populations	\$ 20,500		
	Library	Restructure Technical Services	\$ 62,600		1.00
	Library	Reduce staff support for Integrated Library System (ILS) and provide Unix/ILS services in-house	\$ 48,800		0.50
	Library	Close Meadows branch library one additional day each week	\$ 28,500		0.60
	Library	Close Reynolds branch library one additional day each week	\$ 32,000		0.80
	Library	Reduce Main Library Hours on Sundays from 12:00 to 6:00 p.m. to 1:00 - 5:00 p.m.	\$ 42,500		0.90
	Library	Eliminate Library Administrator position; additional work will be absorbed by other staff	\$ 88,000		1.00

ATTACHMENT B-1

Fund	Dept	Description	2010 Ongoing Amount	2010 One-Time Amount	FTEs
	Muni Court	Implement no-proof-of-insurance ordinance, which represents an increase in revenue	\$ 100,000		
	Muni Court	Reduce number of licensed users for parking database	\$ 8,400		
	Municipal Court	Restructure Municipal Court operations and implement efficiencies	\$ 51,248		1.75
	Open Space	Reduce General Fund transfer to Open Space Fund; as a result, the Open Space Fund will absorb the impact	\$ 100,000	\$ 100,000	
	Parks & Recreation	Eliminate Recreation Administrator, Program Coordinator (marketing) and an Administrative Specialist positions; This reduction is feasible due to identified efficiencies and duties being shifted to other staff	\$ 234,300		3.00
	Parks & Recreation	To align costs with the most appropriate funding source, recreation costs will be reallocated from the General Fund to the Recreation Activity Fund; these items include computer replacement, and telephone charges for recreation staff, recreation brochures and the CLASS System Administrator position. The Recreation Activity Fund can absorb the impact of these costs	\$ 199,500		
	Parks & Recreation	Implement an extra week of shutdown at each of three recreation centers during off-peak usage in order to complete additional facility maintenance	\$ 35,000		
	Parks & Recreation	Reduce Pottery Lab costs by using volunteers to support open Pottery Lab hours and having full-time staff teach additional classes	\$ 20,000		
	Parks & Recreation	Reduce expenses by consolidating concession services for the Boulder Reservoir, Flatirons Golf Course and sports fields.	\$ 15,000		
	Parks & Recreation	Implement efficiencies in the provision of recreation classes through analysis of class offerings and ensuring enrollment meets minimum class requirements and analyzing class	\$ 45,000		
	Parks & Recreation	Reduce quantity of city-provided uniforms to seasonal employees	\$ 20,000		
	Police	Retain the University Hill Community Police Centers but eliminate the associated civilian staffing	\$ 120,000		1.75
	Police	Eliminate the Police Civilian Forensic Analyst position, which will result in additional duties being absorbed by detectives	\$ 99,429		1.00
	Police	Implement efficiencies by consolidating telephone lines	\$ 25,000		
	Police	Close Records division and Public Safety lobby on holidays	\$ 15,000		
	Police	Eliminate one building maintenance position, which will shift duties to other staff and lower current level of service	\$ 39,856		1.00
	Police	Reallocate funding due to ongoing VALE grant awards; this reduction has no impact on the community	\$ 30,000		
	PW/DSS	Reduce custodial maintenance budget to match current costs	\$ 51,000		

ATTACHMENT B-1

Fund	Dept	Description	2010 Ongoing Amount	2010 One-Time Amount	FTEs
	PW/Utilities	Transfer the General Fund's contribution for the Household Hazardous Waste Program to the Water Utility funds	\$ 18,000		
General Fund Total			\$ 3,211,033	\$ 100,000	22.14
Planning and Development Services Fund					
	Public Works/DSS	supports Community Planning and Public Works. This will shift associated work duties to other staff; the remaining portion of the position, funded from various Public Works divisions, is also being eliminated.	\$ 17,500		0.25
Planning and Development Services Fund Total			\$ 17,500	-	0.25
.25 Cent Sales Tax Fund					
	Parks & Recreation	Eliminate Communications Support position; associated work will be absorbed by other staff	\$ 17,410		0.25
	Parks & Recreation	Eliminate Landscape Designer II position; associated work will be absorbed by other staff	\$ 35,309		0.50
	Parks & Recreation	Eliminate Parks Zone Supervisor position; associated work will be absorbed by other staff	\$ 79,698		1.00
.25 Cent Sales Tax Fund Total			\$ 132,417	-	1.75
Transportation Fund					
	PW/Transportation	fewer street light installations to address existing deficiencies or new requests	\$ 17,000		
	PW/Transportation	Eliminate Program Planner position intended to support asset management functions. Staff on limited basis w/	\$ 36,000		1.00
	PW/Transportation	Reduced level of service related to signs and pavement markings. Less capacity to add new or enhanced signs and markings such as pedestrian crosswalks or bicycle way signage. Increased maintenance cycle for existing pavement markings and signs.	\$ 61,200		
	PW/Transportation	Minimal traffic signal head and phasing upgrades and reduced preventative maintenance	\$ 45,000		
	PW/Transportation	Reorganize support functions by combining PW administrative support and TAB/WRAB support functions.	\$ 50,000		0.39
	PW/Transportation	Reduce JUMP and Bound summer service. Retain core services, reduce transit service in summer (lowest use time of year)	\$ 50,000		
	PW/Transportation	Reduce HOP summer service (15 minute headways will increase to 18 minutes). Retain core services, reduce transit service in summertime (lowest use time)	\$ 95,000		
	PW/Transportation	Eliminate fixed-term Senior Planner. Position supports implementation of enhancements to the system. This reduction has already been implemented.	\$ 47,378		
	PW/Transportation	Reduce TDM/Pass advertising and marketing. Retain core services, reduce marketing and outreach.	\$ 20,000		
	PW/Transportation	Reduce Boulder East Transportation Mobility Organization (TMO) support.	\$ 16,500		
	PW/Transportation	Reduce Transportation Planner position in the Transportation Capital Projects group	\$ 37,000		0.25

ATTACHMENT B-1

Fund	Dept	Description	2010 Ongoing Amount	2010 One-Time Amount	FTEs
	PW/Transportation	Reduce street overlay maintenance by reducing the 2009 operating budget increase, which was approved to help offset previous year cost escalations.	\$ 30,000		
	PW/Transportation	Perform less capital maintenance on bike facilities such as broken path replacement and multi-use path bridge repairs	\$ 27,000		
	PW/Transportation	Reduce median maintenance by mowing less often and by encouraging development of semi-native grasses	\$ 45,000		
	PW/Transportation	Street sweeping will be performed less often in the Downtown and University Hill areas. Level of service was two mornings weekly for overtime and now will become as needed.	\$ 145,000		
	PW/Transportation	Increase life cycles for equipment and reduce overtime use	\$ 35,000		
	PW/Transportation	Reduce street repair and maintenance - e.g., patches	\$ 34,100		
	PW/Transportation	Reduced funding for implementation of operations & maintenance study; \$225K remains available for implementation	\$ 25,000		
	PW/Transportation	Discontinue use of temporary staff and/or overtime when front desk lacks coverage	\$ 22,500		
	PW/Transportation	Eliminate the Administrative Specialist II position that supports Public Works and Community Planning (shared with Transportation, Utilities, and P&DS); associated work will be shifted to other staff	\$ 23,033		0.33
	PW/Transportation	Sidewalk maintenance program. Provide less funding for the 50/50 cost split program for property owners that are located out of the sidewalk repair area	\$ 54,000		
	PW/Transportation	Reduce CIP funding for the 28th Street corridor project extending the time to complete the projects on 28th Street. The annual CIP funding for the 28th Street corridor project was reduced by \$150,000/yr from \$1,010,000 to \$860,000 for the 2010 - 2015 planning period. The recommended CIP budget was reviewed by council at the July 28 study session			
	PW/Transportation	Lower the overall CIP funding amount for the sidewalk repair program and increase the life cycle repair for damaged walk and ADA improvements throughout the city. The annual CIP funding for the Sidewalk Repair program was reduced by \$51,000/yr from \$680,000 to \$629,000 for the 2010 - 2015 planning period. The recommended CIP budget was reviewed by council at the July 28 study session			
Transportation Fund Total			\$ 915,711	\$ -	1.97

ATTACHMENT B-1

Fund	Dept	Description	2010 Ongoing Amount	2010 One-Time Amount	FTEs
Operating Reallocations for 2010					
General Fund					
	Community Planning & Sustainability	Economic Vitality Program/ Flexible Rebate program - Funding will be reallocated to continue the city's Economic Vitality program's Flexible Rebate program	\$ 65,000	\$ 285,000	
	Community Planning & Sustainability	Economic Vitality Program/ Sponsorships/Contracts and other program costs - Funding will be used for the Boulder Economic Council (BEC), Boulder Incubator (BIC) contracts, as well as other sponsorships and contracts.	\$ 110,000		
	CMO	Contractual Services Contingency - Funding reallocation reserved to pay for contractual services, including animal control and enforcement, Comcast franchise negotiations and outcomes-based budgeting consultants.		\$ 208,500	
	Community Planning & Sustainability	Reallocate from West Nile Virus budget to fund the Community Sustainability Coordinator on an ongoing basis; reallocation was approved as a pilot program for 2009 based on consistent savings in the West Nile Virus budget for the past few years.	\$ 50,000		0.50
Total General Fund Reallocations			\$ 225,000	\$ 493,500	0.50
Planning and Development Services Fund					
	Community Planning & Sustainability	Reallocate from contract services budget to extend the Landscape Architect position through 2011.	\$ 80,300		1.00
	Community Planning & Sustainability	Reallocate from operating budget to extend the Senior Urban Designer through 2011.	\$ 124,400		1.00
Total Planning and Development Services Fund Reallocations			\$ 204,700	\$ -	2.00

ATTACHMENT C

Allocation of “De-Bruced” Property Tax

The elimination of the TABOR restrictions on property tax (also referred to as “de-Brucing”) was one of the methods identified in the BRC I report to provide a revenue source to help fund identified critical deficiencies (fire apparatus replacement, facility maintenance, software replacement, and energy costs) and close the funding gap noted by the Commission.

Based on council direction, the resulting 2008 ballot language was set as follows:

Without raising taxes, and in order to pay for necessary city purposes such as replacement of fire apparatus, information technologies, energy costs, facility maintenance and city services, shall the city of Boulder, pursuant to Ordinance No. 7608, be allowed to retain and spend property tax funds collected in tax collection years 2009 and beyond, and retain and spend any earnings therefrom, without limitation or condition, and without limiting the collection or spending of any other revenues or funds by the city of Boulder, under Article X, Section 20 of the Colorado constitution or any other law

In November 2008, Boulder residents voted to approve the elimination of remaining TABOR restrictions on city property tax collections by phasing-out the current TABOR mill levy credit by five-tenths of a mill each year until the credit is eliminated. Based on the current mill levy credit of 2.64, the credit will be fully phased-out by 2014.

Additional “de-Bruced” property tax revenue received in 2009 has not been allocated because the ballot measure was passed after approval of the 2009 budget and to provide a buffer, if necessary, against the economic downturn. As a result, the 2010 Recommended Budget includes recommendations for two years worth of “de-Bruced” revenue.

Please refer to Attachment C-1 to review a summary of the 2010 funding recommendations.

ATTACHMENT C-1

Fund	Dept	Description	2010 Ongoing Amount
Allocation of Incremental Revenue from "De-Brucing" Property Tax			
General Fund			
	Fire	Fire Apparatus Replacement - Funding will be used to purchase a new fire pumper in 2010. Funding for replacement of fire apparatus equipment was identified as a "critical deficiency" by BRC I.	\$ 700,000
	Public Works/ DSS	Facility Maintenance - Funding to be used for facility capital projects, including major maintenance and/or facility renovation. Facility maintenance was identified as a "critical deficiency" by BRC I.	\$ 300,000
	Information Technology	Technology Improvements - Funding to be used for software replacement and technology needs, which were identified as a "critical deficiency" by BRC I.	\$ 250,000
	Citywide/ General Fund	Facility Energy Costs - Additional funds to offset rising facility energy costs for natural gas and electricity. Facility energy costs were identified as a "critical deficiency" by BRC I.	\$ 110,000
	Citywide/ General Fund	Vehicle fuel - Additional funds to offset rising vehicle & equipment fuel costs, which were identified as a "critical deficiency" by BRC I.	\$ 80,000
	Fire	One additional Fire Fighter will be hired to help offset overtime costs and provide additional fire station coverage. This item has been identified as an underfunded essential service.	\$ 85,000
	Fire	Public Safety - Funding will be used for traffic signal pre-emption upgrades and replacement	\$ 80,000
	Fire	Fire Department Operations - Additional Funding will be used for essential safety equipment and operating supplies	\$ 80,000
	Police	Police fleet replacement and operations - Additional funding to maintain replacement cycle for Police vehicles & equipment. This item has been identified as an underfunded essential service	\$ 50,000
	Parks and Recreation	Park maintenance - Additional funds will be used for basic park maintenance supplies/materials and forestry/tree needs;	\$ 50,000
	Citywide	Old Hire Fire and Police pensions - Additional funds will help partially close the pension funds' shortfall, which is currently estimated between \$400,000 and \$550,000/year.	\$ 75,000
	Citywide	Office of Emergency Management - Funding will be used to continue to pay for the city's share of an Emergency Management position funded jointly by the City and County of Boulder	\$ 60,000
General Fund - Total "De-Bruced" Funding Additions			\$ 1,920,000
Library Fund			
	Library	Funding to be allocated for future replacement of library materials handling system and installation of Radio Frequency Identification tags. It is estimated that an additional \$400,000 needs to be accumulated to fund this project.	\$ 80,000
Library Fund - Total "De-Bruced" Funding Additions			\$ 80,000
Community Housing Assistance Program (CHAP) Fund			
	HHS	Affordable Housing - Additional funding will be provided for the Affordable Housing program through HHS' annual distribution of CHAP housing funds	\$ 192,000
CHAP Fund - Total "De-Bruced" Funding Additions			\$ 192,000
Permanent Parks and Recreation Fund			
	Parks and Recreation	Specific funding recommendations have not been identified for the 2010 budget. Additional "de-Bruced" revenue will be \$218,000 in 2010. Proposed uses of the funds will be evaluated and brought forward within the 2011 budget process or as a supplemental appropriation in 2010.	\$ -
Permanent Parks & Recreation Fund - Total "De-Bruced" Funding Additions			\$ -
Total: "De-Bruced" Funding Additions			\$ 2,192,000

	A	B	C	D	E	F	G	H	I	J	K
2				2010 BUDGET PRO FORMA			2010 BUDGET RECOMMENDATIONS			2010 VARIANCE	
3				("BASE BUDGET" - W/O REDUCTIONS)			(WITH REDUCTIONS)				
4				AMOUNT	FTE		AMOUNT	FTE		AMOUNT	FTE
29		GENERAL FUND TRANSFERS TO OTHER FUNDS:									
30		Affordable Housing	\$	425,000		\$	325,000		\$	(100,000)	-
31		Open Space Mountain Parks	\$	1,121,000		\$	921,000		\$	(200,000)	-
32		Downtown Commercial District	\$	2,150,000		\$	1,725,000		\$	(425,000)	-
33		University Hill Commercial District	\$	255,000		\$	255,000		\$	-	-
34		Planning & Development Services	\$	2,248,000		\$	2,138,000		\$	(110,000)	(0.84)
35		Recreation Activity Fund	\$	1,894,000		\$	1,524,700		\$	(369,300)	(3.00)
36		Library Fund	\$	6,444,000		\$	6,121,100		\$	(322,900)	(4.80)
37		Water Utility Fund (FTC Land)	\$	93,000		\$	93,000		\$	-	-
38		SUBTOTAL:	\$	14,630,000		\$	13,102,800		\$	(1,527,200)	(8.64)
39											
40		GENERAL FUND TOTAL:		94,581,826			91,370,793			(3,211,033)	(22.14)
41											
42		PLANNING AND DEVELOPMENT SERVICES FUND	\$	8,853,319	66.56	\$	8,835,819	66.31	\$	(17,500)	(0.25)
43											
44		.25 CENT SALES TAX FUND	\$	6,716,298	18.62	\$	6,583,881	16.87	\$	(132,417)	(1.75)
45											
46		TRANSPORTATION FUND	\$	24,577,592	67.34	\$	23,661,881	65.37	\$	(915,711)	(1.97)
47											
48		WATER UTILITY	\$	26,877,150	75.20	\$	26,736,150	75.08	\$	(141,000)	(0.12)
49											
50		WASTEWATER UTILITY	\$	14,809,905	58.98	\$	14,689,905	58.89	\$	(120,000)	(0.09)
51											
52		STORMWATER UTILITY	\$	6,282,897	21.00	\$	6,274,521	20.88	\$	(8,376)	(0.12)
53											
54		GRAND TOTAL:		182,698,987			178,152,950			(4,546,037)	(26.44)



City of Boulder



2010 RECOMMENDED BUDGET STUDY SESSION

August 25, 2009

Highlights of 2010 Recommended Budget



Budget Stabilization Plans





Budget Stabilization Plans

- City has been challenged to:
 - re-examine government services
 - find more efficient ways to deliver services
 - maintain public safety and other core services
 - minimize service reductions for those residents who most need assistance.

