

2006-07 BUDGET
City of Boulder, Colorado

Volume I



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Boulder
Colorado**

For the Biennium Beginning

January 1, 2004

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Boulder, Colorado for its biennial budget for the biennium beginning January 1, 2004. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

The award is valid for a period of two years only. We believe our current budget continues to conform to program requirements and we will be submitting it to GFOA to determine its eligibility for another award.

**2006-07 BUDGET DOCUMENT
OVERVIEW & OPERATING BUDGET**

City of Boulder

Mayor Mark Ruzzin

Deputy Mayor Suzy Ageton

Council Members Robin Bohannon

Thomas E. Eldridge

Crystal Gray

Shaun McGrath

Richard Polk

Andy Schultheiss

Jack Stoakes

City Manager..... Frank W. Bruno

2006-07

CITY OF BOULDER STAFF

City Manager Frank W. Bruno
Deputy City Manager Stephanie Grainger
Deputy City Manager Kevin Burke
City Attorney Ariel P. Calonne
Municipal Judge Linda P. Cooke
Director of Finance Robert Eicheim
Co Directors of Housing and Human Services John Pollak and Karen Rahn
Director of Human Resources Eileen Gomez
Director of Information Technology Chris Puccio
Library/Arts Director Elizabeth Abbott
Director of Open Space/Mountain Parks Michael Patton
Director of Parks and Recreation Janice Geden
Director of Planning Peter Pollock
Director of Public Works for Development & Support Services Maureen F. Rait
Director of Public Works for Transportation Tracy Winfree
Director of Public Works for Utilities Ned Williams
Fire Chief Larry Donner
Police Chief Mark R. Beckner
Director of Downtown University Hill Management Division/Parking Services Molly Winter
Director of Support Services/City Clerk Alisa D. Lewis

Budget Office Staff

Budget Manager Kathy McGuire
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2006-07
BUDGET DOCUMENT
OVERVIEW AND OPERATING BUDGET

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INTRODUCTION

**CITY OF BOULDER
2006-07 BUDGET**

GENERAL INFORMATION

SHORT HISTORY OF BOULDER¹

The Boulder Valley was first the home of Native Americans, primarily the Southern Arapaho tribe who maintained a village near Haystack Mountain. Ute, Cheyenne, Comanche, and Sioux were occasional visitors to the area.

Gold seekers established the first non-native settlement in Boulder County on October 17, 1858 at Red Rocks near the entrance to Boulder Canyon. Less than a year later, on February 10, 1859, the Boulder City Town Company was organized by A.A. Brookfield, the first president, and 56 shareholders. Four thousand forty-four lots were laid out at a purchase price of \$1,000 each, a price that was later lowered in order to attract more residents.

Part of the Nebraska Territory until February 28, 1861, when the Territory of Colorado was created by the U.S. Congress, Boulder City grew slowly. It developed as a supply base for miners going into the mountains in search of gold and silver. Boulder City residents provided these miners with equipment, agricultural products, housing and transport services, and gambling and drinking establishments.

Competition among Boulder County settlements for new residents and businesses was intense. As a mining supply town, Boulder residents were more settled than in the mining camps. Economic stability was a necessity and residents encouraged the establishment of railroad service, hospital and school buildings, and a stable town government.

Boulder's first schoolhouse was built in 1860 at the southwest corner of Walnut and 15th Street, the first in the territory. Also in 1860 a group of Boulder residents began lobbying to have the University located in Boulder. By 1874 Boulder had won the designation, secured a donated 44.9 acre site and raised \$15,000 to match a similar grant by the state legislature. Construction of Old Main signaled the opening of the University, with classrooms, auditorium, office and the President's living quarters all located there.

Transportation was improved in 1873 with railroad service coming to Boulder. Gradually tracks were laid to provide service to Golden and Denver and to the mining camps to the west. In 1890 the railroad depot was constructed on Water Street (now Canyon Boulevard) and 14th Street.

City government was formalized in November, 1871 when the town of Boulder was incorporated. Designation of Boulder as the county seat occurred in 1867 and led to the construction of the first courthouse at its present site in 1883. It burned to the ground in 1932 and was replaced by the current courthouse in 1934.

Amenities and health services were developed, even in periods of little growth. The first Post Office was established in 1860; the telegraph became available in 1874; a hospital was built in 1873; a water system was installed in 1874; and the first bank was built in 1874.

The initial residential area was located in what is now downtown and in some parts of Goss/Grove, Whittier and Mapleton Hill neighborhoods. As commercial expansion took over downtown housing, these neighborhoods surrounding downtown remained primarily residential areas. At the turn of the century, growth of the University led to the development of parts of University Hill. Marks of elegance for residents were flagstone sidewalks, first installed during the 1880's.

The first private school in Boulder, Mt. St. Gertrude Academy, was opened in 1892. Boulder, by then accessible to visitors by railroad, was known as a community with a prosperous economy, a comprehensive educational system, and well maintained residential neighborhoods. It was no wonder that the railroad recommended Boulder as a site for a Chautauqua in 1897. Boulder residents passed a bond issue to buy the land, and the now familiar Chautauqua auditorium was built.

By 1905 the economy was faltering and Boulder counted heavily on tourism to boost its fortunes; however, Boulder

had no first class hotel to attract summer visitors and group meetings. By 1906 a subscription drive had raised money to begin construction. The first event at the new hotel was a reception for Boulderites, held on December 30, 1908, and Hotel Boulderado opened to the public for business on January 1, 1909.

Tourism continued to dominate the Boulder economy for the next forty years. Each summer shopkeepers, transport firms, and lodging managers eagerly awaited the influx of Chautauqua residents, primarily from Texas, and other visitors. By World War II, when tourism declined, the University unknowingly provided another opportunity for growth. With the location of the U.S. Navy's Japanese language school at CU, young men and women from around the country became acquainted with the City and liked it.

Following World War II, many of these trainees returned as students, professional and business people, joining veterans attending the University on the G.I. bill. Boulder's population had not increased significantly since the 1920's. The 1920 census showed 11,006 residents while the 1940 census count was 12,958. After the first influx of new residents in the late 1940's the count soared to 20,000 in 1950.

New residents meant both new opportunities and new challenges. Although jobs were needed, townspeople wanted to preserve the beautiful natural setting and amenities developed over the years. By 1950 Boulder leaders were actively recruiting new "clean" industry and improved transportation, securing a new highway, the Boulder-Denver Turnpike, and the National Bureau of Standards in 1952. Other research and development industries soon followed.

The housing shortage and need for additional business and public buildings attracted young and talented architects. New subdivisions were planned, including the Highland Park-Martin Acres neighborhood located on the historic Martin Farm, and the North Boulder developments from Balsam north, originally part of the Tyler Farm. New neighborhoods brought the City's first two shopping centers, North Broadway and Basemar.

With the completed turnpike to downtown Denver, Boulder continued to expand. From 1950-1972 the population grew from 20,000 to 72,000.

With the purchase of thousands of acres of open space beginning in 1967, the adoption of the Boulder Valley Comprehensive Plan in 1970, passage of the building height restriction ordinance in 1972, and the residential growth management ordinance in 1977, Boulder began a period of infill and re-use of its past architectural development which continues to present. The Historic Preservation Code was passed in September, 1974. The ordinance is instrumental in preserving significant portions of our past while encouraging the rehabilitation of historic buildings.

GOVERNING BODY

The City of Boulder is governed by nine City Council members. City Council members are elected at-large and are non-partisan. The Mayor and Deputy Mayor are chosen for two-year terms by the Council from among its nine members.

CITY MANAGEMENT

The City employs a full-time City Manager, appointed by City Council to oversee the operations of the City. City Council also appoints the City Attorney and the Municipal Judge.

DEMOGRAPHIC CHARACTERISTICS²

| | |
|----------------------------------|----------------------------------------------------|
| Population (2004 Est.): | 102,647 |
| Median Age: | 29.0 |
| Median Education: | 66.8% residents with four or more years of college |
| Median 4 person Household Income | \$87,000 |

(2005: based on HUD Boulder-Longmont Area Median Income 6/11/04 Guidelines)

1. Landmarks Preservation Advisory Board

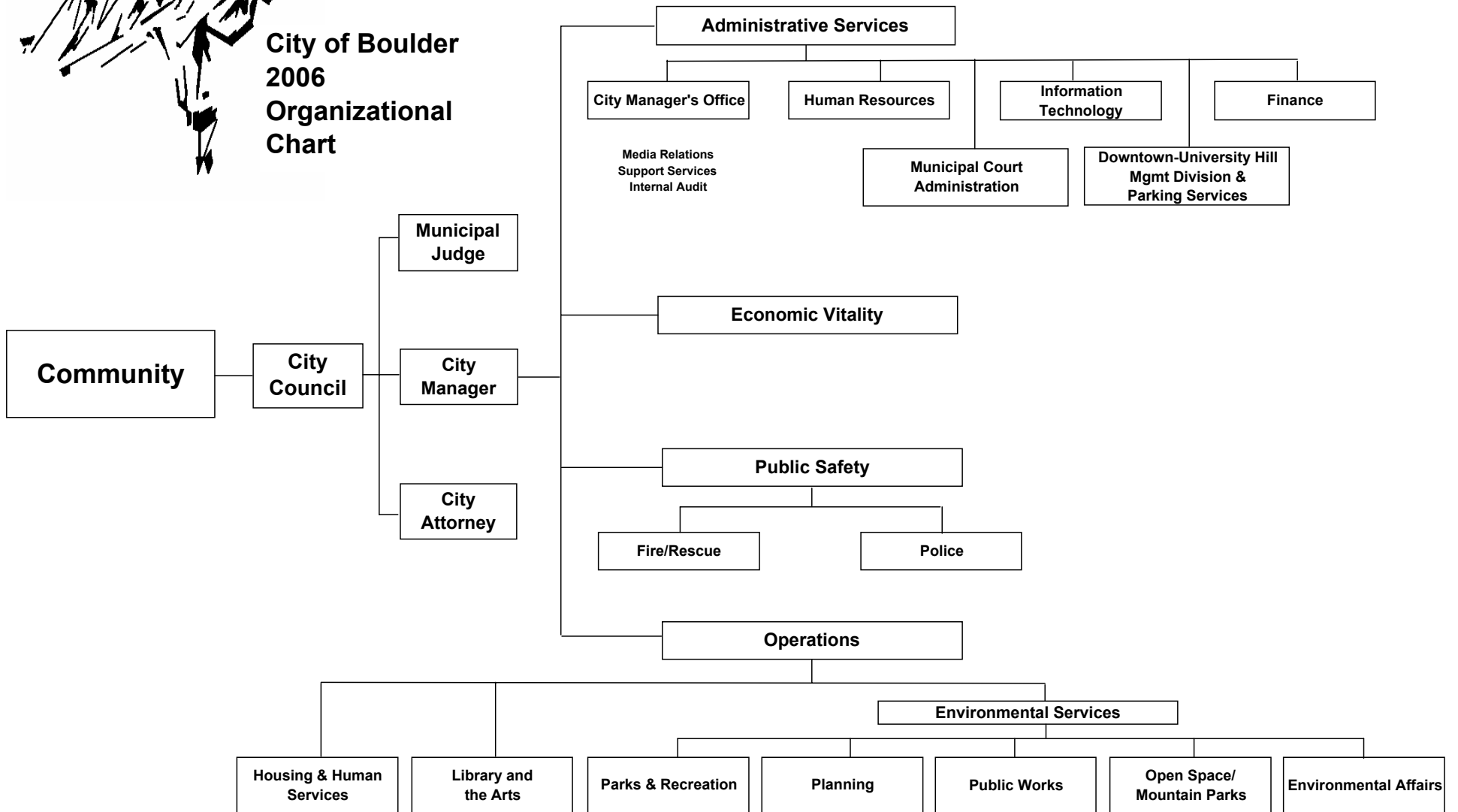
2. City of Boulder Planning Department,

City of Boulder Housing & Human Services Department, Division of Housing

<http://www3.ci.boulder.co.us/hshhs/Links/ami.htm>



City of Boulder 2006 Organizational Chart



BUDGET PHILOSOPHY AND PROCESS

Budget Philosophy

Serving the public trust requires that the annual budget provide the best possible balance of allocation to meet the varied needs of the community. The budget is a principal management tool for the City administration, and in allocating the City's resources, it both reflects and defines the annual work program. In this context, the budget provides a framework for us to accomplish our mission, which is "to create, enhance, and preserve a human, natural, physical, and economic environment which fosters our community's unique quality of life". The budget should also reflect our core City organization values of integrity, teamwork, service excellence, personal growth, and innovation.

In addition to balancing allocations to meet community needs, and incorporating our mission and core values, a successful annual budget preparation process requires excellent communications, community outreach, and a commitment to excellence. To this end, the process must be a cooperative effort of the entire City organization.

Boulder prides itself on being a progressive community, willing to challenge the status quo and being on the "cutting edge". City staff has accepted this challenge by developing the budget within the context of a search for creative solutions for the delivery of City services. The budget will emphasize measures to improve the productivity and effectiveness of service delivery to residents. Teamwork and efficiency enhancements will limit the amount of bureaucratic "red tape" required, both between functional areas within the City, and between City staff and the community. The overriding goals must be to support the high standards set by the community, and to provide long-term value at reasonable cost.

The budget will be based upon timely, consistent and clearly articulated policies. It will be realistic and will include adequate resources to meet assigned work programs. Once adopted, within the parameters of policy guidelines, departments will be given full spending authority for their budget(s).

Budget Process

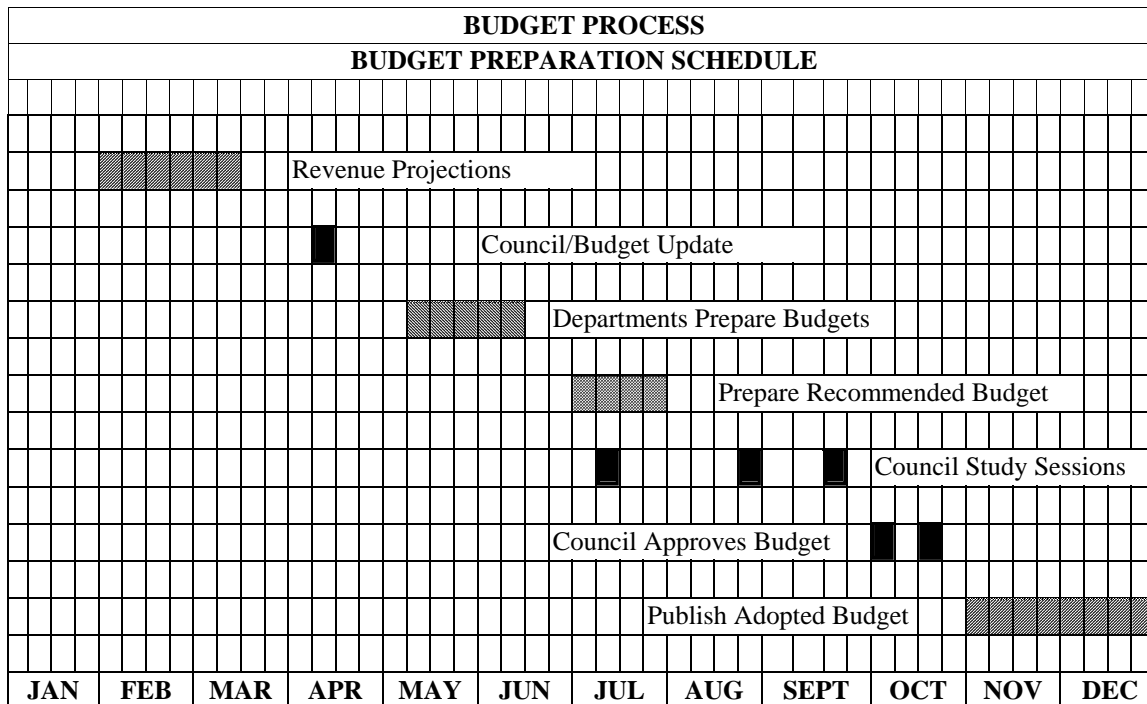
The fiscal year of the City is the calendar year. The City has implemented a two-year budget process and adopts a biennial budget by December 1st of the year prior to the two-year budget period. Even though the budget is adopted for a two-year term, the State and City Charter require that prior to each fiscal year, an appropriation ordinance must be adopted to authorize budgeted expenditures for the coming fiscal year.

The City of Boulder Charter establishes the time limits pertaining to the adoption of the budget. The budget process and schedule of development is designed to fit within the Charter mandate and to allow for active and early participation by the City Council, with an emphasis on public input.

The City's budget is developed over a ten month period, beginning in February and ending in October/November.

In February, staff begins the development of five year revenue projections along with preliminary cost projections. In May, Council is updated on the proposed budget. At this time, policy issues are presented and Council has the opportunity to provide direction for consideration by the City Manager in the development of the proposed budget. Then staff compiles all the necessary information in the budget guideline manual that provides the basis for the development of each department's budget. Departments begin developing their detailed budgets in May/June with review by boards and/or commissions where appropriate.

The City Manager reviews departmental budgets in June/July and meets with the Directors Group as needed to discuss the proposals submitted by departments.



The proposed budget is presented to the City Council in August and made available to the public at the same time. In August and September, Council holds study sessions to review the proposed operating and capital budgets.

The budget for the ensuing term and the annual Appropriation Ordinance for the coming fiscal year are adopted in October/November. The final Approved Budget document is printed and is available to staff and the public at the beginning of the year.

There are three opportunities during the fiscal year for supplemental additions to the annual appropriation approved by City Council. The first is typically adopted in April and re-appropriates funds from the previous year for projects or obligations that were approved but not completed during the year. The second opportunity to supplement department budgets is in September and the third, and final, is in November. In line with the City's budget philosophy that, with the exception of emergency situations, appropriations be considered only during comprehensive budget review processes, most of the requested adjustments in the second and third supplementals are funded by new revenues or grants.

Fund Accounting

The City of Boulder uses funds to budget and report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked moneys (special revenue funds), the acquisition or construction of general fixed assets (capital project funds), and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, and where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). The City applies all applicable FASB pronouncements issued prior

to November 30, 1989, and GASB statements since that date in accounting and reporting for its proprietary operations.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, a pension trust fund must be used. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

Fund Definitions

General Fund

The General Fund is established to account for the revenues and expenditures necessary to carry out basic governmental activities of the City such as public safety, human services, legal services, administrative services, etc, which are not required to be accounted for in another fund.

Special Revenue Funds

Special Revenue Funds are established to account for the proceeds of specific revenue sources (other than special assessments, pension trusts, proprietary fund operations and revenues received for major capital projects) that are legally restricted for specific purposes. The City of Boulder has the following special revenue funds.

Capital Development Fund - to account for development fee proceeds to be utilized for the acquisition, construction and improvement of facilities necessary to maintain the current level of public amenities such as police, fire, library, human services, municipal offices, streets, and parks and recreation.

Lottery Fund - to account for State Conservation Trust Fund proceeds to be utilized for the refurbishment, capital improvement and debt service on park acquisitions.

Planning & Development Services Fund - to account for revenues and expenditures related to development and building services functions.

Affordable Housing Fund - to account for cash in lieu financial contributions from developers and General Fund contributions which are to be used to construct, purchase and maintain permanently affordable housing units in Boulder.

Community Housing Assistance Program (CHAP) Fund - to account for property tax, a housing excise tax and fees to be used to increase the supply of affordable housing in Boulder.

.15 Cent Sales Tax Fund - to account for earmarked sales tax authorized by the voters in 1992 for parks and recreation and general municipal purposes.

.25 Cent Sales Tax Fund - to account for earmarked sales tax authorized by the voters in 1995 for parks and recreation operating and capital needs.

Library Fund - to account for the operations of the City-owned library and branches. Financing is provided by general property taxes and General Fund contributions.

Recreation Activity Fund - to account for revenues and expenditures related to the provision of recreation, reservoir and golf course services/programs.

Open Space Fund - to account for the acquisition and maintenance of greenbelt land. Financing is provided by sales taxes and the issuance of long-term bonds and notes payable.

Airport Fund - to account for the operations of the City-owned municipal airport. Financing is provided by grants, rents and leases.

Transportation Fund - to account for construction, operation and maintenance of all major thoroughfares, local streets, bikeways, walkways and City-owned parking. Financing is provided by sales taxes, the City's share of the County Road and Bridge tax, State Highway Users' tax and State Auto Registration fees.

Transportation Development Fund - to account for development fees to be utilized for the construction of transportation capital improvements related to new development and growth.

Community Development Block Grant Fund - to account for the funds granted by the Community Development Block Grant program administered by the Department of Housing and Urban Development.

HOME Fund - to account for funds granted by the HOME program administered by the Department of Housing and Urban Development.

Capital Project Funds

The Capital Project Funds are established to account for financial resources to be utilized for acquisition, construction and improvement of general fixed assets (other than those financed by Proprietary Funds).

The City of Boulder has the following Capital Project Funds:

- .25 Cent Sales Tax Bond Proceeds Fund
- Permanent Parks and Recreation Fund
- Boulder Municipal Property Authority Bond Fund

Debt Service Fund

The Debt Service Funds are established to accumulate moneys for payment of general long-term debt principal and interest.

General Obligation Debt Service Fund - Financing is provided by investments accumulated for the retirement of specific notes payable.

.15 Cent Sales Tax Debt Service Fund - Financing is provided by earmarked sales tax.

Boulder Municipal Property Authority Debt Service Fund - Financing is provided by base rentals from the General Fund, Lottery Fund, Open Space Fund and the Permanent Parks and Recreation Fund.

Enterprise Funds

Enterprise Funds are established to finance and account for the acquisition, operation and maintenance of governmental facilities and services which are entirely or predominantly self-supporting by user charges. All activities necessary to provide such services are accounted for in these funds, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing collections.

The City of Boulder has the following Enterprise Funds:

- Water Utility Fund
- Wastewater Utility Fund
- Flood Control Utility Fund
- Central Area General Improvement District
- University Hill General Improvement District

Internal Service Funds

The Internal Service Funds are established to finance and account for services and/or commodities required by other funds. The City of Boulder has the following Internal Service Funds:

Telecommunications Fund - to account for the costs of operating, acquiring and maintaining telecommunications equipment used by all City departments.

Property & Casualty Insurance Fund - to account for and facilitate the monitoring of the City's self-insured property & casualty insurance plan.

Workers Compensation Insurance Fund - to account for and facilitate the monitoring of the City's self-insured workers compensation plan.

Compensated Absences - to account for payments of compensated absences to employees of the General and Library Funds. Funding is received primarily from the General Fund.

Fleet Fund - to account for the costs of operating, acquiring and maintaining automotive equipment used by other City departments. Such costs are billed to the other departments.

Computer Replacement Fund - to account for the costs of acquiring and maintaining computer equipment used by other City departments. Such costs are billed to the other departments.

Equipment Replacement Fund - to account for the costs of acquiring equipment used by other City departments. Such costs are billed to the other departments.

Facility Renovation & Replacement Fund - to account for the costs of maintaining and replacing facilities within the City of Boulder.

Budget Basis

Budgets are prepared on a modified accrual basis, except for outstanding encumbrances which are budgeted as expenditures. Briefly, this means that obligations of the City are budgeted as expenditures, but revenues are recognized only when they are measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred.

The Comprehensive Annual Financial Report (CAFR) shows the status of the City's finances on the basis of generally accepted accounting principles (GAAP). In most cases, this conforms to the way the City prepares the budget. One exception is compensated absences (accrued but unused vacation or sick leave) which are treated slightly differently in the budget and in the CAFR.

Budget Terms

Accrual Basis - The basis of accounting under which revenues and expenses are recognized when they occur, rather than when collected or paid.

Ad Valorem Tax - Tax based on the Assessed Valuation of property.

Appropriation - Legal authorization granted by City Council to make expenditures and incur obligations up to a specific dollar amount.

Appropriation Ordinance - An ordinance by means of which appropriations are given legal effect. It is the method by which the expenditure side of the annual budget is enacted into law by the City Council.

Assessed Valuation - Basis for determining property taxes. The assessor determines the assessed valuation of residential real property. For 2003-2004, property was appraised at the 2002 actual value. The residential rate was 7.96% of its actual 2002 value and all other property was assessed at 29%.

Bond - Written promise to pay a specified sum of money, called the face value or principal, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate.

Budget - Plan of financial operation, embodying an estimate of proposed expenditures for a given period and the proposed revenue estimates of financing them. Upon approval by City Council, the budget appropriation ordinance is the legal basis for expenditures in the budget year.

Capital Assets - Assets of significant value and having a useful life of several years. Capital assets are also referred to as fixed assets.

Capital Improvement Program - An annual, updated plan of capital expenditures for public facilities and infrastructure (buildings, streets, etc.) with estimated costs, sources of funding and timing of work over a five year period.

Capital Project - Projects involving the purchase or construction of capital assets. Often a capital project encompasses the purchase of land and the construction of a building or facility, or major street construction or reconstruction. Design, engineering or architectural fees are often a part of a capital project.

Capital Purchases - Those items which a department purchases that have a value of over \$5,000 and a life of longer than one year, with the exception of computing equipment and copy machines which have a limit of \$1,000.

Debt Service - Payment of principal and interest related to long-term debt.

Department - An organizational unit of the city which provides one or more services.

Depreciation - Expiration in the service life of fixed assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy and obsolescence.

