

**City of Boulder  
2015 Recommended Budget**

**First Reading of Budget Ordinances**



**October 7, 2014**

# Agenda

- Financial Update
- 2015 Recommended Budget
  - Budget Overview
  - Follow up to Sep. 9 Study Session
- Next Steps

# Financial Update

# Economic Climate

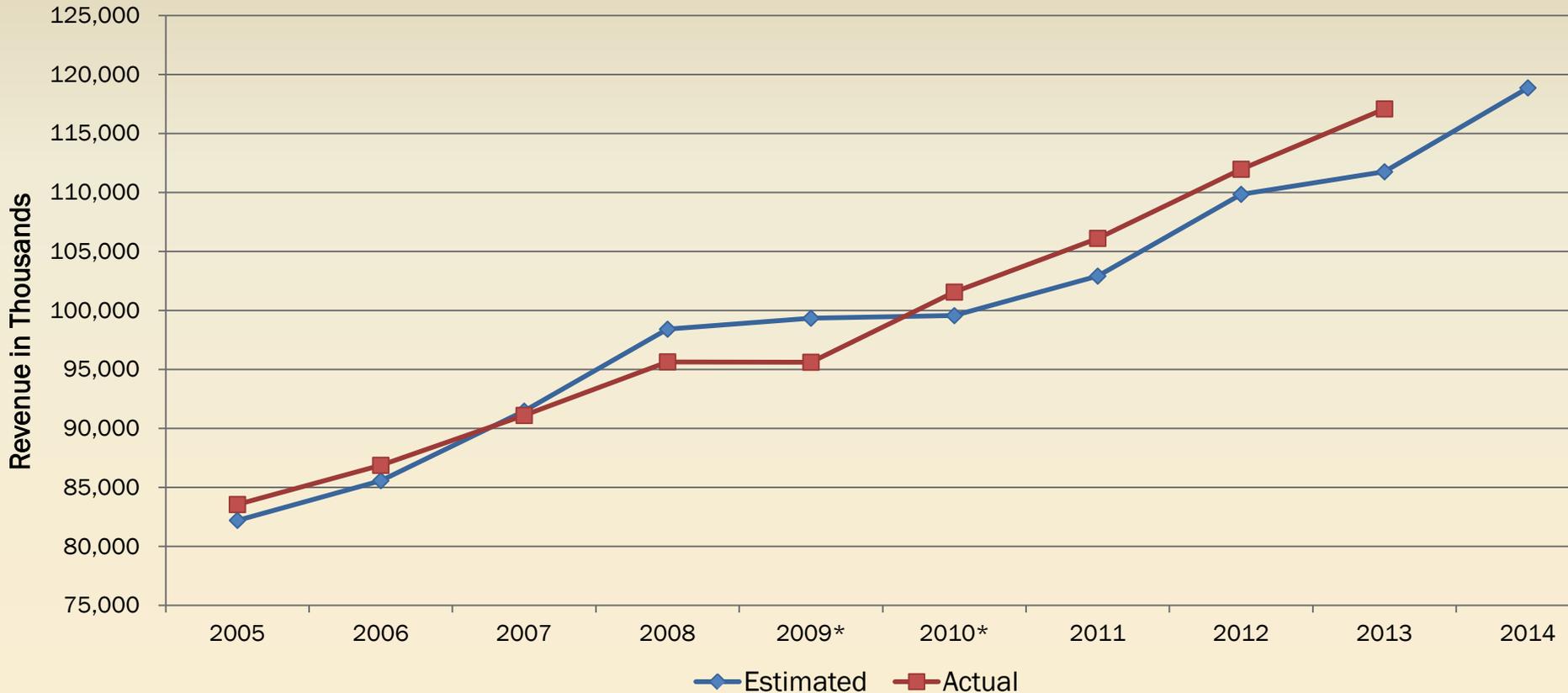
- Steady economic growth
- Continued employment growth
- Colorado housing market remains strong
- Retail sales improving
- National economy growing
- Global conditions are improved but remain uncertain

# Sales/Use Tax Revenue Information

	2014 Revised	2014 YTD	2015 Projected
<b>City of Boulder Sales/Use Tax</b>	<b>3.11%</b>	<b>8.75%</b>	<b>3.13%</b>
<b>COB Retail Sales Tax</b>	<b>4.25%</b>	<b>4.00%</b>	<b>4.25%</b>
<b>Denver-Boulder- Greeley Consumer Price Index</b>	<b>2.6%</b>	<b>2.30%</b>	<b>2.6%</b>
<b>City of Boulder Sales/Use Tax (including Recreational Marijuana (RMJ))</b>		<b>9.85%</b>	
<b>COB Retail Sales Tax (including RMJ)</b>		<b>5.36%</b>	