Budget Stabilization Plans

Timeframe	Step
February 17	Council informed of need to establish budget stabilization plans
March 5	City Manager & directors review/adjust draft plans
April 7 & 21	City Manager updates council on plans
April 14	City Council Budget Committee reviews proposed public outreach process
April – June	Public outreach process held
July 7	City Council Budget Committee reviews public outreach process findings
July 14	Study session to review findings from public outreach process
June – July	Budget stabilization plans are finalized for the recommended budget



Budget Stabilization Plans

- 26.44 - positions being eliminated, primarily in sales/use tax supported funds:
 - 16.39 – vacant positions
 - 10.05 – filled positions (impacts 15 employees)



Budget Stabilization Plan

General Fund

- HHS funding remains a high priority:
 - Safety net services remain funded
 - Most changes reflect efficiencies rather than reductions
 - Reduction in General Fund transfer for affordable housing offset by “de-Bruced” funding



Budget Stabilization Plan

General Fund

- Maintaining core public safety services:
 - No reduction in police officer and fire fighter positions
 - Community police centers remain open although some civilian positions will be reduced
 - Many changes reflect increased efficiencies in operations



Budget Stabilization Plan

General Fund

- All library facilities will remain open to the public:
 - Reynolds and Meadows branch libraries remain open but closed one additional day each week
 - Main Library hours on Sunday changed from 12:00 - 6:00 to 1:00 – 5:00
 - Non-essential services such as home delivery of library materials will be eliminated
 - Other changes reflect efficiencies rather than direct service reductions



Budget Stabilization Plan

General Fund

- Parks maintenance remains a high priority and all recreation facilities remain open:
 - Many reductions reflect operational efficiencies
 - Recreation class efficiencies continue to be implemented, such as ensuring that minimum class size is met
 - Park and forestry services will be improved through allocation of “de-Bruced” funds



Budget Stabilization Plan

General Fund

- Other citywide efficiencies include:
 - Retaining excess on-street parking revenue in the General Fund with no impact to services funded through the Downtown Commercial District (DCD) Fund
 - Using self-service model at Human Resources front desk and restructuring payroll duties
 - Implementing findings of IT audit and assessment



Budget Stabilization Plan Transportation Fund

- Transportation Budget Guiding Principles:
 - Maintain Integrity of Transportation Prioritization, in order:
 - Maintenance and Operations (Essential)
 - Multimodal System Expansion (Desirable)
 - Enhancements without system performance benefit (Discretionary)
 - Achieve Sustainable Budget Over Time
 - Continue Efficiency Improvements
 - Maintain Leveraged Funded Projects
 - Reduce Boulder Transit Village (BTV) debt through annual operating savings if available



Budget Stabilization Plan Transportation Fund

- Ongoing reductions began in 2009
- Continue reduction based on budget guiding principles
 - Maintenance reductions are focused on aesthetics rather than integrity of infrastructure
 - Slowing the expansion of multi-modal system
 - Capital budget maintains leveraged funds and extends timeline to non-leveraged projects such as 28th St.
 - Strategic Operation reductions such as transit service frequencies at low-use times
 - Administrative efficiencies

Budget Stabilization Plan Transportation Fund

Description	Amount	FTE
Personnel reductions (program planner, admin efficiencies)	\$216,000	1.97
Transit Service Reductions during lower use periods	\$182,000	
Street Lighting, Signs and Signals	\$123,000	
Street, Bikeway, Sidewalk Maintenance	\$170,000	
Median Maintenance, Street Sweeping, Snow and Ice Control	\$225,000	
Ongoing Capital projects (28 th Street, Sidewalk program)	\$201,000	
TOTAL	\$1,117,000	



Budget Stabilization Plan

Open Space Fund

- Open Space used a combination of strategies to balance the budget:
 - Budget savings –
 - \$1.9 million in unspent capital budget from 2008
 - \$400k in unspent operating budget from 2008
 - \$1.7 million in one-time budget reductions for 2009
 - Refinancing bond debt -
 - \$220k in annual savings
 - Fund balance –
 - Drawing down available fund balance



Budget Stabilization Plan

Open Space Fund

- These strategies were developed in order to:
 - Maintain core Open Space programs and minimize impact to community
 - Maintain \$3.4 million annual real estate acquisition program
 - Continue 9.5 fixed-term positions through 2010
 - Absorb decrease in General Fund transfer of \$100k ongoing and \$100k one-time

Economic Vitality





Economic Vitality

- 2010 Budget \$580,000:
 - \$350,000 for Business Incentive program
 - \$230,000 for program expenses and contracts (e.g., Boulder Economic Council, Boulder Innovation Center)

Allocation of “De-Bruiced” Revenues





De-Bruiced Property Tax

- TABOR restrictions on property tax revenue to be phased-out over six years (based on current mill levy credit)
- Additional funding estimated at \$6,700,000 (once mill levy credit is completely phased out)
- Revenues support four city funds
 - General, Perm Parks & Rec., Library and Community Housing Assistance Program (CHAP)

De-Bruiced Property Tax

Fund	2010 Revenue
General Fund	\$ 1,920,000
Library Fund	80,000
Perm Parks & Recreation	218,000
CHAP	192,000
Total	<u>192,000</u> \$ 2,410,000



De-Bruiced Property Tax

- Ballot language intended funding to be provided for identified critical deficiencies, such as:
 - Fire apparatus replacement
 - Facility maintenance
 - Technology (software, computer systems)
 - Facility energy costs
 - Vehicle Fuel
- Any residual funding to be allocated to other essential city services

De-Bruced Property Tax – General Fund

Description	Amount
Fire Apparatus Replacement	\$ 700,000
Facility Maintenance	300,000
Technology Improvements	250,000
Facility Energy and vehicle fuel costs	190,000
One Additional firefighter	85,000
Fire safety equipment & operating supplies	80,000
Traffic signal devices for emergency vehicles	80,000
Fleet Replacement for Police	50,000
Park maintenance	50,000
Old hire pensions(\$75K) & Emerg. Mgmt (\$60K)	135,000
Total	\$ 1,920,000

De-Bruiced Property Tax – Other Funds

Description	Amount
Library Fund: replacement of library materials handling system	\$ 80,000
Community Housing Assistance Program (CHAP) Fund - affordable housing program	\$192,000
Permanent Parks and Recreation Fund – Recommendation will be included as part of 2011 budget or 2010 supplemental appropriation	\$ 0

Utility Rates





2010 Utility Rates

June 15, 2009 recommendation supported by Water Resource Advisory Board (WRAB):

- Water: 3% (3-0 in favor)
- Wastewater: 2% (2-1 in favor)
- Stormwater/Flood Management: 1% (3-0 in favor)



2010 Utility Rates

- Preliminary Recommendation -
 - Water: 3%
 - Wastewater: 2%
 - Stormwater/Flood Management: 1%

- Council Feedback -
 - Timing of capital project reserve
 - Efficiencies being achieved
 - Current economic environment

2010 Utility Rates

No utility rate increases reflect:

- Elimination of capital projects reserve
- Federal and state regulations
- Financial reserve goals & debt coverage
- Operational efficiencies
- Revised capital improvement program
- Implementation of "Tier 1" peer review items

(Stormwater PIF to Council on
Sept. 15, 2009)



2010 Utility Rates

Reductions/ Efficiencies

- Shutdown Boulder Reservoir Water Treatment Facility during low demand
- Wastewater Treatment Facility energy audit and savings
- Reduce and/or defer equipment and vehicle replacements
- Reduce use of paid interns and consultants for special projects/studies

Next Steps

DATE	Meeting Type	Topics
September 8	Study Session	Continued review of 2010 recommended budget, if needed
October 6	Council Meeting	1 st reading of 2010 budget ordinances
October 20	Council Meeting	2 nd reading of 2010 budget ordinances



Questions

Does City Council have any questions regarding the 2010 recommended budget?

2008-2020 FUND FINANCIAL
OPEN SPACE FUND
2010 RECOMMENDED BUDGET W/O GF TRANSFER

	2008 ACTUAL	2009 REVISED	2010 RECOMMENDED	2011 PROJECTED	2012 PROJECTED	2013 PROJECTED	2014 PROJECTED	2015 PROJECTED	2016 PROJECTED
UNAPPROPRIATED FUND BALANCE									
1 Beginning of Year	\$13,123,522	\$12,067,671	\$10,412,036	\$8,211,176	\$6,805,821	\$7,060,196	\$7,255,934	\$10,401,221	\$15,881,281
SOURCES OF FUNDS									
2 Net Sales Tax Revenue	\$21,803,761	\$21,403,426	\$21,847,184	\$22,624,604	\$23,383,224	\$24,120,001	\$24,852,634	\$25,606,205	\$26,489,619
3 Investment Income	\$430,780	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000
4 Lease & Misc Revenue	\$628,964	\$485,909	\$485,909	\$485,909	\$485,909	\$485,909	\$485,909	\$485,909	\$485,909
5 General Fund Transfer	\$1,057,324	\$1,098,529	\$1,121,381	\$1,233,595	\$1,245,931	\$1,258,390	\$1,270,974	\$1,283,684	\$1,296,521
6 Reduce GF Transfer		(\$100,000)	(\$200,000)	(\$1,233,595)	(\$1,245,931)	(\$1,258,390)	(\$1,270,974)	(\$1,283,684)	(\$1,296,521)
7 Grants	\$49,375	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8 Total Annual Sources of Funds	\$23,970,204	\$23,212,864	\$23,579,474	\$23,435,513	\$24,194,133	\$24,930,910	\$25,663,543	\$26,417,114	\$27,300,528
USES OF FUNDS									
9 General Operating Expenditures	\$9,868,564	\$10,240,630	\$9,860,307	\$10,068,425	\$10,166,692	\$10,370,026	\$10,577,426	\$10,788,975	\$11,004,754
10 Budget Reduction		(\$710,000)							
11 Continuation of 9 FTEs			\$556,041						
12 2010 Reallocations			\$10,698						
13 Additional 0.50 FTE			\$41,522						
14 Administrative Transfer	\$815,571	\$885,465	\$987,358	\$1,007,105	\$1,027,247	\$1,047,792	\$1,068,748	\$1,090,123	\$1,111,925
15 Total Operating Uses of Funds	\$10,684,135	\$10,416,095	\$11,455,926	\$11,075,530	\$11,193,939	\$11,417,818	\$11,646,174	\$11,879,098	\$12,116,680
16 CAPITAL IMPROVEMENTS PROGRAM									
17 Continuation Projects	\$3,325,689								
18 Real Estate Acquisition CIP		\$3,400,000	\$3,400,000	\$1,732,165	\$3,400,000	\$3,400,000	\$3,400,000	\$3,400,000	\$3,400,000
19 Carryover from 2008		\$517,865							
20 Budget Reduction		(\$490,000)							
21 Water Rights Acquisition CIP		\$200,000	\$200,000	\$40,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
22 Budget Reduction		(\$160,000)							
23 Arapahoe Pit Augmentation						\$500,000			
24 Mineral Rights Acquisition		\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
25 Budget Reduction		(\$100,000)							
26 Visitor Infrastructure CIP		\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000
27 Carryover from 2008		\$76,245							
28 Budget Reduction		(\$274,000)							
29 Total Capital Improvements Program	\$3,325,689	\$3,720,110	\$4,150,000	\$2,322,165	\$4,150,000	\$4,650,000	\$4,150,000	\$4,150,000	\$4,150,000
30 DEBT SERVICE USES OF FUNDS									
31 Debt Service - BMPA	\$2,806,095	\$2,541,112	\$2,640,954	\$4,570,484	\$1,734,407	\$1,597,579	\$1,500,969	\$1,110,243	\$408,553
32 Debt Service - Bonds & Notes	\$8,210,137	\$8,191,182	\$7,533,455	\$6,872,688	\$6,861,413	\$7,069,775	\$5,221,113	\$3,797,712	\$3,834,563
33 Total Debt Service Uses of Funds	\$11,016,231	\$10,732,294	\$10,174,408	\$11,443,172	\$8,595,819	\$8,667,354	\$6,722,082	\$4,907,956	\$4,243,116
TOTAL USES OF FUNDS	\$25,026,055	\$24,868,499	\$25,780,334	\$24,840,867	\$23,939,759	\$24,735,172	\$22,518,256	\$20,937,054	\$20,509,796
FUND BALANCE - END OF YEAR	\$12,067,671	\$10,412,036	\$8,211,176	\$6,805,821	\$7,060,196	\$7,255,934	\$10,401,221	\$15,881,281	\$22,672,013
34 OSBT CONTINGENCY RESERVE									
35 PAY PERIOD 27 RESERVE	\$5,475,000	\$5,475,000	\$5,475,000	\$5,475,000	\$5,475,000	\$5,475,000	\$5,475,000	\$5,475,000	\$5,475,000
36 SICK/VAC/APP. BONUS LIABILITY RESERVE	\$68,270	\$126,270	\$184,270	\$242,270	\$300,270	\$358,270	\$416,270	\$474,270	\$532,270
37 PROPERTY AND CASUALTY RESERVE	\$490,000	\$490,000	\$490,000	\$490,000	\$490,000	\$490,000	\$490,000	\$490,000	\$490,000
38 RESERVE FOR ARAPAHOE PIT	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
39 RESERVE FOR HIGHWAY 93 UNDERPASS		\$160,000	\$320,000	\$480,000	\$640,000	\$800,000	\$960,000	\$1,120,000	\$1,280,000
40 SUBTOTAL - RESERVES	\$6,433,270	\$6,741,270	\$6,989,270	\$7,207,270	\$7,285,270	\$6,843,270	\$6,781,270	\$6,839,270	\$6,897,270
UNRESTRICTED FUND BALANCE	\$5,634,401	\$3,670,766	\$1,221,906	(\$401,449)	(\$225,074)	\$412,664	\$3,619,951	\$9,042,011	\$15,774,743

