



# 2023 Preliminary Budget Presentation

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Study Session August 8, 2022  
Presentation 22-208



# 2023 Budget Schedule and Considerations



# 2023 Budget Schedule

- August 8<sup>th</sup> – City Manager recommendations on department requests/Legislative Budget
- August 15<sup>th</sup> – TBD
- August 22<sup>nd</sup> – TBD
- September 12<sup>th</sup> – Budget Retreat
- October 17<sup>th</sup> – Council, GIDs & URA open public hearings
- November 7<sup>th</sup> – Council, GIDs & URA close public hearings, budget adoption



# Characteristics of a Good Budget Process

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Supports Government Finance Officers Association (GFOA) criteria of policy document, operations guide, financial plan, and communications device

- Establishes linkages to city council and other organizational goals
- Follows decision making focused on desired results/outcomes and priority service area needs
- Focuses on continued awareness of pandemic impacts and changing economic factors
- Promotes effective communication with stakeholders



# Key Considerations for 2023 Budget

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- Complete thorough base budget analysis and base budget setting for 2023
- Review, evaluate, and prioritize budget requests and made recommendations to address staffing and other critical service needs
- Evaluate and prioritize capital needs and made recommendations to strategically invest in capital projects
- Maintain effective employee compensation and benefits plan to attract and retain high quality employees
- Finalize draft 2023 budget that uses available resources to meet current and ongoing needs of the city in a fiscally responsible way



# Key Considerations Cont'd.

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- Fund Balance is healthy, recommend continued conservative approach to spending/saving
- 2023 City Manager recommended budget uses \$2,411,498 in fund balance – majority is for one-time expenditures
- Additions to base were included for known contractual increases
- Internal Service Funds (Fleet, IT, and Facilities) preliminarily updated – subject to change based on inclusion of budget requests
- Initial Budget Requests = \$11.7M, City Manager recommendation = \$8.0M



# Fund Balance/Reserves Policy

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## Policy:

- The City of Commerce City maintains reserves that are required by law or contract and that serve a specific purpose. These types of reserves are considered restricted and are not available for other uses.
- Within specific funds, additional reserves may be maintained according to adopted policies.
- All expenditures of reserves must be approved by City Council.



# Reserves Policy Cont'd.

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- **TABOR Reserve:** Restricted for Emergencies – Article X, Section 20 of the State Constitution requires a reserve of three percent (3%) of fiscal spending for emergencies. The use of this reserve is restricted to the purpose for which it was established and can be used solely for declared emergencies.
- The City Council has determined that **Safeguard Reserves** be established at the level of ten percent (10%) of expenditures (excluding the capital improvement funds) and fifty percent (50%) of debt service required for that fiscal year. Safeguard Reserves may be used for operations or debt service only in times of emergency such as natural disasters, acts of terrorism or war, widespread riots or similar emergencies impacting the community.
- The City Council has determined **that Operating Reserves** be established provide for unforeseen reductions in revenues in the current year if budgeted revenues are less than actual revenues and expenditures, including encumbrances, are greater than actual. The target for Operating Reserves will be ten percent (10%) of operating expenditures (excluding the capital improvement funds). Operating Reserves may be used during economic downturns to fill the gap between operating revenues and expenditures.





# 2021 General Fund Year-End Fund Balances

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## Levels of Reserves:

- Non-spendable:
  - Inventory, Prepaid Items, Notes \$224,596
- Restricted:
  - TABOR reserve \$3,744,228
  - 2K Capital outlay and operations \$16,270,703
- Assigned – Defined Contribution Plan \$5,393,402
- Unassigned - \$89,936,865
  - Available \$65,032,868
  - Designated “Safeguard” Reserves \$14,667,908
  - Designated “Operating” Reserves \$8,830,881
  - Designated “Equipment/Employee Assisted Housing Reserve \$1,405,208
- **Audited 2021 Fund Balance \$115,569,794**



# 2022 Fund Balance Uses

2021 General Fund Unassigned F/B	\$65,032,868
Balance 2022 Budget	(986,650)
Ord 2362 Re-Appropriation/Supply Chain Concerns	(453,500)
Ord 2371 LDC Update	(500,000)
Ord 2388 Buffalo Highlands Oasis Project	(2,000,000)
Ord 2398 Re-Appropriation/Various Positions/Needs	(1,747,658)
Ord 2401 Buffalo Run Expansion	(13,677,240)
Ord 2402 Re-Appropriation/Various Positions/Needs/CIPP	(12,349,772)
2023 Budget Shortfall	(2,411,498)
Remaining Unassigned F/B	\$30,906,550

2021 2K General Fund – Fund Balance	\$16,270,703
2022 CIPP Transfer	\$10,650,000
Remaining Restricted F/B	\$5,620,703