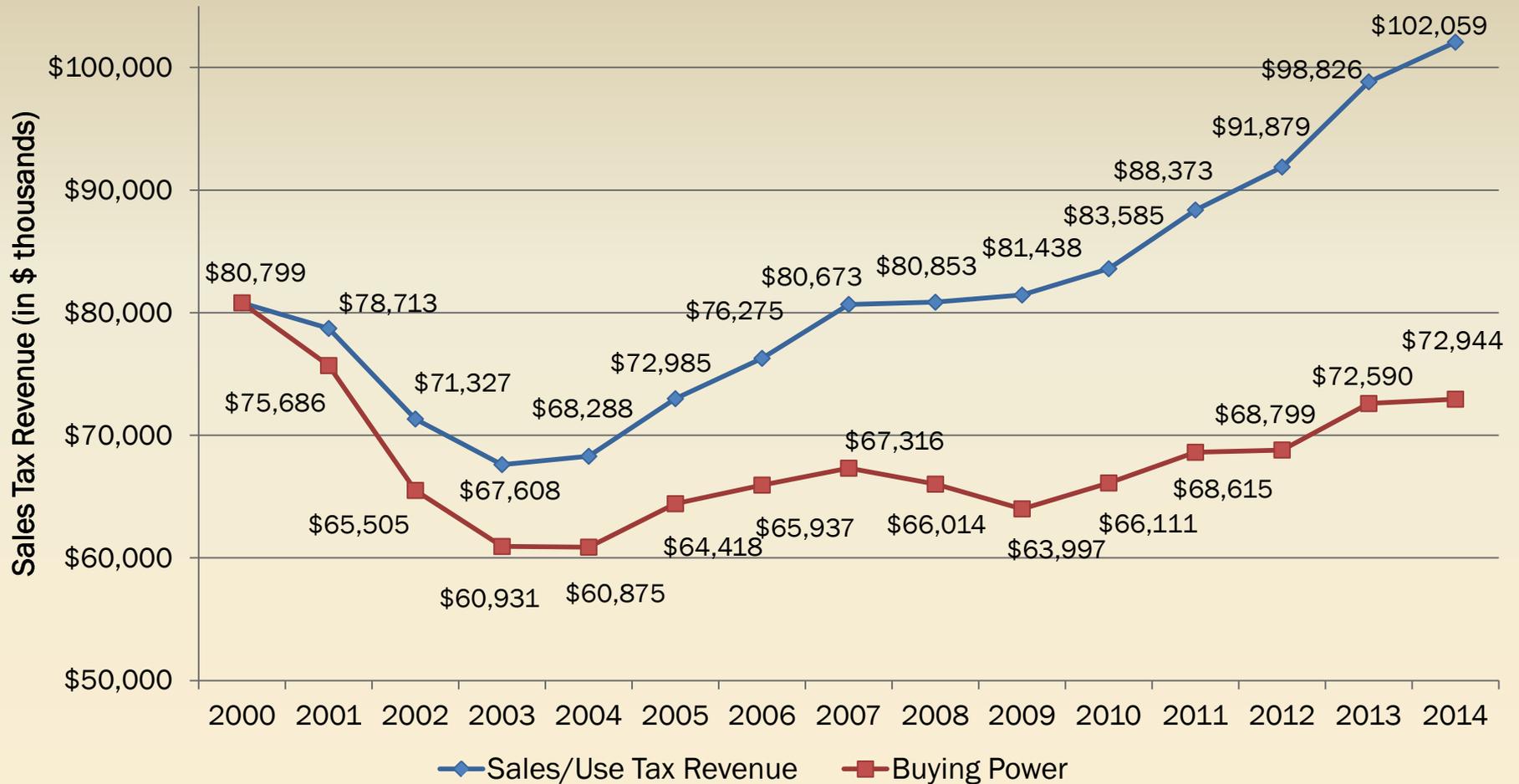
# Revenue Projections to Actuals

## General Fund Estimated vs Actual Revenue 2005-2013\*



\* Revenue does not include Bond and Note receipts totaling \$11.5 million in 2009, \$9.2 million in 2010, and \$49 million in 2012. These sources are not considered revenue for income purposes.

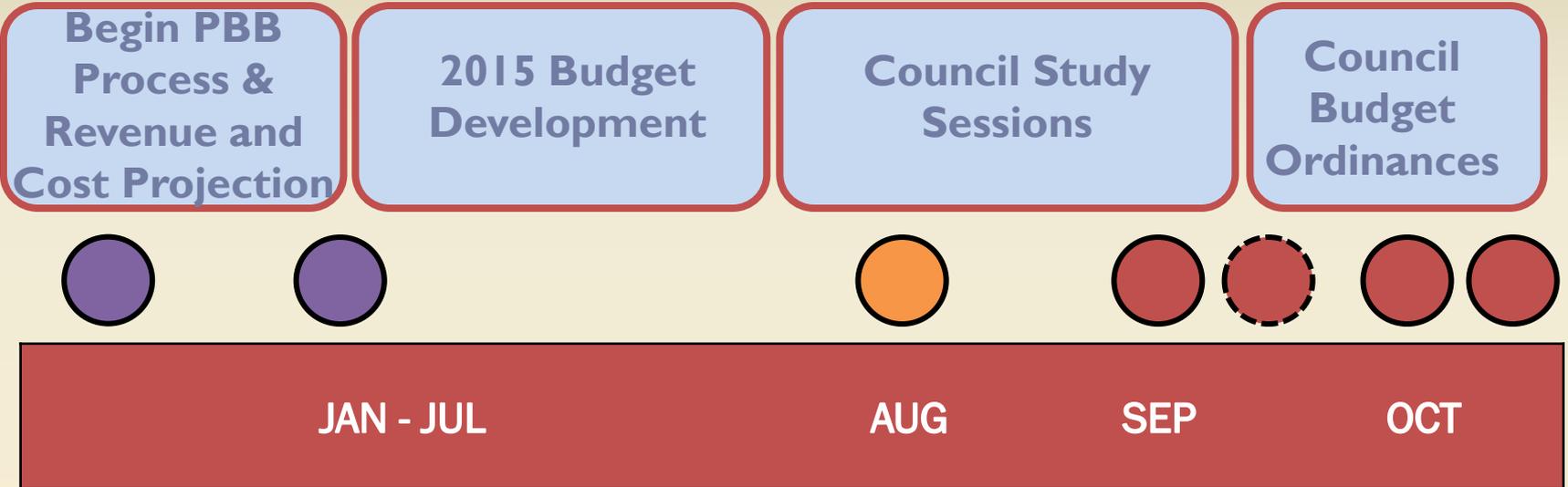
# Buying Power



*To allow for comparison between 2000 and 2014, .15% Open Space sales tax collected since 2004, .15% Fire Training Center sales tax collected only in 2007 and .15% Transportation sales tax starting in 2014 is not included.*

# Budget Overview

# 2015 Budget Calendar



Economic and Budget Updates



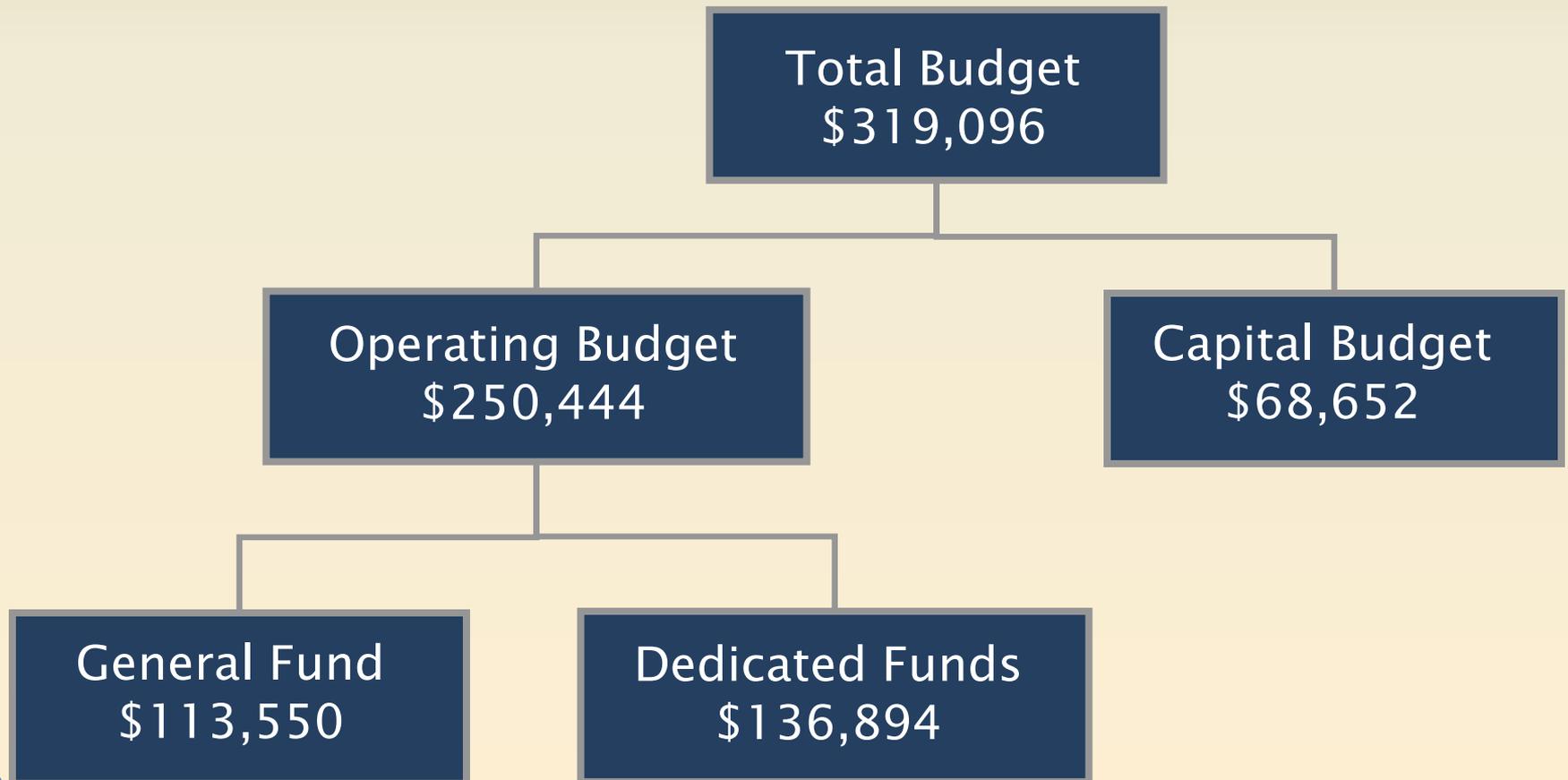
Study Session, Capital Improvement Program (CIP)