2008-2020 FUND FINANCIAL
OPEN SPACE FUND
2010 RECOMMENDED BUDGET W/O GF TRANSFER

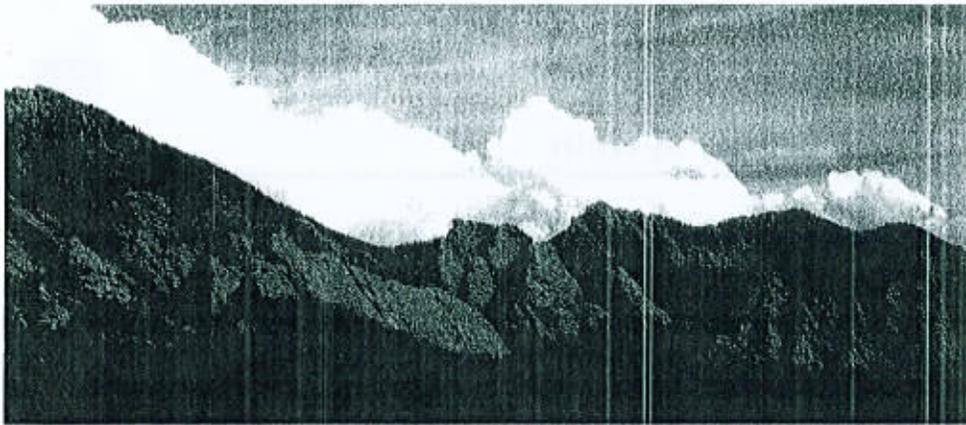
	2017 PROJECTED	2018 PROJECTED	2019 PROJECTED	2020 PROJECTED
UNAPPROPRIATED FUND BALANCE				
1 Beginning of Year	\$22,672,013	\$29,970,195	\$38,195,630	\$38,141,170
SOURCES OF FUNDS				
2 Net Sales Tax Revenue	\$27,403,511	\$28,348,932	\$18,328,889	\$13,790,134
3 Investment Income	\$325,000	\$325,000	\$325,000	\$325,000
4 Lease & Misc Revenue	\$325,000	\$325,000	\$325,000	\$325,000
5 General Fund Transfer	\$1,309,486	\$1,322,581	\$1,335,806	\$1,349,164
6 Reduce GF Transfer	(\$1,309,486)	(\$1,322,581)	(\$1,335,806)	(\$1,349,164)
7 Grants	\$0	\$0	\$0	\$0
8 Total Annual Sources of Funds	\$28,053,511	\$28,968,932	\$18,978,889	\$14,440,134
USES OF FUNDS				
9 General Operating Expenditures	\$11,224,849	\$11,449,346	\$11,678,333	\$11,911,900
10 Budget Reduction				
11 Continuation of 9 FTEs				
12 2010 Reallocations				
13 Additional 0.50 FTE				
14 Administrative Transfer	\$1,134,164	\$1,156,847	\$1,179,964	\$1,203,584
15 Total Operating Uses of Funds	\$12,359,013	\$12,606,194	\$12,658,318	\$13,115,484
16 CAPITAL IMPROVEMENTS PROGRAM				
17 Continuation Projects				
18 Real Estate Acquisition CIP	\$3,400,000	\$3,400,000	\$3,400,000	\$3,400,000
19 Carryover from 2008				
20 Budget Reduction				
21 Water Rights Acquisition CIP	\$200,000	\$200,000	\$200,000	\$200,000
22 Budget Reduction				
23 Arapahoe Pit Augmentation				
24 Mineral Rights Acquisition	\$100,000	\$100,000	\$100,000	\$100,000
25 Budget Reduction				
26 Visitor Infrastructure CIP	\$450,000	\$450,000	\$450,000	\$450,000
27 Carryover from 2008				
28 Budget Reduction				
29 Total Capital Improvements Program	\$4,150,000	\$4,150,000	\$4,150,000	\$4,150,000
30 DEBT SERVICE USES OF FUNDS				
31 Debt Service - BMPA	\$408,553	\$173,941	\$0	\$0
32 Debt Service - Bonds & Notes	\$3,837,763	\$3,843,163	\$2,025,231	\$0
33 Total Debt Service Uses of Funds	\$4,246,316	\$4,017,104	\$2,025,231	\$0
TOTAL USES OF FUNDS	\$20,755,329	\$20,773,298	\$19,033,549	\$17,265,484
FUND BALANCE - END OF YEAR	\$29,970,195	\$38,195,630	\$38,141,170	\$35,315,820
34 OSBT CONTINGENCY RESERVE	\$5,475,000	\$5,475,000	\$5,475,000	\$5,475,000
35 PAY PERIOD 27 RESERVE	\$590,270	\$0	\$0	\$0
36 SICK/VAC/APP. BONUS LIABILITY RESERVE	\$490,000	\$490,000	\$490,000	\$490,000
37 PROPERTY AND CASUALTY RESERVE	\$400,000	\$400,000	\$400,000	\$400,000
38 RESERVE FOR ARAPAHOE PIT				
39 RESERVE FOR HIGHWAY 93 UNDERPASS				
40 SUBTOTAL - RESERVES	\$6,955,270	\$6,365,000	\$6,365,000	\$6,365,000
UNRESTRICTED FUND BALANCE	\$23,014,925	\$31,830,630	\$31,776,170	\$28,950,820

2008-2015 FUND FINANCIAL
OPEN SPACE FUND
2010 RECOMMENDED BUDGET WITH GF TRANSFER

	2008 ACTUAL	2009 REVISED	2010 RECOMMENDED	2011 PROJECTED	2012 PROJECTED	2013 PROJECTED	2014 PROJECTED	2015 PROJECTED	2016 PROJECTED
UNAPPROPRIATED FUND BALANCE									
1 Beginning of Year	\$13,123,522	\$12,067,671	\$10,412,036	\$8,211,176	\$7,939,416	\$9,339,722	\$10,693,850	\$15,010,111	\$21,673,855
SOURCES OF FUNDS									
2 Net Sales Tax Revenue	\$21,803,761	\$21,403,426	\$21,847,184	\$22,624,604	\$23,383,224	\$24,120,001	\$24,852,634	\$25,606,205	\$26,489,619
3 Investment Income	\$430,780	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000
4 Lease & Misc Revenue	\$628,964	\$485,909	\$485,909	\$485,909	\$485,909	\$485,909	\$485,909	\$485,909	\$485,909
5 General Fund Transfer	\$1,057,324	\$1,098,529	\$1,121,381	\$1,233,595	\$1,245,931	\$1,258,390	\$1,270,974	\$1,283,684	\$1,296,521
6 Reduce GF Transfer		(\$100,000)	(\$200,000)	(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)
7 Grants	\$49,375	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8 Total Annual Sources of Funds	\$23,970,204	\$23,212,864	\$23,579,474	\$24,569,108	\$25,340,064	\$26,089,300	\$26,834,517	\$27,600,796	\$28,497,049
USES OF FUNDS									
9 General Operating Expenditures	\$9,868,564	\$10,240,630	\$9,860,307	\$10,068,425	\$10,166,692	\$10,370,026	\$10,577,426	\$10,788,975	\$11,004,754
10 Budget Reduction		(\$710,000)							
11 Continuation of 9 FTEs			\$556,041						
12 2010 Reallocations			\$10,698						
13 Additional 0.50 FTE			\$41,522						
14 Administrative Transfer	\$815,571	\$885,465	\$987,358	\$1,007,105	\$1,027,247	\$1,047,792	\$1,068,748	\$1,090,123	\$1,111,925
15 Total Operating Uses of Funds	\$10,684,135	\$10,416,095	\$11,455,926	\$11,075,530	\$11,193,939	\$11,417,818	\$11,646,174	\$11,879,096	\$12,116,680
16 CAPITAL IMPROVEMENTS PROGRAM									
17 Continuation Projects	\$3,325,689								
18 Real Estate Acquisition CIP		\$3,400,000	\$3,400,000	\$1,732,165	\$3,400,000	\$3,400,000	\$3,400,000	\$3,400,000	\$3,400,000
19 Carryover from 2008		\$517,865							
20 Budget Reduction		(\$490,000)							
21 Water Rights Acquisition CIP		\$200,000	\$200,000	\$40,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
22 Budget Reduction		(\$160,000)							
23 Arapahoe Pit Augmentation						\$500,000			
24 Mineral Rights Acquisition		\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
25 Budget Reduction		(\$100,000)							
26 Visitor Infrastructure CIP		\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000
27 Carryover from 2008		\$76,245							
28 Budget Reduction		(\$274,000)							
29 Total Capital Improvements Program	\$3,325,689	\$3,720,110	\$4,150,000	\$2,322,165	\$4,150,000	\$4,650,000	\$4,150,000	\$4,150,000	\$4,150,000
30 DEBT SERVICE USES OF FUNDS									
31 Debt Service - BMPA	\$2,806,095	\$2,541,112	\$2,640,954	\$4,570,484	\$1,734,407	\$1,597,579	\$1,500,969	\$1,110,243	\$408,553
32 Debt Service - Bonds & Notes	\$8,210,137	\$8,191,182	\$7,533,455	\$6,872,688	\$6,861,413	\$7,069,775	\$5,221,113	\$3,797,712	\$3,834,563
33 Total Debt Service Uses of Funds	\$11,016,231	\$10,732,294	\$10,174,408	\$11,443,172	\$8,595,819	\$8,667,354	\$6,722,082	\$4,907,956	\$4,243,116
TOTAL USES OF FUNDS	\$25,026,055	\$24,868,499	\$25,780,334	\$24,840,867	\$23,939,759	\$24,735,172	\$22,518,256	\$20,937,054	\$20,509,796
FUND BALANCE - END OF YEAR	\$12,067,671	\$10,412,036	\$8,211,176	\$7,939,416	\$9,339,722	\$10,693,850	\$15,010,111	\$21,673,855	\$29,661,108
34 OSBT CONTINGENCY RESERVE	\$5,475,000	\$5,475,000	\$5,475,000	\$5,475,000	\$5,475,000	\$5,475,000	\$5,475,000	\$5,475,000	\$5,475,000
35 PAY PERIOD 27 RESERVE	\$68,270	\$126,270	\$184,270	\$242,270	\$300,270	\$358,270	\$416,270	\$474,270	\$532,270
36 SICK/VAC/APP. BONUS LIABILITY RESERVE	\$490,000	\$490,000	\$490,000	\$490,000	\$490,000	\$490,000	\$490,000	\$490,000	\$490,000
37 PROPERTY AND CASUALTY RESERVE	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
38 RESERVE FOR ARAPAHOE PIT		\$160,000	\$320,000	\$480,000	\$500,000	\$400,000	\$400,000	\$400,000	\$400,000
39 RESERVE FOR HIGHWAY 93 UNDERPASS		\$90,000	\$120,000	\$120,000	\$120,000	\$120,000			
40 SUBTOTAL - RESERVES	\$6,433,270	\$6,741,270	\$6,989,270	\$7,207,270	\$7,285,270	\$6,843,270	\$6,781,270	\$6,839,270	\$6,897,270
UNRESTRICTED FUND BALANCE	\$5,634,401	\$3,670,766	\$1,221,906	\$732,146	\$2,054,452	\$3,850,580	\$8,228,841	\$14,834,585	\$22,763,838

2008-2015 FUND FINANCIAL
OPEN SPACE FUND
2010 RECOMMENDED BUDGET WITH GF TRANSFER

	2017 PROJECTED	2018 PROJECTED	2019 PROJECTED	2020 PROJECTED
UNAPPROPRIATED FUND BALANCE				
1 Beginning of Year	\$29,661,108	\$38,168,775	\$47,616,990	\$48,798,137
SOURCES OF FUNDS				
2 Net Sales Tax Revenue	\$27,403,511	\$28,348,932	\$18,328,889	\$13,790,134
3 Investment Income	\$325,000	\$325,000	\$325,000	\$325,000
4 Lease & Misc Revenue	\$325,000	\$325,000	\$325,000	\$325,000
5 General Fund Transfer	\$1,309,486	\$1,322,581	\$1,335,806	\$1,349,164
6 Reduce GF Transfer	(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)
7 Grants	\$0	\$0	\$0	\$0
8 Total Annual Sources of Funds	<u>\$29,262,997</u>	<u>\$30,221,513</u>	<u>\$20,214,696</u>	<u>\$15,689,298</u>
USES OF FUNDS				
9 General Operating Expenditures	\$11,224,849	\$11,449,346	\$11,678,333	\$11,911,900
10 Budget Reduction				
11 Continuation of 9 FTEs				
12 2010 Reallocations				
13 Additional 0.50 FTE				
14 Administrative Transfer	\$1,134,164	\$1,156,847	\$1,179,984	\$1,203,584
15 Total Operating Uses of Funds	<u>\$12,359,013</u>	<u>\$12,606,194</u>	<u>\$12,858,318</u>	<u>\$13,115,484</u>
16 CAPITAL IMPROVEMENTS PROGRAM				
17 Continuation Projects				
18 Real Estate Acquisition CIP	\$3,400,000	\$3,400,000	\$3,400,000	\$3,400,000
19 Carryover from 2008				
20 Budget Reduction				
21 Water Rights Acquisition CIP	\$200,000	\$200,000	\$200,000	\$200,000
22 Budget Reduction				
23 Arapahoe Pit Augmentation				
24 Mineral Rights Acquisition	\$100,000	\$100,000	\$100,000	\$100,000
25 Budget Reduction				
26 Visitor Infrastructure CIP	\$450,000	\$450,000	\$450,000	\$450,000
27 Carryover from 2008				
28 Budget Reduction				
29 Total Capital Improvements Program	<u>\$4,150,000</u>	<u>\$4,150,000</u>	<u>\$4,150,000</u>	<u>\$4,150,000</u>
30 DEBT SERVICE USES OF FUNDS				
31 Debt Service - BMPA	\$408,553	\$173,941	\$0	\$0
32 Debt Service - Bonds & Notes	\$3,837,763	\$3,843,163	\$2,025,231	\$0
33 Total Debt Service Uses of Funds	<u>\$4,246,316</u>	<u>\$4,017,104</u>	<u>\$2,025,231</u>	<u>\$0</u>
TOTAL USES OF FUNDS	\$20,755,329	\$20,773,298	\$19,033,549	\$17,265,484
FUND BALANCE - END OF YEAR	\$38,168,775	\$47,616,990	\$48,798,137	\$47,221,951
34 OSBT CONTINGENCY RESERVE	\$5,475,000	\$5,475,000	\$5,475,000	\$5,475,000
35 PAY PERIOD 27 RESERVE	\$590,270	\$0	\$0	\$0
36 SICK/VAC/APP. BONUS LIABILITY RESERVE	\$490,000	\$490,000	\$490,000	\$490,000
37 PROPERTY AND CASUALTY RESERVE	\$400,000	\$400,000	\$400,000	\$400,000
38 RESERVE FOR ARAPAHOE PIT				
39 RESERVE FOR HIGHWAY 93 UNDERPASS				
40 SUBTOTAL - RESERVES	<u>\$6,955,270</u>	<u>\$6,365,000</u>	<u>\$6,365,000</u>	<u>\$6,365,000</u>
UNRESTRICTED FUND BALANCE	\$31,213,505	\$41,251,990	\$42,433,137	\$40,856,951



Boulder County Revenue Stabilization Research

Presented to

Boulder County Revenue Stabilization Workgroup

Prepared by

Tom Pippin & Scott Kitchens, BBC Research & Consulting

Purpose of This Document

- As Phase I of the Boulder County Revenue Stabilization Study is now complete, we have decided to catalog the research and results from this process.
- This report presents the following:
 - Background research on revenue sharing and why Boulder County could benefit from such a program
 - Description and Pros/Cons of each potential method
 - Quantitative results of the “Top 4” methods
 - Lessons learned from Phase I

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Group History

- In April of 2005, the Consortium made revenue stability one of its four top priorities.
- In April of 2006, the “Revenue Stability Work Group” was created to continue the discussion, begin research, and formulate ways to move forward.
- The Work Group (past and present) includes: Heather Balser, Don Brown, Doug Brown, Frank Bruno, Carl Castillo, Carolyn Cutler, Megan Davis, Bob Eichem, Malcolm Fleming, Dickey Lee Hullinghorst, Karen Imbierowicz, Gary Klaphake, Sheri Marsella, Andrew Moore, Lisa Morzel, Paul Nilles, Ben Pearlman, Lisa Skumatz, Valeria Skitt, Jim Stevens, and Ken Wilson.