# Preliminary 2023 Summary of General Fund Financials



# 2023 Combined General Fund

## Source/Use

Financial Sources		2023 Budget
General Fund	\$	119,484,631
<b>Transfers From</b>		
Water Aquisition Fund	\$	530,831
2k Allocation	\$	1,137,513
<b>Total</b>	<b>\$</b>	<b>121,152,975</b>
Financial Uses		2023 Budget
<b>Primary Government</b>		
Administration	\$	7,074,417
Human Resources	\$	1,744,539
Finance	\$	14,254,600
Community Development	\$	5,621,500
Public Safety	\$	26,577,298
Public Works	\$	18,432,185
Parks and Recreation	\$	15,128,570
Debt Service (2017A & 2017B)	\$	2,360,237
2K Allocations Administrative (15%)	\$	1,003,772
2K Allocations Long Term (20%)	\$	133,741
<b>Transfers To</b>		
Commerce City Housing Authority	\$	60,000
Elected Officials Retirement Fund	\$	47,280
Debt Service Fund- 2015	\$	2,941,011
Debt Service Fund- 2014 2K	\$	1,826,680
Debt Service Fund- 2016 2K	\$	1,141,530
Debt Service Fund- 2022 A/B/C	\$	6,763,331
Urban Renewal Authority (Derby)	\$	83,000
CIPP - Indirect Allocation Long-Term Capital	\$	133,741
<b>Total</b>	<b>\$</b>	<b>105,327,432</b>
<b>Impact to Fund Balance</b>	<b>\$</b>	<b>15,825,543</b>

# 2023 Non 2K Source/Use Preliminary

<b>Financial Sources</b>		<b>2023 Budget</b>
General Fund	\$	96,845,209
<b>Transfers From</b>		
Water Aquisition Fund	\$	530,831
2k Indirect	\$	1,137,513
<b>Total</b>	<b>\$</b>	<b>98,513,553</b>
<b>Financial Uses</b>		<b>2023 Budget</b>
<b>Primary Government</b>		
Operating Expenses	\$	83,832,825
<b>Transfers To</b>		
Commerce City Housing Authority	\$	60,000
Elected Officials Retirement Fund	\$	47,280
Debt Service Fund-2015	\$	2,941,011
Urban Renewal Authority (Derby)	\$	83,000
CIPP - Indirect Allocation Long-Term Capital	\$	133,741
<b>Total</b>	<b>\$</b>	<b>87,097,857</b>
<b>Impact to Fund Balance</b>	<b>\$</b>	<b>11,415,696</b>



# 2023 2K Source/Use Preliminary

Financial Sources		2023 Budget
2k Taxes	\$	21,174,265
Bison Ridge	\$	205,000
Paradice Island	\$	1,260,157
<b>Total</b>	<b>\$</b>	<b>22,639,422</b>
Financial Uses		2023 Budget
<b>2K Direct</b>		
New Rec Center Operations	\$	1,361,911
New Rec Center Program Operations	\$	368,932
Recreation Administraion Operations	\$	472,720
Rec Salary %	\$	3,530,110
Paradice Pool	\$	783,790
Existing Rec	\$	174,353
<b>2K Indirect (15%)</b>	<b>\$</b>	<b>1,003,772</b>
2K Parks	\$	504,620
2K Roads (Street, Maint,Cleaning and Snow)	\$	164,085
<b>2K Indirect (20%)</b>	<b>\$</b>	<b>133,741</b>
<b>Transfers To</b>		
<b>Debt</b>		
Debt Service Fund- 2014 2K	\$	1,826,680
Debt Service Fund- 2016 2K	\$	1,141,530
Debt Service Fund- 2022 A/B/C	\$	6,763,331
<b>Total</b>	<b>\$</b>	<b>18,229,575</b>
<b>Impact to Fund Balance</b>	<b>\$</b>	<b>4,409,847</b>

# 2023 City Manager Recommendations

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2023 Initial General Fund Surplus	\$	<b>11,415,696</b>
Re-Appropriations (1st Round)	\$	(1,369,474)
Re-Appropriations (2nd Round)	\$	(973,934)
2023 Budget Requests (Preliminary Yes)	\$	(8,018,786)
2023 Health Insurance Estimated Increase	\$	(1,000,000)
Preliminary CIPP General Fund Transfer	\$	(2,465,000)
Impact to General Fund Balance	\$	<b>(2,411,498)</b>

2023 Initial 2K Surplus	\$	<b>4,409,847</b>
2023 Budget Requests		TBD
Preliminary CIPP 2K Transfer	\$	(4,235,000)
Impact to General Fund Balance	\$	<b>174,847</b>



# 2022-2023 Base Budget Variances

General Fund	2022 Adopted	2023 Base Budget	Variance
City Manager	\$ 5,105,376	\$ 5,004,623	\$ (100,753)
Finance	\$ 13,959,001	\$ 14,254,600	\$ 295,599
Human Resources	\$ 1,627,972	\$ 1,744,539	\$ 116,567
Community Development	\$ 5,678,953	\$ 5,621,500	\$ (57,453)
Public Safety	\$ 25,916,599	\$ 26,577,298	\$ 660,699
Public Works	\$ 17,326,844	\$ 18,432,185	\$ 1,105,341
Parks & Recreation	\$ 15,594,396	\$ 15,128,570	\$ (465,826)
Legal	\$ 1,323,154	\$ 1,341,904	\$ 18,750
Legislative*	\$ 699,194	\$ 727,890	\$ 28,696
<b>Grant Total</b>	<b>\$ 87,231,489</b>	<b>\$ 88,833,109</b>	<b>\$ 1,601,620</b>
Internal Service Funds	2022 Adopted	2023 Base Budget	Variance
Information Technology	\$ 6,865,089	\$ 6,956,516	\$ 91,427
Fleet	\$ 6,203,910	\$ 6,678,268	\$ 474,358
Facilities	\$ 3,430,303	\$ 3,429,814	\$ (489)
<b>Grant Total</b>	<b>\$ 16,499,302</b>	<b>\$ 17,064,598</b>	<b>\$ 565,296</b>