Council Study Session and Public Hearings on Recommended Budget and its implementing ordinances

# 2015 Recommended Budget

(in \$1,000s)



# 2015 Compared to 2014

## 2015 Increase over 2014

10.0% capital

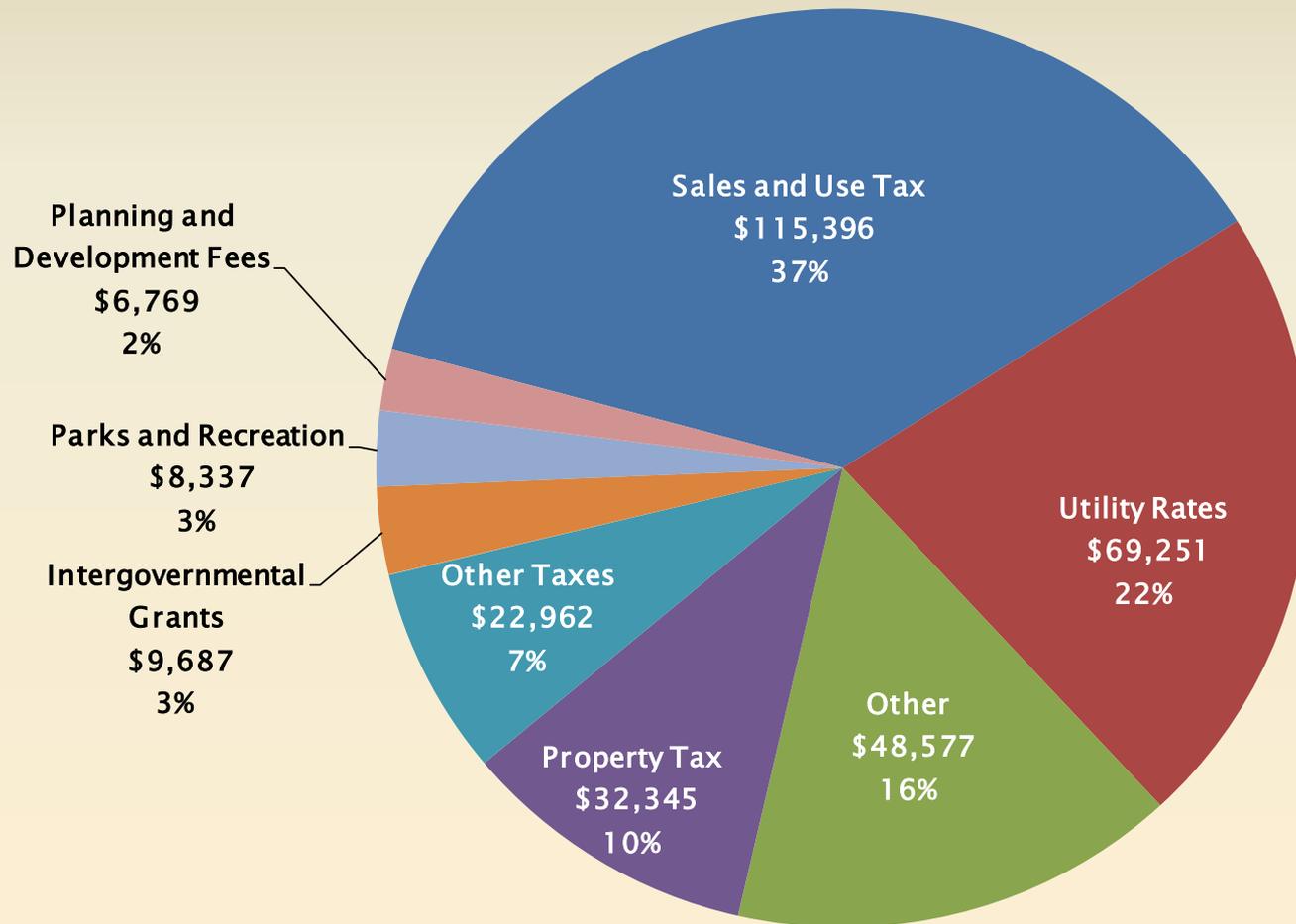