The Current System

The municipalities in Boulder County were experiencing a number of problems with the current system. The Revenue Stability Workgroup identified some key issues:

Big losers and winners

Municipalities with strong regional retail were big winners, drawing revenue from neighboring communities (losers), resulting in greater volatility in sales tax revenue and greater difficulty in planning for, and funding, municipal services;

Unproductive Competition

Developers negotiating with multiple neighboring municipalities to receive greater incentive deals;

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How are these problems playing out for local communities?

- Lack of control and lost revenues in development decisions.
- Development that doesn't best fit community or regional needs.
- Inconsistent service provision (closures, cutbacks).
- Dramatic fluctuations in revenue from year to year:

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The Current System

Duplication and overbuilding of retail

New regional retail centers built just miles apart – market area not big enough resulted in revenue dips and retail that does not meet the needs of the community;

Colorado's Fiscal Structure

System which incentivizes development as primary source of revenue generation.

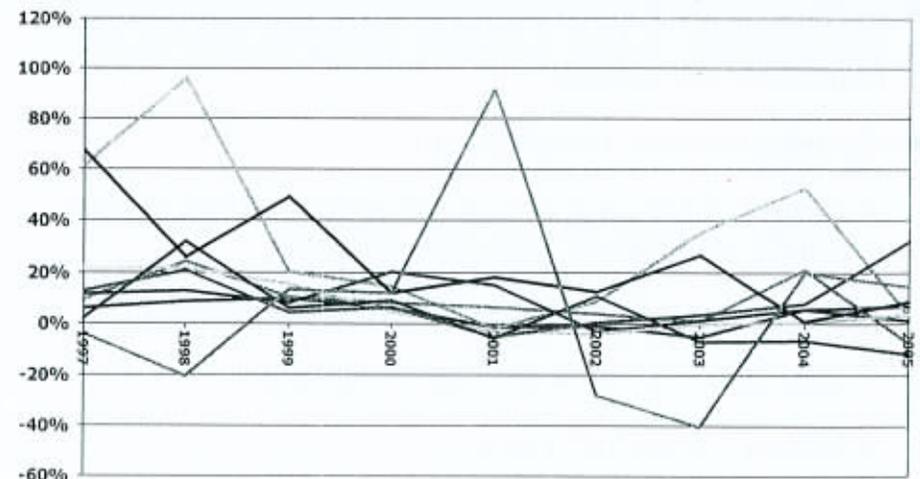
Land Use Decisions

Comprehensive plans may help define where development will take place, but the true overarching factor in development approval, especially where regional retail outlets are concerned, is the need for increased municipal revenue.

Others in Colorado, especially on the Front Range, are also experiencing these problems.....

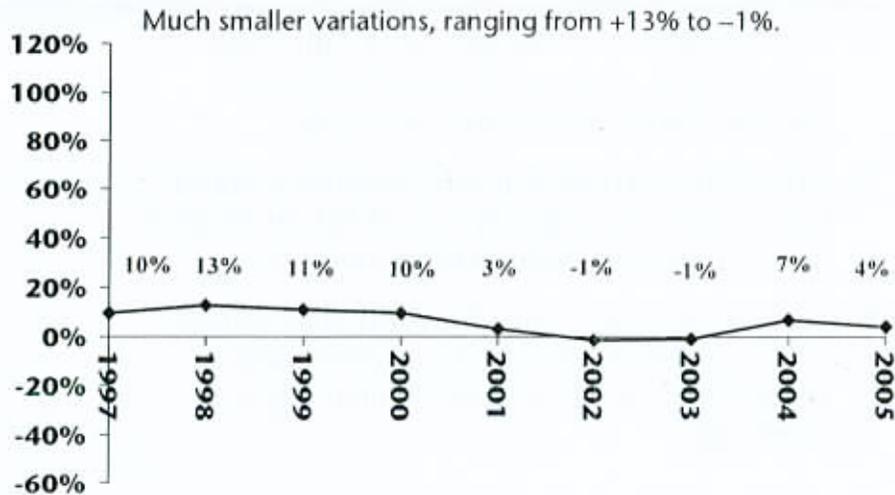
6

Percent Change in Sales & Use Tax collections, by municipality, 1997-2005



8

Percent Change in Sales & Use Tax collections, All municipalities, 1997 – 2005



9

Possible benefits of a Regional Revenue Stability project (con't.):

4. Better Decision Making

- True self-determination – so no municipality feels “forced” to make an undesirable planning or development decision and overall greater cooperation in decision-making.
- Less overbuilding, and therefore more productive use of retail and commercial space.

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Possible benefits of a Regional Revenue Stability project:

1. Revenue Retention

- Retain revenues locally – rather than subsidizing businesses

2. Predictability

- Stable revenue - allows confidence in planning for service expenditures

3. Positive Regional Relationships

- Better, more constructive relationships among communities

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Why now?

1. Volatility increasing over last 10 years

- Peaks and valleys are more pronounced, cycle is faster, and box stores are getting bigger.

2. Long term benefits

- Value of long-term benefits over potential short-term gain.

3. Opportunities are limited and shrinking

- Approaching build-out

4. Compete better when we cooperate

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Established Revenue Sharing Systems

The idea of revenue sharing between governments is not new.

Revenue sharing systems are established and successful in:

- City of Modesto and Stanislaus County, California
- Towns of Gypsum and Eagle, Colorado
- Cities of Westminster and Thornton, Colorado
- Cities of Minneapolis and St. Paul, Minnesota
- Meadowlands Area (14 municipalities and 2 counties), New Jersey

And many others...

The group also initially explored “service sharing” agreements, but for the purposes of this study, decided to focus on revenue sharing agreements.

Possible Methodologies to Consider

We first asked members of the Working Group to consider the following methodologies for a potential revenue sharing system:

- | | |
|------------------------|-----------------------|
| •Population | •Leakage Adjustment |
| •Spending Power | •Sales PSF Adjustment |
| •Low-Income Adjustment | •Policy Bonus Points |
| •Trip Generation | •Merchant Type |
| •Regional Land Banking | •CIP Weighting |

Project Initiation

- BBC Research & Consulting met with small groups from each municipality including elected officials and finance directors.
- Discussions centered around revenue stability issues, each municipality’s goals for the project and potential revenue sharing methods.
- From these discussions, BBC was able narrow down potential methods to examine and better direct and lead future working group meetings.

Possible Methodologies to Consider

- For the purposes of our analysis, we assumed that each municipality could contribute 1 percentage point of their incremental sales tax revenues to the “redistribution pool”.
- While we ran certain methods with each municipality’s full sales-tax revenues, we chose to use incremental sales tax revenues so that those municipalities whose total sales tax revenues declined year over year were not penalized (they contributed \$0 to the redistribution pool).
- We also inventoried existing dedicated sales taxes for each municipality and/or those taxes restricted by bond covenant and concluded that at most only 1.5 percentage points of each municipality’s sales tax revenues could be contributed. To be conservative and provide flexibility, we reduced that figure to 1 percentage point.

Population

■ Description

- Distribute incremental sales tax based on share of total population (e.g., 50% of population = 50% of incremental sales tax)

■ Pros

- Simple to explain to voters
- Ease of administration

17

Spending Power

■ Description

- Distribute incremental sales tax based on weighted measure of spending power in each community
- Higher spending power → Higher distribution

■ Pros

- More equitable than pure population allocation

19

Population (cont.)

■ Cons

- Ignores income differentials
- Ignores commuting patterns

■ Municipal Interview Feedback

- High level of interest to see what actual results would be

18

Spending Power (cont.)

■ Cons

- Ignores commuting patterns
- Does not discuss need (low income communities receive less of incremental sales tax)

■ Municipal Interview Feedback

- Medium level of interest

20

Low Income Adjustment

■ Description

- Low income communities receive “bonus points” when determining sales tax distribution

■ Pros

- Reduces incentive for low-sales tax yielding communities to over-retail or give aggressive incentives

21

Trip Generation

■ Description

- Weighted average of “Internal to Internal” trips
- Rewards communities whose residents “eat, work and shop” locally

■ Pros

- Promotes sustainable economic development

23

Low Income Adjustment (cont.)

■ Cons

- Perceived as “social engineering”
- Administration of how much low income is weighted (i.e., every community below the median or just the lowest income community)

■ Municipal Interview Feedback

- Low interest

22

Trip Generation (cont.)

■ Cons

- Disincentive for job creation (e.g., regional employment centers have relatively more “External to Internal” imported trips)
- Difficult to measure number of trips for comparison

■ Municipal Interview Feedback

- Very low interest

24

Regional Land Banking

■ Description

- Each community contributes to pool of future regional retail sites
- Based on percentage of total land contributed, each community receives its share of sales tax generated by retail on those sites

■ Pros:

- Communities have choice to participate or not
- Promotes non-competition between communities

25

CIP Weighting

■ Description

- Incremental sales tax distribution based on total cost of CIP projects that benefit regional transportation and provide community buffers (public transportation systems, increased traffic flow, bike paths, open space etc.)

■ Pros

- Promotes good planning
- Could accelerate regional transportation solutions

27

Regional Land Banking (cont.)

■ Cons

- Who decides what is considered OK to contribute to land bank?
 - Is there a minimum standard?
- Different development standards for each City
 - One could donate bad land and essentially be a free rider

■ Municipal Interview Feedback

- Medium → Intriguing concept but potential implementation issues

26

CIP Weighting (cont.)

■ Cons

- What defines a CIP project that benefits the region?
- Hurts communities that have already completed their share of regionally beneficial infrastructure projects

■ Municipal Interview Feedback

- Low interest

28

Leakage Adjustment

■ Description

- Using annual sales tax revenues and population counts, determine which communities leak or import shoppers
- Share the incremental sales taxes to those communities that leak shoppers

■ Pros

- More equitable than current “winner take all” system
- Discourages communities that currently leak shoppers to over-retail in response

29

Sales PSF Adjustment

■ Description

- Determine median retail sales per sq. ft. for entire County
 - If community's sales PSF < median → gain sales tax
 - If community's sales PSF > median → lose sales tax

■ Pros

- More equitable than current system
- Discourages over-retailing

31

Leakage Adjustment (cont.)

■ Cons

- Harms towns with “unique character retail” (i.e., towns with unique boutique shop and retail areas that automatically import shoppers)

■ Municipal Interview Feedback

- Medium interest

30

Sales PSF Adjustment (cont.)

■ Cons

- Collection of sales per square foot data
- “Unique character retail” of some communities
- Discourages municipal participation in “placemaking” such as marketing & branding campaigns
- Who would govern and enforce such a program?

■ Municipal Interview Feedback

- Low interest due to data collection issues and unintended business consequences

32

Policy Bonus Points

■ Description

- Distribute incremental sales tax based on number of beneficial policies used by each community
 - Green building codes, TDRs for higher density, community buffers, impact fees at full-cost recovery levels, transportation plans with strong transit components

■ Pros

- Promotes good land planning and public policy

33

Merchant Type

■ Description

- Define what retail types in every community are likely to be a “regional draw”
- Share sales tax from only those retail types developed in the future

■ Pros

- Reduces competition for major sales-tax generators
- Reduces incentive for over-retailing
- More equitable than status quo

35

Policy Bonus Points (cont.)

■ Cons

- What is a “beneficial policy”?
- How to differentiate between full and partial compliance?
- Would it be retroactive?

■ Municipal Interview Feedback

- Very low interest

34

Merchant Type (cont.)

■ Cons

- How do you define what is and isn't a regional retail draw?
- Record keeping (sales tax software questions)
- Penalizes communities that are still building-out regional retail

■ Municipal Interview Feedback

- Medium interest but concerns about record keeping and “latecomer” penalties

36

Top 4 Methodologies

After discussions with each municipality, we narrowed our list to four methodologies:

- Population Method
- Spending Power Method
- Leakage Adjustment Method
- Land Banking Method

We then collected financial data from each of the municipalities and created quantitative models of each method.

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Population Method

Quantitative Methodology

- Using population data provided by DRCOG, we were able to determine each City's percentage of the total 5-City population.

	2000	2001	2002	2003	2004	2005	2006	2007
Boulder	63%	63%	62%	62%	62%	60%	60%	59%
Erie	4%	4%	5%	5%	6%	7%	8%	9%
Lafayette	15%	15%	15%	15%	15%	14%	14%	14%
Louisville	12%	12%	12%	12%	11%	11%	11%	11%
Superior	6%	6%	6%	7%	7%	6%	6%	6%

Note: Erie includes both Boulder and Weld County populations.

- We then used these percentages to distribute the 1 percentage point of sales tax revenues up for redistribution in each year.