\* Legislative Budget will be reviewed with Council at the next session



# Explanation of Department Variances

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## **City Manager (Decrease)**

- Contractual decreases
- Vehicle Allocation decrease

## **Finance (Increase)**

- Salary and Benefit increases
- Health Insurance increases (including Retiree Health Insurance Trust)

## **Human Resources (Increase)**

- Salary and Benefit increases
- Contractual increases (including Recruiting and Advertising, Wellness Program)
- Allocation increases

## **Community Development (Decrease)**

- Contractual decreases

## **Public Safety (Increase)**

- Salary and Benefit increases (including Overtime, PT Staff, and Special Duty Assignment)
- Contractual increases (including ADCOMM, Flat Rock, and Victim Advocate)
- Allocation increases



# Explanation of Department Variances, Cont'd.

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## **Public Works (Increase)**

- Salary and Benefit increases (including On Call and Salaries Snow)
- Utilities increases (including Utilities Gas and Electric)
- Road Maintenance Materials increase
- Allocation increases

## **Parks Recreation and Golf (Decrease)**

- Salary and Benefit decrease (including Lifeguards and Contractual for Fitness/Wellness)
- Materials and Supplies increase (including Family Enrichment Programs)
- Allocation increases

## **Legal (Increase)**

- Contractual increases (including Outside Services for Litigation)
- Allocation increases

## **Legislative (Increase)**

- Allocation increases



# Explanation of Department Variances, Cont'd.

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## **Information Technology (Increase)**

- Salary and Benefit increases (including Performance Based Pay)
- Software Maintenance/Upgrade increases
- Hardware and Network Maintenance and Replacement increases

## **Fleet (Increase)**

- Capital Outlay Vehicles and Depreciation Expense increases
- Vehicle Lease and Fuel increases
- Allocation increases

## **Facilities (Decrease)**

- Salary and Benefit decrease
- Decrease in Capital Outlay Equipment due to large purchases in 2022





# Department Budget Requests



# 2023 Initial Budget Requests

- Original total of all budget requests received from departments = \$11,743,762
- Adjustments were made following Finance, HR, IT, and Fleet/Facilities review, with revised total of all budget requests = \$10,787,827

Department	Amount
Community Development	1,917,015
Legal	206,649
City Manager's Office	670,105
Finance	597,692
Human Resources	316,006
Parks Recreation & Golf	699,480
Public Safety	1,403,576
Public Works	3,061,579
Legislature	10,000
<b>Total - All Requests</b>	<b>\$ 10,787,827</b>



# Requests by Department

The next several slides correspond to the 2023 Budget Request Summary attachment included in the agenda item packet.

Department/Request Title	Request Type	Amount	Decision
<b>Community Development</b>		<b>\$ 1,917,015</b>	
Emergency Rental and Mortgage Assistance Fund	Budget Enhancement	250,000	Yes
Environmental and Sustainability	Budget Enhancement	50,000	Yes
On-Call / OT	Budget Enhancement	30,000	Yes
Phase III - HPO (contingency)	Budget Enhancement	85,000	No
Department Printer	IT Request	10,000	Yes
Digital Cameras (2023 cost savings)	IT Request	2,800	No
Host Compliance	IT Request	25,000	No
iPads- B&C and Managers	IT Request	13,400	No
Kiosk (2022 purchase)	IT Request	5,000	No
Public Engagement Platform	IT Request	35,000	Yes
Thermal Printers and Adapters	IT Request	4,312	No
Building Inspector Apprentice	New Position - with vehicle	75,901	Yes
Building Inspector I	New Position - with vehicle	228,190	Yes
Building Inspector II	New Position - with vehicle	141,269	No
Code Enforcement Inspector	New Position - with vehicle	122,457	Yes
Admin III	New Position - without vehicle	95,063	No
Administrative Supervisor	New Position - without vehicle	113,960	No
Code Enforcement Field Supervisor	New Position - without vehicle	91,046	No
Housing Grants and Financial Coordinator	New Position - without vehicle	78,911	Yes
New Position - Permit Tech III	New Position - without vehicle	88,558	Yes
Planning Analyst	New Position - without vehicle	122,571	No
Senior Planner	New Position - without vehicle	123,811	Yes
Senior Planner - HPO	New Position - without vehicle	124,766	No

# Requests by Department

Department/Request Title	Request Type	Amount	Decision
<b>Legal</b>		<b>\$ 206,649</b>	
RFP Legal Document Management Software	IT Request	50,000	No
CAO - New Attorney for 2023	New Position - without vehicle	156,649	Yes
<b>City Manager's Office</b>		<b>\$ 670,105</b>	
Additional Boards & Commissions Funding (re-appropriation)	Budget Enhancement	7,000	No
City Clerk's Office Career Development Meetings Enhancement	Budget Enhancement	8,558	Yes
City Clerk's Office Membership Dues Enhancement	Budget Enhancement	1,598	Yes
City Clerk's Office Office Supplies Enhancement	Budget Enhancement	625	Yes
Commercial Real Estate Transaction Services	Budget Enhancement	50,000	Maybe
Historic Preservation - Property Use Feasibility Study	Budget Enhancement	75,000	No
Memorial Day Parade	Budget Enhancement	12,000	Yes
Operating Budget for Center for Innovation	Budget Enhancement	55,000	Yes
Slate Communications	Budget Enhancement	89,000	Yes
Campaign Finance Software Solution	IT Request	138,000	No
FullCourt Text Messaging	IT Request	12,720	Yes
Website Redesign and Hosting	IT Request	110,000	Yes
Management Analyst II (re-appropriation)	New Position - without vehicle	110,604	No