Designated Fund Balance - That portion of the fund balance that has been set aside for a specific purpose by the City Council.

Division - A group of related tasks to provide a specific benefit to either the general public or the city organization. A division is a sub-organizational unit of the department.

Encumbrance - Appropriations committed by contract for goods or services, which will not be paid for until the next fiscal year.

Fiscal Year - A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. The City of Boulder's fiscal year is January 1 through December 31.

Fund Balance - The balance remaining in a fund after costs have been subtracted from revenues.

General Obligation Bonds - Bonds which the full faith and credit of the issuing government are pledged for payment.

Grants - Contributions or gifts of cash or other assets from another organization to be used or expended for a specified purpose or activity.

Home Rule - Statutory and constitutional provisions, which allow municipalities to exercise powers of local self-government such as the administration and collection of local taxes. The City of Boulder is a home rule municipality.
Infrastructure - Facilities on which the continuance and growth of a community depend, such as streets, waterlines, etc.

Interdepartmental Charges - Charges for services provided by the Interdepartmental Service Funds. An example of these charges is vehicle charges. These charges are reflected as expenditures in the department budgets and as revenues in the Intradepartmental Service Funds.

Internal Transfers - Legally authorized intra-city transfers from a fund receiving revenue to another fund where it is to be expended. Revenue and expenditures are accounted for in both funds.

Lease-Purchase Agreements - Contractual agreements which are termed "leases", but which in substance amount to purchase contracts, for equipment and machinery.

Long-term Debt - Debt with a maturity of more than one year after the date of issuance.

Maturity - The date on which the principal or stated value of investments or debt obligations are due and may be reclaimed.

Mill Levy - Rate applied to Assessed Valuation of property to determine property taxes. A mill is 1/10th of a penny, or \$1.00 of tax for each \$1,000 of assessed valuation. The city's maximum mill levy, excluding debt service, is thirteen mills per City Charter.

Modified Accrual Basis - Revenues are recorded as the amount becomes measurable and available. Expenditures are recorded when the liability is incurred.

Operating Budget - Represents the amount of money necessary to provide for the day to day functions of city government. It does not include internal transfers between funds, nor does it include expenditures for debt service and capital projects.

Operating Expenses - Those items that a department will utilize in its daily operations. Examples of these items would be copying, office supplies, postage, work supplies, and chemicals. In addition, any item that a department receives from outside agencies such as telephone services, gas and electric charges, equipment rentals, rent, advertising, and contractual arrangements are also included in operating expenses.

Personnel Services - This category includes salary and benefits for standard and temporary employees. It also includes budgeted overtime.

Plant Investment Fees - Charges to new developers for connecting to the city's water or sewer system to compensate the city for additional facilities needed to serve the development.

Program - A specific activity within a department. A grouping of programs typically defines a division within a department.

Projected - Estimation of revenues and expenditures based on past trends, current economic conditions and future financial forecasts.

Reserves - Funds which are planned to not be spent in the current budget year, and whose level is established by a specific policy decision. Please refer to specific reserve policies in this document.

Revised Budget - Most recent estimate of revenue and expenditures including additional appropriations made throughout the year and encumbrances carried over.

Special Assessment - A levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Supplemental Requests - Programs and services which departments would like to have added to their budget. Typically, supplemental requests are covered by additional revenue, as is the case with new grants.

Unallocated Fund Balances - Unspent funds whose levels at any point in time are the difference between expected revenues plus any unspent funds from prior years, and budgeted expenditures. The primary conceptual difference

between unallocated fund balances and reserves is that reserves are earmarked by conscious policy decisions, and unallocated fund balances are funds which remain above the reserve.

User Fees - The payment of a fee for direct receipt of a public service by the party benefiting from the service.

**CITY MANAGER'S
BUDGET MESSAGE**

DATE: October 18, 2005
TO: Mayor, City Council and the Citizens of Boulder
FROM: Frank W. Bruno
SUBJECT: 2006-07 BUDGET MESSAGE

EXECUTIVE SUMMARY

Over the past several months, staff has completed the *fiscally constrained* portion of a Business Plan needed to develop the 2006-07 Recommended Budget and to address the longer term financial future of the City. I decided to pursue this approach in an effort to deal with increasingly constrained municipal revenues, and to become more efficient and effective in our decision-making relative to our services and expenditures. What follows is just the first step in a process that will add discipline and focus to our municipal budgeting process.

A Business Plan is a dynamic, evolving document that serves as the decision-making tool to recommend strategic citywide revenue and expense priorities for current and future funding. It also serves as the link between the comprehensive plan, various strategic and master plans, and the recommended budget. The complete spectrum of the Business Plan has three financial scenarios consisting of:

- A fiscally constrained model - when resources have stabilized, but there is limited revenue growth. Any increase in funding for programs or services must come from funds that have been reallocated from one service area or program to another.
- An action plan model - when ongoing increased funding is available and priorities have been identified among competing needs to restore or expand programs or services.
- A vision plan model – when there are adequate funds (or the ability to generate new funding) for the complete set of services and facilities desired by the community.

Achieving fiscal stability and creating a framework for making strategic decisions about funding priorities are our most pressing challenges and are the focus of the Business Plan. Without a Business Plan that addresses effective management of current funding as well as future revenue and expenditure growth, we might:

- restore functions to their former levels without comparing those uses to competing needs, implying that what was represents how the future should be;
- react to the most vocal constituents, implying that needs that are heard most frequently and passionately should receive the scarce resources; and/or

- fund the first few excellent ideas or master plan proposals implying that whatever comes up first should grow.

The 2006-07 financial environment of the City of Boulder Municipal Corporation should be considered sustainable but fiscally constrained in terms of the ability to add funding for new programs or services. Aligning restrained resources with current goals and strategies of Council means some resources currently allocated to lower priority services will need to be reallocated to higher priority services.

The city is in a period of transition due to the overall economy and local economic events. It is my recommendation that the action and vision plan elements of the Business Plan begin after the Council goal setting retreat in January 2006. At that time, Council will have the opportunity to review funding priorities that will be used to guide the allocation of any new revenues for the 2007 Budget. This will ensure that Council has a timely opportunity to provide input on the use of any new revenues or to make changes in services. In the past two years, it has been frustrating for both Council and me to realize that strategic budget input from Council is not in sync with the timing of negotiations and budget preparation. This proposed change would allow Council to give the guidance necessary to prepare for negotiations and budget planning.

INTRODUCTION

As required by City Charter, Article V, Section 64(h), enclosed is the City Manager's 2006-07 Recommended Budget for all funds.

By policy, the city has implemented a two-year budget process and adopts a biennial budget by December 1st of the year prior to the two-year budget period - 2006 is the first year of the next biennial budget. The first year of the biennial budget process is normally more comprehensive and detailed than the second and addresses:

- Citywide financial policies/strategies.
- Department-specific service delivery and revenue issues.
- Formal adoption of the first year budget.

Normally, the second year of the biennial process entails less detailed review. In reality the 2004-05 Budget was a departure from this pathway due to the significant reductions that needed to be made in expenditures and the uncertainty of the revenue picture.

During the second year, Council normally acts on:

- Significant changes in conditions
- Significant service delivery or revenue issues
- A review of five-year strategies and financial plans for the major funds
- Formal adoption of the second year of the two-year budget

Adopting a budget is one of the most important policy issues that the governing body will make in support of the community. This document is much more than an allocation of

revenues and expenditures. It is a plan of work, an allocation of human resources and talent, and a contract with the citizens of Boulder, committing us to high standards of performance and conduct. The budget reflects trade-offs and compromises necessary to fulfill our responsibilities while protecting the long-term fiscal health of our community. This document summarizes the recommended plan of work and allocates the resources necessary to make that work plan reality. This budget continues to provide a framework for us to accomplish our mission, which is "to create, enhance, and preserve a human, natural, physical, and economic environment which fosters our community's unique quality of life." This budget also reflects our core City organization values of integrity, teamwork, service excellence, personal growth, and innovation. The overriding goal is to support the high standards set by the community, and to continue to provide long-term value at reasonable cost.

CONTEXT

The city's municipal corporation provides a broad variety of programs and services. Some are funded by the charges for the services provided, such as water, wastewater and stormwater/flood control. Rates for these services are set to provide and maintain required assets and support the provision of ongoing services. These "enterprise" or "business type" funds have been and remain in a very strong financial position to provide their critical services for the long term. Most other general government funds, where services are partially or fully subsidized by sales and use taxes, have not shared the same level of fiscal health, as the city has experienced a 17 percent reduction in the city's sales and use tax collections over the last several years. We have spent these years downsizing the segments of the organization with significant sales and use tax funding to a fiscally sustainable level. Prudently, during more positive financial times, we had built up a "savings account" (fund balance) which provided one-time resources to enable downsizing in a well-planned, responsible manner.

Although the level of growth was relatively small at slightly above one percent, 2004 marked the first year since 2000 where the change in sales and use tax revenue was not negative. At this time staff feels projected revenues for 2005 will meet projections and large-scale reductions in service levels, as occurred in 2001-2004, will not be necessary. The only area where funding shortfalls are a significant problem is in the Recreation Activity Fund. Even with a significant subsidy from the General Fund, revenue from recreation programs is falling short of covering costs. Recommended service reductions to bring Recreation revenues and expenses into alignment are included in this Recommended Budget.

Current "base" sales and use tax revenue projections, along with forecasts from the Office of State Planning and Budgeting are as follow:

| | 2004 Actual | 2005 Forecast | 2006 Forecast |
|--------------------------------------|------------------------|--------------------------|--------------------------|
| Base Sales/Use Tax actual/forecast | 1.01% | 1.00% | 2.00% |
| Denver-Boulder CPI-U actual/forecast | 0.1% | 2.0% | 2.2% |
| Retail Sales Trade Growth | 6.2% | 6.0% | 5.5% |
| Personal Income Growth | 5.6% | 6.0% | 7.0% |

While the overall economy of the United States and Colorado is improving, changes in economic indicators at the national and state level do not directly translate into increased revenue within the City of Boulder. Economic events specific to the city must be considered. Examples of such events are businesses expanding or contracting within Boulder's boundaries, sales tax leakage, housing starts and new competition outside of Boulder's boundaries. Last year through May, sales and use tax collections were up 7.8%. Yet when the year ended, the total increase was a much smaller 1.01%. We are cautiously optimistic the trend in collections experienced to date this year will continue to be positive for the remainder of the year. However, there is no conclusive evidence that the current level of increases in collections will continue. Therefore, a conservative approach continues to be the prudent fiscal path to follow at this time.

In addition to projected increases in the city's current retail "base", construction has begun on the much anticipated Twenty Ninth Street retail redevelopment project. This retail center is an appreciated addition to our sales tax base but will not enable funding to return to service levels of the past. Retail competition in surrounding communities limits the ultimate sales tax revenue potential of the project and means it will not recapture the level of sales tax previously generated by Crossroads Mall. Basically, the retail "pie" that Boulder once dominated has been cut into dramatically, and we are not likely to recover the full portion we once enjoyed.

BUSINESS PLAN UPDATE

As mentioned earlier, the 2006-07 Recommended Budget has been developed based on a Business Plan for the city. The Business Plan addresses effective management of current funding as well as any future revenue and expenditure growth. During this initial process of plan development, departments were asked to develop the fiscally constrained portion of the Business Plan. A fiscally constrained plan is used when resources have stabilized but are growing slowly and any increase in funding or programs means funds must be reallocated from one area to another. The current financial environment for the City of Boulder should be considered sustainable but fiscally constrained in terms of the ability to add funding for new programs or services.

To develop the fiscally constrained plan, staff clarified the mission of each department, created department-specific guiding principles and/or investment strategies, and prioritized services or programs according to the investment strategies as essential, desirable or discretionary. In addition, to ensure that the service categories were applied consistently across departments, a process of "norming" categories citywide was used. This process involved a review of service categories citywide by department directors as

well as a review by the City Manager, Assistant City Managers, Finance Director and central Budget Office staff.

When prioritization was completed, the current service levels were analyzed to determine if they were being provided at an acceptable service standard. Using this methodology, staff was able to identify those essential services that were being provided below an acceptable service standard. This meant some resources currently allocated to desired or discretionary services should be reallocated to higher priority services. An example of this is occurring in major maintenance of city facilities. Major maintenance in the General Fund is currently under-funded, due primarily to recent budget reductions stemming from a steady decline in sales/use tax collections. One option staff has developed to address this critical need is to reallocate resources in this area. This means that essential facilities will be maintained to accepted service standards and other facilities will be maintained at a level below service standards commensurate with funding availability. This approach provides “bridge” funding until new revenues are available to restore major maintenance to an acceptable service standard.

In the next phase of Business Plan development, departments will be working on developing/refining service standards and continuing to identify areas where resources should be reallocated to address essential services that are currently being provided below an acceptable standard. The process of “norming” of service categorization on a citywide basis will also continue to ensure that the definitions are being applied in a consistent and standard manner. In addition, departments will begin developing action and vision plans (through strategic and master plans currently adopted or underway) to guide the allocation of new resources.

The fiscally constrained plan reflects the economic environment projected for the remainder of 2005 and for 2006. However, the development of action and vision plans will provide the methodology to determine which programs and services should receive additional funding when Boulder’s economy is no longer in the fiscally constrained mode. The economic outlook for the City of Boulder, including the incremental impact of the Twenty Ninth Street revenues, will become clearer in mid to late 2006. Therefore, the action and vision plans for the 2007 and 2008 budgets will be major works in progress during 2006.

The demand to expand current service levels and to add new services is constantly growing. Currently, identified unmet needs in the General Fund alone total over \$2 million. This list does not address those items that will be identified once Master and Strategic Plans recently completed or underway are taken into account. In addition, significant amounts of dedicated funding from sales/use taxes begin expiring in 2012. The Business Plan will provide staff with a mechanism for evaluating and prioritizing these needs in a manner that is both strategic and rational. Proposals to add revenues or expenditures will have to meet the criteria, developed by staff, below in order to be considered a funding priority:

- Contributes to city's fiscal health and stability.
- Maintains city capital assets and human resources at adopted standards.
- Maintains essential services at adopted standards.
- Contributes to Council's key focus areas or goals.

This criteria will be reviewed with City Council at its January retreat to make sure staff and Council are in alignment on funding priorities before the 2007 Budget is reviewed.

BUDGET STRATEGIES

A set of strategies for the 2006-07 General Fund was designed to maintain focus on the bigger picture and ensure that the budget provides adequate resources to protect the long-term fiscal health of our community. In addition, these strategies provided a "bridge" for determining funding priorities until the Business Plan was more fully developed.

1. Maintain adequate reserves

Given: 1) the ability demonstrated by the city over the past several years to implement strong financial management processes as required to deal with declining revenue, and 2) implementation of a strategic process ("Business Plan") for dealing with new revenue to ensure that we protect our strong fiscal position, staff believes that maintaining a 10% emergency/stabilization reserve is adequate to maintain our current strong bond ratings. A complete listing of reserves in the various funds is included in the "Budget Policies" section of the budget document.

2. Fund liabilities adequately

- State mandated Public Employee Retirement Association ("PERA") cost increases which have increased General Fund costs by \$125,000.
- State mandated increases to Police/Fire "Old Hire" Pension Plans to make them actuarially sound (currently estimated based upon market value of assets at \$226,000/year).
- An annual \$200,000 contribution to a General Fund special purpose reserve to fund 27 pay periods in 2013 (paying 26 pay periods equals 364 days, which results in a 27 pay period year approximately every 11 years).

3. Fund Compensation Philosophy

To maintain a high performing work force, Council has endorsed a policy of paying slightly above average market rates to hire and retain our employees. The logic has been that since the City Manager, Council and the community expect above average performance from employees, employee pay should be above the average of the market. This serves to make the City of Boulder competitive with the other top agencies we consider to be in our market.

The following are the market targets for each employee group, based on the Compensation Philosophy, and the current position for each group relative to its target:

| GROUP | MARKET TARGET | RANKING |
|----------------------|----------------------|---------------------------------------------------------------------------------|
| BMEA | 7.5% Above Market | 9.3% Above Market - Private/Public Market 10.6% Above Market – Public Sector |
| Management/Non-union | 7.5% Above Market | 3.5% Above Market |
| Police | Top 3 Among Peers | 3 rd Among Peers |
| Fire | Top 3 Among Peers | 5 th Among Peers |

4. Increase facilities maintenance budgets

During downsizing processes over the past several years, it was recognized that, revenue would eventually stabilize and begin to increase from an improving economy and redevelopment of the Crossroads Mall. One of the specific strategies adopted, to limit the number of cuts necessary to direct services, was to temporarily cut facilities maintenance budgets deeper than could be sustainable over time with the commitment to restore them first before considering other programs and services.

While the city is currently addressing life safety issues and performing minimal maintenance, additional funding is required to adequately protect our capital assets and comply with current Budget Policies. Without additional funding, facilities will deteriorate to unacceptable levels. As noted previously, existing resources are proposed for reallocation in 2006.

5. Use the “Business Plan” process to enable strategic decision-making about adding or restoring services.

The Fiscally Constrained portion of the Business Plan was used to develop the 2006 Recommended Budget. The Action and Vision Plan models will be developed in 2006 and implemented in the 2007 Budget. An overview of the Business Plan is included in the “Budget Plan Update” section of this message.

6. Propose a method for funding initiatives related to the City Council Community Sustainability Goal.

City Council has identified as a high priority for funding in 2006 – 2007 some initiatives related to Council’s adopted Community Sustainability Goal. This goal is as follows:

To enhance community livability by providing outreach and by developing policies that address the needs of the under-served, under-represented, and under-

participating residents so all who live in Boulder can feel a part of, and thrive in, our community. Related sub-goals include:

- Community and City Engagement
- Expanding and Valuing Diversity
- Improving Neighborhood and Community Livability
- Addressing the Needs of Youth and Children
- Partnering with Schools
- Addressing the Needs of Seniors

In conformity with the city’s history of a strategic planning orientation, one-time resources are often allocated to enable the development of comprehensive plans before appropriation of ongoing funding for specific new initiatives. Examples of similar plan development in the past are the Human Services and other departmental master plans as well as the Greenhouse Gas Work Plan. Completed plans then serve as the basis for decisions regarding ongoing funding for the various programs included in the associated plan.

The 2006 Budget incorporates \$53,500 in one-time funding to develop such a comprehensive plan related to the Community Sustainability Goal. This funding will enable development of “social impact filters” and specific recommended initiatives to be considered for ongoing funding. For subsequent years, the Business Plan will enable prioritization of these initiatives in the context of the full range of city services and, pursuant to Council direction, could enable redirection of current budgets or appropriation of new revenue to support the proposed Community Sustainability programs.

The following outlines how the limited ongoing and one-time funding available in 2006 is reflected in the General Fund portion of the 2006-07 Recommended Budget based on the budget strategies discussed above:

| GENERAL FUND – RECOMMENDED ONGOING FUNDING | |
|---------------------------------------------------------------------------|--------------------------------------|
| ITEM | 2006 COST INCREASE |
| Maintain Adequate Reserves (10% minimum) 2006 reserve is \$7.9 million | No increase needed |
| Fund Liabilities Adequately | \$0.5 million |
| Fund Compensation Philosophy | \$1.0 million |
| Increase Facilities Maintenance Budgets | Recommended Reallocation for 2006 |

| GENERAL FUND – RECOMMENDED ONE-TIME FUNDING | |
|--------------------------------------------------------|---------------------------|
| ITEM | 2006 ONE-TIME COST |
| Community Sustainability Strategic Plan | \$53,500 |
| Downtown Eco Pass Program | \$46,422 |

The \$46,422 in one-time funding for the Downtown Eco Pass Program will provide 2006 funding for the program while a long-term funding solution is developed by staff. Funding options for the program will be brought forward as part of the 2007 budget process.

In addition, \$17,000 was added to the Library Fund to restore the evening hours at the Branch Libraries. Although this doesn't tie directly to our budget strategies, it does meet a community need that is currently unmet. In addition, if this allocation does not make sense in the long-run based on the Business Plan approach and assessment of funding for competing needs, the funding for this item may be reconsidered and adjusted as needed.

As discussed above, the Business Plan approach relies on the following criteria to determine how resources should be allocated:

- Contributes to city's fiscal health and stability.
- Maintains city capital assets and human resources at adopted standards.
- Maintains essential services at adopted standards.
- Contributes to Council's key focus areas or goals.

These criteria will be reviewed with City Council at its retreat in January 2006. It is important to note that these criteria encompass the budget strategies used in developing the 2006-07 Recommended Budget for the General Fund, as well as the budgets of other funds. They have simply been broadened in order to apply citywide and to incorporate all five of City Council's current focus areas or goals. For example, the budget strategies of "maintaining adequate reserves" and "funding liabilities adequately" are both encompassed in the funding criteria "contributes to city's fiscal health and stability." This allows us to continue building on budget strategies that have worked effectively in the past as staff transitions to a new mechanism for recommending resource allocations to City Council, namely the Business Plan model.

BUDGET OVERVIEW

The 2006 Recommended Budget totals \$200,034,000 for all funds, including governmental, enterprise and capital improvement funds. The following chart illustrates comparable amounts for 2005 (in \$1,000s).

| Expense Type | 2005 Budget | 2006 Recommended |
|---------------------|------------------------|-----------------------------|
| Operating | 138,319 | 142,741 |
| Capital | 29,108 | 29,646 |
| Debt | 28,740 | 27,647 |
| Total | 196,167 | 200,034 |

CAPITAL IMPROVEMENT PROGRAM

The 2006 Capital Improvements Program (CIP) includes \$47 million for 57 projects and programs. It should be noted that this amount includes approximately \$20 million in Wastewater Utility Fund projects (e.g., biosolids composting facility) which will not be formally appropriated unless the proposed projects are approved by City Council and bond funding is secured. As a result, the \$20 million for Wastewater Utility projects is not included in the 2006 recommended budget amount in the table above. The total CIP included in the 2006 approved budget is approximately 2% greater than the capital program included in the 2005 approved budget.

POLICY & REVENUE ISSUES REQUIRING CITY COUNCIL DIRECTION

Recreation Activity Fund

The City of Boulder has been fiscally challenged by local economic factors for several years. As a result of increasing competition from other communities and retail sales tax leakage, city sales tax collections have decreased by 17% over the last several years. This has impacted the Department of Parks and Recreation since sales tax revenue directly funds 43% of its functions. One of the funds most challenged by the local economy and increased competition is the Recreation Activity Fund. This fund is used to account for the financial operations of recreation services and programs. The main sources of funding for the Recreation Activity Fund are revenues from recreation facilities and programs, the golf course and the reservoir. In addition, the fund receives a transfer from the General Fund to subsidize the services provided.

Since 2001, General Fund subsidy to the Recreation Activity Fund has been reduced by \$273,000. The methodology used to calculate the annual subsidy for the fund has not been reviewed since the fund's inception in 2001 and staff is proposing that this review take place as part of the next budget cycle. In addition to the General Fund subsidy reduction, the department's ability to generate additional revenue through the provision of recreation programs and services has been impacted both by the local economy and by competition from other providers and communities. In recent years, many neighboring communities have built new recreation centers and increased the number of programs offered to their residents. Market comparisons indicate that recreation center fees are higher in Boulder than in neighboring communities. Recreation management believes that it cannot implement further fee increases and remain competitive in the marketplace.

The user fee structure for 2006 is still being developed, but it is anticipated that very few fees will be increased. To ensure the solvency of the Recreation Activity Fund (RAF), revenue generation must grow at the same rate as expenditures. Since this is not currently occurring, services and programs must be reduced in order to keep expenditures in line with the current revenue stream.

The department's budget reduction strategy for addressing the shortfall was to identify efficiencies within the organization while minimizing any impacts to the public. The net reduction plan totals \$414,000 and incorporates some corresponding staffing and operating expense increases in order to make the plan feasible. Staff achieved the needed savings to cover the shortfall by combining and merging positions and tasks, not filling some vacant positions and by making efficiency changes in operations. As an example, the department is proposing to combine the recreation front desk and class registration positions. In this process, 2.25 vacant FTE positions would be eliminated and it is expected that customers will benefit from employees who are cross-trained to perform all front desk functions. Staff is able to make these efficiency changes while ensuring that all the recreation centers, outdoor pools, athletic fields, Flatirons Golf Course and Boulder Reservoir will remain open during normal hours of operation. A detailed listing of the recommended reductions in the Recreation Activity Fund is included as Attachment A to this budget message.

At the August 23rd budget study session, City Council will review and discuss the recommended reduction plan for the Recreation Activity Fund.

Council Direction/Response

Although City Council expressed concern regarding the proposed reductions, they appreciated staff's business-like approach in developing the recommended reductions and generally supported them. They did regret, however, that some of the reductions may have an impact on the public and encouraged staff to continue to evaluate and mitigate these as much as possible. Council also indicated support for the Parks and Recreation Master Plan update. The first study session on the plan update will be held on December 13, 2005 and adoption of the plan is targeted for the first half of 2006. The Parks and Recreation Master Plan will provide updated guidelines and priorities for providing parks and recreation services to the Boulder community.