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Background Financial Data

General Fund Sales Tax Revenues

	2000	2001	2002	2003	2004	2005	2006	2007
Boulder	\$ 14,371,311	\$ 32,296,119	\$ 29,747,908	\$ 28,277,332	\$ 28,688,017	\$ 29,416,593	\$ 31,505,885	\$ 35,487,193
Erie	\$ 1,417,497	\$ 1,781,754	\$ 1,781,426	\$ 1,974,172	\$ 2,130,343	\$ 2,381,629	\$ 2,466,172	\$ 2,561,584
Lafayette	\$ 3,648,750	\$ 4,882,252	\$ 4,965,407	\$ 5,194,537	\$ 5,631,759	\$ 6,196,060	\$ 7,037,401	\$ 7,077,172
Louisville	\$ 5,979,459	\$ 5,733,374	\$ 5,553,490	\$ 5,649,549	\$ 5,885,052	\$ 5,906,516	\$ 5,414,210	\$ 5,594,074
Superior	\$ 2,179,050	\$ 3,177,039	\$ 3,415,629	\$ 3,819,404	\$ 4,325,244	\$ 4,592,127	\$ 4,773,811	\$ 4,734,113

Incremental Sales Tax Revenues (year over year)

	2001	2002	2003	2004	2005	2006	2007
Boulder	\$ (2,075,192)	\$ (2,548,211)	\$ (1,470,576)	\$ 410,685	\$ 728,576	\$ 2,089,292	\$ 3,981,308
Erie	\$ 364,257	\$ (328)	\$ 192,746	\$ 156,171	\$ 251,286	\$ 84,543	\$ 95,412
Lafayette	\$ 1,233,502	\$ 81,155	\$ 229,130	\$ 437,222	\$ 564,301	\$ 841,341	\$ 39,771
Louisville	\$ (246,085)	\$ (179,884)	\$ 96,059	\$ 235,503	\$ 21,464	\$ (492,306)	\$ 179,864
Superior	\$ 997,989	\$ 238,590	\$ 403,775	\$ 505,840	\$ 266,883	\$ 181,684	\$ (39,696)

One Percentage Point of Incremental Revenues for Redistribution

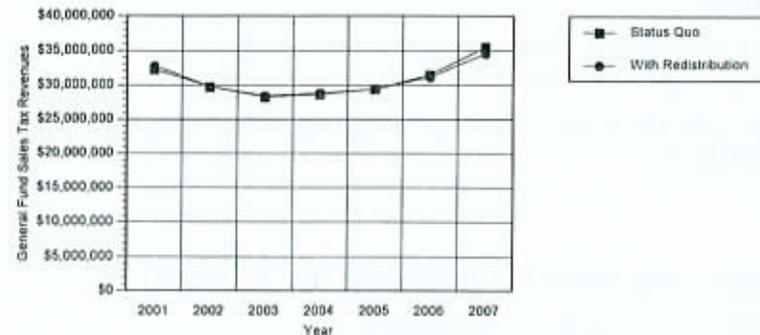
	2001	2002	2003	2004	2005	2006	2007
Boulder	\$ -	\$ -	\$ -	\$ 244,455	\$ 433,676	\$ 1,243,626	\$ 2,369,826
Erie	\$ 104,073	\$ -	\$ 55,070	\$ 44,620	\$ 71,796	\$ 24,155	\$ 27,261
Lafayette	\$ 352,429	\$ 23,759	\$ 65,466	\$ 124,921	\$ 161,229	\$ 240,383	\$ 11,363
Louisville	\$ -	\$ -	\$ 48,030	\$ 117,752	\$ 10,732	\$ -	\$ 89,932
Superior	\$ 369,626	\$ 88,367	\$ 149,546	\$ 187,348	\$ 98,846	\$ 67,290	\$ -
TOTAL	\$ 826,128	\$ 112,125	\$ 318,112	\$ 719,096	\$ 776,279	\$ 1,575,455	\$ 2,498,382

Note: If incremental sales tax revenues were negative, contribution to redistribution pool was \$0.

Source: Finance Departments of Boulder, Erie, Lafayette, Louisville and Superior.

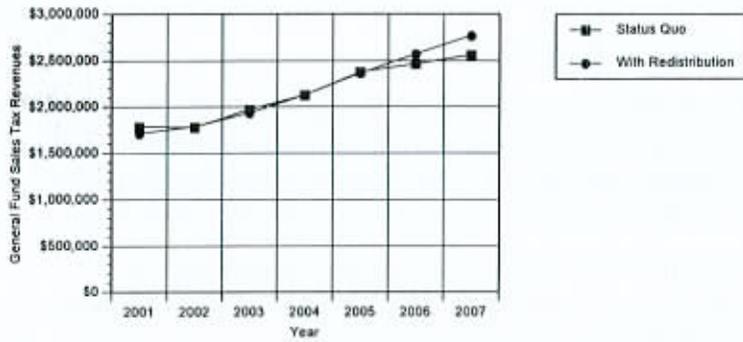
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Population Method - Boulder



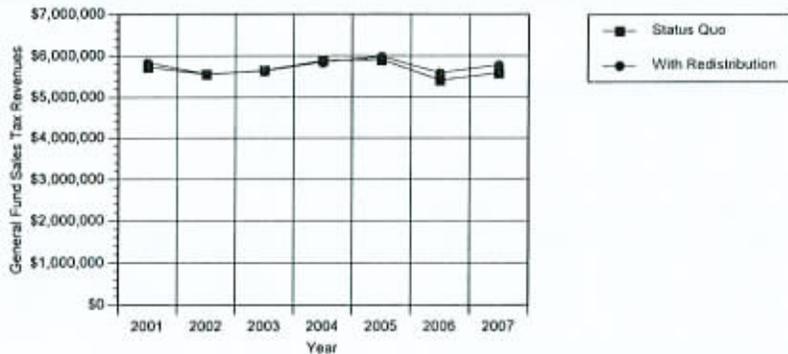
40

Population Method - Erie



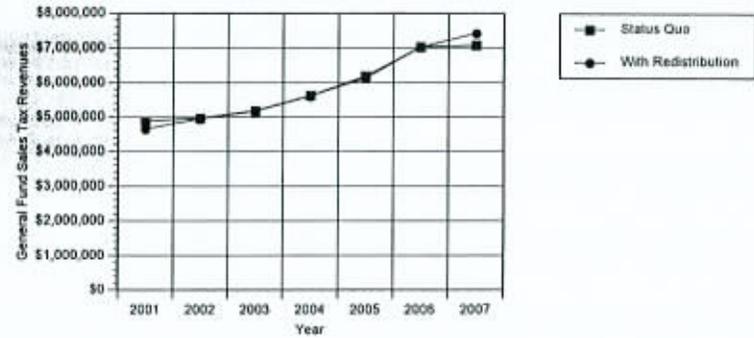
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Population Method - Louisville



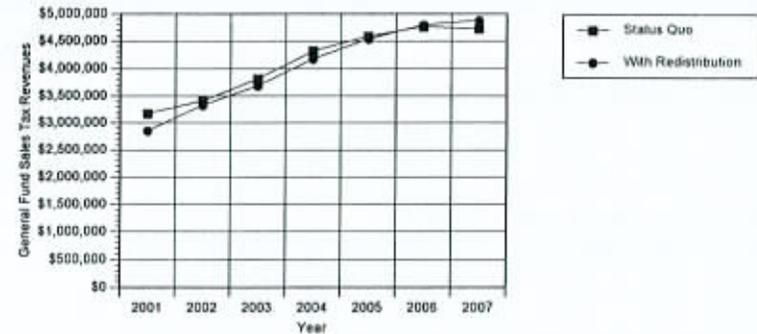
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Population Method - Lafayette



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Population Method - Superior



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Population Method - Summary

	2001	2002	2003	2004	2005	2006	2007	Cumulative
Boulder								
Status Quo	\$ 32,296,119	\$ 29,747,908	\$ 28,277,332	\$ 28,688,017	\$ 29,416,593	\$ 31,505,885	\$ 35,487,193	\$ 215,419,047
With Redistribution	\$ 32,816,130	\$ 29,817,856	\$ 28,474,128	\$ 28,886,318	\$ 29,451,659	\$ 31,201,336	\$ 34,589,852	\$ 215,237,278
Annual Gain/Loss	\$ 520,011	\$ 69,948	\$ 196,796	\$ 198,301	\$ 35,066	\$ (304,549)	\$ (897,341)	\$ (181,769)
Erie								
Status Quo	\$ 1,781,754	\$ 1,781,426	\$ 1,974,172	\$ 2,130,343	\$ 2,381,629	\$ 2,466,172	\$ 2,561,584	\$ 15,077,080
With Redistribution	\$ 1,714,319	\$ 1,787,093	\$ 1,935,942	\$ 2,128,190	\$ 2,367,335	\$ 2,574,156	\$ 2,766,590	\$ 15,273,624
Annual Gain/Loss	\$ (67,435)	\$ 5,667	\$ (38,230)	\$ (2,153)	\$ (14,294)	\$ 107,984	\$ 205,006	\$ 196,544
Lafayette								
Status Quo	\$ 4,882,252	\$ 4,965,407	\$ 5,194,537	\$ 5,631,759	\$ 6,196,060	\$ 7,037,401	\$ 7,077,172	\$ 40,984,588
With Redistribution	\$ 4,651,622	\$ 4,958,066	\$ 5,175,496	\$ 5,611,111	\$ 6,146,899	\$ 7,023,287	\$ 7,426,036	\$ 40,992,498
Annual Gain/Loss	\$ (230,630)	\$ (7,341)	\$ (19,041)	\$ (20,648)	\$ (49,161)	\$ (74,114)	\$ 348,844	\$ 7,910
Louisville								
Status Quo	\$ 5,733,374	\$ 5,553,490	\$ 5,649,549	\$ 5,885,052	\$ 5,906,516	\$ 5,414,210	\$ 5,594,074	\$ 39,736,265
With Redistribution	\$ 5,832,714	\$ 5,566,862	\$ 5,638,880	\$ 5,849,964	\$ 5,984,203	\$ 5,592,769	\$ 5,783,913	\$ 40,249,104
Annual Gain/Loss	\$ 99,340	\$ 13,372	\$ (10,669)	\$ (35,088)	\$ 77,687	\$ 178,559	\$ 189,839	\$ 513,039
Superior								
Status Quo	\$ 3,177,039	\$ 3,415,629	\$ 3,819,404	\$ 4,325,244	\$ 4,592,127	\$ 4,773,811	\$ 4,734,115	\$ 28,837,369
With Redistribution	\$ 2,855,753	\$ 3,333,984	\$ 3,690,548	\$ 4,184,832	\$ 4,542,829	\$ 4,805,931	\$ 4,887,708	\$ 28,301,646
Annual Gain/Loss	\$ (321,286)	\$ (81,645)	\$ (128,856)	\$ (140,412)	\$ (49,298)	\$ 32,120	\$ 151,652	\$ (535,723)

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Spending Power Method

Median Household Income

	2000	2001	2002	2003	2004	2005	2006	2007
Boulder	\$ 45,584	\$ 46,057	\$ 46,531	\$ 47,004	\$ 47,477	\$ 47,950	\$ 48,424	\$ 48,897
Erie	\$ 78,154	\$ 81,064	\$ 81,975	\$ 86,885	\$ 89,795	\$ 92,705	\$ 95,616	\$ 98,526
Lafayette	\$ 58,210	\$ 59,482	\$ 60,754	\$ 62,026	\$ 63,299	\$ 64,571	\$ 65,843	\$ 67,115
Louisville	\$ 69,718	\$ 71,235	\$ 72,753	\$ 74,270	\$ 75,787	\$ 77,304	\$ 78,822	\$ 80,339
Superior	\$ 81,662	\$ 85,175	\$ 88,687	\$ 92,200	\$ 95,712	\$ 99,225	\$ 102,737	\$ 106,250

Amount Spent on Sales Taxable Goods

	2000	2001	2002	2003	2004	2005	2006	2007
Boulder	\$ 25,846	\$ 26,114	\$ 26,382	\$ 26,651	\$ 26,919	\$ 27,188	\$ 27,456	\$ 27,724
Erie	\$ 39,982	\$ 41,471	\$ 42,960	\$ 44,449	\$ 45,938	\$ 47,426	\$ 48,915	\$ 50,404
Lafayette	\$ 32,046	\$ 32,747	\$ 33,447	\$ 34,147	\$ 34,848	\$ 35,548	\$ 36,248	\$ 36,949
Louisville	\$ 35,666	\$ 36,443	\$ 37,219	\$ 37,995	\$ 38,771	\$ 39,548	\$ 40,324	\$ 41,100
Superior	\$ 41,727	\$ 43,574	\$ 45,371	\$ 47,168	\$ 48,965	\$ 50,762	\$ 52,559	\$ 54,356

- We used the Consumer Expenditure Survey to estimate what percentage of each household's income is spent on sales taxable goods.

Source: Claritas 2007 database and U.S. Bureau of Labor Statistics.

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Spending Power Method

Quantitative Methodology

- Using median household incomes for each City from 2000 to 2007 and the percentage of that household income spent on sales taxable goods, we were able to determine the total sales taxable expenses for each household in each City.
- We then multiplied that number by the number of households in each City to determine total sales taxable expenses for each City for each year.
- Finally, we calculated each City's percentage of the total 5-City sales taxable expenses for each year. We used these percentages to distribute the 1 percentage point of sales tax revenues up for redistribution in each year.

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Spending Power Method

Number of Households

	2000	2001	2002	2003	2004	2005	2006	2007
Boulder	41,524	39,511	41,307	41,409	42,242	42,414	43,109	43,687
Erie	2,199	2,417	2,744	2,971	3,425	4,436	5,163	5,783
Lafayette	8,844	8,863	8,892	8,989	9,130	9,305	9,455	9,606
Louisville	7,216	7,204	7,186	7,179	7,223	7,326	7,442	7,449
Superior	3,381	3,503	3,686	4,054	4,138	4,122	4,161	4,119

Total Amount Spent on Sales Taxable Goods

	2000	2001	2002	2003	2004	2005	2006	2007
Boulder	\$ 1,075,220,397	\$ 1,031,795,585	\$ 1,088,781,282	\$ 1,101,584,378	\$ 1,157,120,140	\$ 1,153,122,012	\$ 1,183,595,624	\$ 1,211,188,500
Erie	\$ 87,920,758	\$ 100,235,416	\$ 117,881,833	\$ 132,037,692	\$ 157,316,110	\$ 210,381,007	\$ 252,549,425	\$ 291,486,832
Lafayette	\$ 283,417,743	\$ 290,233,847	\$ 297,411,033	\$ 306,550,863	\$ 318,139,861	\$ 330,774,594	\$ 342,229,040	\$ 354,930,139
Louisville	\$ 252,369,116	\$ 262,532,975	\$ 267,454,891	\$ 272,766,812	\$ 280,043,201	\$ 289,723,202	\$ 300,089,312	\$ 306,153,608
Superior	\$ 141,247,305	\$ 152,658,848	\$ 167,236,468	\$ 191,217,795	\$ 201,636,438	\$ 209,239,195	\$ 218,696,279	\$ 223,890,526
TOTAL	\$ 1,841,175,119	\$ 1,837,436,671	\$ 1,919,766,509	\$ 2,006,576,939	\$ 2,094,297,750	\$ 2,193,253,710	\$ 2,297,659,679	\$ 2,387,649,671

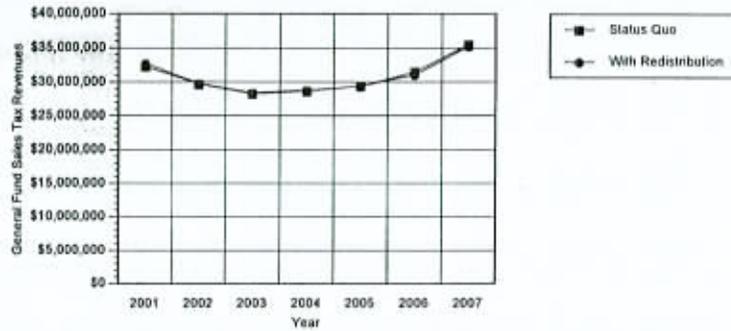
Percent of Total Spending per Year

	2000	2001	2002	2003	2004	2005	2006	2007
Boulder	58%	56%	56%	55%	54%	53%	52%	51%
Erie	5%	5%	6%	7%	8%	10%	11%	12%
Lafayette	15%	16%	15%	15%	15%	15%	15%	15%
Louisville	14%	14%	14%	14%	13%	13%	13%	13%
Superior	8%	8%	9%	10%	10%	10%	10%	9%

- These are the percentages used for redistribution.