# Requests by Department

Department/Request Title	Request Type	Amount	Decision
<b>Finance</b>		<b>\$ 597,692</b>	
OpenGov Consulting Services	Budget Enhancement	40,000	No
1.0 FTE Accountant II (half year for 2023, full year for 2024)	New Position - without vehicle	48,821	Yes
1.0 FTE Budget Supervisor	New Position - without vehicle	143,781	Yes
Senior Tax Auditor	New Position - without vehicle	119,325	Yes
Tax Audit Supervisor	New Position - without vehicle	140,465	Yes
Tax Auditor I	New Position - without vehicle	105,300	Yes
<b>Human Resources</b>		<b>\$ 316,006</b>	
Increase Recruitment Budget	Budget Enhancement	30,000	Yes
Kazoo Performance Evaluation	IT Request	62,000	Yes
Office365 Licensing G1 (email for VHE's)	IT Request	53,595	Yes
Benefits Coordinator	New Position - without vehicle	88,911	Yes
Human Resources Technician-Recruitment (re-appropriation)	New Position - without vehicle	81,500	No
<b>Information Technology</b>		<b>1,905,725</b>	
Office Renovation	Facility Renovation	75,000	Yes
Audio/Visual Replacement at Bison Ridge	IT Request	450,000	Yes
Network Wiring Upgrades	IT Request	350,000	Yes
Server Infrastructure Refresh	IT Request	500,000	Yes
Administrative Specialist III	New Position - without vehicle	76,676	Yes
Business Analyst/Application Analyst	New Position - without vehicle	121,126	Yes
IT Technician	New Position - without vehicle	85,991	Yes
Service Desk Analyst	New Position - without vehicle	74,134	Yes
Sr. IT Project and Program Manager	New Position - without vehicle	172,798	Yes



# Requests by Department

Department/Request Title	Request Type	Amount	Decision
<b>Parks Recreation &amp; Golf</b>		<b>\$ 699,480</b>	
Golf Mower Equipment	Budget Enhancement	35,000	Yes
Golf Turf Equipment	Budget Enhancement	50,000	Yes
Golf Volunteer Uniforms (2022 purchase)	Budget Enhancement	1,400	No
Maintenance Seeder Equipment (2022 purchase)	Budget Enhancement	8,500	No
Maintenance Trencher Equipment	Budget Enhancement	21,000	Yes
Operating Supplies Fertilizer/Chemicals	Budget Enhancement	55,000	Yes
eCitations for Rangers	IT Request	43,487	Yes
Golf Operations POS Upgrade	IT Request	11,810	Yes
Park Ranger (2)	New Position - with vehicle	45,361	Yes
GOLF Maintenance conversion from VHE to FT	New Position - without vehicle	89,729	Yes
GOLF Ops Conversion VHE to FT	New Position - without vehicle	89,229	Yes
Recreation Coordinator - Aquatics	New Position - without vehicle	82,988	Yes
Recreation Coordinator - Fitness	New Position - without vehicle	82,988	Yes
Recreation Coordinator - Indoor/Outdoor Rentals	New Position - without vehicle	82,988	Maybe



# Requests by Department

Department/Request Title	Request Type	Amount	Decision
<b>Public Safety</b>		<b>\$ 1,403,576</b>	
Alternate Towing Option for Derelict Trailers	Budget Enhancement	50,000	Yes
VHE Budget Enhancement	Budget Enhancement	235,342	Yes
Fast Solutions Quartermaster Equipment Management System	Furniture and Equipment	7,800	Yes
Mobile Video Trailer (Lot Cop)	Furniture and Equipment	52,500	Yes
STARCHASE - tracking projectile launching systems (2022 purchase)	Furniture and Equipment	18,000	No
eCitations Work Flow Updated Budget (2022 purchase)	IT Request	9,400	No
6 Police Officers	New Position - with vehicle	868,878	Yes
Case Support Specialist (Spanish Monitor)(Technician)	New Position - without vehicle	77,386	Yes
Training and Recruiting Technician	New Position - without vehicle	84,270	Yes