Open Space Fund

The Open Space Visitor Master Plan (VMP) was approved by City Council on April 12, 2005. Included in the actions taken by Council in approving the VMP was a request to return to Council to discuss the scheduling, funding and staffing for implementing the VMP in 2005 and the following five years. In May 2005, staff returned to Council with a request to appropriate \$749,500 in one-time funding for 2005 to begin implementing the VMP. As part of the 2006-07 Recommended Budget, staff is requesting a total of \$693,200 in 2006 budget additions for the VMP. Of the total additions, \$623,200 (7.33 FTEs) is for ongoing funding to implement the Action Plan portion of the VMP and includes the following:

- \$115,000 for dog management
- \$110,000 for monitoring, including monitoring the dog management strategy (2.0 FTEs)
- \$66,000 for visitor infrastructure (2.0 FTEs)
- \$70,000 for Education and Outreach
- \$75,000 for additional Ranger costs associated with the VMP - exclusive of dog management (1.0 FTE)
- \$100,000 for repairs and maintenance on existing facilities including buildings and bridges
- \$69,000 for continuation of fixed term positions for water resources, Integrated Pest Management and coordinating volunteer projects (2.33 FTEs)
- \$18,200 for grant consulting, volunteer and media support

In addition to the ongoing funding for the VMP, \$70,000 is being requested for one-time requests: one fixed term position to assist in the construction and installation of signs and funding for a .50 seasonal position to provide administrative support issuing dog tags and managing the related database.

Lastly, Open Space is requesting \$35,000 in ongoing 2006 budget additions not directly related to the VMP. These include \$10,000 required for the Resource Conservation programs related to Chronic Wasting Disease, \$25,000 to cover the costs of a Boulder County jail crew to provide manual labor on OSMP property.

Based on projected increases in sales/use tax collections, as well as several years of budget savings by staff, the Open Space Fund is able to cover these recommended additions to implement the VMP.

Lastly, Open Space is requesting \$36,000 in one-time budget additions, not directly related to the VMP, for safety related equipment and materials.

At the August 23rd budget study session, City Council will review and discuss the recommended budget additions for the Open Space Fund.

Council Direction/Response

In general, Council supported the recommended ongoing budget additions in the Open Space Fund primarily to support the continued implementation of the Visitor Master Plan (VMP). In response to questions regarding an increase in the maintenance budget for Open Space properties, staff indicated that this question will be addressed further, either as part of Council's January retreat or in conjunction with 2006 carryover requests. Council did indicate that we need to be careful about what we mean by "enhanced" maintenance programs and that what this includes should be clearly spelled out by staff. There was also an interest in waiting until the VMP is more fully implemented before Council formally considers an increase in the maintenance budget for Open Space properties.

Wastewater Utility Fund

Information about Utility Rates is provided in the next section. This information may be updated depending upon Council action on August 16th relative to Valmont Butte.

Council Direction/Response

City Council asked additional questions regarding the recommended wastewater rate increase for 2006 but did not indicate that the increase should not be implemented.

Alcohol Issues

Work efforts of two City Manager-appointed subcommittees continue. An update of those efforts along with identified priorities and proposed funding is provided in an August 11th Weekly Information Packet item:

<http://www.ci.boulder.co.us/clerk/CIP/2005/08-11-05/3b.pdf>

Council Direction/Response

City Council generally supported the priorities and proposed work program for addressing alcohol issues. Staff indicated that an additional check-in on the issue will be brought forward to City Council later this year.

REVENUE HIGHLIGHTS

The majority of user fees are increased according to the established pricing policy guidelines and, correspondingly, most are increased annually by approximately the rate of inflation. In addition, the following fee or rate increases proposed for 2006 and 2007 are highlighted for City Council information and staff will be available to discuss any issues at the August 23, 2005 Budget Study Session.

Utility Rates

Rate increases for all three utilities are included for 2006 to meet the utility's financial requirements and to fund necessary and regulatory operations and maintenance costs. The following percentage increases in revenues are being recommended (the 2005 percentage increases are currently in effect):

| Year | Water | Wastewater | Stormwater/ Flood Management |
|-------------|-----------|------------|------------------------------------|
| 2005 | 3% | 20% | 3% |
| 2006 | 3% | 20% | 3% |
| 2007 | 5% | 12%-18%* | 5% |
| 2008 | 12% | 6% | 5% |
| 2009 | 10% | 3% | 3% |

* The rate increase is dependent upon the biosolids treatment and disposal alternative selected. Continuing the current land application program would require a 12% increase and the proposed composting facility alternative would require an 18% increase.

If the proposed 2006 increases are approved they would become effective 1/1/2006. The total rate adjustments in 2006 will increase a typical residential customer's bill approximately \$50 per year or \$4.25 per month.

The rate increases in the water and stormwater/ flood management funds are primarily to cover inflationary increases for personnel and operating costs. Revenue projections for water sales have been adjusted downward by approximately 10% (\$1.7 million) beginning in 2005. These revenue projections are being reduced since over the past three years water usage has not returned to pre-drought (2002) levels.

The rate increase in the wastewater fund is to fund debt service payments related to several major capital projects. The capital projects include improvements to the 75th Street Wastewater Treatment facility (\$32.0 million - regulatory) and construction of the proposed Biosolids Handling and De-watering (\$6.0 million – economically required) facilities. Whether the city constructs a Biosolids Composting (\$15.5 million) facility will be determined at the August 16th City Council meeting. At this time it is anticipated that the bond for the improvements to the Wastewater Treatment facility will be issued in the 3rd quarter of 2005 and the bonds for the Biosolids projects, if approved, would be issued in the 2nd or 3rd quarter of 2006.

The wastewater rate increases related to these projects have been spread over several years to provide the flexibility to adjust these rate increases if necessary as well as equalizing the impact on customer bills. The improvements to the wastewater treatment plant are required to meet new mandatory discharge limitations. More exact cost estimates for this project will be available when the project is bid in the 3rd quarter 2005. Also, the suitability of the Valmont Butte site for the Biosolids projects is currently under evaluation and the timing and/or costs of the Biosolids projects may change which would impact the timing and/or amount of the projected rate increases.

According to a July 2005 survey among 15 Front Range communities, Boulder's current combined annual bill for water and wastewater ranked sixth highest. If the proposed rate changes for 2006 are approved, Boulder's annual bill would be the second highest assuming that all other communities' rates remain the same.

Programs and Projects with Rate Impacts

The development of the Utilities budget has been undertaken in a comprehensive manner. Some of the larger projects and programs that have a budgetary impact include:

Water Utility

- Betasso Water Treatment Plant Improvements (\$5.0 million included in 2006 CIP, \$5.0 million included in 2010 CIP)
- Boulder Reservoir Water Treatment Plant Improvements (\$3.0 million included in 2009 CIP)
- Proposed Boulder Feeder Canal Pipeline (\$20.0 million included in 2009 CIP)
- Barker Reservoir Dam Outlet Improvements (\$3.0 million in 2009 CIP)

Wastewater Utility

- Wastewater Treatment Plant Improvements related to the discharge permit renewal (\$32.0 million included in 2005 CIP, plus increase in operating budget)
- Proposed Class A Biosolids Composting Facility (\$15.5 million included in 2006 CIP, plus increase in operating budget)
- Biosolids Handling and Dewatering Facility (\$6.0 million included in 2006 CIP)

Stormwater/ Flood Management Utility

- Initial improvements related to South Boulder Creek (\$3.0 million included in 2008 CIP)

Parking Fees

- CAGID garage permit fees are proposed to be raised 10% in 2006 and with a 5% scheduled increase every two years thereafter. The raise increases the rate from \$213/quarter to \$234/quarter and is a doubling of the planned 5% increase. The proposed rate increases keep the city at a competitive position with other private downtown garages. The additional 5% increase in 2006 will raise \$77,000 and will allow us to proceed with a minimal maintenance plan that has been neglected for four years. The Downtown Management Commission will review this increase as part of the CAGID budget. The reasons for making this rate increase include: offset the cost of major maintenance that has not been completed due to the construction of 1,242 new parking spaces in the last five years and reduced budgets; current CAGID rates are below market by at least 20% (this increase reduces the market variance to 9% below market); and encourage parking permit turnover by creating a more competitive price. The reason not to increase parking rates is that the increase of \$7/month, or \$.35/day may negatively impact businesses locating in or wanted to locate downtown.
- CAGID and UHGID lot permit fees are proposed to be raised 5% for all surface lots in the downtown and university hill. This follows the established timing of rate increases, 5 % every two years.

- Staff is requesting to increase the NPP resident permits from \$12 to \$17 (\$5 per year or 42% increase) in order to cover expenses. The NPP resident permit rate has never been increased since the program was established in 1977. The reason staff is proposing this increase is so that we will be able to cover the program costs since it was originally intended that programs revenues cover the direct costs of the program.

Council Direction/Response

City Council generally supported the three areas of recommended parking rate increases for 2006. These include a 5% increase in permit fees in the CAGID and UHGID surface lots; a 10% increase in CAGID garage permits; and, a \$5.00/year increase in the NPP residential permit fee.

CONCLUDING COMMENTS

The 2006-07 Recommended Budget supports the City Council's policies of balanced budgets with adequate reserves, attracting and retaining high quality staff with competitive salaries and benefits, adding new programs cautiously and making decisions within the context of balanced multi-year financial plans. I truly believe that the city is on the road to economic recovery and I am excited by all the positive changes that are happening through our economic vitality efforts and through the Business Plan. I do believe that cautious optimism is in order for 2006 and my recommended budget reflects that. Although we are unable at this time to add new services that could be considered if revenues were not so constrained, we are able to continue to support the excellent services our customers currently receive and have come to expect. The recommended budget focuses upon and is aligned with City Council's priority goals in the areas of affordable housing, economic sustainability, environmental sustainability, transportation and community sustainability.

To ensure that Council has a timely opportunity to provide input on the use of incremental revenues or changes in services and programs, I recommend a portion of the Council goal setting retreat held in January 2006 be used to check in on the 2006 budget and then concentrate on preparing for the 2007 and 2008 budgets using the various fiscal models of the Business Plan. As mentioned earlier, this proposed change would allow Council to give the guidance necessary to prepare for negotiations and budget planning.

Respectfully submitted,



Frank W. Bruno
City Manager

| ATTACHMENT A | | | | | | |
|----------------------------------------------------------------------|-----------------------------------------------------------|--------------------------------|------------------------|---------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Recreation Activity Fund Budget - Recommended 2006 Reductions | | | | | | |
| Department/Division: Parks and Recreation - Recreation Activity Fund | | | | | | |
| Short Title of Program/Service Reduction | Program/Service Reduction Description | 2006 Ongoing Reduction Amounts | | | # of Std FTES | Direct Impact to Citizens (from a citizen/customer perspective - include any useful, quantifiable information) -- or -- Impact to Internal Organization |
| | | Decreased Expenditures | Increased Expenditures | Net Reduction | | |
| Wellness | | | | | | |
| Program Coordinator | Eliminate Fitness Program Coordinator Position | 65,179 | | 65,179 | 1.00 | The elimination of the Wellness position (Mgmt C) will impact service levels. Staff believes that a reasonable and workable plan has been established to maintain quality programs by shifting some responsibilities and adding some minimal staff hours for program management assistance and administrative needs. It may be difficult for staff to respond expeditiously to requests and inquiries with the reduced staffing levels. |
| Recreation Leader | Potential Upgrade to Recreation Coordinator | | 5,000 | -5,000 | | Potential change in job classification from a BMEA C to a Mgmt B |
| Recreation Leader | Potential Upgrade to Recreation Coordinator | | 24,000 | -24,000 | -0.50 | Potential change in job classification from a BMEA C to a Mgmt B |
| Recreation Centers | | | | | | |
| Centers/Front Desk staffing | Eliminate Recreation Center Front Desk Staff Positions | 94,698 | | 94,698 | 2.25 | Centers/Front Desk Staffing: The Front Desk staffing merger has many anticipated benefits including the opportunity for all front desk staff to be cross-trained so that they may perform all front desk tasks; the ability to serve customers regardless of their request (swipe a punch card, sell a pass, register a patron for a class, etc.); and the ability to register patrons for classes past 4:30 p.m. weekdays and on weekends. The recreation centers have already experienced most of this proposed reduction since 1.50 of the 2.25 positions have been held vacant for over a year. |
| Weight room seasonal staff | Eliminate weight room seasonal staff at NBRC, EBRC & SBRC | 33,930 | | 33,930 | | Additional weight & fitness room responsibilities will be shifted to Front Desk staff. Customer service will decrease since there will not be staff available to immediately assist with questions, concerns and cleanliness. This reduction is not expected to impact safety services. |
| SBRC Weight room NPE | SBRC Weight Room Non-Personnel Expenditure Reduction | 4,950 | | 4,950 | | Weight and fitness equipment will be repaired and restored on a less frequent basis. |
| EBRC Weight room NPE | EBRC Weight Room Non-Personnel Expenditure Reduction | 5,250 | | 5,250 | | Weight and fitness equipment will be repaired and restored on a less frequent basis. |
| EBRC | EBRC Operations Non-Personnel Expenditure Reduction | 19,000 | | 19,000 | | Budget adjustments to non-personnel lines are intended to more closely align budgets with recent expenditure trends and expectations. The reduction should only minimally impact the public unless variable expenditures (including utilities and custodial) greatly exceed budgeted amounts. |

| ATTACHMENT A | | | | | | |
|----------------------------------------------------------------------|------------------------------------------------------------|--------------------------------|------------------------|---------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Recreation Activity Fund Budget - Recommended 2006 Reductions | | | | | | |
| Department/Division: Parks and Recreation - Recreation Activity Fund | | | | | | |
| Short Title of Program/Service Reduction | Program/Service Reduction Description | 2006 Ongoing Reduction Amounts | | | # of Std FTES | Direct Impact to Citizens (from a citizen/customer perspective - include any useful, quantifiable information) -- or -- |
| | | Decreased Expenditures | Increased Expenditures | Net Reduction | | |
| SBRC | SBRC Operations Non-Personnel Expenditure Reduction | 20,300 | | 20,300 | | Budget adjustments to non-personnel lines are intended to more closely align budgets with recent expenditure trends and expectations. The reduction should only minimally impact the public unless variable expenditures (including utilities and custodial) greatly exceed budgeted amounts. |
| NBRC | NBRC Operations Non-Personnel Expenditure Reduction | 13,000 | | 13,000 | | Budget adjustments to non-personnel lines are intended to more closely align budgets with recent expenditure trends and expectations. The reduction should only minimally impact the public unless variable expenditures (including utilities and custodial) greatly exceed budgeted amounts. |
| Aquatics | | | | | | |
| Aquatics | Pool Non-Personnel Expenditure Reduction | 10,000 | | 10,000 | | Less funding will be allocated for the maintenance of the pool filters and chemical elements. This reduction is not expected to impact safety services. |
| Yoga | | | | | | |
| Program Coordinator | Increase Program Coordinator Position from 0.75 to 1.0 FTE | | 15,000 | -15,000 | -0.25 | Increase Program Coordinator to 1.0 FTE to align the position with other Program Coordinator positions and to adequately compensate an employee that has been working on a full time basis. |
| Seasonal Staff | Increase Yoga Seasonal Staffing | | 10,000 | -10,000 | | Increase seasonal staffing to enable further growth and development of the Yoga and Pilates program. Revenue generation should increase by more than the associated expenditures. |
| Sports | | | | | | |
| Adult Volleyball | Volleyball Non-Personnel Expenditure Reduction | 6,000 | | 6,000 | | The volleyball budget adjustment for non-personnel expenditures is intended to more closely align budgets with recent expenditure trends. Volleyball programming volume and revenue have decreased recently, so it is appropriate to adjust appropriated budget. |
| Athletic Field Maintenance | | | | | | |

ATTACHMENT A

Recreation Activity Fund Budget - Recommended 2006 Reductions

| Department/Division: Parks and Recreation - Recreation Activity Fund | | | | | | |
|----------------------------------------------------------------------|----------------------------------------------------|--------------------------------|----------------------------------------------------------------|---------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Short Title of Program/Service Reduction | Program/Service Reduction Description | 2006 Ongoing Reduction Amounts | | | # of Std FTES | Direct Impact to Citizens (from a citizen/customer perspective - include any useful, quantifiable information) -- or -- |
| | | Decreased Expenditures | Increased Expenditures | Net Reduction | | |
| | | Athletic Field Maintenance | Athletic Field Maintenance Materials/Supplies & Seasonal Staff | 44,000 | | |
| <u>Dance</u> | | | | | | |
| Recreation Coordinator | Dance Recreation Coordinator | 66,138 | | 66,138 | 1.00 | The elimination of the Dance position (Mgmt B) will impact service levels. Staff believes that a reasonable and workable plan has been established to maintain quality programs by shifting some responsibilities and adding some minimal staff hours for program management assistance and administrative needs. It may be difficult for staff to respond expeditiously to requests and inquiries with the reduced staffing levels. |
| Recreation Coordinator | Potential Reclass to Program Coordinator | | 6,000 | -6,000 | | Potential change in job classification from a Mgmt B to a Mgmt C |
| Dance Instructor | Potential Reclass to Recreation Coordinator | | 26,090 | -26,090 | -0.50 | Potential change in job classification from a BMEA B to a Mgmt B |
| Dance Instructor | Increase Standard Hours from 20 to 25 hours | | 6,500 | -6,500 | -0.13 | |
| <u>Recreation Administration</u> | | | | | | |
| Program Coordinator | Eliminate Vacant 0.35 FTE | 19,031 | | 19,031 | 0.35 | Position has been vacant for over two years. Elimination of position will not impact the public or service delivery. |
| Program Coordinator | Eliminate Vacant 0.75 FTE | 39,033 | | 39,033 | 0.75 | Position has been vacant for over two years. Elimination of position will not impact the public or service delivery. |
| Brochure | 4th Brochure to be paid by Administrative Division | 21,000 | | 21,000 | | An agreement with the Daily Camera to produce the department's brochure resulted in significant budgetary savings. As a result, the administrative division can resume responsibility for the costs related to the 4th brochure. |
| Recreation Expenditures | Recreation Non-Personnel Expenditures | 10,000 | | 10,000 | | The budget reduction is for materials, supplies, hardware and software. It is intended to align budget appropriation with recent expenditure patterns. |

| ATTACHMENT A | | | | | | |
|----------------------------------------------------------------------|----------------------------------------------------------------|--------------------------------|------------------------|----------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Recreation Activity Fund Budget - Recommended 2006 Reductions | | | | | | |
| Department/Division: Parks and Recreation - Recreation Activity Fund | | | | | | |
| Short Title of Program/Service Reduction | Program/Service Reduction Description | 2006 Ongoing Reduction Amounts | | | # of Std FTES | Direct Impact to Citizens (from a citizen/customer perspective - include any useful, quantifiable information) -- or -- |
| | | Decreased Expenditures | Increased Expenditures | Net Reduction | | |
| Golf Course | | | | | | |
| Pro Shop | Golf Pro Shop - Non-Personnel Expenditure Budget Reduction | 40,000 | | 40,000 | | The budget reduction consists primarily of merchandise for sale to the public. Merchandise budget reductions are being proposed in reaction to market trends. In recent years, the public has purchased less golf equipment and supplies. The public will either not be impacted or will view it as a minor inconvenience. |
| Flatirons Building | Flatirons Building - Non-Personnel Expenditure Budget Increase | | 20,000 | -20,000 | | Increased appropriation for the Flatirons Building due to projected repair and maintenance costs. Utility expenditures have also increased at a higher rate than at other facilities. The facility is leased to Spice of Life catering and generates annual revenue of \$135,000. It is critical that the department maintain the facility as required by terms of the lease contract. |
| Golf Maintenance | Golf Maintenance - Non-Personnel Expenditure Budget Reduction | 15,000 | | 15,000 | | The non-personnel expenditure reduction will impact service levels and, possibly, the public's perception of the golf course. Golf course management will strive to implement reductions in a manner that will minimize the impact to customers. Turf seeding and repair will occur less frequently, fertilizer will be applied less often, flower plantings and non-safety related tree pruning will be reduced, seasonal staff hours will be decreased. |
| Total Proposed Recreation Activity Fund Reductions | | 526,509 | 112,590 | 413,919 | 3.98 | |

CITY COUNCIL ACTION ON ITEMS IN THE RECOMMENDED BUDGET

The City Manager's 2006-07 Recommended Budget was presented to City Council for first reading on October 18th, second reading on November 8th and third reading/adoption on November 29th. The highlights of the 2006-07 are outlines in the City Manager's 2006-07 Budget Message. The only item City Council amended during the formal review and adoption of the budget was as follows:

Downtown Eco Pass Program

Central Area General Improvement District (CAGID) Eco Pass

At first reading of the 2006 budget ordinances on October 18th, Council removed \$46,422 that was included in the General Fund budget for the 2006 partial funding of the Downtown Eco Pass Program. This reduction, along with the projected increase of 10% recently announced by RTD, has resulted in a variance of \$151,218 between projected costs for the CAGID Eco Pass Program and the amount currently budgeted. The contingency appropriation for funding the variance is as follows: the first option is to have CAGID staff return to City Council by the end of the first quarter of 2006 with a resolution to appropriate funding to cover the variance based on 2005 budget savings or other expenditure reductions in the CAGID Fund. Potential savings have been identified in a number of areas including the project costs for the parking garage at 10th and Walnut. Staff is currently completing a final reconciliation of the project and has estimated cost savings of approximately \$100,000 from the amount currently allocated to the project. If 2005 budget savings or other expenditure reductions are not sufficient to cover the entire variance, a line of credit of up to \$100,000 from the Transportation and/or UHGID Funds would be brought forward to City Council for approval.

Boulder Improvement District (BID) Eco Pass

The BID Board unanimously decided at their meeting on October 20, 2005, not to fund the BID portion of the Downtown Eco Pass program, stating it was not within their mission. (The total amount of the 2006 BID program was \$49,583, including the proposed 10% increase; and the breakdown of proposed funding was \$3,714 general fund subsidy; \$45,869 BID.) Some members of the board stated they were open to allocating funds to assist in the long term feasibility study. It is anticipated that some businesses within the BID boundaries will purchase Eco Passes for their employees.

Information on the Downtown Eco Pass Program was provided in the October 18, 2005 agenda packet as Attachment A-1 of item 5A (first reading of the 2006-07 budget ordinances).

CITY COUNCIL GOALS

Boulder City Council

City Council Goals

Transportation

Develop strategies to manage congestion at reasonable levels and enhance mobility to maintain a livable community. To generate consensus among and between the City Council and local and regional community about the specific transportation improvements envisioned for each corridor.

Affordable Housing

To create and preserve housing opportunities in order to promote an economically diverse and environmentally sustainable community.

Environment

To enact and enhance city policies that cause the Boulder community to become a nationwide environmental leader among communities. The City will be a role model of exemplary environmental practices.

Economic Vitality

It is the Policy of the City of Boulder to encourage economic vitality and the contributions economic health make to the overall quality of life of its citizens. The City of Boulder welcomes and is supportive of business and economic development. Towards this end, the City of Boulder will utilize a variety of tools and strategies that will result in increased sales and use tax revenue, retention and expansion of business investment and opportunities in Boulder and lead to an improvement in the quality of life and prosperity of the community.

Community Sustainability

To enhance community livability by providing outreach and by developing policies that address the needs of the under-served, under-represented and under-participating residents so all who live in Boulder can feel a part of, and thrive in, our community

Current information on the status of the City Council goals is available on the city's website at www.ci.boulder.co.us (click on City Council and then on Council Retreats/Goals)

BUDGET POLICIES

CITYWIDE FINANCIAL AND MANAGEMENT POLICIES

SECTION 1 - GENERAL INFORMATION

- 1.1 **Annual Budget Submittal** - Biennial budgets shall be balanced. Budgeted expenditures and transfers-out will not exceed reasonable projection of the sum of current year revenues, transfers-in, and available fund balances. Debt shall not be utilized for operating expenses.¹
- 1.2 **Budget Process** - A Biennial budget shall be adopted every two years by December 1st of the year prior to the two-year budget period. Adjustments for changing circumstances for the second year of the two-year budget cycle shall be adopted by December 1st of the first year of the biennial period.²
- 1.3 **Budget Preparation** - While the Charter establishes time limits and the essential content of the City Manager's proposed budget, the budget preparation process is not prescribed. The preparation process is developed by the City Manager with input from the City Council.
- 1.4 **Changes to Adopted Budget** - Normally, initial appropriations (excluding carryovers and encumbrances) will be made only in the context of the annual budget process when all City needs can be reviewed and prioritized in a comprehensive manner. The biennial budget process will also include a projection of the multi-year impact of decisions.³

SECTION 2 - REVENUE POLICIES

- 2.1 **Property Tax** - Mill levies shall be certified at the 1992 mill levy rate. A temporary mill levy credit shall also be certified whenever the calculated revenue forecast exceeds the calculated revenue limitation by more than 1/10th of a mill.⁴
- 2.2 **Revenue Review and Projection** - The City reviews estimated revenue and fee schedules as part of the budget process. Estimated revenue is projected in a "most likely" scenario for five years and updated annually. Proposed rate increases are based upon Citywide Pricing Policy Guidelines that were adopted by Council in 1994. User fees shall be aligned with these guidelines over a five-year period.
- 2.3 **User Fee Guidelines** - The general guidelines of the City of Boulder regarding user fees are based upon the following considerations:
 - A. Full Cost Recovery
 1. The individual or group using the service is the primary beneficiary.
 2. The level of service use attributed to a user is known.
 3. Administrative cost of imposing and collecting the fee is not excessive.
 4. Imposing a full cost fee would not place the City at a competitive disadvantage.
 5. The service is usually provided by the private sector, but may also be provided by the public sector.
 - B. Partial Cost Recovery
 1. Services benefit those who participate but the community at large also benefits.
 2. The level of service use attributed to a user is known.
 3. Administrative costs of imposing and collecting the fee is not excessive.
 4. Imposing a full cost fee would place the City at a competitive disadvantage.
 5. The service is usually provided by the public sector, but may also be provided by the private sector.