3.6% one-time operating

5.0% ongoing operating

18.6% TOTAL

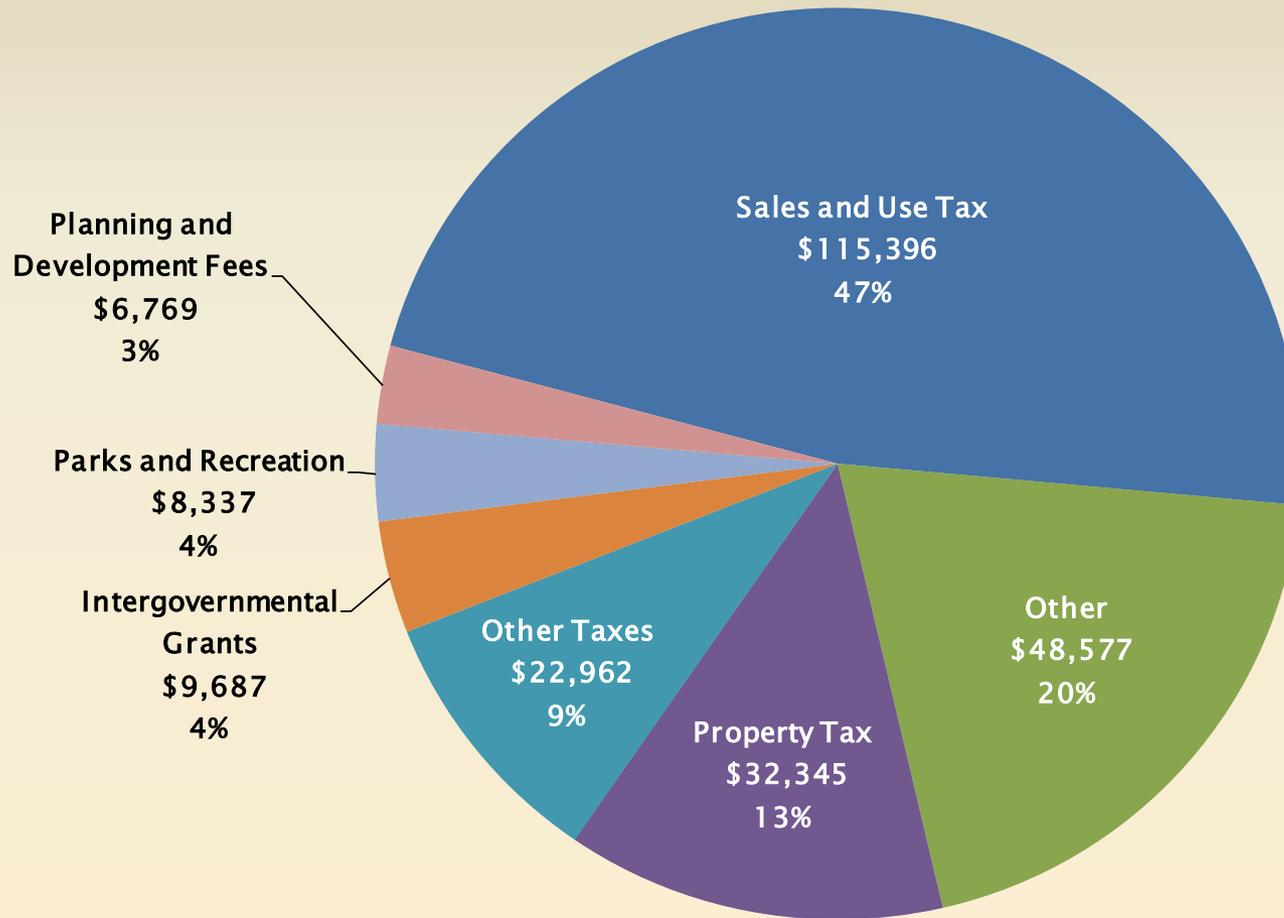
# Citywide Revenues

Total: \$313 (in millions)



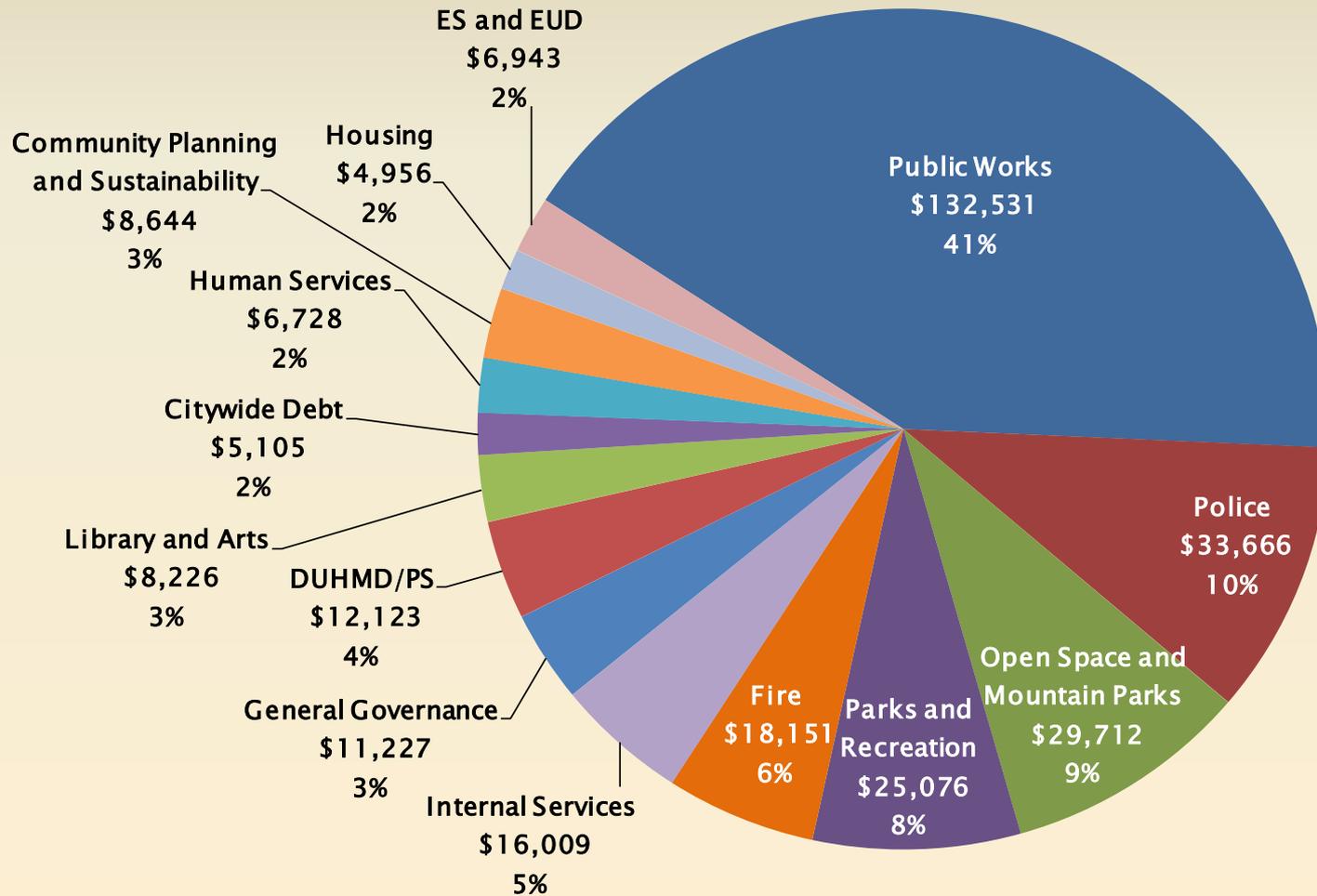
# Citywide Revenues Excluding Utilities

Total: \$244 (in millions)