# Requests by Department

Department/Request Title	Request Type	Amount	Decision
<b>Public Works</b>		<b>\$ 3,061,579</b>	
Fuel for Fleet Vehicles	Budget Enhancement	110,900	Yes
Parks Materials Enhancement	Budget Enhancement	56,000	Yes
Parks Training Budget (CDL)	Budget Enhancement	3,500	Yes
Road Maintenance Materials	Budget Enhancement	52,400	Yes
Street Sign Materials	Budget Enhancement	20,000	Yes
Streetlight Damage Replacement/Repairs (new line item in existing budget)	Budget Enhancement	150,000	No
Streets Training Budget (CDL)	Budget Enhancement	5,250	Yes
Utility Locating Contract	Budget Enhancement	55,000	Yes
6 i-Pads for Facilities Staff for Asset Management Software	IT Request	10,980	Yes
Facilities Maintenance Technician (re-appropriation)	New Position - with vehicle	122,644	No
Parks Maintenance Supervisor	New Position - with vehicle	151,985	Yes
Parks Maintenance Supervisor (2 of 2)	New Position - with vehicle	151,985	No
Stormwater Inspector	New Position - with vehicle	146,036	Yes
Administrative Specialist II	New Position - without vehicle	68,317	Yes
Administrative Supervisor	New Position - without vehicle	94,927	Yes
Fleet and Facilities Program and Project Coordinator (re-appropriation)	New Position - without vehicle	86,751	No
Fleet Technician	New Position - without vehicle	81,759	No
Infrastructure Asset Technician	New Position - without vehicle	102,176	No
Limited Term Project Manager/Construction Administrator (re-appropriation)	New Position - without vehicle	154,822	No
Parks and Streets Project and Program Coordinator	New Position - without vehicle	97,248	Yes
Parks Operations Technician (2 of 2)	New Position - without vehicle	68,369	No
Parks Operations Technicians (Conversion of 12 VHE )	New Position - without vehicle	546,952	Yes
Parks Operations Technician (1 of 2)	New Position - without vehicle	68,369	Yes
PW Project Manager – Right-of-way Agent	New Position - without vehicle	156,706	No
Senior Contract Administrator	New Position - without vehicle	111,710	No
Streets Operations Technician (1 of 2)	New Position - without vehicle	68,369	Yes
Streets Operations Technician (2 of 2)	New Position - without vehicle	68,369	Yes
Traffic Engineer/Planner	New Position - without vehicle	164,515	Yes
Traffic Signal Technician	New Position - without vehicle	85,540	No

# Requests by Department

Department/Request Title	Request Type	Amount	Decision
<b>Legislature</b>		<b>\$ 10,000</b>	
Healthy Places (formerly LiveWell CC)	Budget Enhancement	7,000	Yes
Imagination Library	Budget Enhancement	3,000	Yes

- Total of all “Yes” budget requests = \$8,018,827
- Further discussion needed regarding “Maybe” items in City Manager’s Office and Parks, Recreation & Golf



# 2023 Budget Balancing Options

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There are options for dealing with revenues short of budget:

1. Approve only base budgets
2. Approve base budget plus “yes” decisions
3. Approve base budget plus new position requests only
4. Approve base budget, “yes” decisions, & new positions
5. A modification of #4
6. Consider base budget reductions
7. Approve CM recommendations

➤ Plan to pull \$2,411,498 from fund balance



# Items Subject to Change

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- Incorporate additions/changes per council direction
- Revenue estimates (minor revisions after additional data available in late August)
- Salaries and benefits (final position budgeting refresh)
- Benefit plan increases (final estimates to be provided by HR in late August)
- Internal Service Fund allocations (final refresh after approved requests are added)
- Continued analysis of economic conditions and changes as necessary



# City Manager's Closing Comments

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- 2021 revenue growth and healthy year-end fund balances, with significant use of fund balances in 2022 to meet operational and capital needs
- Staffing shortages in multiple departments and the importance of maintaining effective employee compensation and benefits plan to attract and retain high quality employees
- Challenges of not being able to do it all and effectively prioritizing projects and needs – impacts to staff and lack of unlimited resources
- Proposing use of GF fund balance for strategic capital investments in 2023





# CIPP Requests





# Purpose

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- Outline CIPP Framework
- Provide overview of project prioritization and scoring efforts
- Review funding sources and project needs (annual capital maintenance and one-time projects)
- Receive feedback from Council re: 2023 project recommendations prior to Council's budget retreat, when complete 5-Year CIPP will be presented



# Framework for Five Year Plan

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- **Traditional Capital Projects**
  - New parks, recreation amenities, roads, and facilities
  - Variety of funding sources, including general fund
  - Example: Rosemary Street Widening
- **Operational Capital Projects**
  - Signals, bridge replacement, warning towers, sidewalk connections, drainage/water quality, park/road enhancements, and studies
  - General fund transfer + variety of fees
  - Example: ADA Compliance
- **Preservation Capital Projects**
  - Long-term asset maintenance/replacement of roads, flatwork, parks, and golf assets
  - Set annual funding amounts (percentage or dollar) to improve budget/project certainty
  - Example: Traffic Signal Maintenance



# CIPP Funding Sources

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- General Fund
- 2K (bonds)
- 2K (fund balance)
- Highway Users Tax
- Solid Waste
- AdCo Open Space
- Lottery
- Park Impact Fee
- AdCo Road & Bridge
- Road Impact Fee
- Transportation Tax
- Drainage Basins
- Tax Increment Financing
- CDBG (future)
- Internal Service Funds-Retained Earnings



# Funding Sources Continued: 2K

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- 2K is a one-cent sales and use tax increase used to fund CIP projects & their maintenance
- Initially, all 2K funding was dedicated to five major projects collaboratively chosen by residents and city officials
- Remaining 2K bonding capacity (\$37.5 million) was issued in 2022 with projects identified by council and staff



# CIPP Process Team Evaluation

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- CIPP Process Team comprised of staff from the City Manager's Office, Finance, Public Works, and Parks, Recreation & Golf met several times to evaluate and score CIPP project requests
- All project requests were placed into three tiers:
  1. Safety or Statutory Requirement
  2. Up to Standard or Code
  3. New/Top of Class
- Tiers 1 & 2 considered “mandatory”
- Tier 3 projects prioritized per newly developed scoring criteria



# Project Prioritization & Scoring

## **TIER 1: SAFETY OR STATUTORY REQUIREMENT**

These projects are required to meet legal requirements or urgent safety needs. A good example of these are bridge repairs. The 112<sup>th</sup> Avenue bridge was partially shut down due to safety concerns making it repair urgent. The Potomac Street bridge has been rated very low and has had weight limits instituted by CDOT. ADA compliance is an example of an ongoing project spurred by statutory requirements.