C. No-cost Recovery:

(a service does not have to meet every criterion)

1. The service is equally available to everyone in the community and should benefit everyone.
2. Because the service is basic, it is difficult to determine benefits received by one user.
3. The level of service attributable to a user is not known.
4. Administrative costs of imposing and collecting a fee exceed revenue expected from the fee.
5. Imposing the fee would place the City at a serious competitive disadvantage.
6. The service is primarily provided by the public sector.
7. Charging a fee would result in undesirable behavior.

D. "Enterprise or Profit" Center

(a service does not have to meet every criterion)

1. Individuals or groups benefit from the service and there is little community benefit.
2. The level of service use attributable to a user is known.
3. There is excess demand for the service; therefore, allocation of limited services is required.
4. Administrative cost of imposing and collecting the fee is not excessive.
5. The service is provided at market price by the private sector.

E. Other Considerations

1. Nonresidents do not pay the full level of City taxes. Therefore, nonresidents will usually pay a premium of 25% above the standard fee for the service.
2. The City currently defines "Direct Costs" as costs that are all the specific, identifiable expenses associated with the actual provision of a service.
3. "Indirect Costs" can include departmental overhead costs such as administrative costs and operating reserve account as well as city overhead costs. City overhead costs include the costs of all the City's general support services.
4. Departments when establishing fees should identify whether a fee recovers the full cost, (sum of direct and indirect costs), partial cost or is a market rate fee.

- 2.3a User Fee Subsidies** - After a fee has been set at either a full, partial or market level, any subsidy or reduced rate user fee offered by the City of Boulder will be based primarily on economic or financial need. The basis for determining financial need will be 50% of the average median income (AMI) for Boulder County. In addition, programs that include a subsidy or reduced rate component are available to City of Boulder residents only.

Recreation services in Parks and Recreation offer reduced rate user fees based on age only rather than on economic or financial need. As part of its 5-year User Fee Alignment Plan, this department is moving away from age-based discounting, but has not yet determined if it should be completely eliminated.

- 2.4 Asset Forfeiture Revenue** - To create a long-term funding source from limited and uncertain revenue, asset forfeiture/seizure revenue resulting from crime prevention/apprehension activities by the Police Department shall be conceptually considered as "endowment" funds and the principal shall be held in reserve. With the exception of occasional exceptional unanticipated unfunded needs, only interest earnings on the principal shall be allocated for expenditures.

- 2.5 Accrued Interest -Earmarked Funds -** The determination of whether earmarked funds shall accrue interest income is whether the General Fund costs required to collect and administer such funds are allocated to the subject funds. Interest income shall not be distributed to funds unless they are bearing their appropriate allocation of administrative costs.
- 2.6 Unspent Revenues -** On an annual basis, any unspent revenues subject to and in compliance with the associated limitations of Amendment #1 revenue and spending constraints shall be "reserved" and therefore will be considered "spending" in the current fiscal year.
- 2.7 Excise Taxes -** In November 1998, the electorate approved a ballot issue that increased the current excise tax rates by an inflationary factor. The rate will be adjusted annually by an inflation factor until the maximum amount included in the ballot issue is reached. ⁵

- 2.7 a Education Excise Tax-** In June 2003, City Council approved the following policy guidelines pertaining to Education Excise Tax:

Education Excise Tax revenues shall be used for capital expenditures only, and not for operational expenditures. Education Excise Tax revenues may be used to:

- Help fund facilities needed to serve new growth
- Improve or renovate existing facilities
- Enhance the viability of existing facilities , including recreational facilities
- Fund tax refunds or set-offs relating to education purposes
- Purchase properties to preserve them for future educational purposes.

Education Excise Tax revenues shall be expended in a manner that supports both Boulder Valley School District and city of Boulder needs and objectives.

Education Excise Tax revenues shall be programmed for expenditure as part of the city's Capital Improvement Programming process. The intent is that funds will be used for large capital expenditures that exceed \$1,000,000 and will be programmed for expenditure on an infrequent basis.

- 2.8 Utility Charges -** The City reviews estimated revenues and fee schedules as part of the budget process. Estimated revenue and expenditures are projected for five years and updated annually. Proposed rate increases to monthly user fees are developed using a cost-of-service methodology which includes the following:

- Determination of the Utility's revenue requirements for operations, maintenance, and capital construction;
- Ability of the Utility to maintain adequate reserves and meet debt service coverage requirements;
- Analysis of customer demands and usage characteristics;
- Allocation of revenue requirements to customer service characteristics;
- Development and design of rates schedules.

Other charges for specific services are designed to recover costs and follow the guidelines of the Citywide Pricing Policy adopted by Council in 1994.

Plant Investment Fees are one-time charges to customers connecting to the utility system are based on the replacement value of the utility assets and are reviewed every 3-5 years.

SECTION 3 - FINANCIAL ADMINISTRATION

- 3.1 General Information** - The city's fiscal year shall be the calendar year. The Department of Finance and Record shall collect taxes and maintain financial records.⁶
- 3.2 Administrative Charges** - The City shall employ a cost allocation system to identify the full cost of providing services to the public and recover certain costs incurred by various funds in providing support services to other City departments. The system shall accomplish the following objectives:
- a. Complete recovery of costs incurred with the exception of the costs of "general governance".
 - b. Equitable allocation of costs to users.
 - c. Provision of incentives for service providers to deliver products and services efficiently and effectively.
 - d. Provision of a stable cost allocation system to facilitate the organization's budgeting for charges and revenues.
 - e. Promotion of customer confidence in and acceptance of the accuracy, reasonableness, and fairness of the charges they incur.

Charges for "general governance" (City Council, City Manager's Office, City Clerk Council support and elections, etc.) shall not be cost allocated to restricted funds but instead shall be totally funded out of the General Fund. The "general governance" category shall not include election costs for ballot issues related to funds with earmarked revenue sources. Costs for non-General Fund ballot issues shall be charged to the appropriate fund.

The Housing Authority shall not be charged for services provided by General Fund Departments. Such costs will be born by the General Fund.

- 3.3 Building Maintenance/Renovation** - To protect City investment in facilities, funds shall be budgeted annually for maintenance of such facilities. To extend the life of these assets, the goal shall be to increase the funds budgeted annually for maintenance of facilities to approximately 2 percent of the replacement cost (with the exception of debt financed facilities). These funds may be utilized for facility maintenance, reserved for facility replacement, or utilized for debt service payments for facility related projects pursuant to a long term plan based upon the condition of each facility. If the 2 percent funding goal cannot be reached in any given year due to funding constraints, the expected result will be an increase in the maintenance backlog equal to the funding shortfall. The Facilities and Asset Manager will prioritize maintenance/renovation needs to ensure that critical systems are properly maintained so that facility safety and operations continue without interruption. Lower priority work will be postponed until funding is available to complete these tasks. The Facilities & Asset Manager will report the amount of maintenance backlog and any impacts on facility safety and operations annually during the budget process. If/when the revenue base permits, facility maintenance funding shall be given a high priority before consideration of other service restorations or additions.
- 3.4 Building Replacement Costs** - Where debt payments are being made for city buildings, if the revenue source(s) do not sunset when the debt is retired, the on-going revenue will be allocated to a building replacement fund. If the funding source does sunset, replacement resources for the building shall usually come from new or extended revenue leveraged by bonding.
- 3.5 Equipment Replacement Costs** - Funds shall be reserved annually for replacement of City equipment and these costs will be reflected in the operating expenditures of the activity using the equipment, to facilitate accurate costing of service delivery.
- 3.6 Vehicle Replacement Costs** - Vehicles shall normally be purchased rather than leased and a vehicle replacement fund shall be maintained for replacement of vehicles at the end of their useful life. In the limited situations where vehicles may be leased (temporary vehicles, fire apparatus, etc.) specific approval by the City Manager is required.

- 3.6a Vehicle Changes** - It is the expectation of the City Manager's Office that all departments will meet the objectives of the Fleet Evaluation Study. These objectives are: no increase in miles driven in the conduct of City business, and no net increase in the number of fleet units.
- 3.7 Computer Replacement Costs** - Computer replacement funds shall be created to level out spending for microcomputer and network related hardware and software and ensure that adequate replacement funds are available when equipment reaches the end of its useful life. This fund is expected to cover 80% of the General Fund replacement costs. The remaining 20% costs will be covered in individual departmental budgets. Restricted funds are expected to reserve funds necessary to cover 100% of their microcomputer and network related hardware and software.
- 3.8 Technology Improvements** - Recognizing the contribution of technology in efficient and effective service provision, improvements in technology shall be important considerations in resource allocations.
- 3.9 General Fund Annual Savings** - The General Fund emergency/stabilization reserve shall be maintained at a 10% minimum and a 15% maximum, as conditions allow.
- 3.10 Grant Expenditures** - Expenditures related to grants shall continue only during the period of time they are funded by the grant. Any grant employees will be considered fixed-term. The City Manager shall review applications for new grants before they are submitted to the granting agency.
- 3.11 Property & Casualty and Workers Compensation Funds** - Both Property and Casualty and Workers Compensation liability will be self-insured. The goal of the Property & Casualty Fund is to fully fund an actuarially calculated liability as of the end of the prior year at the 50% certainty level plus \$500,000 for current and future claims. The Workers Comp Fund's goal is to fully fund case loss reserves at the 50% confidence level and rate stabilization reserves at the industry standard reserve/retention of eight-to-one. At least every five years, an analysis comparing the cost and effectiveness of self insurance compared to purchase outside insurance will be conducted to determine whether self-insurance in one or both of these liability categories continues to be the best alternative.
- 3.12 Accumulated Sick, Vacation Time, & Appreciation Bonus** - To facilitate the long-term financial sustainability of the city, liabilities associated with accumulated sick time, vacation time, appreciation bonuses, and/or any other employee benefits that would result in liability upon termination or retirement shall be fully funded based on TABOR requirements. This may be accomplished, subject to Council review and approval, by a combination of modifying benefits and/or setting aside reserves.
- 3.13 Compensation Policy** - The City of Boulder is committed to recruiting and retaining highly productive employees through a competitive total compensation package, which strives to:
- Provide favorable salary relationships when compared to appropriate labor markets, while recognizing the City's ability to pay;
 - Maintain internal job relationships according to the responsibilities and customer service requirements found in all jobs;
 - Recognize and reward employees for their efforts as demonstrated through specific performance achievements; and
 - Acknowledge the unique contributions and potential sacrifices of our Police and Fire Protective Services by continuing to offer enriched benefit programs for them.

SECTION 4 - CAPITAL IMPROVEMENT PLANS

- 4.1 Capital Improvement Plan Submission** - While the Charter establishes time limits and the essential content of the City Manager's proposed CIP budget, the budget preparation process is not prescribed. The preparation process is developed by the City Manager with input from the City Council.⁷
- 4.2 Inclusion of Operating Costs** - Prior to approval of capital projects, associated operating costs must be included in balanced multi-year operating budgets.

- 4.3 Capital Improvement Project Contingency Funds** - Capital Improvement Project contingency funds may be expended by the Project Manager, with Director approval, for unanticipated needs or changes that are within the original scope of the project. The "scope of the project" is defined as the description of the project presented with the CIP that clearly defines the parameters, objectives, and budget of the project. Requested modifications exceeding the original scope of the project shall be presented to Council for approval.
- 4.4 CIP Arts Funding** - Where feasible, Project Managers, when designing capital projects should incorporate public art into the design.

SECTION 5 - RESERVE POLICIES

- 5.1 Please refer to separate section defining individual reserve goals by fund.**
- 5.2** In the case of a declared emergency within the City, applicable insurance coverage (subject to the related deductibles) would be the first funding source utilized. Reserve funds established for other purposes may also be utilized for needs related to emergency situations. The following reserve categories could be utilized if required (as prioritized based upon the importance of the needs related to the emergency versus the negative impact of the steps necessary to replenish reserves in the future).

General Fund (no legal restrictions):

- Emergency/stabilization reserve
- Computer replacement reserve
- Facility renovation and replacement reserve
- Workers compensation reserve (would have to "book" any unfunded liability)
- Property & casualty self-ins reserve (would have to "book" any unfunded liability)
- Insurance stabilization reserve

Restricted funds (only for emergency purposes within the function of each fund)

- Emergency/stabilization reserves
- Various replacement reserves

SECTION 6 - PENSION PLAN POLICIES

- 6.1 Authorization to Expend Funds for Administrative Costs** - If budgetary conditions permit, the City may authorize defined contribution (money purchase) pension plans to expend certain forfeiture funds for administrative costs. The plan board(s) may submit a request annually to the City Manager to be considered in the context of the City's annual budget process.
- 6.2 Increase for "Old Hire" Police and Fire Pension Plans** - "Ad hoc"/cost of living increases for retirees of the Old Hire Police and Old Hire Fire Pension Plans will be funded only if adequate funds are available, on an actuarially sound basis, from existing plan assets.

SECTION 7 - DEBT POLICIES

- 7.1 Policy Statement** - Debt shall be considered only for capital purchases/projects and the term of the debt shall not exceed the useful life of the financed asset. Municipal bonds, Interfund loans, equipment leases (with the exception of vehicles) and sale/leaseback agreements are approved methods for financing capital projects.

END NOTES

1. Charter Requirements Sec 93. Not later than three months before the end of each fiscal year, the city manager shall prepare and submit to the council an annual budget for the ensuing fiscal year, based upon detailed estimates furnished by the several departments and other divisions of the city government, according to a classification as nearly uniform as possible. The budget shall present the following information:

(A) An itemized statement of the appropriations recommended by the city manager for estimated expenses and for permanent improvements for each department and each division thereof for the ensuing fiscal year, with comparative statements in parallel columns of the appropriations and the expenditures for the current and last preceding fiscal year and the increases or decreases in the appropriations recommended;

(B) An itemized statement of the taxes required and of the estimated revenues of the city from all other sources for the ensuing fiscal year with comparative statements in parallel columns of the taxes and other revenues for the current and last preceding fiscal year and of the increases or decrease estimated or proposed;

(C) A statement of the financial condition of the city; and

(D) Such other information as may be required by the council.

2. Charter Requirement Sec. 95. Upon the basis of the budget as adopted and filed, and including the levies required to be made by the charter, the several sums shall forthwith be appropriated by ordinance to the several purposes therein named for the ensuing fiscal year. Said ordinance shall be adopted not later than the first day of December in each year and shall be entitled "The Annual Appropriation Ordinance."

3. Charter Requirement Sec. 102. At any time after the passage of the annual appropriation ordinance and after at least one week's public notice, the council may transfer unused balances appropriated for one purpose to another purpose and may by ordinance appropriate available revenues not included in the annual budget. This provision shall not apply to the water, park and library funds.

4. Charter Requirements. Sec 94. Upon said estimate the council shall forthwith proceed to make by ordinance the proper levy in mills upon each dollar of the assessed valuation of all taxable property within the city,... The levy shall never exceed thirteen mills on the dollar for all general city purposes upon the total assessed valuation of said taxable property with the city. The foregoing limitation of thirteen mills shall not apply to taxes levied by the council for the payment of any interest, sinking fund, or principals of any bonded indebtedness of the city now existing or hereafter created nor to special assessments for local improvements.

Sec. 135. The city council shall make an annual appropriation, which shall amount to not less than the return of one-third of a mill tax levied upon each dollar of assessed valuation of all taxable property in the City of Boulder.

Sec. 161. There shall be a permanent park and recreation fund. This fund shall consist of the following:

(a) An annual levy of nine-tenths of one mill on each dollar of assessed valuation of all taxable within the city.

5. Code Requirement. Sec. 3-8-1. Development Excise Tax; Sec. 3-9-1, Housing Excise Tax; Sec. 8-3-18, and Park Land Acquisition and Development Fees, B.R.C. 1981.

6. Charter Requirements

Sec. 88. The fiscal year of the city shall commence on the first day of January and end on the last day of December of each year.

Sec. 89. Collection and custody of public moneys. The Director of Finance and Record shall have charge of the revenues and records of the city except as otherwise provided by this charter or by ordinance. All taxes, special assessments, and license fees accruing to the city shall be received or collected by officers of the department of finance and record. All moneys received by any officer or employee of the city or in connection with the business of the city shall be paid promptly into the city treasury.

The council shall by ordinance provide a system for prompt collection and regular payment, custody, and deposit of all city moneys; shall require surety bonds of all depositors of city moneys. Deposits shall be made daily and in the name of the city.

Sec. 90. System of accounting

The council shall by ordinance provide a system of accounting for the city, not inconsistent with the provisions of this charter, which may be recommended by the city manager, to conform as nearly as possible with the uniform system of municipal accounting.

7. Charter Requirements. Sec 78. The Planning Department shall.....

(C)Submit annually to the city manager, not less than sixty days prior to the date for submission of the city manager's proposed budget to the city council, a list of recommended capital improvements to be undertaken during the forthcoming six-year period;

The list shall be arranged in order of preference, with recommendations as to which projects shall be completed each year. Each list of capital improvements shall be accompanied by a six-year capital budget indicating estimated costs and methods of financing all improvements.

**2006 BUDGET
Reserve Policies**

| Fund | Category | Reserve | Purpose | Current Reserve Policy | Projected Year-End Balance (2006) | Balance to Comply w/Budget Policy | Variance | Comments |
|-----------------------------------|-----------------------------|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-----------|--------------------------------------------------------------------------------------------------------------------------------------|
| General | Emergency/ Stabilization | Emergency Reserve | Reserve is to provide a cushion for revenue shortfalls, emergencies, and for expenditure opportunities. | Based upon GF expenditures less grants: proposed goal is to have a 10% reserve. | 10,242,000 | 7,894,000 | 2,348,000 | Current reserve policy is being met. |
| | Liability | Compensated Absences | The fund was established for liabilities assoc. with accumulated sick and vacation time, appreciation bonuses, and/or other employee benefits that result in liabilities | To facilitate the long-term financial sustainability for the city the sick/vac/app. bonus liability shall be a fully funded reserve based on TABOR requirements. | 2,720,359 | 2,719,181 | 1,178 | Current reserve policy is being met. |
| | | Workers Comp. Reserve | The Workers Comp fund is to be self-insured. The fund was developed to enhance the management of program costs. | To fully fund case loss reserves at the 50% confidence level and rate stabilization reserves at the industry standard reserve/retention of 6 to 1. | 3,373,145 | 3,961,042 | (587,897) | Current reserve policy is not being met. Per budget request for 2007, rate increases to Work Comp will bring budget into compliance. |
| | | Property & Casualty Reserve | The Property & Casualty Reserve will be self-insured. The fund was set up when insurance costs were expected to increase significantly. | Goal is to fully fund an actuarially calculated liability as of end of the prior year at the 50% certainty level plus \$500,000 for current & future year claims. | 2,892,736 | 1,448,296 | 1,444,440 | Current Reserve policy is being met |
| | Replacement | General Fund-Computer Replacement Reserve | Reserve was created to level out spending for micro-computer related hardware and software. | Goal is that this fund will cover 80% of the General Fund replacement costs by 12/31/00. The remaining 20% will be covered in departmental budgets. | 2,820,670 | 1,114,288 | 1,706,382 | Current reserve policy is being met. |
| | | Telecommunications Replacement Reserve | Reserve was created to level out spending for Telecommunications system replacement and upgrades | Goal is that this fund will fund the City's phone service equipment replacement and fiber network needs. | 1,093,375 | 1,093,375 | 0 | Current Reserve Policy is being met |
| | | Facility Renovation & Replacement Reserve | Fund was created to protect the City investment in facilities. | To protect City investment in buildings, funds shall be budgeted annually for maintenance of such buildings. To extend the life of these assets, the goal over a 20 year period shall be to increase the funds budgeted annually for maintenance of buildings to approximately 2% of the replacement cost. | 2,383,494 | 2,383,494 | 0 | Current reserve policy is being met. |
| | | Equipment Replacement | Reserve was created to level out spending for replacement of City's equipment. Includes contributions annually from general & non-general funds. | It is the policy of the City of Boulder that all equipment users shall fund the replacement of equipment through contributions to the Equipment Replacement Program (ERP) fund. Annual contributions by unit shall be calculated by Facilities & Asset Management (FAM) and distributed to users during the budget process. | 3,324,886 | 3,324,886 | 0 | Current reserve policy is being met. |
| Capital Development Fund | Emergency/ Stabilization | Emergency Reserve | Reserve was established to cover emergencies and revenue fluctuations. | Current reserve policy designates \$500,000 to cover the purposes of the fund. | 1,587,241 | 500,000 | 1,087,241 | Current reserve policy is being met. |
| Planning and Development Services | Emergency/ Stabilization | Emergency Reserve | This is an appropriated reserve to fund unanticipated operating emergencies. | Reserve is currently set at \$25,000. | 25,000 | 25,000 | 0 | Current reserve policy is being met. |
| | Emergency/ Stabilization | Operating Reserve | This is an unappropriated reserve which was established to cover revenue fluctuations and operating emergencies. | 5% of the operating budget that is funded by fees and permit revenue | 1,636,256 | 253,177 | 1,383,079 | Current reserve policy is being met. |
| | Liability | Sick/Vac/App. Bonus Liability Reserve | The fund was established for liabilities assoc with accumulated sick & vacation time, appreciation bonuses, and/or other employee benefits that result in liabilities upon termination or retirement | To facilitate the long-term financial sustainability for the city the sick/vac/app bonus liability shall be fully funded by or before 2010. Interim goal is to fully fund reserve based on TABOR requirements. | 1,383,079 | 478,506 | 904,573 | Current reserve policy is being met; this reserve is to be fully funded by 2010. |

**2006 BUDGET
Reserve Policies**

| Fund | Category | Reserve | Purpose | Current Reserve Policy | Projected Year-End Balance (2006) | Balance to Comply w/Budget Policy | Variance | Comments |
|-----------------------------------|--------------------------|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-----------|------------------------------------------------------------------------------------------|
| CHAP Fund | Liability | Sick/Vac/ App. Bonus Liability Reserve | Reserve was established to fund sick/vac/app. bonus liability. | Reserve is to fully cover sick/vac/app. bonus liability. | 39,066 | 39,066 | 0 | Current reserve policy is being met. |
| .25 Cent Sales Tax Fund | Liability | Sick/Vac/App Bonus Liability Reserve | Reserve was established to fund sick/vac/app. bonus liability. | Reserve is to fully cover sick/vac/app. bonus liability. | 924,266 | 233,282 | 690,984 | Current reserve policy is being met. |
| Library Fund | Emergency/ Stabilization | Emergency | Reserve was established to cover emergencies. | Current reserve policy designates 10% of annual Library revenues for emergencies. | 176,281 | 68,097 | 108,184 | Current reserve policy is being met. |
| Recreation Activity Fund | Emergency/ Stabilization | Emergency Reserve | Reserve is to provide a cushion for revenue shortfalls, emergencies, and for expenditure opportunities. | Policy is to allow a rolling fund balance to provide stability to annual operations that may otherwise be affected by shortfalls in revenue. | 53,409 | 50,000 | 3,409 | Current reserve policy is being met. |
| Open Space Fund | Emergency /Stabilization | OSBT Contingency Reserve | Reserve was established to cover revenue fluctuations which might impact the Fund's ability to make debt service payments, as well as emergencies related to acquisitions. | Reserve per OSBT is to cover an amount based on outstanding General Obligation and BMPA debt totals supported by sales tax revenues. | 7,521,442 | 5,475,000 | 2,046,442 | Current reserve policy is being met. |
| | Liability | Sick/Vac/App. Bonus Liability Reserve | The fund was established for liabilities assoc with accumulated sick and vacation time, appreciation bonuses, and/or other employee benefits that result in liabilities upon termination or retirement | Reserve is to cover 100% of accrued costs as determined by Finance Department. | 2,046,442 | 490,000 | 1,556,442 | Current reserve policy is being met. |
| | | Property & Casualty Reserve | Reserve was established to cover retained insurance exposure. | Reserve is to cover 100% of retained loss not covered by City's insurance policy. | 1,556,442 | 400,000 | 1,156,442 | Current reserve policy is being met. |
| Airport Fund | Emergency /Stabilization | Operating Reserve | This is an appropriated reserve to fund unanticipated operating emergencies.. | 3% of Fund's operating budget. | 10,000 | 10,000 | 0 | Current reserve policy is being met. |
| | | Designated Reserve | This is an unappropriated reserve for operating and capital emergencies and revenue shortfalls. | 25% of Fund's operating budget. | 540,225 | 96,159 | 444,066 | Current reserve policy is being met. |
| | Liability | Sick/Vac/App. Bonus Liability Reserve | The fund was established for liabilities assoc with accumulated sick and vacation time, appreciation bonuses, and/or other employee benefits that result in liabilities upon termination or retirement | Reserve is to cover 100% of accrued costs as determined by Finance Department. | 444,066 | 5,150 | 438,916 | Current reserve policy is being met. |
| Transportation Fund | Emergency /Stabilization | Operating Reserve | This is an appropriated reserve to fund unanticipated operating emergencies. | Reserve is set at \$100,000. | 100,000 | 100,000 | 0 | Current reserve policy is being met. |
| | Liability | Sick/Vac/App. Bonus Liability Reserve & Designated Reserve | The fund was established for liabilities assoc with accumulated sick and vacation time, appreciation bonuses, and/or other employee benefits that result in liabilities upon termination or retirement and includes allocation for designated reserves. | Reserve is to cover 100% of accrued costs as determined by Finance Department. | 4,234,076 | 628,380 | 3,605,696 | Current reserve policy is being met; adjusted annually to reflect most recent estimates. |
| Transportation Development | | Designated Reserve | This is an unappropriated reserve for operating and capital emergencies and revenue shortfalls. | Reserve is set at \$25,000 | 1,544,584 | 25,000 | 1,519,584 | Current reserve policy is being met. |
| Permanent Parks & Recreation Fund | Liability | Sick/Vac/ App. Bonus Liability Reserve | Reserve was established to fund sick/vac/app. bonus liability. | Reserve is to fully cover sick/vac/app. bonus liability. | 693,809 | 50,277 | 643,532 | Current reserve policy is being met. |
| Water Utility | Emergency/ Stabilization | Emergency Reserve | This is an appropriated reserve to fund unanticipated operating emergencies. | 3% of Fund's operating budget. | 305,000 | 305,000 | 0 | Current reserve policy is being met; adjusted annually as % of current operating budget. |
| | | Operating Reserve | This is an unappropriated reserve for operating and capital emergencies and revenue shortfalls. | 20% of Fund's operating budget (including transfers) over six-year planning time frame. | 8,806,362 | 2,248,727 | 6,557,635 | Current reserve policy is being met; adjusted annually as % of current operating budget. |