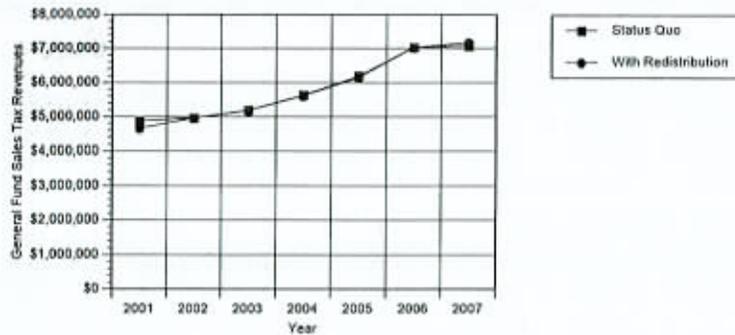
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Spending Power Method - Boulder



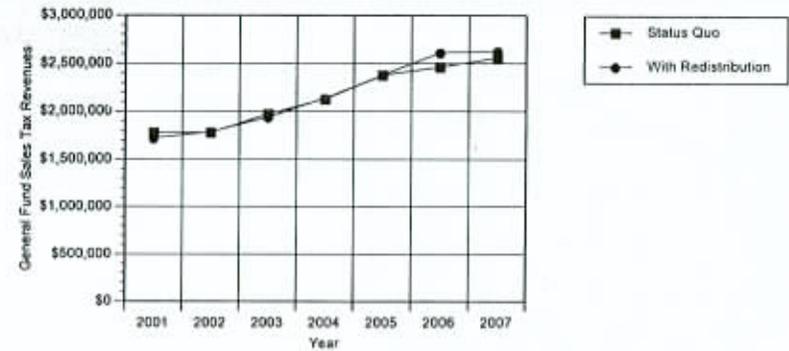
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Spending Power Method - Lafayette



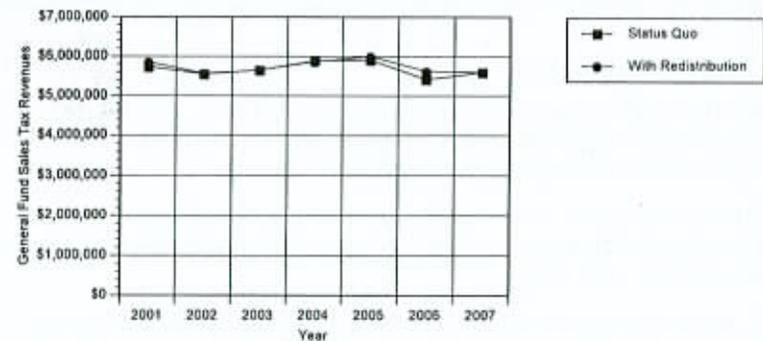
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Spending Power Method - Erie



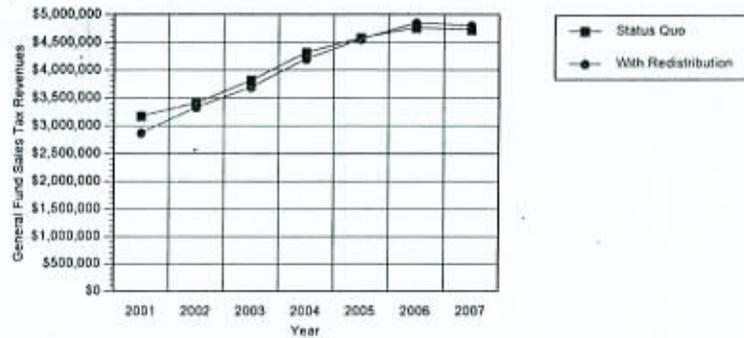
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Spending Power Method - Louisville



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Spending Power Method - Superior



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Leakage Method

Quantitative Methodology

- Using the total number of households for each City and the expected retail expenditures per household, we calculated the expected total retail sales for each City.
- We then took each City's actual sales tax revenues for each year and, using the appropriate sales tax rate, calculated the actual total retail sales for each City.
- Next, we compared the expected total retail sales with the actual total retail sales. Those cities whose actual retail sales were less than their expected retail sales were classified as "leakers".
- We then calculated the total leakage of all five cities and the percentage of total leakage from each City. These percentages were used to distribute the one point of incremental sales tax revenues.

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Spending Power Method - Summary

	2001	2002	2003	2004	2005	2006	2007	Cumulative
Boulder								
Status Quo	\$ 32,296,119	\$ 29,747,908	\$ 28,277,332	\$ 28,688,017	\$ 29,416,393	\$ 31,505,885	\$ 35,487,193	\$ 215,419,047
With Redistribution	\$ 32,760,024	\$ 29,810,901	\$ 28,452,288	\$ 28,834,002	\$ 29,391,055	\$ 31,073,824	\$ 35,237,846	\$ 215,559,940
Annual Gain/(Loss)	\$ 463,905	\$ 62,993	\$ 174,956	\$ 145,985	\$ (2,538)	\$ (432,061)	\$ (249,347)	\$ 140,893
Erie								
Status Quo	\$ 1,781,754	\$ 1,781,426	\$ 1,974,172	\$ 2,130,343	\$ 2,381,629	\$ 2,466,172	\$ 2,561,384	\$ 15,077,080
With Redistribution	\$ 1,722,747	\$ 1,788,240	\$ 1,940,037	\$ 2,139,745	\$ 2,384,296	\$ 2,615,184	\$ 2,627,955	\$ 15,218,205
Annual Gain/(Loss)	\$ (59,007)	\$ 6,814	\$ (134,135)	\$ 9,402	\$ 2,667	\$ 149,012	\$ 66,371	\$ 141,125
Lafayette								
Status Quo	\$ 4,882,252	\$ 4,965,407	\$ 5,194,537	\$ 5,631,759	\$ 6,196,060	\$ 7,037,401	\$ 7,077,172	\$ 40,984,388
With Redistribution	\$ 4,660,315	\$ 4,958,840	\$ 5,177,234	\$ 5,616,081	\$ 6,151,905	\$ 7,032,020	\$ 7,179,820	\$ 40,776,714
Annual Gain/(Loss)	\$ (221,937)	\$ (6,567)	\$ (16,803)	\$ (15,678)	\$ (44,155)	\$ (5,381)	\$ 102,648	\$ (207,674)
Louisville								
Status Quo	\$ 5,733,374	\$ 5,553,490	\$ 5,649,549	\$ 5,885,052	\$ 5,906,516	\$ 5,414,210	\$ 5,594,074	\$ 39,736,265
With Redistribution	\$ 5,831,411	\$ 5,568,950	\$ 5,644,762	\$ 5,863,457	\$ 5,998,329	\$ 5,619,975	\$ 5,602,485	\$ 40,149,368
Annual Gain/(Loss)	\$ (118,037)	\$ 15,460	\$ (4,787)	\$ (21,595)	\$ 91,813	\$ (205,765)	\$ 8,411	\$ 473,703
Superior								
Status Quo	\$ 3,177,039	\$ 3,415,629	\$ 3,819,404	\$ 4,325,244	\$ 4,592,127	\$ 4,773,811	\$ 4,734,115	\$ 28,837,369
With Redistribution	\$ 2,876,041	\$ 3,336,929	\$ 3,700,172	\$ 4,207,130	\$ 4,567,339	\$ 4,856,476	\$ 4,806,033	\$ 28,350,121
Annual Gain/(Loss)	\$ (300,998)	\$ (78,700)	\$ (119,232)	\$ (118,114)	\$ (24,788)	\$ 82,665	\$ 21,918	\$ (487,248)

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Leakage Method

Expected Total Retail Sales

	2001	2002	2003	2004	2005	2006	2007
Boulder	\$ 1,031,795,585	\$ 1,089,781,282	\$ 1,101,584,378	\$ 1,137,120,140	\$ 1,153,132,012	\$ 1,183,595,624	\$ 1,211,188,506
Erie	\$ 100,235,416	\$ 112,881,835	\$ 132,057,092	\$ 157,336,110	\$ 210,383,507	\$ 252,549,425	\$ 291,486,892
Lafayette	\$ 290,733,847	\$ 297,411,033	\$ 306,950,863	\$ 318,159,861	\$ 330,774,994	\$ 342,729,040	\$ 354,930,139
Louisville	\$ 154,894,455	\$ 157,798,387	\$ 160,932,419	\$ 165,226,669	\$ 170,937,869	\$ 177,052,694	\$ 180,630,629
Superior	\$ 152,635,848	\$ 167,236,466	\$ 191,217,795	\$ 201,636,438	\$ 209,239,395	\$ 218,696,279	\$ 223,890,526

Actual Total Retail Sales

	2001	2002	2003	2004	2005	2006	2007
Boulder	\$ 1,922,388,036	\$ 1,770,708,810	\$ 1,683,174,524	\$ 1,707,620,060	\$ 1,750,987,679	\$ 1,875,350,298	\$ 1,939,190,874
Erie	\$ 50,907,257	\$ 50,897,886	\$ 56,804,914	\$ 60,866,943	\$ 68,046,543	\$ 70,462,057	\$ 73,188,114
Lafayette	\$ 139,492,914	\$ 141,868,771	\$ 148,415,343	\$ 160,907,400	\$ 177,030,286	\$ 201,068,600	\$ 202,204,914
Louisville	\$ 286,668,700	\$ 277,674,500	\$ 282,477,450	\$ 294,252,600	\$ 295,325,800	\$ 270,710,500	\$ 279,703,700
Superior	\$ 161,481,433	\$ 174,652,939	\$ 189,608,786	\$ 211,616,214	\$ 225,800,211	\$ 236,197,832	\$ 227,630,809

Total Leakage/Importation

	2001	2002	2003	2004	2005	2006	2007
Boulder	\$ 890,592,450	\$ 680,927,527	\$ 579,590,146	\$ 570,499,920	\$ 597,855,666	\$ 691,754,674	\$ 728,002,369
Erie	\$ (49,328,159)	\$ (66,983,950)	\$ (75,652,178)	\$ (96,469,167)	\$ (142,336,964)	\$ (182,087,368)	\$ (218,298,778)
Lafayette	\$ (150,740,932)	\$ (155,542,262)	\$ (158,535,520)	\$ (157,252,461)	\$ (153,744,709)	\$ (141,660,440)	\$ (152,725,225)
Louisville	\$ 131,774,245	\$ 119,876,113	\$ 121,545,031	\$ 129,025,931	\$ 124,387,931	\$ 93,657,806	\$ 99,073,071
Superior	\$ 8,842,585	\$ 7,416,474	\$ (1,609,009)	\$ 9,979,276	\$ 16,500,836	\$ 17,701,554	\$ 3,740,283
TOTAL	\$ 831,140,189	\$ 585,693,903	\$ 465,338,471	\$ 455,783,999	\$ 442,722,761	\$ 479,166,226	\$ 459,791,220

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Leakage Method

Total Leakage

	2001	2002	2003	2004	2005	2006	2007
Boulder	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Erie	\$ (49,328,159)	\$ (66,983,950)	\$ (75,652,178)	\$ (96,469,167)	\$ (142,336,964)	\$ (182,087,368)	\$ (218,298,778)
Lafayette	\$ (150,740,932)	\$ (155,342,262)	\$ (158,535,520)	\$ (157,252,461)	\$ (151,744,709)	\$ (141,660,440)	\$ (152,725,225)
Louisville	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Superior	\$ -	\$ -	\$ (1,609,009)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ (200,069,091)	\$ (222,526,212)	\$ (235,796,706)	\$ (251,721,628)	\$ (296,081,672)	\$ (323,747,808)	\$ (371,024,003)

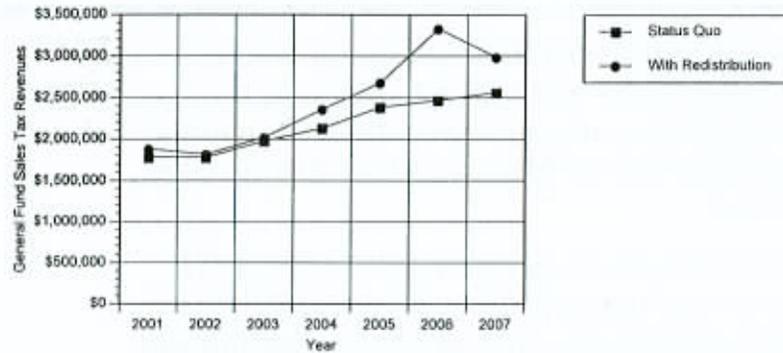
Percent of Total Leakage

	2001	2002	2003	2004	2005	2006	2007
Boulder	0%	0%	0%	0%	0%	0%	0%
Erie	25%	30%	32%	38%	48%	56%	59%
Lafayette	75%	70%	67%	62%	52%	44%	41%
Louisville	0%	0%	0%	0%	0%	0%	0%
Superior	0%	0%	1%	0%	0%	0%	0%

Note: We are only concerned with cities that "leak" retail sales. Those cities that import retail sales do not receive any of the redistributed sales taxes.