## **TIER 2: UP TO STANDARD OR CODE**

These projects are mostly repairs of existing infrastructure that has not reached the level of imminent safety concern. Railroad crossings are a good example. The City is working with BNSF to repair the 72<sup>nd</sup> Avenue crossing to improve the comfort of the drive crossing and help traffic. Another example is the Rosemary Widening project. This will add capacity to the Rosemary corridor and improve access to adjacent properties while adding drainage capacity and safer pedestrian access.

## **TIER 3: NEW/TOP OF CLASS**

These projects are new infrastructure or significant improvements to existing infrastructure. Examples of this are the 120<sup>th</sup> Avenue/US85 interchange which will construct a grade-separated crossing of the UPRR. This will significantly improve the traffic situation in this area of the City and also allow for more efficient rail operations. The 96<sup>th</sup> Avenue Widening project also is included in this category. Completing the 4-lane road from Chambers Road to Tower Road will increase capacity and provide an improved driving experience for residents and visitors.

# Scoring Criteria

- Tier 3 projects scored by CIPP Process Team members
- Each criteria scored on scale between 0 and 10 points, with 10 being very important, and 0 being no importance
- Scores were averaged, then sorted and evaluated in priority order
- Priorities evaluated across years per available funding and recommendations made

#	Criteria
1	Addresses City Council goals and objectives.
2	Addresses an identified safety issue.
3	Repair and/or preservation of existing infrastructure.
4	Continues a previous commitment.
5	Takes advantage of opportunities for outside funding.
6	Helps to encourage economic development.
7	Continues or completes a multi-phased project.
8	Economies of scale through linkage with other projects.
9	Maintenance and operating cost impacts. (Note: Reduce maintenance costs is considered good - "important")
10	Popular support: Reduces liability, preserves property values or social enhancement.



# 2023 Project Requests Tiers 1&2

Tier	Project Name	2023 Request	Department
1	ADA Compliance	\$250,000	HR
1	62nd Ave & Vasquez Intersection (MHGP)	\$2,000,000	PW-ENG
1	HSIP - Local Match for Intersection Dilemma Zones	\$50,400	PW-ENG
1	O'Brian Canal Lining at Potomac	\$150,000	PW-ENG
1	Railroad Crossing - Quiet Zones	\$123,000	PW-ENG

Tier	Project Name	2023 Request	Department
2	Preservation	\$1,340,000	PRG
2	104th Ave - S Platte River to US85 Widening	\$916,000	PW-ENG
2	2023 Scheduled Facility Condition Assessment Projects	\$621,000	PW-FF
2	Citywide Asphalt Pavement Study	\$200,000	PW-ENG
2	Concrete Flatwork Program	\$250,000	PW-ENG
2	Core City Infrastructure Improvements	\$250,000	PW-ENG
2	Crack Repair Program	\$250,000	PW-ENG
2	Long Lane Striping	\$157,500	PW-ENG
2	Pave MSC Compound	\$500,000	PW-FF
2	Pavement Management	\$2,500,000	PW-ENG
2	Railroad Crossing Replacement Program	\$250,000	PW-ENG
2	Rosemary Widening	\$1,500,000	PW-ENG
2	Sidewalk Connectivity	\$96,000	PW-ENG
2	Street Reconstruction	\$500,000	PW-ENG
2	Traffic Calming Program	\$32,500	PW-ENG
2	Traffic Signal Maintenance	\$120,000	PW-ENG
2	Traffic Signal Program	\$300,000	PW-ENG



# 2023 Project Request Tier 3

Tier	Project Name	2023 Request	Department
3	Derby Gateway and Entry Lighting and Signage	\$300,000	CD
3	Electronic Storage Conversion	\$380,000	CD
3	Office Renovation	\$160,000	CD
3	112th Ave and US85	\$500,000	PW-ENG
3	62nd & Holly Intersection	\$375,000	PW-ENG
3	64th & Holly Intersection	\$250,000	PW-ENG
3	68th Avenue - Colorado Blvd to Brighton Blvd	\$200,000	PW-ENG
3	Buffalo Run Drainage Study	\$500,000	PW-ENG
3	CCC Stormwater Master Plan - East of HWY 2	\$90,000	PW-ENG
3	City Parking Lot Maintenance	\$500,000	PW-FF
3	Civic Center Exterior Masonry Repairs	\$18,000	PW-FF
3	Eagle Pointe Swimming Pool Pump and Sand Filter(s) Replacement	\$19,500	PW-FF
3	Fairfax Park Drainage Reconstruction	\$750,000	PW-ENG
3	Fleet Vehicle and Equipment Wash Bay Re-construction	\$780,000	PW-FF
3	Fleet Wet Fire Sprinkler System Assessment and Modifications	\$127,000	PW-FF
3	Highway 2 Median	\$1,250,000	PW-ENG
3	I-76 On-ramp	\$100,000	PW-ENG
3	Irondale Regional Drainage	\$300,000	PW-ENG
3	MSC Building B South & East Parking Lot Asphalt Replacement	\$129,500	PW-FF
3	Paradise Island Pool(s) Gutter Tile Replacement	\$80,000	PW-FF
3	Replace Toddler Pool Slide at Bison Ridge Recreation Center	\$50,000	PW-FF
3	Replacement of Road Deicer Materials Storage Building	\$500,000	PW-FF