**2006 BUDGET
Reserve Policies**

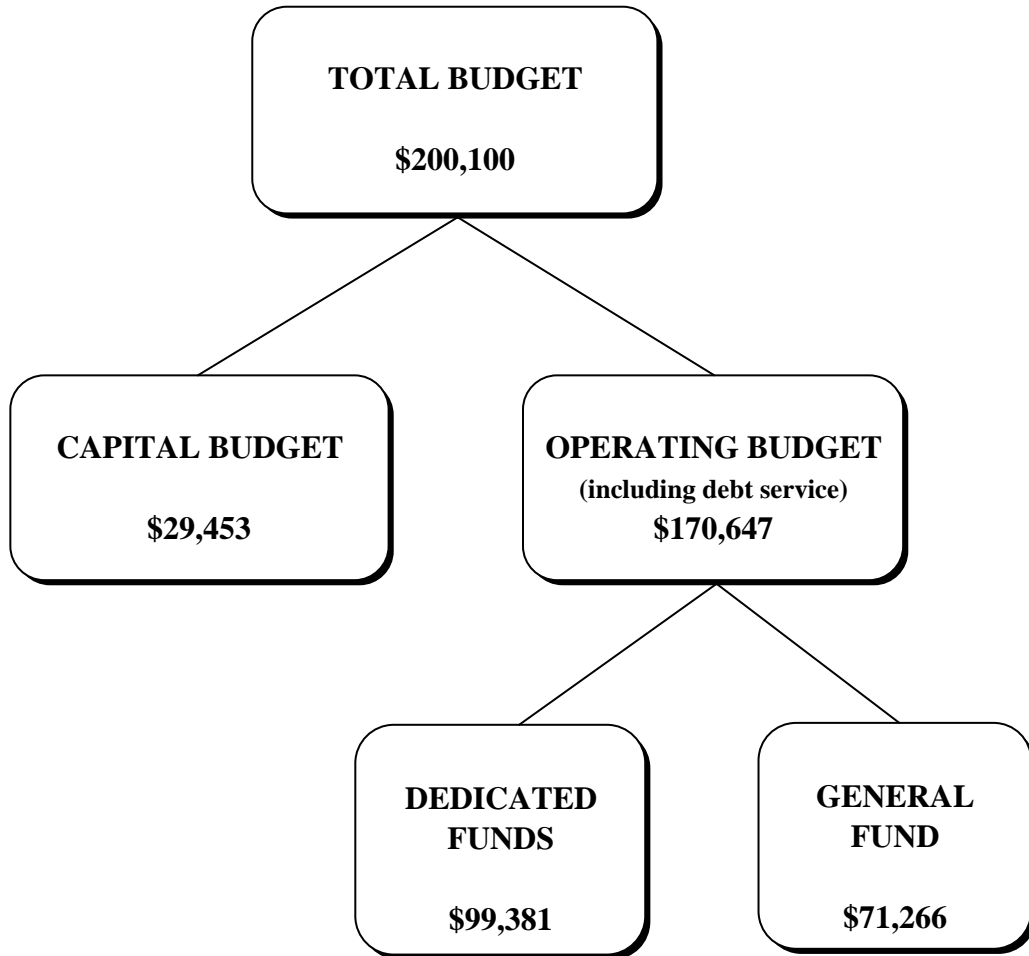
| Fund | Category | Reserve | Purpose | Current Reserve Policy | Projected Year-End Balance (2006) | Balance to Comply w/Budget Policy | Variance | Comments |
|--------------------------------------|-------------------------|---------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-----------|------------------------------------------------------------------------------------------------------|
| | Bond | Bond Reserve | These reserves are established in accordance with bond covenant requirements for revenue bonds. | Reserve amount defined individually for each bond issuance, equal to approximately one year's annual debt payment. | 6,322,941 | 6,322,941 | 0 | Current reserve policy is being met. |
| | Liability | Sick/Vac/App. Bonus Liability Reserve | The fund was established for liabilities assoc with accumulated sick and vacation time, appreciation bonuses, and/or other employee benefits that result in liabilities upon termination or retirement | Reserve is to cover 100% of accrued costs as determined by Finance Department. | 650,253 | 650,253 | 0 | Current reserve policy is being met. |
| Wastewater Utility | Emergency/Stabilization | Emergency Reserve | This is an appropriated reserve to fund unanticipated operating emergencies. | 3% of Fund's operating budget. | 210,000 | 210,000 | 0 | Current reserve policy is being met; adjusted annually as % of current operating budget. |
| | | Operating Reserve | This is an unappropriated reserve for operating and capital emergencies. | 20% of Fund's operating budget (including transfers) over six-year planning time frame. | 6,616,474 | 1,562,900 | 5,053,574 | Current reserve policy is being met; adjusted annually as % of current operating budget. |
| | Bond | Fund Bond Reserve | These reserves are established in accordance with bond covenant requirements for revenue bonds. | Reserve amount defined individually for each bond issuance, equal to approximately one- year's annual debt payment. | 187,586 | 187,586 | 0 | Current reserve policy is being met (includes estimated reserves for 2005 and 2006 projected bonds). |
| | Liability | Sick/Vac/App Bonus Liability Reserve | The fund was established for liabilities assoc with accumulated sick and vacation time, appreciation bonuses, and/or other employee benefits that result in liabilities upon termination or retirement | Reserve is to cover 100% of accrued costs as determined by Finance Department. | 543,911 | 543,911 | 0 | Current reserve policy is being met. |
| Stormwater/ Flood Management Utility | Emergency/Stabilization | Emergency Reserve | This is an appropriated reserve to fund unanticipated operating emergencies. | 3% of Fund's operating budget. | 80,000 | 80,000 | 0 | Current reserve policy is being met; adjusted annually as % of current operating budget. |
| | | Operating Reserve | This is an unappropriated reserve for operating and capital emergencies. | 20% of Fund's operating budget (including transfers) over six-year planning time frame. | 2,342,090 | 587,674 | 1,754,416 | Current reserve policy is being met; adjusted annually as % of current operating budget. |
| | | Post-Flood Property Acquisition | Reserve is for post - flood property acquisition in the event of a flood. | Reserve is increased by \$150,000 a year such that the fund will accumulate and maintain a level of \$1,000,000. | 1,050,000 | 1,000,000 | 50,000 | Current reserve policy is being met. |
| | Bond | Bond Reserve | These reserves are established in accordance with bond covenant requirements for revenue bonds. | Reserve amount defined individually for each bond issuance, equal to approximately one year's annual debt payment. | 824,715 | 824,715 | 0 | Current reserve policy is being met. |
| | Liability | Sick/Vac/App Bonus Liability Reserve | The fund was established for liabilities assoc with accumulated sick and vacation time, appreciation bonuses, and/or other employee benefits that result in liabilities upon termination or retirement | Reserve is to cover 100% of accrued costs as determined by Finance Department. | 145,653 | 145,653 | 0 | Current reserve policy is being met. |
| CAGID | Emergency/Stabilization | Emergency Reserve | This is an unappropriated reserve to fund unanticipated operating emergencies. | 10% of Fund's total operating uses. | 609,483 | 271,960 | 337,523 | Current reserve policy is being met. |
| | | Natural Disaster Reserve | This reserve is required under TABOR. | 3% of Fund's total sources as required by TABOR. | 337,523 | 172,713 | 164,810 | Current reserve policy is being met. |
| | Liability | Sick/Vac/App Bonus Liability Reserve | The fund was established for liabilities assoc with accumulated sick and vacation time, appreciation bonuses, and/or other employee benefits that result in liabilities upon termination or retirement | Reserve is to cover 100% of accrued costs as determined by Finance Department. | 164,810 | 94,726 | 70,084 | Current reserve policy is being met. |
| UHGID | Emergency/Stabilization | Emergency Reserve | This is an unappropriated reserve to fund unanticipated operating emergencies. | 25% of Fund's total uses. | 675,038 | 81,614 | 593,424 | Current reserve policy is being met. |

**2006 BUDGET
Reserve Policies**

| Fund | Category | Reserve | Purpose | Current Reserve Policy | Projected Year-End Balance (2006) | Balance to Comply w/Budget Policy | Variance | Comments |
|-------------------|-------------------------|---------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|----------|--------------------------------------|
| | | Natural Disaster Reserve | This reserve is required under TABOR. | 3% of Fund's total sources as required by TABOR. | 593,424 | 6,313 | 587,111 | Current reserve policy is being met. |
| | Liability | Sick/Vac/App Bonus Liability Reserve | The fund was established for liabilities assoc with accumulated sick and vacation time, appreciation bonuses, and/or other employee benefits that result in liabilities upon termination or retirement | Reserve is to cover 100% of accrued costs as determined by Finance Department. | 587,111 | 13,869 | 573,242 | Current reserve policy is being met. |
| Fleet Operations | Emergency/Stabilization | Emergency Reserve | This is an appropriated reserve to fund unanticipated operating emergencies. | 1% of Fund's operating budget. | 24,303 | 24,303 | 0 | Current reserve policy is being met. |
| | Emergency/Stabilization | Operating Reserve | This is an unappropriated reserve for operating emergencies | 2% of Fund's operating budget | 951,279 | 96,923 | 854,356 | Reserve to start in 2005. |
| | Liability | Sick/Vac/App. Bonus Liability Reserve | The fund was established for liabilities assoc with accumulated sick and vacation time, appreciation bonuses, and/or other employee benefits that result in liabilities upon termination or retirement | Reserve is to cover 100% of accrued costs as determined by Finance Department. | 854,356 | 135,923 | 718,433 | Current reserve policy is being met. |
| Fleet Replacement | Replacement | Fleet Replacement Reserve | Reserve was established to level out the spending for the replacement of the City's vehicles | Policy is to collect sufficient funds from the departments to replace vehicles as identified in replacement schedule. | 3,475,307 | 3,475,307 | 0 | Current reserve policy is being met. |

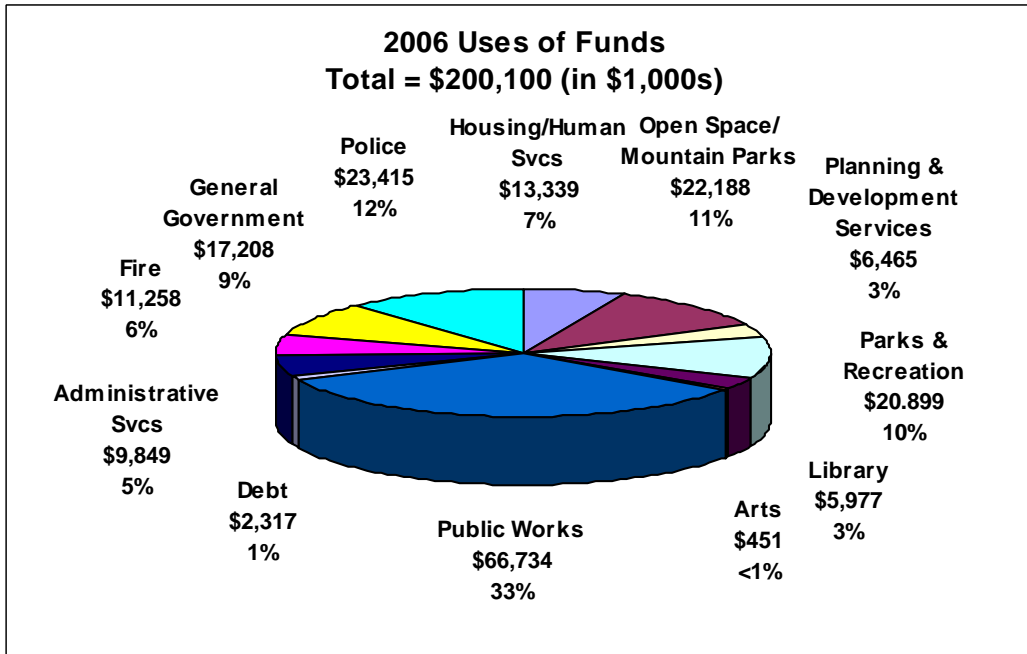
CITYWIDE SUMMARIES

**CITY OF BOULDER
2006 BUDGET
(in \$1,000s)**



City of Boulder Budget Summary 2006 Budget

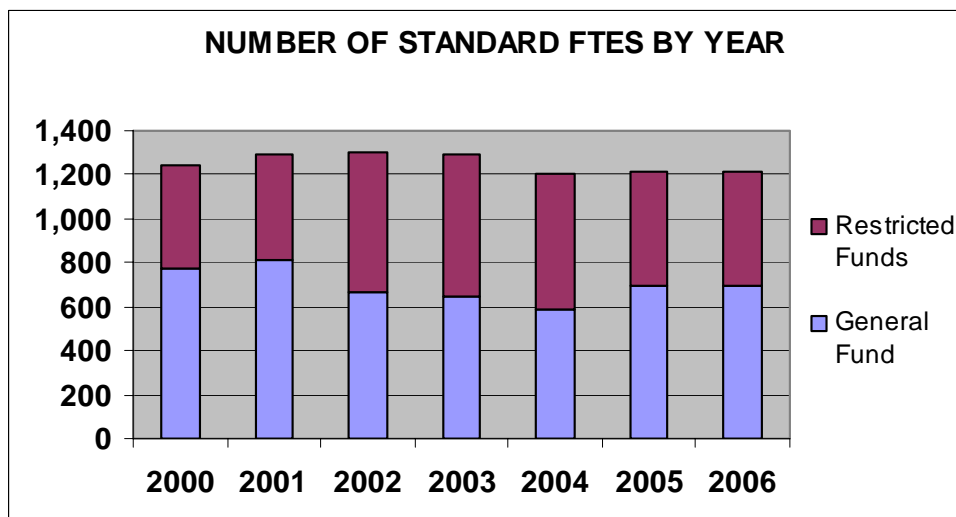
Citywide Overview



- The total 2006 budget for the City of Boulder is \$200,100,000. Overall, the 2006 budget is 2.0% greater than the 2005 budget of \$196,167,000. The 2% increase reflects a decrease of 3.6% in debt service, with a 3.3% increase in operating and 1.2% increase in the capital improvement program (CIP).

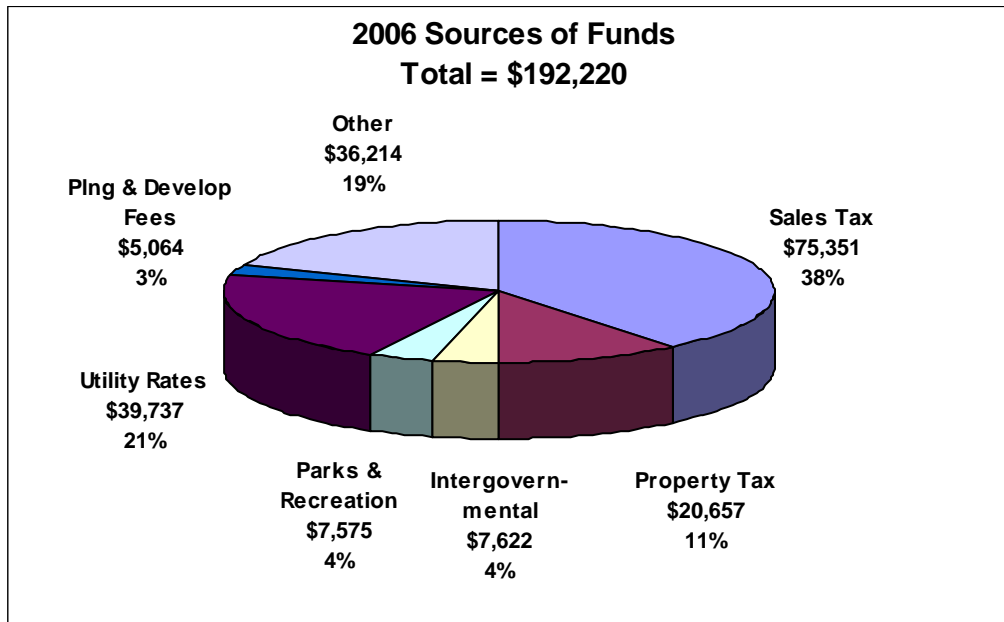
Note: Non-General Fund Debt is included in departments.

- The 2006 Budget includes 1,218.84 standard full time equivalents (or FTEs), which reflects an increase of 6.73 standard FTEs from the 2005 approved budget. For a detailed description of changes in standard FTEs across all city departments/divisions, please refer to "Summary of Standard FTEs" section.



Citywide Revenue (Sources)

- The city has several revenue sources, each representing a different percentage of total revenues. Citywide revenues are projected to be \$192,220,000, an increase of 3.4% from 2005 estimated revenues of \$185,885,000.



Sales Tax

Sales Tax represents 38% of the City's total revenue. Sales tax is a transaction tax levied upon all sales, purchases, and leases of tangible personal property and taxable services sold or leased by persons engaged in business in the city and is collected by the vendor or lessor and remitted to the city. The current sales and use tax rate consists of several components. The following is a list of the specific funds that have sales tax as a component of their revenue.

| Fund | Rate | Start Date | Expiration Date |
|----------------------------------------------------------|---------------------|------------|-----------------|
| General | 1.00% | 1/1/1964 | None |
| General | 0.38% | 1/1/1988 | 12/31/2011 |
| General (designated) | 0.15% | 1/1/1993 | 12/31/2012 |
| General (formerly designated for public safety purposes) | 0.15% | 1/1/2005 | 12/31/2024 |
| Open Space | 0.40% | 1/1/1967 | None |
| Open Space | 0.33% | 1/1/1990 | 12/31/2018 |
| Open Space | 0.15% | 1/1/2004 | 12/31/2019 |
| Transportation | 0.60% | 1/1/1967 | None |
| Parks Acquisition & Recreation Purposes | <u>0.25%</u> | 1/1/1996 | 12/31/2015 |
| Total | <u>3.41%</u> | | |

Basic Assumptions:

Inflation – Projected CPI for the Denver/Boulder area is 1.9% for 2006.

General Economy – Staff is projecting that the economy will grow by 0.2% for 2006.

Employment Growth – Staff is anticipating very little employment growth in the Boulder region for 2006.

Overall Sales Tax Growth – The overall growth in sales & use tax for the city is expected to be 2.0% in 2006.

Property Tax

Property Tax represents 11% of the City’s total revenue. Property tax revenue is based on the city’s mill levy to the current assessed value. Property tax revenue growth is restricted under the Taxpayer Bill of Rights Amendment to the Colorado Constitution (TABOR) to the Denver-Boulder Consumer Price Index (CPI) and a local growth factor. For collection in 2006, City Council approved a property tax of 9.643:

| | |
|--------------------------------------------------------------------------------|--------------|
| General City Operations | 8.748 |
| Permanent Parks Fund (Charter Sec. 161) | 0.900 |
| Library Fund (Charter Sec. 165) | <u>0.333</u> |
| TOTAL | 9.981 |
| Less Mill Levy Credit | <u>2.338</u> |
| TOTAL (Mills subject to Article X, Section 20 Of the Colorado Constitution) | 7.643 |
| General City Operations (Public Safety) | <u>2.000</u> |
| NET MILL LEVY | <u>9.643</u> |

| City of Boulder - Net Mill Levy | | | | | | |
|---------------------------------|--------|-------|-------|-------|--------|-------|
| Revenue Year | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
| Mill Levy | 10.908 | 9.301 | 9.640 | 9.860 | 10.005 | 9.643 |

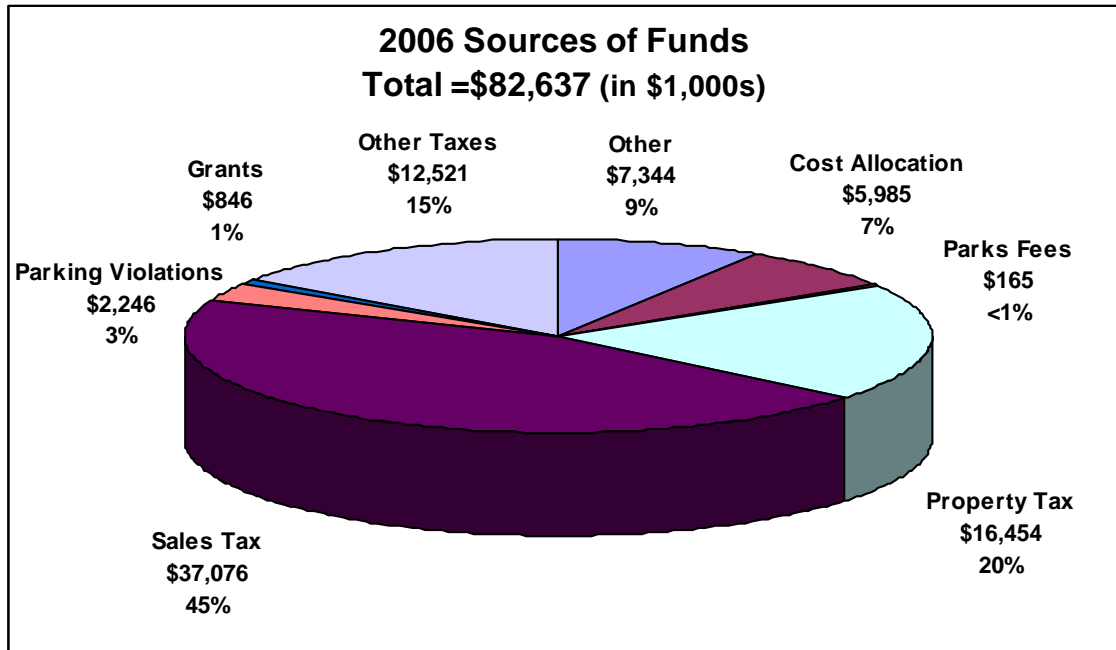
Impact on Fund Balance

For the 2006 budget year, there is \$7,881,000 being used from fund balance to fund anticipated expenses. The use of fund balance is typically for one-time only expenses or for capital projects. Most funds that are using fund balance have built up reserves especially for the purpose of funding capital projects, for example, Water Utility Fund and Stormwater/Flood Management Fund. Intergovernmental Service Funds such as the Telecommunications, Property & Casualty, Worker’s Compensation, Compensated Absences, Fleet Replacement, Fleet Operations, Computer Replacement, Equipment Replacement, and Facility Renovation/ Replacement Funds use fund balance to cover their cost allocation expenses but will recover those costs through charges.

For a complete look at the five year position of the City’s funds please refer to the “Fund Financial” section of the budget document. In addition, each fund’s reserve policies are summarized in the “Budget Policies” section of the document and their current status as to those policies.

General Fund Revenues (Sources)

Total sources for the General Fund for the 2006 budget year are \$82,637,000.



Sales Tax

Sales tax collections of \$37,076,000 represent 45% of the General Fund annual revenue.

Property Tax

The City's mill levy that goes to general operations is 8.748 mills less pro-rated TABOR credits of 2.338 mills. Total revenue collected for property tax is projected to be \$16,454,000 or 20% of General Fund revenues for 2006.