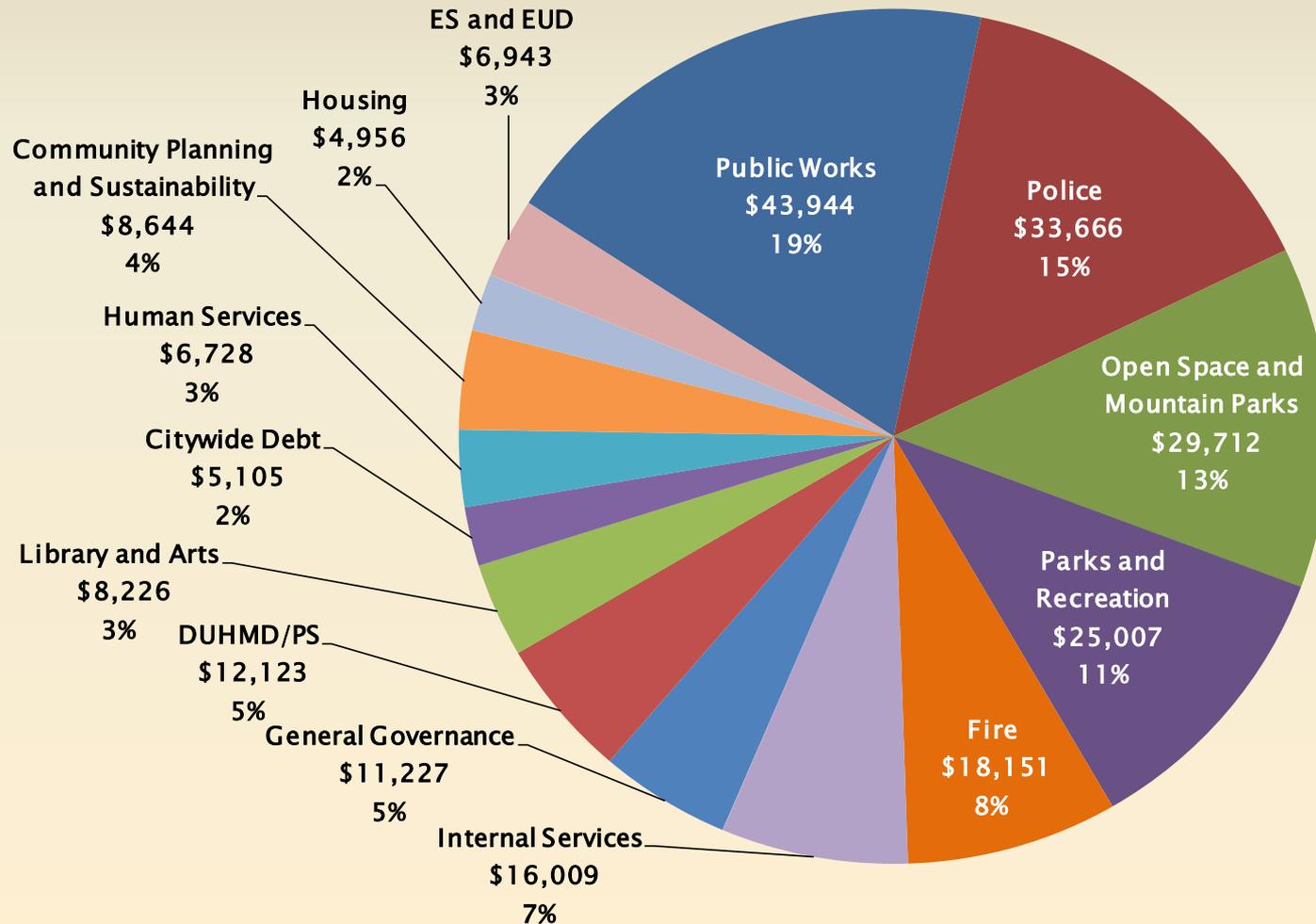
# Citywide Expenditures

Total: \$319 (in millions)



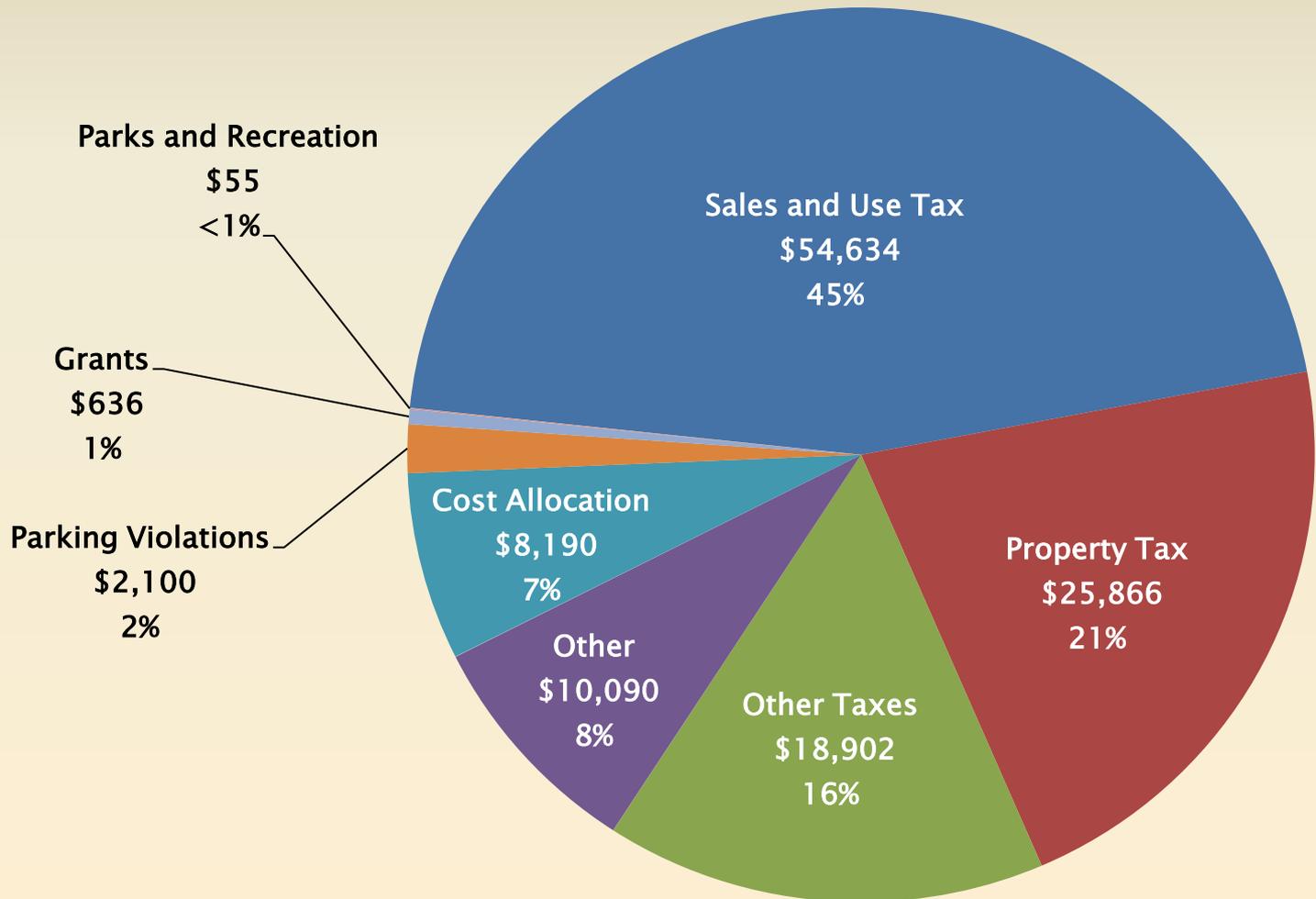
# Citywide Expenditures Excluding Utilities

Total: \$230 (in millions)