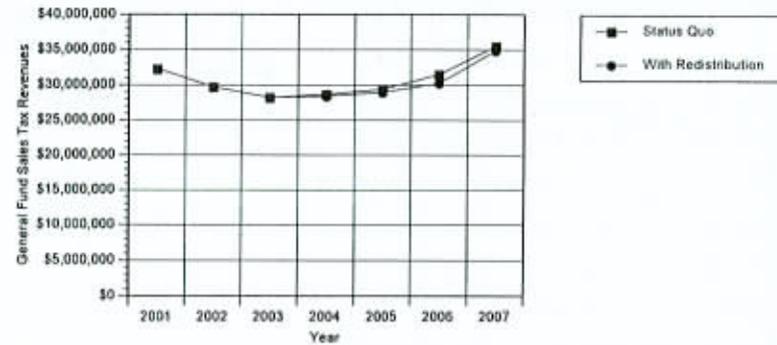
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Leakage Method - Erie



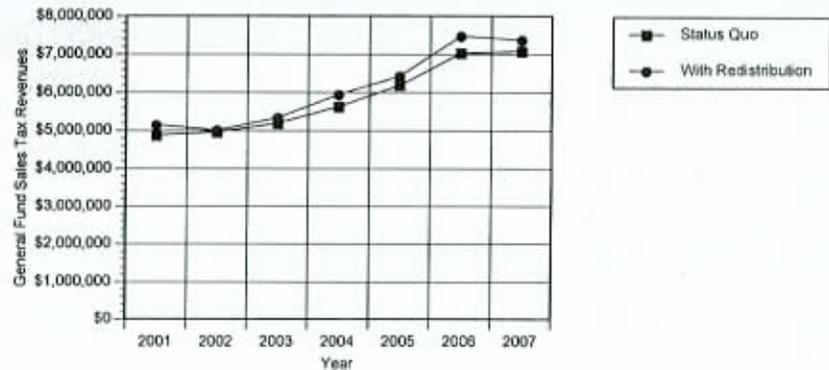
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Leakage Method - Boulder



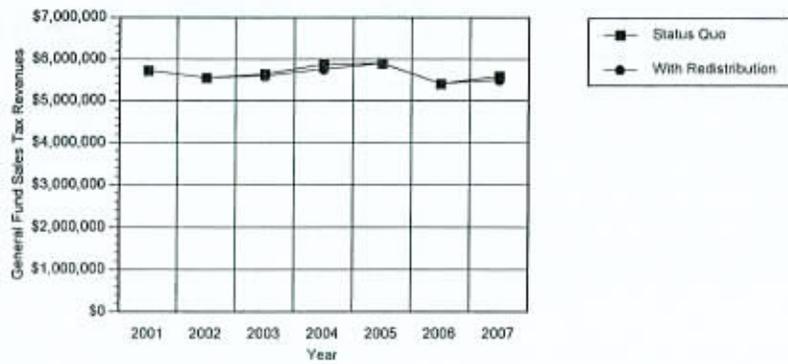
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Leakage Method - Lafayette



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Leakage Method – Louisville



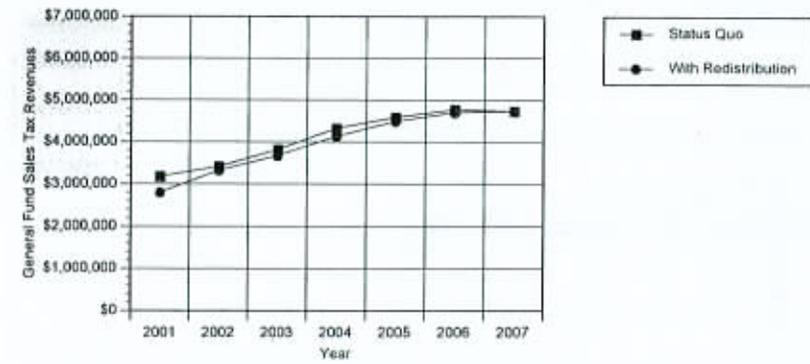
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Leakage Method – Summary

	2001	2002	2003	2004	2005	2006	2007	Cumulative
Boulder								
Status Quo	\$ 32,296,119	\$ 29,747,908	\$ 28,277,332	\$ 28,688,017	\$ 29,416,593	\$ 31,505,885	\$ 35,487,193	\$ 215,419,047
With Redistribution	\$ 32,296,119	\$ 29,747,908	\$ 28,277,332	\$ 28,443,562	\$ 28,982,917	\$ 30,262,259	\$ 34,848,787	\$ 212,858,683
Annual Gain/(Loss)	\$ -	\$ -	\$ -	\$ (244,455)	\$ (433,676)	\$ (1,243,626)	\$ (638,406)	\$ (2,560,164)
Erie								
Status Quo	\$ 1,781,754	\$ 1,781,426	\$ 1,974,172	\$ 2,130,343	\$ 2,381,629	\$ 2,466,172	\$ 2,561,584	\$ 15,077,080
With Redistribution	\$ 1,881,367	\$ 1,815,177	\$ 2,021,164	\$ 2,359,135	\$ 2,683,018	\$ 3,328,109	\$ 2,983,579	\$ 17,073,549
Annual Gain/(Loss)	\$ 99,613	\$ 33,751	\$ 46,992	\$ 228,792	\$ 301,389	\$ 861,937	\$ 423,995	\$ 1,996,469
Lafayette								
Status Quo	\$ 4,882,252	\$ 4,965,407	\$ 5,194,537	\$ 5,631,759	\$ 6,196,060	\$ 7,037,401	\$ 7,077,172	\$ 40,984,588
With Redistribution	\$ 5,152,264	\$ 5,020,022	\$ 5,342,951	\$ 5,952,522	\$ 6,437,925	\$ 7,486,380	\$ 7,381,514	\$ 42,773,579
Annual Gain/(Loss)	\$ 270,012	\$ 54,615	\$ 148,414	\$ 320,763	\$ 241,865	\$ 448,979	\$ 304,342	\$ 1,788,991
Louisville								
Status Quo	\$ 5,733,374	\$ 5,553,490	\$ 5,649,549	\$ 5,885,052	\$ 5,906,516	\$ 5,414,210	\$ 5,594,074	\$ 39,736,265
With Redistribution	\$ 5,733,374	\$ 5,553,490	\$ 5,601,520	\$ 5,767,301	\$ 5,895,784	\$ 5,414,210	\$ 5,504,142	\$ 39,469,820
Annual Gain/(Loss)	\$ -	\$ -	\$ (48,030)	\$ (117,752)	\$ (10,732)	\$ -	\$ (89,932)	\$ (266,445)
Superior								
Status Quo	\$ 3,177,039	\$ 3,415,629	\$ 3,819,404	\$ 4,325,244	\$ 4,592,127	\$ 4,773,811	\$ 4,734,115	\$ 28,837,369
With Redistribution	\$ 2,807,413	\$ 3,327,262	\$ 3,672,028	\$ 4,137,896	\$ 4,493,281	\$ 4,706,521	\$ 4,734,115	\$ 27,878,517
Annual Gain/(Loss)	\$ (369,626)	\$ (88,367)	\$ (147,376)	\$ (187,348)	\$ (98,846)	\$ (67,290)	\$ -	\$ (958,852)

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Leakage Method – Superior



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Hybrid Method

- After reviewing the results of the Population, Spending Power and Leakage methods, the Working Group asked to see a “hybrid” method combining the Population and Spending Power methods.
- To calculate results of this hybrid method, we simply redistributed 50% of the 1-point increment based on the Population method and the other 50% of the 1-point increment based on the Spending Power method. We then summed the two results.

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Hybrid Method - Summary

	2001	2002	2003	2004	2005	2006	2007	Cumulative
BOULDER								
Status Quo	\$ 12,296,119	\$ 29,747,908	\$ 28,277,332	\$ 28,688,017	\$ 29,416,593	\$ 31,505,885	\$ 35,487,193	\$ 215,419,047
With Redistribution	\$ 12,789,568	\$ 29,814,693	\$ 28,464,035	\$ 28,861,212	\$ 29,425,968	\$ 31,143,697	\$ 34,495,649	\$ 214,994,822
Positive/(Negative)	\$ 493,449	\$ 66,785	\$ 186,703	\$ 173,195	\$ 9,375	\$ (362,188)	\$ (991,544)	\$ (424,225)
ERIE								
Status Quo	\$ 1,781,754	\$ 1,781,426	\$ 1,924,172	\$ 2,130,343	\$ 2,381,629	\$ 2,466,172	\$ 2,561,584	\$ 15,027,080
With Redistribution	\$ 1,716,815	\$ 1,787,319	\$ 1,937,608	\$ 2,131,768	\$ 2,369,987	\$ 2,586,950	\$ 2,791,600	\$ 15,322,048
Positive/(Negative)	\$ (64,939)	\$ 5,893	\$ (16,564)	\$ 1,425	\$ (11,642)	\$ 170,778	\$ 230,016	\$ 244,968
LAFAYETTE								
Status Quo	\$ 4,882,252	\$ 4,965,407	\$ 5,194,537	\$ 5,611,759	\$ 6,196,060	\$ 7,037,401	\$ 7,077,172	\$ 40,984,588
With Redistribution	\$ 4,656,283	\$ 4,958,510	\$ 5,176,691	\$ 5,613,932	\$ 6,149,650	\$ 7,028,240	\$ 7,430,915	\$ 41,014,221
Positive/(Negative)	\$ (225,969)	\$ (6,897)	\$ (17,846)	\$ (17,827)	\$ (46,410)	\$ (9,161)	\$ 353,743	\$ 29,633
LOUISVILLE								
Status Quo	\$ 5,733,374	\$ 5,553,490	\$ 5,649,549	\$ 5,885,052	\$ 5,906,516	\$ 5,414,210	\$ 5,594,074	\$ 39,736,265
With Redistribution	\$ 5,842,365	\$ 5,567,961	\$ 5,642,109	\$ 5,857,605	\$ 5,991,675	\$ 5,606,815	\$ 5,805,899	\$ 40,314,430
Positive/(Negative)	\$ 108,991	\$ 14,471	\$ (7,440)	\$ (27,447)	\$ 85,159	\$ 192,605	\$ 211,825	\$ 578,165
SUPERIOR								
Status Quo	\$ 3,177,039	\$ 3,415,629	\$ 3,819,404	\$ 4,325,244	\$ 4,592,127	\$ 4,773,811	\$ 4,734,115	\$ 28,837,369
With Redistribution	\$ 2,865,506	\$ 3,335,376	\$ 3,694,550	\$ 4,195,898	\$ 4,555,645	\$ 4,831,777	\$ 4,930,075	\$ 28,408,828
Positive/(Negative)	\$ (311,533)	\$ (80,253)	\$ (124,854)	\$ (129,346)	\$ (36,482)	\$ 57,966	\$ 195,960	\$ (428,541)

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Land Bank Method – Ownership

	Total Sq. Ft. Donated to Land Bank	Actual Value of Donated Parcels	Percent of Land Bank Ownership
Boulder	459,077	\$ 13,953,602	4%
Erie	46,391,400	\$ 81,184,950	25%
Lafayette	7,405,200	\$ 19,031,038	6%
Louisville	7,557,660	\$ 169,766,560	52%
Superior	6,969,600	\$ 42,418,815	13%
TOTAL	68,782,937	\$ 326,354,965	100%

Note: The biggest difference in land valuation was determined by the current state of the donated land. In-fill and redevelopment sites were much more valuable than bare land sites. This explains why Louisville (primarily all redevelopment sites) is so much more valuable than Lafayette (majority of bare-land and residential zoned land) even though they donate almost equivalent amounts of land to the bank.

Source: Boulder County Assessor and Weld County Assessor.

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Land Bank Method

■ Quantitative Methodology

- Every participating municipality provided us with a map or list of potential regional retail parcels in their City, including both in-fill and bare land parcels.
- Using the Boulder County Assessor's website and the help of the Assessor and his staff, we were able to determine the actual values of every parcel.
- This process included creating "Commercial" values for all parcels that are currently zoned as Agricultural.
- Using the actual values of every parcel, we determined the percentage ownership of the land bank for each City .

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Land Bank Method

We also used the following assumptions for our model:

- A 30-year time frame (2008 – 2037)
- A Floor-to-Area-Ratio (FAR) of .25 for every acre
- Retail sales of \$350 per sq. ft. for every municipality
- Sales tax rates as defined by each City's Finance Director
- For absorption schedules, we staggered the start year and length of absorption for every City (except for Lafayette, which provided a "priority" rating for each parcel donated; we used these ratings as a guide for absorption)

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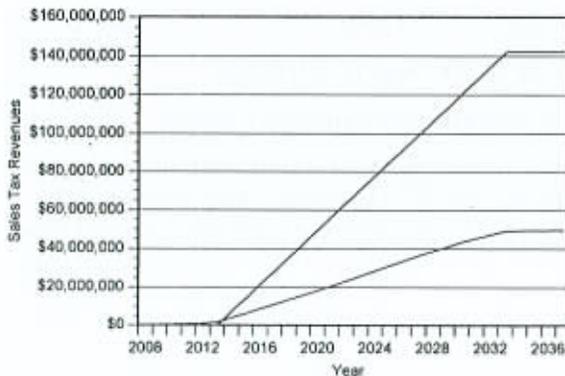
Absorption Schedule



- Color indicates there was construction and absorption of land donated to the land bank in that year.
- Once land has been absorbed, the sales tax dollars from that land are distributed to the members of the land bank based on the percentages from the previous slide.
- So, for example, even though Boulder does not begin generating sales tax revenues for the land bank until 2019, it receives sales tax revenues from the land bank from 2008 onward.

Land Bank Method - Erie

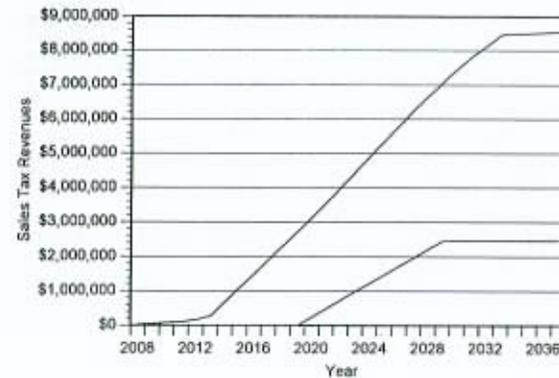
Ownership = 25% Total Retail Sq. Ft. = 11,597,850
 Total Absorption Years = 20 Absorption Begin = 2014



Cumulative Results		Erie
Status Quo	\$	2,060,068,106
With Redistribution	\$	746,344,071
Net Gain/(Loss)	\$	(1,313,724,035)

Land Bank Method – Boulder

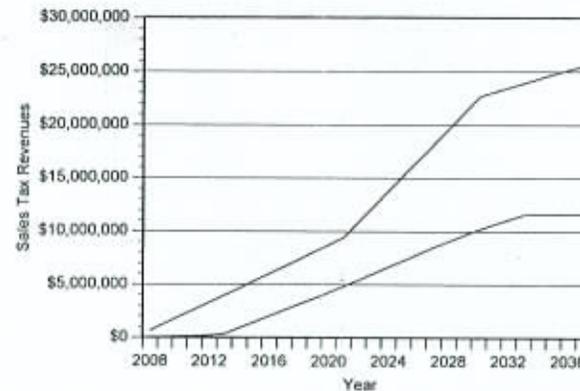
Ownership = 4% Total Retail Sq. Ft. = 384,077
 Total Absorption Years = 10 Absorption Begin = 2020



Cumulative Results		Boulder
Status Quo	\$	33,210,178
With Redistribution	\$	128,277,324
Net Gain/(Loss)	\$	95,067,146

Land Bank Method - Lafayette

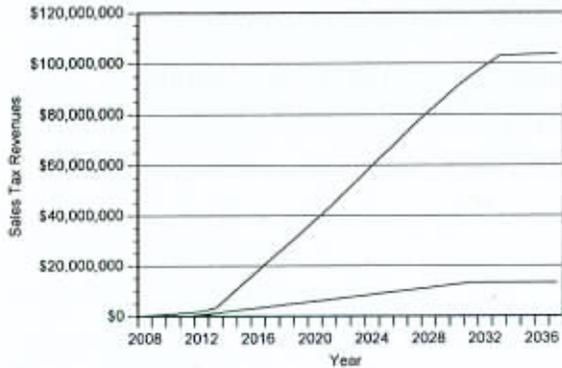
Ownership = 6% Total Retail Sq. Ft. = 1,851,300
 Total Absorption Years = 30 Absorption Begin = 2008



Cumulative Results		Lafayette
Status Quo	\$	392,336,753
With Redistribution	\$	174,954,866
Net Gain/(Loss)	\$	(217,381,886)

Land Bank Method - Louisville

Ownership = 52% Total Retail Sq. Ft. = 1,889,415
Total Absorption Years = 20 Absorption Begin = 2012



Cumulative Results		Louisville
Status Quo	\$	218,227,433
With Redistribution	\$	1,560,686,625
Net Gain/(Loss)	\$	1,342,459,192

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Land Bank Method - Summary

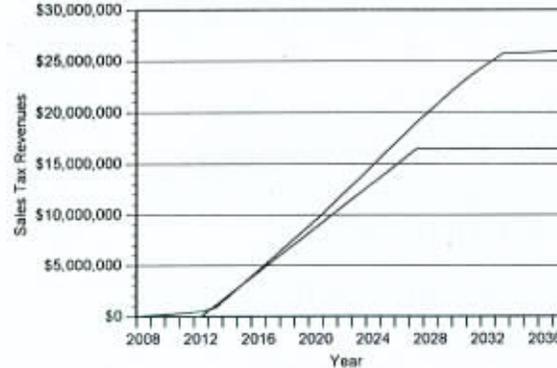
Cumulative Results	Boulder	Erie	Lafayette	Louisville	Superior
Status Quo	\$ 33,210,178	\$ 2,060,068,106	\$ 392,336,753	\$ 218,227,433	\$ 296,382,240
With Redistribution	\$ 128,277,324	\$ 746,344,071	\$ 174,954,866	\$ 1,560,686,625	\$ 389,961,823
Net Gain/(Loss)	\$ 95,067,146	\$ (1,313,724,035)	\$ (217,381,886)	\$ 1,342,459,192	\$ 93,579,583

- Cumulative results represent 30-year time frame.