Other Taxes

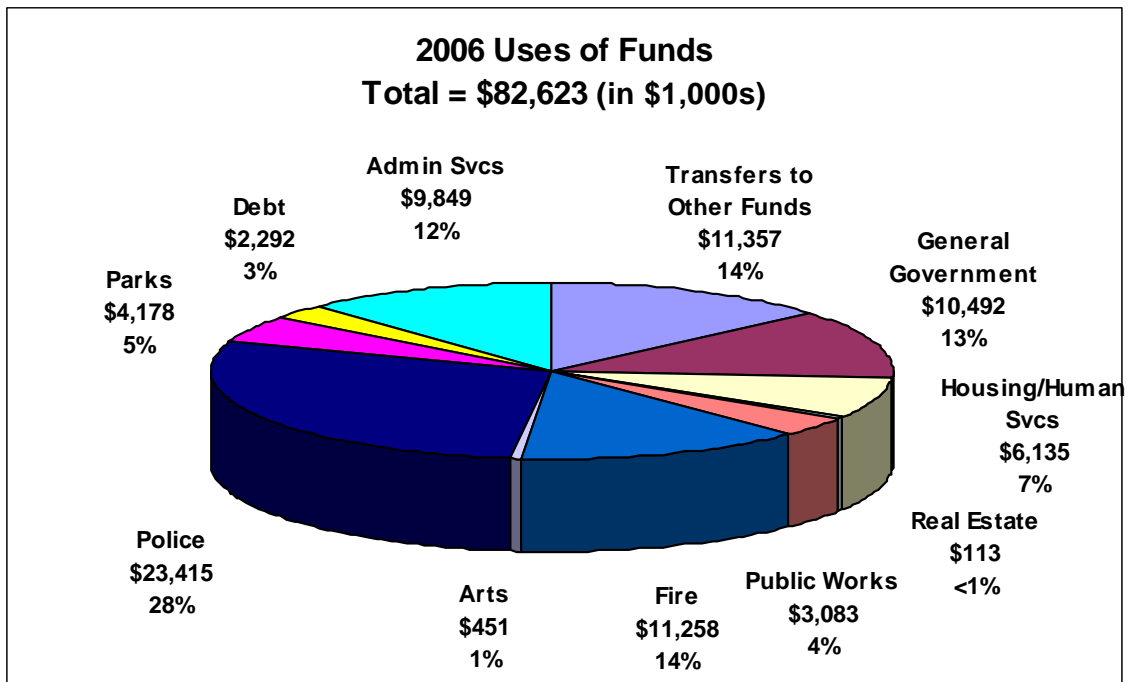
Other taxes include admission tax, accommodation tax, liquor occupation tax, telephone occupation tax, cable franchise tax, electric franchise tax, specific ownership tax, tobacco tax and trash tax. Estimates for these taxes are based on historical trends, inflation and economic growth in the respective areas.

Cost Allocation

The General Fund provides various support services to the restricted funds. The costs to provide these services are determined and allocated to the various restricted funds based on their utilization of these services. The estimated reimbursement amount to the General Fund in 2006 is \$5,985,000, a 3.8% decrease from the 2005 approved budget.

General Fund Expenses (Uses)

The 2006 General Fund budget is \$82,623,000. This represents a 3.2% increase over the 2005 approved budget.



CITY OF BOULDER
SUMMARY OF SOURCES OF FUNDS
(in \$1,000s)

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROJECTED |
|--|----------------|------------------|------------------|-------------------|
|--|----------------|------------------|------------------|-------------------|

UNRESTRICTED FUNDS:

General (includes Public Safety Fund)

| | | | | |
|-----------------------------------|-----------|-----------|-----------|-----------|
| Sales and Use Taxes | \$ 31,999 | \$ 31,360 | \$ 32,995 | \$ 33,799 |
| Add'l Sales/Use Tax (29th Street) | 0 | 600 | 844 | 1,462 |
| .15 Cent Sales Tax | 3,142 | 3,135 | 3,237 | 3,316 |
| Food Service Tax | 388 | 405 | 409 | 419 |
| Bond Reserves | 101 | 380 | 380 | 380 |
| Accommodation Tax | 2,306 | 2,376 | 2,542 | 2,669 |
| Admission Tax | 459 | 400 | 522 | 752 |
| Property Tax | 12,218 | 12,454 | 12,448 | 12,697 |
| Property Tax (Public Safety) | 3,904 | 3,908 | 4,006 | 4,126 |
| Trash Hauler/Recycling Occ.Tx. | 1,049 | 1,485 | 1,495 | 1,247 |
| Liquor Occupation Tax | 515 | 535 | 546 | 563 |
| Telephone Occupation Tax | 768 | 768 | 768 | 768 |
| Cable Television Franchise Tax | 927 | 806 | 880 | 889 |
| Xcel Franchise Tax | 3,157 | 3,397 | 3,349 | 3,450 |
| Specific Ownership Tax | 1,617 | 1,586 | 1,575 | 1,607 |
| Tobacco Tax | 434 | 435 | 435 | 435 |
| Misc. Charges for Services | 119 | 243 | 124 | 126 |
| NPP Revenue | 150 | 72 | 71 | 72 |
| Meters - Out of Parking Districts | 304 | 295 | 295 | 295 |
| Meters - Within Parking Districts | 1,395 | 1,455 | 1,468 | 1,468 |
| Sale of Goods | 44 | 49 | 47 | 48 |
| Misc. Fines & Administr. Penal | 3 | 10 | 3 | 3 |
| Municipal Crt Charges & Fines | 1,704 | 1,500 | 1,648 | 1,697 |
| Parking Violations | 2,402 | 2,181 | 2,246 | 2,314 |
| Photo Enforcement | 1,131 | 959 | 1,188 | 1,218 |
| Business Licenses | 141 | 161 | 150 | 154 |
| Misc. Intergovernmental Chg. | 0 | 10 | 10 | 11 |
| Court Awards | 85 | 40 | 41 | 42 |
| Grants | 979 | 799 | 846 | 871 |
| Interest & Investment Earnings | 408 | 451 | 424 | 433 |
| Leases, Rents & Royalties | 234 | 44 | 248 | 256 |
| Miscellaneous Revenues | 363 | 338 | 468 | 408 |
| Parks Fees | 160 | 163 | 165 | 166 |
| Housing/Human Services Fees | 264 | 228 | 231 | 232 |

| | | | | |
|-------------------|-----------|-----------|-----------|-----------|
| SUB-TOTAL REVENUE | \$ 72,870 | \$ 73,028 | \$ 76,104 | \$ 78,393 |
|-------------------|-----------|-----------|-----------|-----------|

Transfers In

| | | | | |
|-------------------------------------|----------|----------|----------|----------|
| Cost Allocation - All Funds | \$ 6,324 | \$ 6,221 | \$ 5,985 | \$ 6,075 |
| CAGID - Reimb for Mall Improvements | 384 | 392 | 500 | 500 |
| Other | 692 | 450 | 48 | 49 |

| | | | | |
|------------------------|----------|----------|----------|----------|
| SUB-TOTAL TRANSFERS IN | \$ 7,400 | \$ 7,063 | \$ 6,533 | \$ 6,624 |
|------------------------|----------|----------|----------|----------|

| | | | | |
|---------------------------|-----------|-----------|-----------|-----------|
| TOTAL General Fund | \$ 80,270 | \$ 80,091 | \$ 82,637 | \$ 85,017 |
|---------------------------|-----------|-----------|-----------|-----------|

CITY OF BOULDER
SUMMARY OF SOURCES OF FUNDS
(in \$1,000s)

| | 2004 | 2005 | 2006 | 2007 |
|--------------------------------------------|-------------------------|-------------------------|-------------------------|----------------------|
| | ACTUAL | APPROVED | APPROVED | PROJECTED |
| Community Housing Assistance (CHAP) | | | | |
| Property Tax | \$ 1,230 | \$ 1,259 | \$ 1,297 | 1,335 |
| Development Excise Tax | 245 | 230 | 350 | 300 |
| Interest & Investment Earnings | 91 | 50 | 60 | 60 |
| Transfers In | 0 | 23 | 24 | 0 |
| Housing Authority Loan Repayment | 0 | 0 | 0 | 0 |
| Other | 3 | 0 | 0 | 0 |
| TOTAL CHAP | <u>\$ 1,569</u> | <u>\$ 1,562</u> | <u>\$ 1,731</u> | <u>1,695</u> |
| NET TOTAL UNRESTRICTED FUNDS | <u><u>\$ 81,839</u></u> | <u><u>\$ 81,653</u></u> | <u><u>\$ 84,368</u></u> | <u><u>86,712</u></u> |

CITY OF BOULDER
SUMMARY OF SOURCES OF FUNDS
(in \$1,000s)

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROJECTED |
|----------------------------------------|----------------|------------------|------------------|-------------------|
| RESTRICTED FUNDS: | | | | |
| Capital Development | | | | |
| Development Excise Tax | \$ 476 | \$ 380 | \$ 428 | \$ 414 |
| Interest & Investment Earnings | 48 | 25 | 37 | 48 |
| Leases, Rents & Royalties | <u>0</u> | <u>11</u> | <u>0</u> | <u>0</u> |
| | \$ 524 | \$ 416 | \$ 465 | \$ 462 |
| Lottery | | | | |
| Lottery Funds | \$ 847 | \$ 900 | \$ 875 | \$ 875 |
| Grants | 42 | 0 | 0 | 0 |
| Interest & Investment Earnings | <u>31</u> | <u>0</u> | <u>46</u> | <u>46</u> |
| | \$ 920 | \$ 900 | \$ 921 | \$ 921 |
| Planning & Development Svcs | | | | |
| Misc. Development Fees | \$ 4,623 | \$ 4,992 | \$ 5,064 | \$ 5,130 |
| Interest & Investment Earnings | 47 | 34 | 41 | 50 |
| Grants | 84 | 0 | 0 | 0 |
| Transfers In | <u>2,537</u> | <u>2,468</u> | <u>2,544</u> | <u>2,620</u> |
| | \$ 7,292 | \$ 7,494 | \$ 7,649 | \$ 7,800 |
| Affordable Housing Fund | | | | |
| Cash In Lieu of Affordable Units | \$ 910 | \$ 1,230 | \$ 1,400 | \$ 650 |
| Interest & Investment Earnings | 48 | 0 | 0 | 0 |
| Transfers In | 508 | 387 | 391 | 398 |
| Sale of Goods and Capital Assets | 2,946 | 60 | 54 | 64 |
| Other | <u>3,003</u> | <u>756</u> | <u>756</u> | <u>756</u> |
| | \$ 7,415 | \$ 2,433 | \$ 2,601 | \$ 1,868 |
| .25 Cent Sales Tax | | | | |
| Sales and Use Taxes | \$ 5,224 | \$ 5,222 | \$ 5,533 | \$ 5,766 |
| Interest & Investment Earnings | 91 | 105 | 137 | 140 |
| Intergovernmental | 30 | 0 | 0 | 0 |
| Grants | 47 | 0 | 80 | 80 |
| Other | <u>13</u> | <u>80</u> | <u>12</u> | <u>12</u> |
| | \$ 5,405 | \$ 5,407 | \$ 5,762 | \$ 5,998 |
| Library | | | | |
| Property Tax | \$ 512 | \$ 521 | \$ 535 | \$ 548 |
| Misc. Charges for Services | 118 | 109 | 109 | 99 |
| Interest & Investment Earnings | 13 | 8 | 8 | 8 |
| Leases, Rents & Royalties | 5 | 6 | 5 | 6 |
| Grants | 5 | 0 | 0 | 0 |
| Transfers In | 5,099 | 5,072 | 5,296 | 5,412 |
| Other | <u>39</u> | <u>24</u> | <u>24</u> | <u>24</u> |
| | \$ 5,791 | \$ 5,740 | \$ 5,977 | \$ 6,097 |

CITY OF BOULDER
SUMMARY OF SOURCES OF FUNDS
(in \$1,000s)

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROJECTED |
|--------------------------------------------------|------------------|------------------|------------------|-------------------|
| Recreation Activity | | | | |
| Admission & Activity Charges | \$ 6,769 | \$ 7,427 | \$ 7,268 | \$ 7,486 |
| Transfers In | 1,448 | 1,390 | 1,429 | 1,483 |
| | <u>\$ 8,217</u> | <u>\$ 8,817</u> | <u>\$ 8,697</u> | <u>\$ 8,969</u> |
| Open Space | | | | |
| Sales and Use Taxes | \$ 18,400 | \$ 18,386 | \$ 19,477 | \$ 20,295 |
| Grants | 6 | 0 | 0 | 0 |
| Interest & Investment Earnings | 270 | 255 | 255 | 255 |
| Leases, Rents & Royalties | 419 | 245 | 245 | 245 |
| Miscellaneous Revenues | 571 | 0 | 0 | 0 |
| Transfers In | 1,001 | 927 | 958 | 967 |
| | <u>\$ 20,667</u> | <u>\$ 19,813</u> | <u>\$ 20,935</u> | <u>\$ 21,762</u> |
| Airport | | | | |
| Misc. Charges for Services | \$ 3 | \$ 3 | \$ 3 | \$ 3 |
| Misc. Intergovernmental Chg. | 8 | 6 | 8 | 9 |
| Grants | 127 | 0 | 0 | 0 |
| Interest & Investment Earnings | 14 | 13 | 15 | 15 |
| Leases, Rents & Royalties | 350 | 376 | 354 | 364 |
| | <u>\$ 502</u> | <u>\$ 398</u> | <u>\$ 380</u> | <u>\$ 391</u> |
| Transportation | | | | |
| Sales and Use Taxes | \$ 12,541 | \$ 12,537 | \$ 13,265 | \$ 13,823 |
| Misc. Intergovernmental Chg. | 89 | 0 | 0 | 0 |
| Highway Revenues | 4,019 | 3,896 | 3,514 | 9,239 |
| Grants | 232 | 0 | 0 | 0 |
| Interest & Investment Earnings | 197 | 200 | 209 | 217 |
| Miscellaneous Revenues | 34 | 254 | 2,015 | 349 |
| Special Assessments | 56 | 100 | 70 | 70 |
| Third Party Reimbursements | 31 | 500 | 0 | 0 |
| Contributions & Donations | 13 | 30 | 0 | 0 |
| Transfers In | 0 | 0 | 0 | 0 |
| | <u>\$ 17,212</u> | <u>\$ 17,517</u> | <u>\$ 19,073</u> | <u>\$ 23,698</u> |
| Transportation Development | | | | |
| Development Excise Tax | \$ 924 | \$ 1,028 | \$ 1,060 | \$ 1,092 |
| Interest & Investment Earnings | 95 | 87 | 101 | 105 |
| Third Party Reimbursements | 118 | 2,521 | 100 | 3,078 |
| | <u>\$ 1,137</u> | <u>\$ 3,636</u> | <u>\$ 1,261</u> | <u>\$ 4,275</u> |
| Transit Pass General Improvement District | | | | |
| Property Tax | \$ 5 | \$ 4 | \$ 7 | \$ 0 |
| Miscellaneous Revenues | 1 | 1 | 1 | 0 |
| Transfers In | 3 | 3 | 3 | 0 |
| | <u>\$ 9</u> | <u>\$ 8</u> | <u>\$ 11</u> | <u>\$ 0</u> |

CITY OF BOULDER
SUMMARY OF SOURCES OF FUNDS
(in \$1,000s)

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROJECTED |
|---------------------------------------|------------------|------------------|------------------|-------------------|
| CommDvlpmnt Block Grnt (CDBG) | | | | |
| Sale of Capital Assets | \$ 2,039 | \$ 0 | \$ 24 | \$ 0 |
| Federal - Direct Grants | 996 | 1,107 | 1,021 | 970 |
| Interest Earned on Receivables | 0 | 23 | 0 | 0 |
| Third Party Reimbursements | 18 | 0 | 0 | 0 |
| Transfers In | 0 | 114 | 63 | 0 |
| | <u>\$ 3,053</u> | <u>\$ 1,244</u> | <u>\$ 1,108</u> | <u>\$ 970</u> |
| HOME | | | | |
| Federal - Direct Grants | \$ 1,314 | \$ 870 | \$ 822 | \$ 846 |
| Third Party Reimbursements | 3 | 0 | 0 | 0 |
| | <u>\$ 1,317</u> | <u>\$ 870</u> | <u>\$ 822</u> | <u>\$ 846</u> |
| .25 Cent Sales Tax Bond Prcds | | | | |
| Interest & Investment Earnings | \$ 19 | \$ 0 | \$ 0 | \$ 0 |
| | <u>\$ 19</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |
| Permanent Parks and Recreation | | | | |
| Property Tax | \$ 1,383 | \$ 1,416 | \$ 1,468 | \$ 1,512 |
| Parks & Rec Development Fee | 398 | 145 | 142 | 139 |
| Interest & Investment Earnings | 79 | 75 | 118 | 120 |
| Miscellaneous Revenues | 4 | 70 | 74 | 74 |
| | <u>\$ 1,864</u> | <u>\$ 1,706</u> | <u>\$ 1,802</u> | <u>\$ 1,845</u> |
| General Obligation Debt Svc | | | | |
| Operating | \$ 2 | \$ 0 | \$ 0 | \$ 0 |
| | <u>\$ 2</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |
| Water Utility | | | | |
| Misc. Charges for Services | \$ 40 | \$ 32 | \$ 33 | \$ 33 |
| Utility Service Charges | 18,113 | 20,909 | 20,106 | 21,063 |
| Utility Plant Invest. Fee Summ | 3,581 | 2,250 | 2,250 | 2,250 |
| Utility Connection | 161 | 150 | 150 | 150 |
| Misc. Intergovernmental Chg. | 1 | 0 | 0 | 0 |
| Interest & Investment Earnings | 1,136 | 521 | 438 | 476 |
| Leases, Rents & Royalties | 0 | 0 | 0 | 0 |
| Miscellaneous Revenues | 30 | 18 | 17 | 17 |
| Special Assessments | 23 | 10 | 10 | 5 |
| Sale of Real Estate | 9,265 | 0 | 250 | 0 |
| Transfers In | 405 | 0 | 0 | 0 |
| | <u>\$ 32,755</u> | <u>\$ 23,890</u> | <u>\$ 23,254</u> | <u>\$ 23,994</u> |

CITY OF BOULDER
SUMMARY OF SOURCES OF FUNDS
(in \$1,000s)

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROJECTED |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|
| Wastewater Utility | | | | |
| Utility Service Charges | \$ 8,462 | \$ 9,974 | \$ 11,952 | \$ 13,389 |
| Sale of Capital Assets | 0 | 0 | 125 | 0 |
| Utility Plant Invest. Fee Summ | 643 | 420 | 420 | 420 |
| Utility Connection | 5 | 11 | 12 | 12 |
| Interest & Investment Earnings | 266 | 148 | 150 | 220 |
| Miscellaneous Revenues | 30 | 25 | 26 | 27 |
| Special Assessments | 10 | 20 | 20 | 20 |
| | <u>\$ 9,416</u> | <u>\$ 10,598</u> | <u>\$ 12,705</u> | <u>\$ 14,088</u> |
| Stormwater/Flood Mgmt Utility | | | | |
| Utility Service Charges | \$ 4,304 | \$ 4,369 | \$ 4,509 | \$ 4,744 |
| Utility Plant Invest. Fee Summ | 717 | 500 | 500 | 500 |
| Urban Drng & Fld Contr Dist | 337 | 700 | 340 | 485 |
| State and Federal Grants | 51 | 0 | 0 | 0 |
| Interest & Investment Earnings | 185 | 101 | 106 | 131 |
| Misc. Intergovernmental Chg. | 267 | 103 | 106 | 109 |
| Miscellaneous Revenues | -81 | 18 | 17 | 18 |
| Sale of Capital Assets | 1,294 | 0 | 125 | 0 |
| | <u>\$ 7,074</u> | <u>\$ 5,791</u> | <u>\$ 5,703</u> | <u>\$ 5,987</u> |
| CAGID | | | | |
| Property & Spec Ownership Tx | \$ 847 | \$ 844 | \$ 869 | \$ 894 |
| Parking Charges | 2,764 | 3,120 | 3,319 | 3,340 |
| Interest & Investment Earnings | 35 | 24 | 20 | 20 |
| Leases, Rents & Royalties | 264 | 383 | 422 | 434 |
| Miscellaneous Revenues | 27 | 18 | 17 | 17 |
| Transfers In | 1,217 | 1,280 | 1,293 | 1,306 |
| Misc. Intergovernmental Chg. | 19 | 0 | 0 | 0 |
| 10th & Walnut Bonds and Revenue | 21 | 416 | 1,110 | 1,142 |
| | <u>\$ 5,194</u> | <u>\$ 6,085</u> | <u>\$ 7,050</u> | <u>\$ 7,153</u> |
| UHGD | | | | |
| Property & Spec Ownership Tx | \$ 27 | \$ 26 | \$ 27 | \$ 27 |
| Parking Charges | 160 | 160 | 163 | 164 |
| Interest & Investment Earnings | 13 | 11 | 20 | 22 |
| Miscellaneous Revenues | 7 | 0 | 0 | 0 |
| Transfers In | 165 | 175 | 175 | 175 |
| | <u>\$ 372</u> | <u>\$ 372</u> | <u>\$ 385</u> | <u>\$ 388</u> |
| TOTAL RESTRICTED FUNDS SOURCES | \$ 136,157 | \$ 123,135 | \$ 126,561 | \$ 137,512 |
| TOTAL CITY SOURCES OF FUNDS | \$ 217,996 | \$ 204,788 | \$ 210,929 | \$ 224,224 |
| Less: Transfers from Other Funds | <u>\$ 19,308</u> | <u>\$ 18,903</u> | <u>\$ 18,709</u> | <u>\$ 19,077</u> |
| NET TOTAL SOURCES OF FUNDS | <u>\$ 198,688</u> | <u>\$ 185,885</u> | <u>\$ 192,220</u> | <u>\$ 205,147</u> |

CITY OF BOULDER
SUMMARY OF USES OF FUNDS
(in \$1,000s)

| | 2004 | 2005 | 2006 | 2007 |
|--|--------|----------|----------|-----------|
| | ACTUAL | APPROVED | APPROVED | PROJECTED |

UNRESTRICTED FUNDS:

General (includes Public Safety Fund)

| | | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|
| City Council | \$ 276 | \$ 281 | \$ 286 | \$ 291 |
| Municipal Court | 1,168 | 1,292 | 1,353 | 1,375 |
| City Attorney | 1,650 | 1,637 | 1,678 | 1,705 |
| Contingency | 79 | 111 | 113 | 115 |
| Economic Vitality Program | 231 | 361 | 361 | 361 |
| Extraordinary Personnel Expense | 0 | 111 | 113 | 115 |
| Non-Departmental | 961 | 725 | 756 | 777 |
| Environmental Affairs | 1,009 | 1,485 | 1,495 | 1,247 |
| Public Affairs | 898 | 620 | 558 | 567 |
| Downtown/University Hill Mgmt Div | 899 | 876 | 887 | 902 |
| Downtown Eco Pass Program | 0 | 93 | 0 | 0 |
| BID | 255 | 0 | 0 | 0 |
| City Manager's Office/Support Svcs | 999 | 1,192 | 1,325 | 1,347 |
| West Nile Virus Program | 494 | 300 | 300 | 300 |
| Human Resources | 1,145 | 1,171 | 1,227 | 1,247 |
| Finance | 2,226 | 2,264 | 2,356 | 2,395 |
| Information Technology | 4,349 | 4,170 | 4,383 | 4,454 |
| Volunteer and Unemployment Ins | 152 | 110 | 130 | 107 |
| Property and Casualty Ins | 1,241 | 1,539 | 1,609 | 1,767 |
| Compensated Absences | 281 | 311 | 311 | 311 |
| Police | 22,429 | 22,680 | 23,415 | 23,798 |
| Fire | 10,914 | 10,996 | 11,258 | 11,442 |
| Police/Fire Pensions | 473 | 247 | 473 | 473 |
| Public Works | 2,881 | 2,823 | 3,083 | 3,166 |
| Parks | 4,024 | 3,889 | 3,973 | 4,038 |
| Arts | 181 | 189 | 192 | 195 |
| Open Space (Real Estate) | 105 | 111 | 113 | 115 |
| Housing/Human Services | 4,368 | 4,417 | 4,581 | 4,706 |
| Annual Merit Added to Base | 0 | 0 | 0 | 900 |
| Campaign Financing | 0 | 41 | 0 | 43 |
| Humane Society Bldg Loan | 116 | 112 | 114 | 115 |
| Greenhouse Gas Program | 100 | 0 | 0 | 0 |
| Carryovers | 2,052 | 0 | 0 | 0 |
| Community Sustainability Plan | 0 | 0 | 54 | 0 |
| Special Purpose Reserve | 0 | 0 | 200 | 200 |
| Budget Savings | 0 | (300) | 0 | 0 |
| Debt | <u>2,398</u> | <u>2,080</u> | <u>1,731</u> | <u>1,728</u> |
| Total General Fund Expenditures | \$ 68,354 | \$ 65,934 | \$ 68,428 | \$ 70,302 |

CITY OF BOULDER
SUMMARY OF USES OF FUNDS
(in \$1,000s)

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROJECTED |
|-------------------------------------------|------------------|------------------|------------------|-------------------|
| Transfers Out | 11,399 | 10,989 | 11,357 | 11,519 |
| Subtotal General Fund | \$ 79,753 | \$ 76,923 | \$ 79,785 | \$ 81,821 |
| .15% Sales Tax Allocation | | | | |
| Environment | \$ 241 | \$ 251 | \$ 259 | \$ 265 |
| Arts | 183 | 251 | 259 | 265 |
| Human Services | 1,226 | 1,254 | 1,295 | 1,326 |
| Youth Opportunity | 277 | 251 | 259 | 265 |
| Four-Mile Soccer Complex | 120 | 184 | 205 | 222 |
| Debt | 564 | 563 | 561 | 564 |
| Transfers Out | 0 | 382 | 0 | 0 |
| Subtotal .15% Sales Tax | \$ 2,611 | \$ 3,136 | \$ 2,838 | \$ 2,907 |
| Total General Fund Uses | \$ 82,364 | \$ 80,059 | \$ 82,623 | \$ 84,728 |
| Community Housing Assistance | | | | |
| Operating | \$ 281 | \$ 288 | \$ 304 | \$ 313 |
| Capital | 2,717 | 1,139 | 1,341 | 1,359 |
| Transfers Out | 22 | 136 | 84 | 22 |
| Total Community Housing Assistance | \$ 3,020 | \$ 1,563 | \$ 1,729 | \$ 1,694 |
| TOTAL UNRESTRICTED FUNDS | \$ <u>85,384</u> | \$ <u>81,622</u> | \$ <u>84,352</u> | \$ <u>86,422</u> |