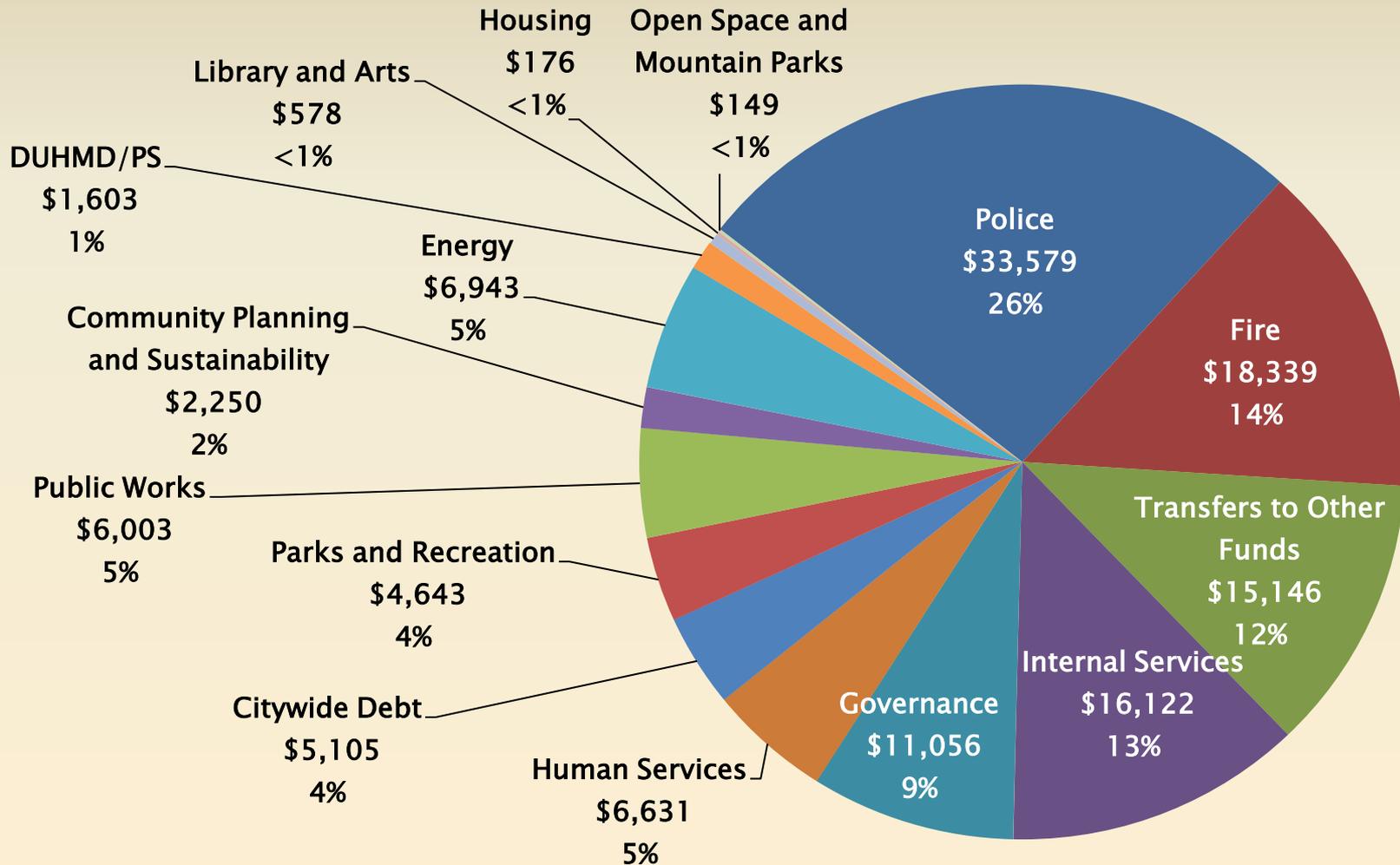
# General Fund Revenues

Total: \$120 (in millions)



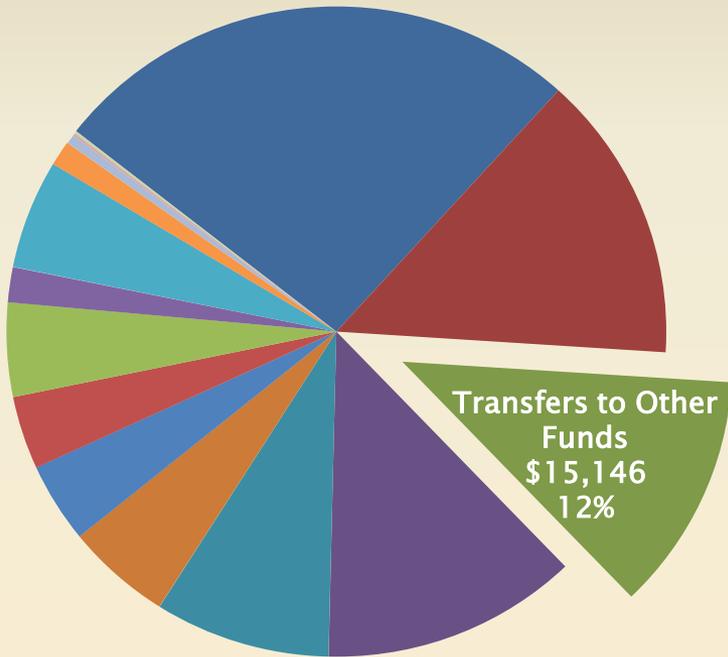
# General Fund Expenditures

Total: \$128 (in millions)



# General Fund Transfers to Other Funds

Total: \$15 (in millions)



(Amounts in Thousands)

## Direct GF Support

Planning & Development Fund	\$ 2,192
Affordable Housing Fund	240
Library Fund	6,586
Recreation Fund	1,378
Open Space Fund	1,141

## Bridge Loan

BJGID-Parking Fund	\$ 324
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## Pass Through Revenues (including TIF Gap)

CAGID Fund	\$ 1,810
UHGID Fund	425

## Loan Repayment

Capital Development Fund	\$ 811
Water Utility Fund	93
Fleet Operating Fund	146

# Reserves

## General Fund

- Recommend 14% in 2015, 15% 2016 ongoing
  - Use of Reserves for flood
  - Best practice replenish 1-3 years
  - Solid 2013 revenues and budget savings

## .25 Cent Sales Tax Fund

- Recommend creating operating reserve in this fund
  - 5% in 2015, 10% in 2016, 15% 2017 ongoing

# 2015 Budget Focus

- Flood recovery and mitigation
- Highest council and community priorities
- Strengthening Resilience
  - Community Infrastructure
  - Within Organization
- Multi-year approach

# 2015 Budget Highlights

- Water, Wastewater and Stormwater/Flood Management
- Energy
- Public Safety and Enforcement
- Community Investment
- Resilience and Organizational Capacity

**Follow up to September 9**

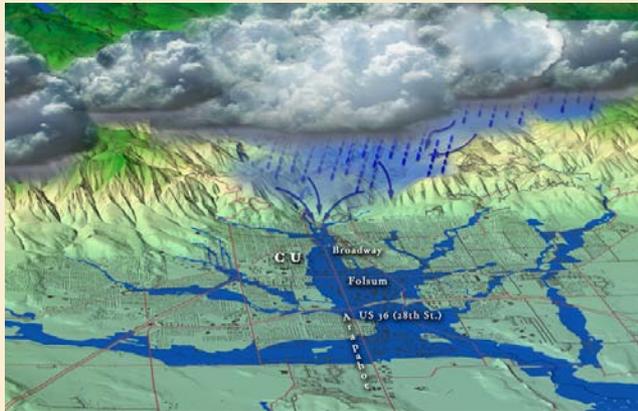
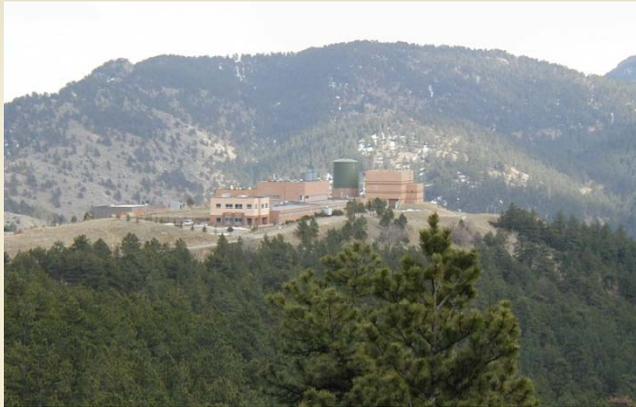
# Summary of Items