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Land Bank Method – Superior

Ownership = 13% Total Retail Sq. Ft. = 1,742,400
Total Absorption Years = 15 Absorption Begin = 2013



Cumulative Results		Superior
Status Quo	\$	296,382,240
With Redistribution	\$	389,961,823
Net Gain/(Loss)	\$	93,579,583

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Evaluation Criteria

The Working Group was asked to evaluate each method based on the following criteria. Criteria weightings were established through discussions at Working Group meetings.

Evaluation Criteria	Status Quo	Point-to-Point Method	Spending Power Method	Hybrid Method	Point-to-Point Land Bank Method
	2.6 Encourage sound land planning	0.5	0.5	0.5	0.5
2.7 Promote revenue stability/ predictability	0.5	0.5	0.5	0.5	0.5
2.4 Reduce economic development competition and need for incentive packages	0.5	0.5	0.5	0.5	0.5
1.7 Discourage overbuilding of retail	0.5	0.5	0.5	0.5	0.5
0.1 Foster constructive relationships among municipalities	0.5	0.5	0.5	0.5	0.5
0.3 Allow municipalities budget flexibility to meet unique needs	0.5	0.5	0.5	0.5	0.5
TOTAL SCORE					

- (1) Reflects average of weightings from all participating municipalities.

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Group Findings

- ♦The amount of revenue to be shared may not be enough to impact behaviors in a way that would meet the criteria.
- ♦Some methods achieved high marks through the criteria, but still had too many “cons” for individual municipalities. (Land Bank did not recognize the current phases of development for each municipality.)
- ♦Others were considered too difficult to administer and unfair. (Land Bank, Spending Power)
- ♦While others were simple but did not meet the evaluation criteria. (Population)

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Lessons Learned

1. No perfect model - there are winners and losers in every scenario, so finding a solution that meets the specific needs of each community is a process.
2. Requires local cooperation – Acknowledge edge issues but don't be constrained by them. Work at the municipal and then countywide level, addressing each edge issue as it comes up.
3. Understand the Limitations – A revenue sharing agreement can't fix the financial shortfalls of local governments, but can help alleviate some of the pressure to develop for the sake of revenue, allowing municipalities greater consideration of community and regional development needs.
4. It's a process of negotiation – There are winners and losers in every scenario, so finding a solution that meets the specific needs of each community is a lengthy process.

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Group Findings

- ♦Group agreed to seek a model that was fair and that addressed the individual needs of each community.
- ♦Could use the revenue sharing methods to accomplish what municipalities are trying to achieve on a case by case basis.

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Next Steps

1. Revenue Stability Forum on March 4th
2. Share Forum results with elected officials and staff not in attendance
3. Commence inter-city discussions on final sharing agreement

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**GENERAL FUND
TRANSFERS TO OTHER FUNDS
(as of August 7, 2009)**

FUND	REASON FOR TRANSFER	2005 APPROVED	2006 APPROVED	2007 APPROVED	2008 APPROVED	2009 APPROVED
Planning & Development Services Fund	Support planning and development services which benefit the community as a whole and whose beneficiaries are difficult to identify	1,846,000	1,903,000	2,076,000	2,170,000	2,333,000
Affordable Housing Fund	Support the City Council housing goal that 10% of the community's housing stock be permanently affordable	387,000	391,000	398,000	406,000	416,000
Community Housing Assistance Program (CHAP) Fund (1.)	Support the City Council housing goal that 10% of the community's housing stock be permanently affordable	1,259,000	1,297,000	1,311,000	1,350,000	1,364,000
Library Fund	Support the provision of library services to the community	5,072,000	5,296,000	5,605,000	6,019,000	6,270,000
Recreation Activity Fund	Support recreation programs/services which benefit the individual but the community at large also benefits	1,297,000	1,336,000	1,664,000	1,785,000	1,854,000
Open Space Fund	Provide operating funding for the Mountain Parks program that was merged with Open Space as of January 1, 2001	927,000	958,000	1,012,000	1,057,000	1,099,000
Downtown Commercial District Fund	Short-term parking revenues from kiosks within the district are used to help to cover the cost of providing administrative services, parking services and employee EcoPasses in the Downtown area.	1,280,000	1,293,000	1,271,000	1,942,000	1,952,000
University Hill Commercial District Fund	Short-term parking revenues from kiosks within the district are used to help to cover the cost of providing administrative services, parking services and employee EcoPasses in the University Hill area.	175,000	175,000	175,000	258,000	258,000
NOTES:						
(1.) 0.8000 mill of the total mills designated for general city operations was allocated to the CHAP Fund for affordable housing by city council beginning in 1992; this portion of property tax is directly budgeted in the CHAP Fund so it is not reflected as a transfer.						

PLANNING AND DEVELOPMENT SERVICES (P&DS)

BUSINESS PLAN SECTION

FISCALLY CONSTRAINED PLAN

2009 BUDGET

Fund Title	Rev	Program/Service	Budget	Program/Service Amount Provided by General Fund (GF)		Program/Service Amount Provided by PW Transfer		Program/Service Amount Funded by Fees or Dedicated Taxes		Essential		Desirable		Discretionary		Total
				%		%		%		%	Cost	%	Cost	%	Cost	
P&DS		Revenue/Fee Service Total														
100%		Building Permits and Inspections	3,831,220	0	0%	0	0%	3,831,220	100%	90%	3,448,098	10%	383,122		0	3,831,220
100%		Floodplain Permits	50,600	0	0%	0	0%	50,600	100%	100%	50,600		0		0	50,600
100%		GIS Services	141,750	0	0%	0	0%	141,750	100%		0	100%	141,750		0	141,750
100%		Historic Preservation Tax Credit Review	5,366	0	0%	0	0%	5,366	100%		0	100%	5,366		0	5,366
100%		Revocable Processes	50,004	0	0%	0	0%	50,004	100%		0	100%	50,004		0	50,004
100%		Right-of-Way Permits, Inspections and Enforcement	319,013	0	0%	0	0%	319,013	100%	100%	319,013		0		0	319,013
100%		Sign Code Permits, Inspections and Enforcement	52,474	0	0%	0	0%	52,474	100%		0	100%	52,474		0	52,474

PLANNING AND DEVELOPMENT SERVICES (P&DS)

BUSINESS PLAN SUBMISSION

FISCALLY CONSTRAINED PLAN

2009 BUDGET

Fund Title	Rev	Program/Service	Budget	Program/Service Amount Provided by General Fund (GF)		Program/Service Amount Provided by PW Transfer		Program/Service Amount Funded by Fees or Dedicated Taxes		Essential		Desirable		Discretionary		Total
				%	%	%	%	%	%	%	Cost	%	Cost	%	Cost	
100%		Utility Permits and Inspection	189,127	0	0%	0	0%	189,127	100%	100%	189,127	0	0	0	189,127	
100%		Welland Permits	21,063	0	0%	0	0%	21,063	100%		0	100%	21,063	0	21,063	
100%		Sound Monitoring	14,448	0	0%	0	0%	14,448	100%		0	100%	14,448	0	14,448	
		Revenue/Fee Service Total	4,675,065					4,675,065			4,006,838		668,227		4,675,065	
		Fund Transfers and Revenue														
50%		Administrative Review	168,423	52,211	31%	32,000	19%	84,212	50%	5%	8,421	95%	160,002	0	168,423	
50%		Board of Zoning and Building Appeals (BOZA)	31,007	19,007		0	0%	12,000			0	100%	31,007	0	31,007	
50%		Land Use Review	940,678	291,610	31%	178,729	19%	470,339	50%	25%	235,170	75%	705,509	0	940,678	
75%		Landmarks Board Demolition Permit Review	31,686	15,843	50%	0	0%	15,843	50%		0	100%	31,686	0	31,686	
50%		Prairie Dog Permits	3,070	1,535	50%	0	0%	1,535	50%		0	100%	3,070	0	3,070	
50%		Pre-Application	66,087	40,974	62%	25,113	38%	0	0%		0	100%	66,087	0	66,087	

PLANNING AND DEVELOPMENT SERVICES (P&DS)

BUSINESS PLAN SECTION

FISCALLY CONSTRAINED PLAN

2009 BUDGET

Fund Title	Rev	Program/Service	Budget	Program/Service Amount Provided by General Fund (GF)		Program/Service Amount Provided by PW Transfer		Program/Service Amount Funded by Fees or Dedicated Taxes		Essential		Desirable		Discretionary		Total
				%		%		%		%	Cost	%	Cost	%	Cost	
	60%	Rental Housing Licensing and Enforcement	145,845	58,338	40%	0	0%	87,507	60%	0	100%	145,845	0	0	0	145,845
	75%	Technical Document Review	387,693	60,092	15.5%	36,831	9.5%	290,770	75%	25%	96,923	75%	290,770	0	0	387,693
	50%	Planning Board/City Council- Land Use Review	89,369	27,704	31%	16,980	19%	44,685	50%	25%	22,342	75%	67,027	0	0	89,369
		Engineering Review	396,076	0	0%	396,076	100%	0	0%	100%	396,076	0	0	0	0	396,076
		Fund Transfer and Revenue Total	2,259,934	567,315		685,729		1,006,890			756,932		1,501,002	0	0	2,259,934
		Reimbursed Activities														
	100%	Dangerous Building Abatement	8,788	0	0%	0	0%	8,788	100%	100%	8,788	0	0	0	0	8,788
	100%	Environmental Enforcement Abatement	18,402	0	0%	0	0%	18,402	100%	0	100%	18,402	0	0	0	18,402
		Reimbursed Activities Total	27,190					27,190			8,788		18,402	0	0	27,190
		General Fund														
		Business License Zoning and Use Verification	5,692	5,692	100%	0	0%	0	0%	0	100%	5,692	0	0	0	5,692
		Comprehensive Planning	512,754	512,754	100%	0	0%	0	0%	50%	256,377	50%	256,377	0	0	512,754
		Capital Improvements Program Coordination	31,850	31,850	100%	0	0%	0	0%	100%	31,850	0	0	0	0	31,850
		Environmental and Zoning Enforcement	484,954	484,954	100%	0	0%	0	0%	25%	121,239	85%	315,220	10%	48,495	484,954
		Downtown Design Advisory Board (DDAB)	6,575	6,575	100%	0	0%	0	0%	0	100%	6,575	0	0	0	6,575
		Environmental Planning	54,115	54,115	100%	0	0%	0	0%	0	100%	54,115	0	0	0	54,115

PLANNING AND DEVELOPMENT SERVICES (P&DS)

BUSINESS PLAN SUBMISSION

FISCALLY CONSTRAINED PLAN

2009 BUDGET

Fund Title	Rev	Program/Service	Budget	Program/ Service Amount Provided by General Fund (GF)	%	Program/ Service Amount Provided by PW Transfer	%	Program/ Service Amount Funded by Fees or Dedicated Taxes	%	Essential		Desirable		Discretionary		Total
										%	Cost	%	Cost	%	Cost	
		Title 9 Code Maintenance	22,397	22,397	100%	0	0%	0	0%	50%	11,199	50%	11,199	0	0	22,397
		Historic Preservation Designation	46,819	46,819	100%	0	0%	0	0%	0	100%	46,819	0	0	46,819	
		Historic Preservation Design Review	136,393	136,393	100%	0	0%	0	0%	0	100%	136,393	0	0	136,393	
		Intergovernmental Relations and Referrals	71,517	71,517	100%	0	0%	0	0%	50%	35,759	50%	35,759	0	0	71,517
		Landmarks Board	76,485	76,485	100%	0	0%	0	0%	0	100%	76,485	0	0	76,485	
		Map Data Maintenance	80,709	80,709	100%	0	0%	0	0%	100%	80,709	0	0	0	80,709	
		Planning Board/City Council - Long Range	70,470	70,470	100%	0	0%	0	0%	50%	35,235	50%	35,235	0	0	70,470
		Residential Permit Allocation System	961	961	100%	0	0%	0	0%	0	0	0	100%	961	961	
		Sales and Use Tax Processes	36,151	36,151	100%	0	0%	0	0%	0	100%	36,151	0	0	36,151	

PLANNING AND DEVELOPMENT SERVICES (P&DS)

BUSINESS PLAN & DIVISION

FISCALLY CONSTRAINED PLAN

2009 BUDGET

Fund Title	Rev	Program/Service	Budget	Program/Service Amount Provided by General Fund (GF)		Program/Service Amount Provided by PW Transfer		Program/Service Amount Funded by Fees or Dedicated Taxes		Essential		Desirable		Discretionary		Total
				%		%		%		%	Cost	%	Cost	%	Cost	
		Wetland Management	22,382	22,382	100%	0	0%	0	0%		0	100%	22,382		0	22,382
		General Fund Total	1,660,224	1,660,224							572,367		1,038,401		49,456	1,660,224
		Other														
		Operating Reserves	25,000	0	0%	0	0%	25,000	100%		0		0	100%	25,000	25,000
TOTALS			8,647,413	2,227,539		685,729		5,734,145		5,346,925		3,226,032		74,456	8,647,413	
Cost allocation and administration are included in the above program costs																