# 2023 Recommended Projects

Project Name	Amount Funded
<b>Preservation</b>	<b>\$ 6,566,000</b>
2023 PRG Preservation	1,340,000
City Parking Lots Maintenance/Reconstruction	629,500
Crack repair Program	250,000
Fleet Wash Bay	780,000
Fleet Wet Fire System	127,000
Pavement Management 2023	2,500,000
Railroad Crossing Replacement Program	250,000
Replace BR Toddler Slide/Paradise Island Tile/Eagle Pointe pump	69,500
Street Reconstruction	500,000
Traffic Signal Maintenance Program	120,000
<b>Operational</b>	<b>\$ 2,266,900</b>
ADA Compliance	250,000
CCC Stormwater Master Plan/ East of Hwy 2	90,000
Facility Assessment Projects	375,000
Flatwork (PW)	250,000
Golf Course Drainage Study	500,000
HSIP-Local Match	50,400
Pavement Study	200,000
Railroad Crossing Quiet Zones	123,000
Sidewalk Connectivity (PW)	96,000
Traffic Calming Program	32,500
Traffic Signal Installation Program	300,000



# 2023 Recommended Projects

Project Name	Amount Funded
<b>Traditional</b>	<b>\$ 8,648,500</b>
104th Ave - S. Platte River to Hwy 85 Widening	916,000
112th and US Ave.	500,000
62nd Ave. & Vasquez Intersection (MHGP TIF)	2,000,000
62nd/64th and Holly	625,000
68th AVE CO to Brighton	200,000
Core City Pavement, Drainage, Signal & Sidewalk Maintenance	250,000
Fairfax Park Drainage Reconstruction	200,000
Highway 2 Median	1,250,000
I76 on Ramp	100,000
Irondale Regional Drainage	300,000
Long Lane Striping	157,500
O'Brian Canal Lining	150,000
Road Materials Building MSC	500,000
Rosemary Street Widening	1,500,000
<b>Grand Total</b>	<b>\$ 17,481,400</b>



# 2023 Recommended CIPP Highlights

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- Includes \$2 million loan from the GF to URA for the 62<sup>nd</sup> Ave. & Vasquez intersection (to be repaid by CCURA from MHGP TIF revenue)
- Continues Rosemary Widening funding
- Provides local match for CDOT widening of 104<sup>th</sup> Ave. between US 85 and S. Platte River
- Funds construction of Hwy 2 Median Barrier
- Provides for one RR crossing replacement
- Provides for one street reconstruction



# Closing

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Questions/Comments





# Supplemental Information



# Revenue Summary

	2021 Actual Revenues	2022 Final Budget	2022 Actual (through June)	2023 Projected Revenues
<b>Revenues</b>				
<b>Taxes:</b>				
General Property Taxes	\$ 3,657,284	\$ 3,955,997	\$ 2,906,309	\$ 3,958,385
Specific Ownership Taxes	292,722	260,000	88,075	284,494
Sales and Use Taxes	99,439,591	78,809,815	41,210,373	93,934,194
Motor Vehicle Registration	235,755	215,636	71,815	227,115
Franchise Fees	3,495,587	3,200,000	1,414,332	3,430,671
Retail Excess	1,768,919	1,770,788	641,999	1,755,037
Total Taxes	108,889,858	88,212,236	46,332,903	103,589,896
<b>Licenses and Permits:</b>				
Liquor Licenses	42,069	49,857	25,028	49,784
Occupation Licenses	21,011	18,960	10,310	19,052
Contractors Licenses	126,512	100,329	32,240	110,335
Building Permits	3,653,085	3,000,000	1,870,948	3,217,980
Other	1,323,732	992,242	916,904	1,384,425
Total Licenses and Permits	5,166,409	4,161,388	2,855,430	4,781,576
<b>Intergovernmental:</b>				
State Shared Cigarette Tax	127,956	124,252	-	129,459