- Water, Wastewater and Stormwater/Flood Management Fees and Rates
- Energy
- Neighborhood Services
- Code Enforcement & Rental Housing Licensing
- Police Cameras
- Open Space Trail Repair
- Public Meeting Coverage

# **Water, Wastewater, Stormwater/Flood Management**

# Utilities

## Water, Wastewater, Stormwater & Flood Management



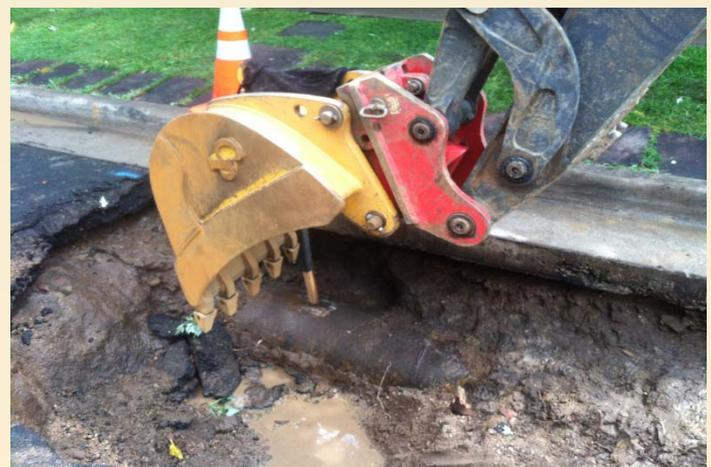
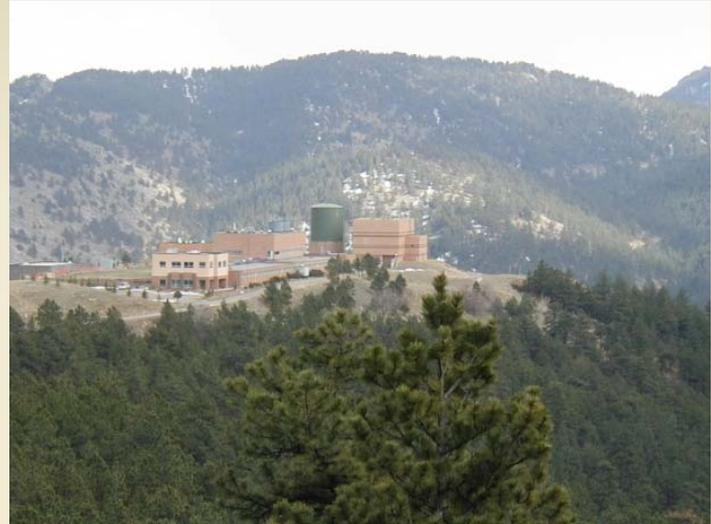
# Rate Impacts

- **Water – 5%**
- **Wastewater – 30%**
- **Stormwater & Flood Management – 75%**



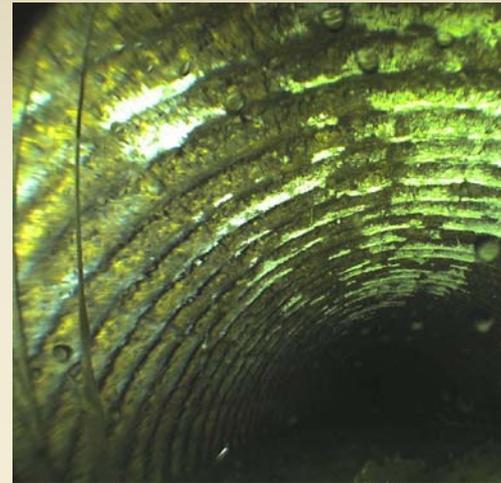
# Water Fund

(5 percent)



# Wastewater Fund

(30 percent)