CITY OF BOULDER
SUMMARY OF USES OF FUNDS
(in \$1,000s)

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROJECTED |
|----------------------------------------|----------------|------------------|------------------|-------------------|
| RESTRICTED FUNDS: | | | | |
| Capital Development | | | | |
| Transfers Out | \$ 32 | \$ 30 | \$ 29 | \$ 30 |
| Capital | <u>55</u> | <u>560</u> | <u>80</u> | <u>80</u> |
| | \$ 87 | \$ 590 | \$ 109 | \$ 110 |
| Lottery | | | | |
| Operating | \$ 185 | \$ 327 | \$ 173 | \$ 223 |
| Debt | 304 | 304 | 304 | 304 |
| Transfers Out | 9 | 0 | 0 | 0 |
| Capital | <u>523</u> | <u>269</u> | <u>423</u> | <u>473</u> |
| | \$ 1,021 | \$ 900 | \$ 900 | \$ 1,000 |
| Planning & Development Svcs | | | | |
| Operating | \$ 5,774 | \$ 6,233 | \$ 6,465 | \$ 6,594 |
| Transfers Out | <u>1,250</u> | <u>1,272</u> | <u>1,224</u> | <u>1,248</u> |
| | \$ 7,024 | \$ 7,505 | \$ 7,689 | \$ 7,842 |
| Affordable Housing Fund | | | | |
| Operating | \$ 25 | \$ 116 | \$ 182 | \$ 188 |
| Transfers Out | 2 | 26 | 25 | 8 |
| Debt | 2,957 | 1,200 | 1,009 | 1,009 |
| Capital | <u>3,134</u> | <u>1,120</u> | <u>1,384</u> | <u>664</u> |
| | \$ 6,118 | \$ 2,462 | \$ 2,600 | \$ 1,869 |
| .25 Cent Sales Tax | | | | |
| Operating | \$ 2,452 | \$ 2,864 | \$ 2,946 | \$ 3,027 |
| Debt | 2,399 | 2,429 | 2,385 | 2,429 |
| Transfers Out | 132 | 196 | 188 | 194 |
| Capital | <u>231</u> | <u>251</u> | <u>281</u> | <u>240</u> |
| | \$ 5,214 | \$ 5,740 | \$ 5,800 | \$ 5,890 |
| Library | | | | |
| Operating | <u>5,682</u> | <u>5,740</u> | <u>5,977</u> | <u>6,096</u> |
| | \$ 5,682 | \$ 5,740 | \$ 5,977 | \$ 6,096 |
| Recreation Activity | | | | |
| Operating | \$ 8,585 | \$ 9,065 | \$ 8,746 | \$ 8,951 |
| Transfers Out | <u>21</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| | \$ 8,606 | \$ 9,065 | \$ 8,746 | \$ 8,951 |

CITY OF BOULDER
SUMMARY OF USES OF FUNDS
(in \$1,000s)

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROJECTED |
|--------------------------------------------------|----------------|------------------|------------------|-------------------|
| Open Space | | | | |
| Operating | \$ 6,663 | \$ 7,313 | \$ 8,431 | \$ 8,492 |
| Debt | 9,609 | 9,284 | 9,221 | 9,003 |
| Transfers Out | 793 | 755 | 726 | 741 |
| Capital | <u>2,626</u> | <u>3,950</u> | <u>4,150</u> | <u>4,150</u> |
| | \$ 19,691 | \$ 21,302 | \$ 22,528 | \$ 22,386 |
| Airport | | | | |
| Operating | \$ 416 | \$ 329 | \$ 342 | \$ 352 |
| Transfers Out | 39 | 55 | 53 | 54 |
| | <u>455</u> | <u>384</u> | <u>395</u> | <u>406</u> |
| Transportation | | | | |
| Operating | \$ 13,360 | \$ 13,223 | \$ 13,453 | \$ 13,853 |
| Transfers Out | 1,575 | 1,331 | 1,275 | 1,309 |
| Debt | 19 | 124 | 124 | 123 |
| Capital | <u>4,309</u> | <u>3,700</u> | <u>2,973</u> | <u>10,482</u> |
| | \$ 19,263 | \$ 18,378 | \$ 17,825 | \$ 25,767 |
| Transportation Development | | | | |
| Operating | \$ 260 | \$ 291 | \$ 316 | \$ 326 |
| Transfers Out | 15 | 12 | 11 | 11 |
| Capital | <u>841</u> | <u>4,595</u> | <u>730</u> | <u>4,700</u> |
| | \$ 1,116 | \$ 4,898 | \$ 1,057 | \$ 5,037 |
| Transit Pass General Improvement District | | | | |
| Operating | <u>10</u> | <u>10</u> | <u>10</u> | <u>0</u> |
| | \$ 10 | \$ 10 | \$ 10 | \$ 0 |
| CommDvlpmnt Block Grnt (CDBG) | | | | |
| Operating | \$ 205 | \$ 202 | \$ 167 | \$ 172 |
| Debt | 1,038 | 1,014 | 1,163 | 0 |
| Transfers Out | 15 | 41 | 41 | 18 |
| Capital | <u>794</u> | <u>886</u> | <u>836</u> | <u>780</u> |
| | \$ 2,052 | \$ 2,143 | \$ 2,207 | \$ 970 |
| HOME | | | | |
| Operating | \$ 68 | \$ 83 | \$ 79 | \$ 81 |
| Transfers Out | 8 | 4 | 4 | 4 |
| Capital | <u>1,240</u> | <u>783</u> | <u>739</u> | <u>762</u> |
| | \$ 1,316 | \$ 870 | \$ 822 | \$ 847 |

CITY OF BOULDER
SUMMARY OF USES OF FUNDS
(in \$1,000s)

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROJECTED |
|---------------------------------------|----------------|------------------|------------------|-------------------|
| .25 Cent Sales Tax Bond Prcds | | | | |
| Capital | \$ 683 | \$ 0 | \$ 0 | \$ 0 |
| | \$ 683 | \$ 0 | \$ 0 | \$ 0 |
| Permanent Parks and Recreation | | | | |
| Operating | \$ 473 | \$ 768 | \$ 826 | \$ 860 |
| Debt | 51 | 50 | 50 | 0 |
| Transfers Out | 44 | 59 | 58 | 60 |
| Capital | 672 | 660 | 860 | 760 |
| | \$ 1,240 | \$ 1,537 | \$ 1,794 | \$ 1,680 |
| General Obligation Debt Svc | | | | |
| Operating | \$ 18 | \$ 25 | \$ 25 | 25 |
| | \$ 18 | \$ 25 | \$ 25 | \$ 25 |
| Water Utility | | | | |
| Operating | \$ 11,356 | \$ 12,435 | \$ 12,531 | \$ 13,084 |
| Debt | 6,955 | 6,969 | 6,543 | 6,545 |
| Transfers Out | 1,336 | 1,258 | 1,221 | 1,331 |
| Capital | 17,951 | 6,800 | 10,575 | 5,625 |
| | \$ 37,598 | \$ 27,462 | \$ 30,870 | \$ 26,585 |
| Wastewater Utility | | | | |
| Operating | \$ 6,159 | \$ 7,074 | \$ 7,195 | \$ 8,264 |
| Debt | 184 | 188 | 169 | 4,755 |
| Transfers Out | 1,213 | 928 | 904 | 983 |
| Capital | 1,722 | 2,460 | 2,125 | 1,450 |
| | \$ 9,278 | \$ 10,650 | \$ 10,393 | \$ 15,452 |
| Stormwater/Flood Mgmt Utility | | | | |
| Operating | \$ 2,084 | \$ 2,991 | \$ 2,780 | \$ 2,917 |
| Debt | 1,036 | 923 | 920 | 806 |
| Transfers Out | 316 | 272 | 268 | 287 |
| Capital | 2,541 | 1,935 | 2,785 | 2,150 |
| | \$ 5,977 | \$ 6,121 | \$ 6,753 | \$ 6,160 |
| CAGID | | | | |
| Operating | \$ 2,065 | \$ 2,607 | \$ 2,720 | \$ 2,559 |
| Debt | 2,814 | 3,612 | 3,536 | 3,645 |
| Transfers Out | 492 | 526 | 629 | 631 |
| Capital | 4,091 | 0 | 171 | 392 |
| | \$ 9,462 | \$ 6,745 | \$ 7,056 | \$ 7,227 |

CITY OF BOULDER
SUMMARY OF USES OF FUNDS
(in \$1,000s)

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROJECTED |
|------------------------------------------|----------------|------------------|------------------|-------------------|
| UHGID | | | | |
| Operating | \$ 343 | \$ 290 | \$ 289 | \$ 293 |
| Transfers Out | <u>19</u> | <u>39</u> | <u>37</u> | <u>38</u> |
| | \$ 362 | \$ 329 | \$ 326 | \$ 331 |
| Telecommunications | | | | |
| Transfers Out | <u>\$ 8</u> | <u>\$ 11</u> | <u>\$ 11</u> | <u>\$ 11</u> |
| | \$ 8 | \$ 11 | \$ 11 | \$ 11 |
| Property & Casualty Insurance | | | | |
| Transfers Out | <u>\$ 58</u> | <u>\$ 73</u> | <u>\$ 71</u> | <u>\$ 73</u> |
| | \$ 58 | \$ 73 | \$ 71 | \$ 73 |
| Worker Compensation Insurance | | | | |
| Transfers Out | <u>\$ 112</u> | <u>\$ 95</u> | <u>\$ 95</u> | <u>\$ 95</u> |
| | \$ 112 | \$ 95 | \$ 95 | \$ 95 |
| Compensated Absences | | | | |
| Transfers Out | <u>\$ 10</u> | <u>\$ 13</u> | <u>\$ 12</u> | <u>\$ 13</u> |
| | \$ 10 | \$ 13 | \$ 12 | \$ 13 |
| Fleet Operations | | | | |
| Transfers Out | <u>\$ 254</u> | <u>\$ 245</u> | <u>\$ 211</u> | <u>\$ 216</u> |
| | \$ 254 | \$ 245 | \$ 211 | \$ 216 |
| Fleet Replacement | | | | |
| Transfers Out | <u>\$ 8</u> | <u>\$ 13</u> | <u>\$ 37</u> | <u>\$ 39</u> |
| | \$ 8 | \$ 13 | \$ 37 | \$ 39 |
| Computer Replacement | | | | |
| Transfers Out | <u>\$ 13</u> | <u>\$ 16</u> | <u>\$ 16</u> | <u>\$ 16</u> |
| | \$ 13 | \$ 16 | \$ 16 | \$ 16 |
| Equipment Replacement | | | | |
| Transfers Out | <u>\$ 25</u> | <u>\$ 28</u> | <u>\$ 27</u> | <u>\$ 28</u> |
| | \$ 25 | \$ 28 | \$ 27 | \$ 28 |
| Facility Renovation & Replace | | | | |
| Transfers Out | <u>\$ 60</u> | <u>\$ 66</u> | <u>\$ 63</u> | <u>\$ 66</u> |
| | \$ 60 | \$ 66 | \$ 63 | \$ 66 |

CITY OF BOULDER
SUMMARY OF USES OF FUNDS
(in \$1,000s)

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROJECTED |
|----------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Police Pension | | | | |
| Transfers Out | \$ <u>14</u> | \$ <u>16</u> | \$ <u>16</u> | \$ <u>16</u> |
| | \$ 14 | \$ 16 | \$ 16 | \$ 16 |
| Fire Pension | | | | |
| Transfers Out | \$ <u>14</u> | \$ <u>16</u> | \$ <u>16</u> | \$ <u>16</u> |
| | \$ 14 | \$ 16 | \$ 16 | \$ 16 |
| TOTAL RESTRICTED FUNDS USES | \$ 142,849 | \$ 133,448 | \$ 134,457 | \$ 145,220 |
| TOTAL CITY USES OF FUNDS | \$ 228,233 | \$ 215,070 | \$ 218,809 | \$ 231,642 |
| Less: Transfers to Other Funds | \$ 19,308 | \$ 18,903 | \$ 18,709 | \$ 19,077 |
| NET TOTAL USES OF FUNDS | \$ <u><u>208,925</u></u> | \$ <u><u>196,167</u></u> | \$ <u><u>200,100</u></u> | \$ <u><u>212,565</u></u> |
| USES OF FUNDS BY CATEGORY | | | | |
| OPERATING USES OF FUNDS | \$ 138,939 | \$ 138,319 | \$ 142,931 | \$ 147,456 |
| CAPITAL USES OF FUNDS | 41,413 | 29,108 | 29,453 | 33,847 |
| DEBT | <u>28,573</u> | <u>28,740</u> | <u>27,716</u> | <u>31,262</u> |
| TOTAL USES OF FUNDS BY CATEGORY | \$ <u><u>208,925</u></u> | \$ <u><u>196,167</u></u> | \$ <u><u>200,100</u></u> | \$ <u><u>212,565</u></u> |

**CITY OF BOULDER
FUND TRANSFERS
SORTED BY ORIGINATING FUND
(in \$1,000s)**

| FROM | TO FUND | FOR | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROJECTED |
|----------------------------------------|-------------------------|------------------|------------------|------------------|------------------|-------------------|
| GENERAL | | | | | | |
| | Plng & Dev Svcs | Subsidy | \$ 1,892 | \$ 1,846 | \$ 1,903 | \$ 1,934 |
| | Plng & Dev Svcs | Excise Tax Admin | 5 | 5 | 5 | 5 |
| | Affordable Hsng | Subsidy | 508 | 387 | 391 | 397 |
| | Recreation Activity | Subsidy | 1,385 | 1,297 | 1,336 | 1,358 |
| | Library Fund | Subsidy | 5,100 | 5,072 | 5,296 | 5,383 |
| | Open Space | Subsidy | 1,001 | 927 | 958 | 974 |
| | CAGID | Meter Rev | 1,217 | 1,280 | 1,293 | 1,293 |
| | UHGID | Meter Rev | 165 | 175 | 175 | 175 |
| | Facility Ren | CIP | 0 | 0 | 0 | 0 |
| | Property & Casualty Ins | P & C Ins | 0 | 0 | 0 | 0 |
| | Sick/Vac/Apprec Payout | Liability | 0 | 0 | 0 | 0 |
| | CAGID | One-time | 0 | 0 | 0 | 0 |
| | Transportation | One-time | 0 | 0 | 0 | 0 |
| | Misc One-time Transfers | Misc | 126 | 0 | 0 | 0 |
| | | | <u>\$ 11,399</u> | <u>\$ 10,989</u> | <u>\$ 11,357</u> | <u>\$ 11,519</u> |
| CAPITAL DEVELOPMENT | | | | | | |
| | General | Cost Allocation | \$ 27 | \$ 25 | \$ 24 | \$ 25 |
| | Plng & Dev Svcs | Excise Tax Admin | 5 | 5 | 5 | 5 |
| | | | <u>\$ 32</u> | <u>\$ 30</u> | <u>\$ 29</u> | <u>\$ 30</u> |
| LOTTERY | | | | | | |
| | General | Cost Allocation | <u>\$ 9</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |
| | | | \$ 9 | \$ 0 | \$ 0 | \$ 0 |
| PLANNING & DEVELOPMENT SVCS | | | | | | |
| | General | Cost Allocation | \$ 1,250 | \$ 1,272 | \$ 1,224 | \$ 1,248 |
| | Affordable Housing | Subsidy | 0 | 0 | 0 | 0 |
| | | | <u>\$ 1,250</u> | <u>\$ 1,272</u> | <u>\$ 1,224</u> | <u>\$ 1,248</u> |
| AFFORDABLE HOUSING FUND | | | | | | |
| | General | Cost Allocation | <u>\$ 2</u> | <u>\$ 26</u> | <u>\$ 25</u> | <u>\$ 8</u> |
| | | | \$ 2 | \$ 26 | \$ 25 | \$ 8 |
| CMMNTY HSG ASST PRGM (CHAP) | | | | | | |
| | General | Cost Allocation | \$ 17 | \$ 17 | \$ 16 | \$ 17 |
| | Plng & Dev Svcs | Excise Tax Admin | 5 | 5 | 5 | 5 |
| | CDBG | Section 108 Loan | 0 | 114 | 63 | 0 |
| | | | <u>\$ 22</u> | <u>\$ 136</u> | <u>\$ 84</u> | <u>\$ 22</u> |
| .25 CENT SALES TAX | | | | | | |
| | General | Cost Allocation | <u>\$ 132</u> | <u>\$ 196</u> | <u>\$ 188</u> | <u>\$ 194</u> |
| | | | \$ 132 | \$ 196 | \$ 188 | \$ 194 |

**CITY OF BOULDER
FUND TRANSFERS
SORTED BY ORIGINATING FUND
(in \$1,000s)**

| FROM | TO FUND | FOR | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROJECTED |
|---------------------------------------|---------|------------------------|----------------|------------------|------------------|-------------------|
| RECREATION ACTIVITY | | | | | | |
| General | | Interest Income | \$ 21 | \$ 0 | \$ 0 | \$ 0 |
| | | | \$ 21 | \$ 0 | \$ 0 | \$ 0 |
| OPEN SPACE | | | | | | |
| General | | Cost Allocation | \$ 793 | \$ 755 | \$ 726 | \$ 741 |
| | | | \$ 793 | \$ 755 | \$ 726 | \$ 741 |
| AIRPORT | | | | | | |
| General | | Cost Allocation | \$ 39 | \$ 55 | \$ 53 | \$ 54 |
| | | | \$ 39 | \$ 55 | \$ 53 | \$ 54 |
| TRANSPORTATION | | | | | | |
| General | | Cost Allocation | \$ 1,323 | \$ 1,093 | \$ 1,051 | \$ 1,083 |
| General | | Legislative Consultant | 20 | 20 | 0 | 0 |
| General | | Bldr Creek Maint | 15 | 15 | 15 | 15 |
| General | | HHS | 13 | 13 | 13 | 13 |
| Recreation Activity | | Expand Program | 13 | 13 | 13 | 13 |
| Plng & Dev Svcs | | Subsidy | 188 | 174 | 180 | 185 |
| Forrest Glen GID | | Subsidy | 3 | 3 | 3 | 0 |
| | | | \$ 1,575 | \$ 1,331 | \$ 1,275 | \$ 1,309 |
| TRANSPORTATION DEVELOPMENT | | | | | | |
| General | | Cost Allocation | \$ 10 | \$ 7 | \$ 6 | \$ 6 |
| Plng & Dev Svcs | | Excise Tax Admin | 5 | 5 | 5 | 5 |
| | | | \$ 15 | \$ 12 | \$ 11 | \$ 11 |
| COMMDVLPMT BLOCK GRNT (CDBG) | | | | | | |
| General | | Cost Allocation | \$ 15 | \$ 18 | \$ 17 | \$ 18 |
| CHAP | | Interest Income | 0 | 23 | 24 | 0 |
| | | | \$ 15 | \$ 41 | \$ 41 | \$ 18 |
| HOME | | | | | | |
| General | | Cost Allocation | \$ 8 | \$ 4 | \$ 4 | \$ 4 |
| | | | \$ 8 | \$ 4 | \$ 4 | \$ 4 |
| PERMANENT PARKS AND RECREATION | | | | | | |
| General | | Cost Allocation | \$ 39 | \$ 55 | \$ 53 | \$ 55 |
| Plng & Dev Svcs | | Excise Tax Admin | 5 | 4 | 5 | 5 |
| | | | \$ 44 | \$ 59 | \$ 58 | \$ 60 |
| .15 CENT DEBT SERVICE | | | | | | |
| General | | Excess Sales Tax | \$ 0 | \$ 382 | \$ 0 | \$ 0 |
| | | | \$ 0 | \$ 382 | \$ 0 | \$ 0 |

CITY OF BOULDER
FUND TRANSFERS
SORTED BY ORIGINATING FUND
(in \$1,000s)

| FROM | TO FUND | FOR | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROJECTED |
|------------------------------------------|---------|------------------------|-----------------|------------------|------------------|-------------------|
| WATER UTILITY | | | | | | |
| General | | Cost Allocation | \$ 1,158 | \$ 1,085 | \$ 1,043 | \$ 1,148 |
| Plng & Dev Svcs | | Subsidy | 168 | 163 | 168 | 173 |
| General | | Legislative Consultant | 10 | 10 | 10 | 10 |
| | | | <u>\$ 1,336</u> | <u>\$ 1,258</u> | <u>\$ 1,221</u> | <u>\$ 1,331</u> |
| WASTEWATER UTILITY | | | | | | |
| General | | Cost Allocation | \$ 639 | \$ 765 | \$ 736 | \$ 810 |
| Plng & Dev Svcs | | Subsidy | 169 | 163 | 168 | 173 |
| Water | | Bldr Res Plant Improv | 405 | 0 | 0 | 0 |
| | | | <u>\$ 1,213</u> | <u>\$ 928</u> | <u>\$ 904</u> | <u>\$ 983</u> |
| STORMWATER/FLOOD MGMT UTILITY | | | | | | |
| General | | Cost Allocation | \$ 209 | \$ 163 | \$ 157 | \$ 172 |
| Plng & Dev Svcs | | Subsidy | 97 | 99 | 101 | 105 |
| General | | Legislative Consultant | 10 | 10 | 10 | 10 |
| | | | <u>\$ 316</u> | <u>\$ 272</u> | <u>\$ 268</u> | <u>\$ 287</u> |
| CAGID | | | | | | |
| General | | Cost Allocation | \$ 108 | \$ 134 | \$ 129 | \$ 131 |
| General | | Mall Maintenance | 0 | 0 | 0 | 0 |
| General | | Mall Improvements | 384 | 392 | 500 | 500 |
| | | | <u>\$ 492</u> | <u>\$ 526</u> | <u>\$ 629</u> | <u>\$ 631</u> |
| UHGD | | | | | | |
| General | | Cost Allocation | \$ 19 | \$ 39 | \$ 37 | \$ 38 |
| | | | <u>\$ 19</u> | <u>\$ 39</u> | <u>\$ 37</u> | <u>\$ 38</u> |
| TELECOMMUNICATIONS | | | | | | |
| General | | Cost Allocation | \$ 8 | \$ 11 | \$ 11 | \$ 11 |
| | | | <u>\$ 8</u> | <u>\$ 11</u> | <u>\$ 11</u> | <u>\$ 11</u> |
| PROPERTY & CASUALTY INSURANCE | | | | | | |
| General | | Cost Allocation | \$ 58 | \$ 73 | \$ 71 | \$ 73 |
| | | | <u>\$ 58</u> | <u>\$ 73</u> | <u>\$ 71</u> | <u>\$ 73</u> |
| WORKER COMPENSATION INSURANCE | | | | | | |
| General | | Cost Allocation | \$ 62 | \$ 15 | \$ 15 | \$ 15 |
| Recreation Activity | | Wellness Program | 50 | 80 | 80 | 80 |
| | | | <u>\$ 112</u> | <u>\$ 95</u> | <u>\$ 95</u> | <u>\$ 95</u> |
| COMPENSATED ABSENCES | | | | | | |
| General | | Cost Allocation | \$ 10 | \$ 13 | \$ 12 | \$ 13 |
| | | | <u>\$ 10</u> | <u>\$ 13</u> | <u>\$ 12</u> | <u>\$ 13</u> |

**CITY OF BOULDER
FUND TRANSFERS
SORTED BY ORIGINATING FUND
(in \$1,000s)**

| FROM | TO FUND | FOR | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROJECTED |
|------------------------------------------|------------------------|-----------------|------------------|------------------|------------------|-------------------|
| FLEET OPERATIONS | | | | | | |
| | General | Cost Allocation | \$ <u>254</u> | \$ <u>245</u> | \$ <u>211</u> | \$ <u>216</u> |
| | | | \$ 254 | \$ 245 | \$ 211 | \$ 216 |
| FLEET REPLACEMENT | | | | | | |
| | General | Cost Allocation | \$ <u>8</u> | \$ <u>13</u> | \$ <u>37</u> | \$ <u>39</u> |
| | | | \$ 8 | \$ 13 | \$ 37 | \$ 39 |
| COMPUTER REPLACEMENT | | | | | | |
| | General | Cost Allocation | \$ <u>13</u> | \$ <u>16</u> | \$ <u>16</u> | \$ <u>16</u> |
| | | | \$ 13 | \$ 16 | \$ 16 | \$ 16 |
| EQUIPMENT REPLACEMENT | | | | | | |
| | General | Cost Allocation | \$ <u>25</u> | \$ <u>28</u> | \$ <u>27</u> | \$ <u>28</u> |
| | | | \$ 25 | \$ 28 | \$ 27 | \$ 28 |
| FACILITY RENOVATION & REPLACE | | | | | | |
| | General | Cost Allocation | \$ <u>60</u> | \$ <u>66</u> | \$ <u>63</u> | \$ <u>66</u> |
| | | | \$ 60 | \$ 66 | \$ 63 | \$ 66 |
| POLICE PENSION | | | | | | |
| | General | Cost Allocation | \$ <u>14</u> | \$ <u>16</u> | \$ <u>16</u> | \$ <u>16</u> |
| | | | \$ 14 | \$ 16 | \$ 16 | \$ 16 |
| FIRE PENSION | | | | | | |
| | General | Cost Allocation | \$ <u>14</u> | \$ <u>16</u> | \$ <u>16</u> | \$ <u>16</u> |
| | | | \$ 14 | \$ 16 | \$ 16 | \$ 16 |
| | TOTAL TRANSFERS | | <u>\$ 19,308</u> | <u>\$ 18,903</u> | <u>\$ 18,709</u> | <u>\$ 19,077</u> |