# Revenue Summary

	2021 Actual Revenues	2022 Final Budget	2022 Actual (through June)	2023 Projected Revenues
<b>Revenues</b>				
<b>Charges for Services:</b>				
<b>Recreation/Golf Fees</b>	5,291,662	5,028,986	3,006,942	5,561,662
<b>Plan Check Fees</b>	1,248,407	950,000	329,236	772,510
<b>Court and Docket Fees</b>	259,322	335,630	71,330	267,102
<b>Zoning</b>	137,697	135,400	29,301	123,648
<b>Other</b>	2,708,079	1,192,313	523,624	2,316,247
<b>Total Charges for Services</b>	9,645,167	7,642,329	3,960,433	9,041,169
<b>Fines and Forfeitures:</b>				
<b>Municipal Court</b>	603,468	728,873	173,017	621,258
<b>Photo Red Light Enforcement</b>	962,083	619,919	412,278	895,724
<b>DUI Fines</b>	23,839	26,088	8,090	12,765
<b>Other</b>	(10)	970	70	
<b>Total Fines and Forfeits</b>	1,589,380	1,375,850	593,455	1,529,747
<b>Miscellaneous:</b>				
<b>Investment Earnings</b>	(990,532)	1,200,000	609,885	100,000
<b>Miscellaneous</b>	492,709	295,232	127,516	312,784
<b>Total Miscellaneous</b>	(497,823)	1,495,232	737,401	412,784
<b>Total Revenues</b>	\$ 124,920,947	\$ 103,011,287	\$ 54,479,622	\$ 119,484,631



# Where to Find Additional Budget and Financial Information

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- **Main Budget & Financial Reports Webpage:**  
<https://c3gov.com/financialreports>
- **2022 Adopted Budget:**  
<https://www.c3gov.com/home/showpublisheddocument/15083/637733599516470000>
- **2022 Budget at a Glance:**  
<https://www.c3gov.com/home/showpublisheddocument/15121/637740459685470000>
- **2021 Annual Comprehensive Financial Report (ACFR):**  
<https://www.c3gov.com/home/showpublisheddocument/16893/637922646109747146>
- **2021 Popular Annual Financial Report (PAFR):**  
<https://www.c3gov.com/home/showpublisheddocument/17065>
- **OpenGov Portal:**  
<https://c3gov.opengov.com/>



Project Name	2023	2024	2025	2026	2027
<b>Preservation</b>	<b>\$ 6,566,000</b>	<b>\$ 6,426,000</b>	<b>\$ 6,510,000</b>	<b>\$ 4,316,000</b>	<b>\$ 4,396,000</b>
2023 PRG Preservation	1,340,000	1,816,000	2,210,000	526,000	466,000
City Parking Lots Maintenance/Reconstruction	629,500	1,100,000	650,000	-	-
Crack repair Program	250,000	-	-	-	-
Fleet Wash Bay	780,000	-	-	-	-
Fleet Wet Fire System	127,000	-	-	-	-
Pavement Management 2023	2,500,000	2,600,000	2,700,000	2,800,000	2,900,000
Railroad Crossing Replacement Program	250,000	260,000	270,000	280,000	290,000
BR Toddler Slide/Paradise Island Tile/EP pump	69,500	-	-	-	-
Street Reconstruction	500,000	525,000	550,000	575,000	600,000
Traffic Signal Maintenance Program	120,000	125,000	130,000	135,000	140,000
<b>Operational</b>	<b>\$ 2,266,900</b>	<b>\$ 2,816,000</b>	<b>\$ 3,969,500</b>	<b>\$ 2,673,000</b>	<b>\$ 2,910,000</b>
ADA Compliance	250,000	100,000	100,000	100,000	-
CCC Stormwater Master Plan/ East of Hwy 2	90,000	90,000	-	-	-
Facility Assessment Projects	375,000	758,000	2,953,500	1,617,000	1,914,000
Flatwork (PW)	250,000	265,000	280,000	295,000	310,000
Golf Course Drainage Study	500,000	500,000	-	-	-
HSIP-Local Match	50,400	-	-	-	-
Long Lane Striping	157,500	165,000	172,500	180,000	187,500
Pavement Study	200,000	-	-	-	-
Railroad Crossing Quiet Zones	123,000	492,000	-	-	-
Sidewalk Connectivity (PW)	96,000	96,000	96,000	96,000	96,000
Traffic Calming Program	32,500	35,000	37,500	40,000	42,500
Traffic Signal Installation Program	300,000	315,000	330,000	345,000	360,000
<b>Traditional</b>	<b>\$ 8,648,500</b>	<b>\$ 8,835,000</b>	<b>\$ 10,795,000</b>	<b>\$ 13,880,000</b>	<b>\$ 7,690,000</b>
104th Ave - S. Platte River to Hwy 85 Widening	916,000	3,000,000	2,000,000	-	1,000,000
112th and US Ave.	500,000	1,200,000	4,800,000	4,800,000	-
62nd Ave. & Vasquez Intersection (MHGP TIF)	2,000,000	-	-	-	-
62nd/64th and Holly	625,000	-	-	-	-
68th AVE CO to Brighton	200,000	-	-	-	-
96th Ave Widening	-	625,000	625,000	5,700,000	5,700,000
Core City Improvements	250,000	260,000	270,000	280,000	290,000
Fairfax Park Drainage Reconstruction	200,000	1,950,000	1,400,000	1,400,000	-
Highway 2 Median	1,250,000	-	-	-	-
I76 on Ramp	100,000	-	1,000,000	1,000,000	-
Irondale Regional Drainage	300,000	300,000	700,000	700,000	700,000
O'Brian Canal Lining	150,000	-	-	-	-
Road Materials Building MSC	500,000	-	-	-	-
Rosemary Street Widening	1,500,000	1,500,000	-	-	-
<b>Grand Total</b>	<b>\$ 17,481,400</b>	<b>\$ 18,077,000</b>	<b>\$ 21,274,500</b>	<b>\$ 20,869,000</b>	<b>\$ 14,996,000</b>