# Stormwater & Flood Management (75%)



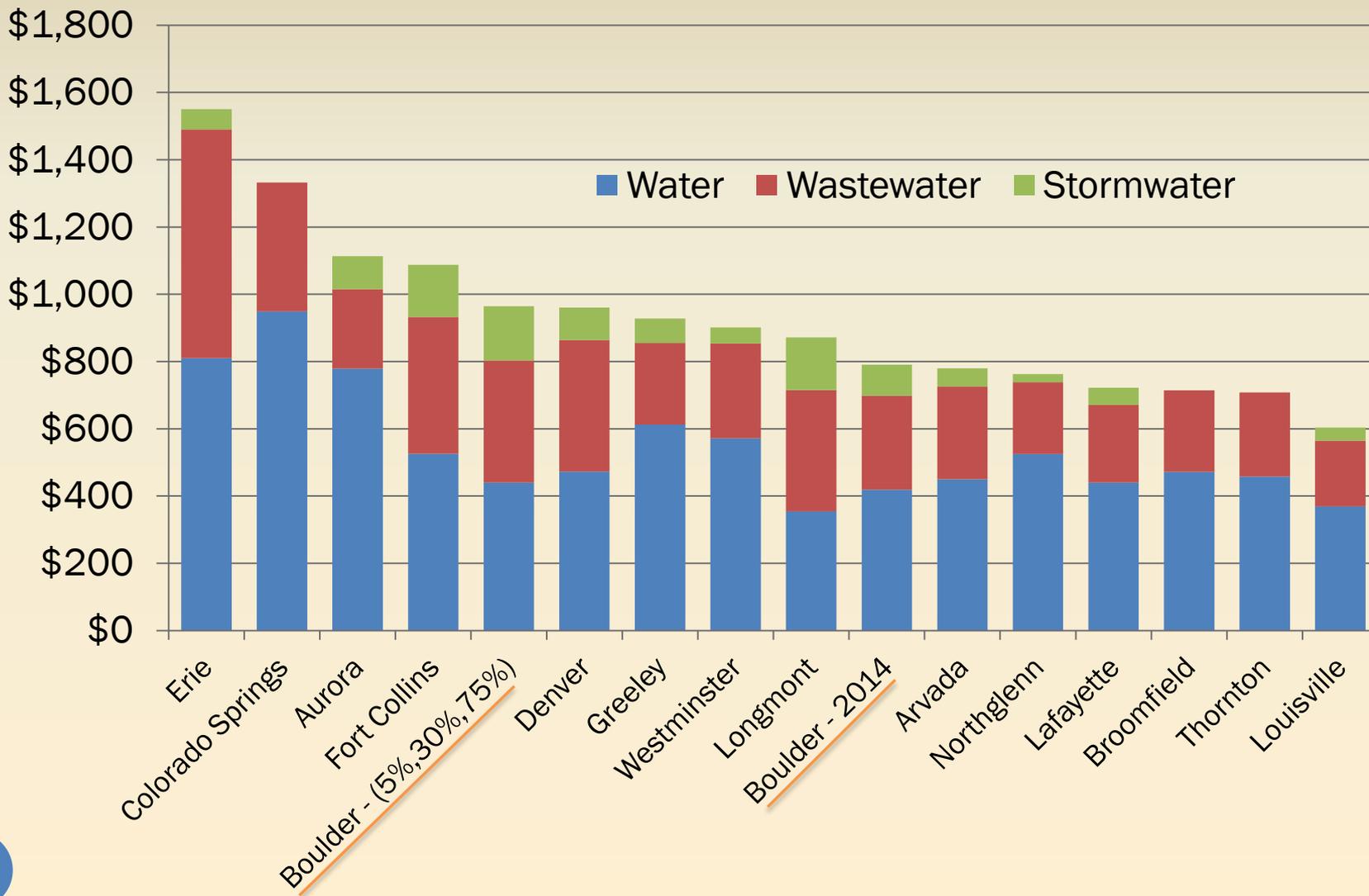
# Sample Customer Bill Impacts

5% Water, 30% Wastewater, 75% Stormwater/Flood

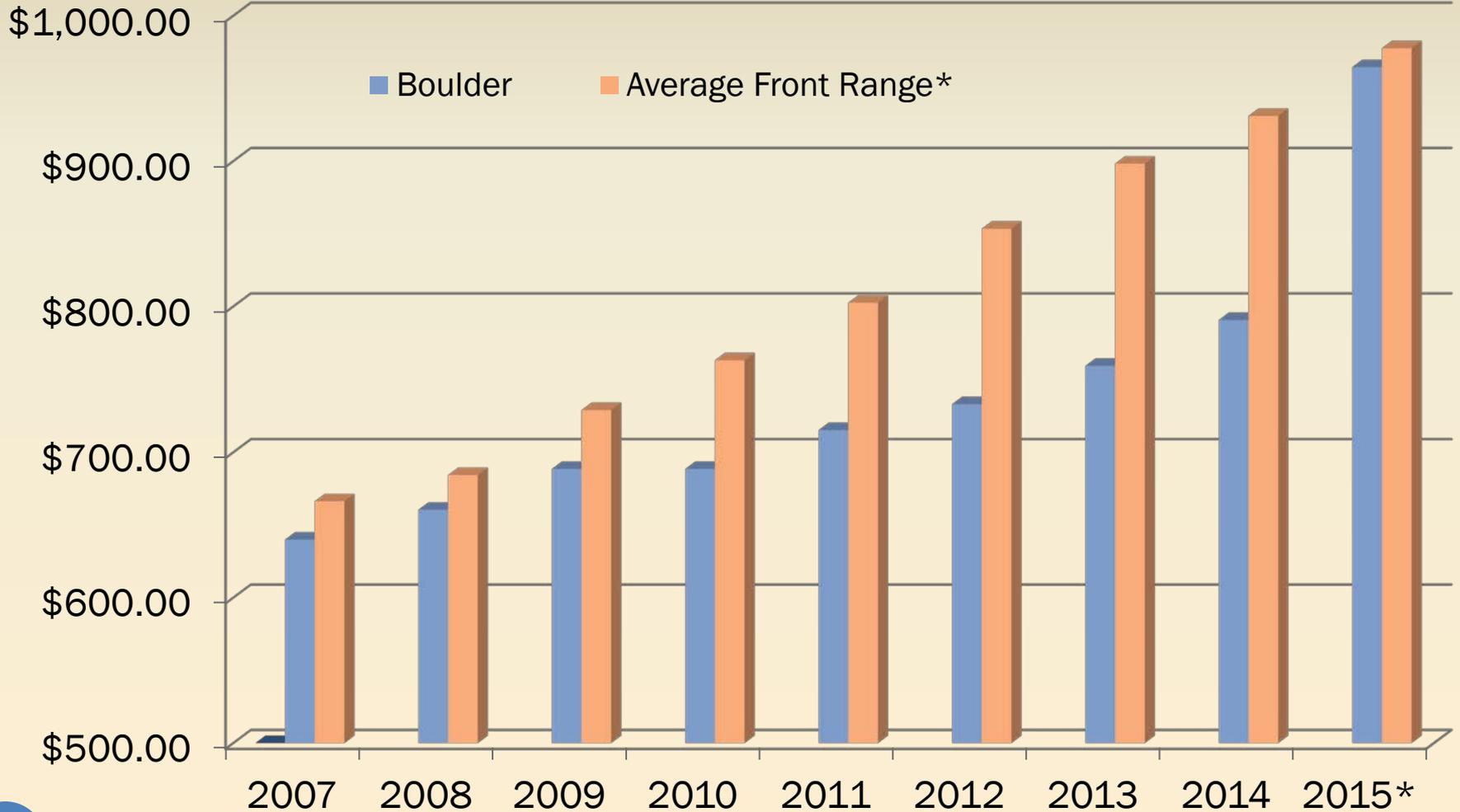
Customer	Combined Monthly Bill 2014 Rates	Combined Monthly Bill 2015 Rates	Monthly Bill Increase	Percent Change
Single Family Residential	\$66	\$81	\$15	23%
Hotel	\$2,797	\$3,452	\$655	23%
Grocery Store	\$6,537	\$8,006	\$1,468	22%
Large Format Retailer	\$2,176	\$3,066	\$890	41%
Pearl Street Retail	\$96	\$120	\$24	25%
Industrial/Institutional	\$5,201	\$6,677	\$1,476	28%
Downtown Restaurant	\$270	\$333	\$63	23%
Downtown Restaurant/Brewery	\$628	\$763	\$135	22%

# Annual Residential Bill Comparison

## 2014 Rates



# Historical Bill Trend (Residential)



\*2015 for Front Range assumes continuing the average 5% increase

# Energy Strategy and Electric Utility Development

# Energy Strategy and Electric Utility Development

- Transition from Analysis to Implementation
- Adequate Resources critical for
  - Flexibility
  - Schedule
  - Phasing transition plan
- New Project Manager Position
- Deferred Funding Option
- Accountability

# Neighborhood Services

# Neighborhood Services

- Neighborhood Liaison position proposed for 2015
- Point of Contact -Better Involve/Inform Community Members
- Partner Collaboratively
- Track and Measure Effectiveness
- \$150,000

# Code Enforcement and Rental Housing Licensing

# Code Enforcement and Rental Housing Licensing

- April 8, 2014 – Code Enforcement Study Session
- Updated Code Enforcement Data - in 1<sup>st</sup> Reading Materials
- .5 FTE - Initial Proposal for Rental Licensing Enforcement
- Additional Investment Proposed – IPMC Compliance Check

# Code Enforcement and Rental Housing Licensing

- Quality Assurance Program
- \$178,000 – 2 FTE and NPE
- Funded by Fee Revenue
- Comprehensive Program Evaluation
- VRBOs – 2015 Work Program

# Body Cameras for Police Officers

- Equip all uniformed officers
  - 150 cameras
- Developing procedures and policies
  - Best practices
  - Appropriate program management
- One time costs for initial purchase
- Ongoing costs for maintenance and replacement savings

# Open Space Trail Repair

- Evolving needs identified with ongoing flood repair work and inventory
- Additional Trail Specialist
  - 3 year fixed-term
- Seasonal Trail Crew
- Equipment
- Supported by Open Space Board of Trustees

# Additional Video Coverage of Public Meetings

- Current coverage:
  - All council meetings
  - Budget and Energy Study Session
  - Other Study Sessions as needed
- Cost to cover all study sessions estimated at \$20,000
- Potential additional coverage could be explored

# Next Steps

- October Budget Hearings
  - Oct. 21 Second Reading (including Districts)
  - Nov. 6 Third Reading (if needed)
- Council Adopts 2015 Budget, including CIP
- Comprehensive Financial Strategy update to City Council in First Quarter of 2015

# Questions

- Does council have any questions or feedback on the 2015 Recommended Budget?