2006 Fund Activity Summary - Original Budget

The following schedule reflects the impact of the 2006 budget, including estimated revenues (including transfers in) and appropriations (including transfers out), on projected unreserved fund balance.

| FUND TITLE | Projected 01/01/06 Unreserved Fund Balance | Estimated Revenues (Including Transfers In) | Appropriations (Including Transfers Out) | Projected 12/31/06 Unreserved Fund Balance |
|---------------------------------------------|--------------------------------------------------------|------------------------------------------------------|------------------------------------------------|--------------------------------------------------------|
| General Fund | 10,210,000 | 79,418,723 | 79,785,224 | 9,843,499 |
| Capital Development | 1,230,720 | 465,578 | 109,057 | 1,587,241 |
| Lottery | 403,458 | 921,200 | 900,000 | 424,658 |
| Planning and Development Services | 1,651,505 | 7,649,280 | 7,689,530 | 1,611,255 |
| Affordable Housing | 0 | 2,600,577 | 2,600,577 | 0 |
| Community Housing Assistance Program (CHAP) | 37,928 | 1,730,693 | 1,729,555 | 39,066 |
| .15 Cent Sales Tax | 1,704,451 | 2,072,000 | 2,277,000 | 1,499,451 |
| .25 Cent Sales Tax | 962,527 | 5,762,401 | 5,800,662 | 924,266 |
| Library | 176,281 | 5,976,844 | 5,976,844 | 176,281 |
| Recreation Activity | 101,951 | 8,696,962 | 8,745,505 | 53,408 |
| Open Space | 9,115,204 | 20,934,624 | 22,528,386 | 7,521,442 |
| Airport | 565,096 | 379,765 | 394,635 | 550,226 |
| Transportation | 2,886,037 | 19,072,757 | 17,824,718 | 4,134,076 |
| Transportation Development | 1,341,159 | 1,260,789 | 1,057,364 | 1,544,584 |
| Community Development Block Grant (CDBG) | 1,100,000 | 1,108,558 | 2,208,558 | 0 |
| HOME | 0 | 821,577 | 821,577 | 0 |
| Permanent Parks and Recreation | 686,024 | 1,801,854 | 1,794,069 | 693,809 |
| General Obligation Debt Service | 63,550 | 0 | 25,000 | 38,550 |
| .15 Cent Debt Service | 594,324 | 1,165,000 | 960,370 | 798,954 |
| Water Utility | 23,090,134 | 23,253,759 | 30,869,336 | 15,474,557 |
| Wastewater Utility | 8,255,835 | 12,704,816 | 10,393,214 | 10,567,437 |
| Stormwater and Flood Management Utility | 5,302,135 | 5,703,392 | 6,753,069 | 4,252,458 |
| Totals | 69,478,319 | 203,501,149 | 211,244,250 | 61,735,218 |

CITY OF BOULDER
CHANGES IN FUND BALANCE
(in \$1,000s)

| FUND | INCREASE/(DECREASE) TO FUND BALANCE FROM 2006 BUDGET |
|------------------------------------------|---------------------------------------------------------|
| General | 14 |
| Community Housing Assistance | 2 |
| Capital Development | 356 |
| Lottery | 21 |
| Planning & Development Services | (40) |
| Affordable Housing | 1 |
| .25 Cent Sales Tax | (38) |
| Library | 0 |
| Recreation Activity | (49) |
| Open Space | (1,593) |
| Airport | (15) |
| Transportation | 1,248 |
| Transportation Development | 204 |
| Community Development Block Grant (CDBG) | (1,099) |
| Permanent Parks and Recreation | 8 |
| General Obligation Debt Svc | (25) |
| Water Utility | (7,616) |
| Wastewater Utility | 2,312 |
| Stormwater/Flood Mgmt Utility | (1,050) |
| CAGID | (6) |
| UHGID | 59 |
| Telecommunications | (11) |
| Property and Casualty Insurance | (71) |
| Worker Compensation Insurance | (95) |
| Compensated Absences | (12) |
| Fleet Operations | (211) |
| Fleet Replacement | (37) |
| Computer Replacement | (16) |
| Equipment Replacement | (27) |
| Facility Renovation and Replacement | (63) |
| Police Pension | (16) |
| Fire Pension | (16) |
| | <hr/> |
| TOTAL | (7,881) |

CITY OF BOULDER
SUMMARY OF STANDARD FTEs (1)
BY CITY DEPARTMENT

| | 2004 APPROVED (2) | 2005 APPROVED (3) | 2006 APPROVED | VAR '05-'06 | EXPLANATION OF VARIANCE |
|-------------------------|-------------------------|-------------------------|------------------|----------------|--------------------------------------------------------------|
| City Council | 1.00 | 1.00 | 1.00 | 0.00 | |
| Municipal Court | 17.00 | 17.00 | 17.00 | 0.00 | |
| City Attorney | 20.00 | 18.75 | 18.75 | 0.00 | |
| City Manager (4) | 63.00 | 68.00 | 68.00 | 0.00 | |
| Human Resources | 15.25 | 13.75 | 14.25 | 0.50 | 2005 reorg. (-.25 FTE); Seasonal Employment Coord. (.75 FTE) |
| Finance | 30.25 | 27.25 | 27.25 | 0.00 | |
| Information Technology | 35.50 | 32.75 | 32.75 | 0.00 | |
| Police | 256.25 | 263.25 | 263.25 | 0.00 | |
| Fire | 108.33 | 111.33 | 111.33 | 0.00 | |
| PW/Admin | 4.05 | 0.00 | 0.00 | 0.00 | |
| PW/Fleet | 17.25 | 16.90 | 16.90 | 0.00 | |
| PW/Transportation | 64.08 | 62.97 | 62.97 | 0.00 | |
| PW/Utilities | 148.67 | 150.44 | 150.44 | 0.00 | |
| PW/FAM | 13.10 | 13.51 | 13.51 | 0.00 | |
| Planning & Dvlpmnt Svcs | 65.00 | 64.71 | 64.74 | 0.03 | 2005 reorganization (.03 FTE) |
| Parks & Recreation | 144.50 | 149.22 | 145.25 | -3.97 | 2006 reduction plan in Recreation Activity Fund (-3.97 FTEs) |
| Library | 71.40 | 78.35 | 78.95 | 0.60 | 2006 addition for evening branch hours (.60 FTE) |
| Arts | 1.00 | 1.50 | 1.50 | 0.00 | |
| Open Space/Mtn Parks | 70.50 | 69.00 | 77.58 | 8.58 | 2006 additions (8.33 FTEs); 2005 reorganization (.25 FTE) |
| Housing/Human Svcs | 54.55 | 52.43 | 53.42 | 0.99 | 2006 addition (.49 FTE) and grant funded position (.50 FTE) |
| TOTALS | 1,200.68 | 1,212.11 | 1,218.84 | 6.73 | |

NOTES:

(1) The FTE counts include standard Management, BMEA, Fire and Police positions; they also include capital and grant-funded standard positions

(2) The FTE counts reflect approved reductions from 2004, including those on the General Fund Reduction and Revenue Enhancement Plan for 2004

(3) The FTE counts reflect the 2004 restorations as a result of the voter approved .15 Cent Sales Tax extension and the 2005 reductions as presented in the 2004-2005 budget process and the additional reductions as presented in the 2005 process

(4) The areas included in the City Manager's FTE count are:

- City Manager' Office/Support Services
- Internal Audit
- Economic Vitality
- Media Relations
- Environmental Affairs
- DUHMD/Parking Services

DEBT POLICY AND ADMINISTRATION

Debt Policy

As stated in Section 7 of the Citywide Financial and Management Policies, debt shall be considered only for capital purchases/projects and the term of the debt shall not exceed the useful life of the financed asset. Municipal bonds, Interfund loans, equipment leases (with the exception of vehicles) and sale/leaseback agreements are approved methods for financing capital projects.

Debt Administration

At December 31, 2005, the City had a number of debt issues outstanding made up of (amounts in 000's):

| | |
|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| \$ 86,017 | General Obligation Bonds Payable (Includes \$25,643 of General Improvement District Bonds which are a debt of the Central Area General Improvement District) |
| 127,749 | Revenue Bonds Payable |
| 3,485 | Certificates of Participation (which are a debt of the Boulder Municipal Property Authority) |

In addition, there were \$182,000 of Revenue Notes Payable, \$17,775,000 of Lease Purchase Revenue Notes Payable, \$1,100,000 of Loans Payable and \$2,400,000 under a Revolving Credit Facility Agreement outstanding at December 31, 2005.

The Combined Schedule of Long-Term Debt Payable and the current debt schedules by fund for 2006-2011 present more detailed information about the debt position of the city.

The city's general obligation credit rating has been established as Aa1 by Moody's Investors Service and AA+ by Standard & Poor's. The city's revenue bond credit rating has been established as Aa2 by Moody's Investors Service and AA+ by Standard and Poors. The primary reasons for these high rating levels are the general strength and diversity of the Boulder economy anchored by a major university; above average income indicators; strong financial performance and reserve policies; and affordable debt levels.

Under the City Charter, the city's general obligation bonded debt issuances are subject to a legal limitation based on 3% of total assessed value of real and personal property. None of the city's outstanding debt is supported by property taxes. As a result, all bonded debt is considered to be self-supporting and the ratio of net bonded debt to assessed valuation is zero. The actual calculation of the debt margin is presented in the Computation of Legal Debt Margin schedule.

The city anticipates issuing additional debt in 2006 for Open Space Program land acquisitions.

Supplementary Schedule

Combined Schedule of Long-Term Debt Payable

December 31, 2005

(Amounts in 000's)

| | Interest rates | Dates | | Authorized and issued | Outstanding | Current portion |
|-----------------------------------------------------------------------------------------------------|-------------------|---------------|-----------------|--------------------------|------------------|--------------------|
| | | <u>Issued</u> | <u>Maturity</u> | | | |
| Governmental Activities: | | | | | | |
| Supported by sales tax revenues and other financing sources: | | | | | | |
| General Obligation Bonds: | | | | | | |
| Open Space Acquisition Refunding | 4.35 - 4.55 % | 8/11/98 | 8/15/10 | \$ 10,185 | \$ 4,895 | \$ 900 |
| Open Space Acquisition Refunding | 3.50 - 5.00 | 7/06/99 | 8/15/13 | 17,485 | 11,500 | 1,200 |
| Parks Acquisition Refunding | 4.50-5.375 | 9/07/99 | 12/15/15 | 22,385 | 18,365 | 1,440 |
| Open Space Acquisition | 5.00 - 7.50 | 4/25/00 | 8/15/18 | 20,095 | 16,655 | 920 |
| Parks, Recreation, Muni., Cap., Imp., Ref. | 4.00 - 4.30 | 9/11/01 | 12/1/12 | 5,255 | 3,350 | 425 |
| Premium on Refunding Bonds | | | | - | 13 | - |
| Refunding Bond Charges | | | | - | (89) | - |
| Library Capital Improvement Refunding | 3.50 - 4.20 | 1/08/02 | 10/01/11 | 9,250 | 5,825 | 910 |
| Premium on Refunding Bonds | | | | - | 15 | - |
| Refunding Bond Charges | | | | - | (155) | - |
| | | | | <u>84,655</u> | <u>60,374</u> | <u>5,795</u> |
| Sales Tax Revenue Bonds: | | | | | | |
| Open Space Acquisition Sales Tax Revenue Refunding Bonds | 4.75 - 5.25 | 7/15/99 | 8/15/14 | <u>15,835</u> | <u>10,850</u> | <u>995</u> |
| Revenue Notes: | | | | | | |
| Open space acquisition: | | | | | | |
| Hogan | 8.50 | 4/02/86 | 4/02/06 | <u>710</u> | <u>69</u> | <u>69</u> |
| | | | | <u>710</u> | <u>69</u> | <u>69</u> |
| HUD Section 108 Loan | | | | - | 1,100 | 1,100 |
| FNMA Revolving Credit Facility Agreement | variable | | | 3,000 | 2,400 | 600 |
| Compensated Absences(estimated) | | | | - | 9,846 | - |
| Rebatable Arbitrage (estimated) | | | | <u>-</u> | <u>162</u> | <u>-</u> |
| Total Governmental Activities and total supported by sales tax revenues and other financing sources | | | | \$ <u>104,200</u> | \$ <u>84,801</u> | \$ <u>8,559</u> |

(continued)

CITY OF BOULDER, COLORADO

Supplementary Schedule

Combined Schedule of Long-Term Debt Payable,
(continued)

December 31, 2005

(Amounts in 000's)

| | Interest rates | Dates | | Authorized and issued | Outstanding | Current portion |
|--------------------------------------------------------|-------------------|----------|----------|--------------------------|----------------|--------------------|
| | | Issued | Maturity | | | |
| Business-type Activities: | | | | | | |
| Supported by utility revenues: | | | | | | |
| Revenue Bonds: | | | | | | |
| Water and Sewer | 4.125 - 5.125 | 5/25/99 | 12/01/19 | 15,830 | 12,445 | 655 |
| Water and Sewer | 5.00 - 5.75 | 7/06/00 | 12/01/20 | 25,365 | 18,525 | 1,260 |
| Water and Sewer | 4.00 - 5.50 | 12/19/01 | 12/01/21 | 28,830 | 24,790 | 1,125 |
| Water and Sewer Revenue Refunding Bonds | 3.00 - 3.75 | 5/01/05 | 12/01/16 | 7,900 | 7,650 | 585 |
| Refunding Bond Charges | | | | - | (196) | - |
| Water and Sewer | 3.50 - 5.00 | 11/15/05 | 12/01/25 | 45,245 | 45,245 | 1,480 |
| Premium on Refunding Bonds | | | | - | 1,140 | - |
| Water and Sewer Revenue Refunding Bonds | 3.00 - 3.50 | 5/01/05 | 12/01/12 | 1,110 | 1,045 | 135 |
| Storm Water & Flood Mgmt Rev. Rfdg. | 3.65 - 5.10 | 6/09/98 | 12/01/18 | 9,680 | 6,255 | 500 |
| | | | | <u>133,960</u> | <u>116,899</u> | <u>5,740</u> |
| Revenue Notes: | | | | | | |
| Crawford | 6.00 | 3/26/03 | 3/26/06 | 320 | 113 | 113 |
| Compensated Absences (estimated) | | | | | | |
| | | | | - | 1,263 | - |
| Rebatable Arbitrage | | | | | | |
| | | | | - | - | - |
| Total supported by utility revenues | | | | <u>134,280</u> | <u>118,275</u> | <u>5,853</u> |
| Supported by parking revenues: | | | | | | |
| General Obligation General Improvement District Bonds: | | | | | | |
| Central Area General Improvement District: | | | | | | |
| Parking Facilities | 2.50 - 4.20 | 6/17/03 | 8/15/23 | 12,500 | 12,025 | 490 |
| Premium on Bonds | | | | - | 137 | - |
| Parking Facilities Refunding | 3.00 - 3.625 | 7/08/02 | 8/15/07 | 7,355 | 3,035 | 1,435 |
| Premium on Refunding Bonds | | | | - | 40 | - |
| Refunding Bond Charges | | | | - | (79) | - |
| Parking Facilities | 4.00 - 5.00 | 6/23/98 | 6/15/18 | 13,500 | 10,485 | 590 |
| | | | | <u>33,355</u> | <u>25,643</u> | <u>2,515</u> |
| Compensated Absences (estimated) | | | | | | |
| | | | | - | 93 | - |
| Total supported by parking revenues | | | | <u>33,355</u> | <u>25,736</u> | <u>2,515</u> |
| Supported by base rentals: | | | | | | |
| Refunding Certificates of Participation Series : | | | | | | |
| Boulder Municipal Property Authority: | | | | | | |
| East Boulder Community Center | 4.125 - 5.00 | 1/08/98 | 12/01/12 | 5,750 | 3,485 | 430 |
| | | | | <u>5,750</u> | <u>3,485</u> | <u>430</u> |
| Lease Purchase Revenue Notes: | | | | | | |
| Boulder Municipal Property Authority: | | | | | | |
| Open space acquisition: | | | | | | |
| Beech | 3.875 - 12.315 | 3/03/88 | 3/02/08 | 1,250 | 458 | 135 |
| Autrey | Note 1989B-I | 6.50 | 7/21/89 | 7/21/07 | 180 | 35 |
| Autrey | Note 1989B-II | 6.50 | 7/21/89 | 7/21/07 | 610 | 118 |
| Autrey | Note 1989B-III | 6.50 | 7/21/89 | 7/21/07 | 90 | 17 |
| Autrey | Note 1989B-IV | 6.50 | 7/21/89 | 7/21/07 | 90 | 17 |
| K-Investments | Note 1990C | 7.00 | 4/10/90 | 4/10/10 | 574 | 222 |

(continued)

CITY OF BOULDER, COLORADO

Supplementary Schedule

Combined Schedule of Long-Term Debt Payable,
(continued)

December 31, 2005

(Amounts in 000's)

| | | Interest rates | Dates | | Authorized and issued | Outstanding | Current portion |
|-------------------------------------------|---------------|-------------------|-----------|-----------|--------------------------|-------------------|--------------------|
| | | | Issued | Maturity | | | |
| Lease Purchase Revenue Notes (continued): | | | | | | | |
| Boulder Municipal Property Authority: | | | | | | | |
| Open space acquisition: | | | | | | | |
| H. Bixler | Note 1991C | 6.50 | 10/04/91 | 10/04/06 | 800 | 80 | 80 |
| R. Bixler | Note 1991D | 6.50 | 10/04/91 | 10/04/06 | 500 | 50 | 50 |
| Mardick | Note 1991G | 7.00 | 10/03/91 | 10/03/11 | 225 | 101 | 14 |
| Anderson | Note 1992B | 7.00 | 1/17/92 | 1/17/07 | 784 | 156 | 75 |
| Johnson | Note 1992E | 6.00 | 5/22/92 | 5/22/07 | 1,236 | 233 | 113 |
| Schneider | Note 1992N | 6.00 | 11/01/92 | 11/01/07 | 963 | 182 | 88 |
| Stepanek | Note 1995A | 6.00 | 6/07/95 | 6/07/10 | 249 | 108 | 19 |
| Joder | Note 1996A | 6.00 | 4/22/96 | 4/22/11 | 1,400 | 709 | 102 |
| Lousberg | Note 1996B | 6.00 | 5/30/96 | 6/01/11 | 850 | 430 | 62 |
| Henrikson | Note 1997C | 6.00 | 6/25/97 | 6/25/12 | 383 | 220 | 26 |
| Hartnagle | Note 1997E | 6.00 | 6/01/97 | 6/01/07 | 1,283 | 320 | 155 |
| Foothills | Note 1997G | 7.00 | 7/16/97 | 7/16/17 | 1,095 | 821 | 46 |
| Marshall | Note 1997H-1 | 6.00 | 9/17/97 | 9/17/07 | 250 | 62 | 30 |
| Marshall | Note 1997H-2 | 6.00 | 9/17/97 | 9/17/07 | 300 | 75 | 36 |
| Degge | Note 1998A | 6.00 | 11/12/98 | 11/12/08 | 440 | 160 | 50 |
| Van Vleet | Note 1999B | 6.00 | 3/5/99 | 3/5/14 | 2,500 | 1,751 | 152 |
| Steele | Note 2000A | 6.00 | 2/01/00 | 2/08/08 | 300 | 129 | 41 |
| Wright | Note 2000B | 6.00 | 2/18/00 | 2/18/10 | 450 | 258 | 46 |
| Dexter | Note 2000C | 6.00 | 2/01/00 | 2/01/10 | 750 | 429 | 76 |
| Johnson, Family | Note 2001A-R1 | 6.00 | 1/10/01 | 1/10/11 | 245 | 164 | 23 |
| Johnson, Wife | Note 2001A-R2 | 6.00 | 1/10/01 | 1/10/11 | 300 | 200 | 29 |
| Hester | Note 2001B | 6.00 | 6/01/01 | 6/01/11 | 580 | 388 | 56 |
| Suits | Note 2001C | 6.00 | 10/31/01 | 10/31/11 | 1,675 | 1,675 | - |
| Abbott | Note 2001D | 6.00 | 12/05/01 | 1/14/13 | 430 | 329 | 29 |
| William & Assoc. | Note 2001E-R1 | 6.00 | 11/21/01 | 11/21/11 | 230 | 230 | - |
| Suits, Enterprises | Note 2001E-R2 | 6.00 | 11/21/01 | 11/21/11 | 420 | 420 | - |
| Edward H. Kolb | Note 2002A-R1 | 6.00 | 8/15/02 | 8/15/12 | 242 | 183 | 22 |
| John B. Kolb | Note 2002A-R2 | 6.00 | 8/15/02 | 8/15/12 | 242 | 183 | 22 |
| Frederick M. Kolb | Note 2002A-R3 | 6.00 | 8/15/02 | 8/15/12 | 242 | 183 | 22 |
| Helayne B. Jones | Note 2003A | 6.00 | 6/20/03 | 6/20/13 | 715 | 603 | 61 |
| Dagle | Note 2004A | 4.75 | 12/1/2004 | 12/1/2014 | 770 | 708 | 65 |
| Gisle | Note 2005A | 4.75 | 2/18/05 | 2/18/17 | 1,180 | 1,180 | 75 |
| Hill | Note 2005B | 4.75 | 4/05/05 | 4/05/15 | 910 | 910 | 73 |
| Luchetta | Note 2005C | 5.00 | 8/05/05 | 8/05/20 | 720 | 720 | 33 |
| | | | | | <u>26,453</u> | <u>15,216</u> | <u>2,034</u> |
| Parks Land acquisition: | | | | | | | |
| Church of Christ | Note 1991B | 8.00 | 7/10/91 | 7/10/06 | 450 | 47 | 47 |
| 26th and Violet | Note 1997A | 6.00 | 1/07/97 | 1/07/07 | 990 | 247 | 120 |
| Degge | Note 1998B | 6.00 | 11/12/98 | 11/12/08 | 1,250 | 454 | 143 |
| | | | | | <u>2,690</u> | <u>748</u> | <u>310</u> |
| Boulder Transit Villiage acquisition: | | | | | | | |
| 30th & Pearl, LLC | Note 2004B | 6.50 | 10/14/04 | 11/01/14 | 2,600 | 1,811 | 244 |
| | | | | | <u>31,743</u> | <u>17,775</u> | <u>2,588</u> |
| Total supported by base rentals | | | | | <u>37,493</u> | <u>21,260</u> | <u>3,018</u> |
| Total Business-type Activities | | | | | \$ <u>205,128</u> | \$ <u>165,271</u> | \$ <u>11,386</u> |

**CITY OF BOULDER
2006 DEBT SERVICE
(in \$1,000s)**

GENERAL FUND

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| DEBT ISSUES | | | | | | |
| I. BONDS | | | | | | |
| Library Capital Improvement | | | | | | |
| Refunding Bonds | | | | | | |
| Series 2002 | <u>\$1,134</u> | <u>\$1,130</u> | <u>\$1,122</u> | <u>\$1,079</u> | <u>\$1,074</u> | <u>\$1,073</u> |

NOTE: The 2006 General Fund budget also funds base rentals in the amount of \$597k to the Boulder Municipal Property Authority Debt Service Fund for the payment of East Boulder Community Center Certificates of Participation.

Note: This debt service schedule is prepared using the accrual basis of accounting.

CITY OF BOULDER
2006 DEBT SERVICE
(in \$1,000s)

LOTTERY FUND

NOTE: The 2006 Lottery Fund budget funds base rentals in the amount of \$305k to the Boulder Municipal Property Authority Debt Service Fund for the payments of the 26th and Violet Associates and Degge properties.

**CITY OF BOULDER
2006 DEBT SERVICE
(in \$1,000s)**

AFFORDABLE HOUSING FUND

DEBT ISSUES

I. REVOLVING LINE OF CREDIT

A revolving credit facility agreement was made on August 29, 2003, between Fannie Mae and the City of Boulder. There is a \$3,000,000 limit on this credit facility agreement. The agreement requires an annual payment of 20% on any outstanding principal and quarterly interest payments. To date, \$3 million has been drawn to finance the Mapleton Mobile Home Park and the Boulder Transit Village. In 2005, the Affordable Housing Fund paid \$600,000 in principal, reducing the principal balance to \$2,400,000.00.

The Affordable Housing Fund has appropriated \$780,000 for both principal and interest expenditures in 2006.

The interest rate is based on the 90 day LIBOR rate plus 1.75%

NOTE: The 2006 Affordable Housing Fund budget also funds base rentals in the amount of \$229k to the Boulder Municipal Property Authority Debt Service Fund for the payment of Thirtieth and Pearl, LLC property.

CITY OF BOULDER
2006 DEBT SERVICE
(in \$1,000s)

Community Development Block Grant

| 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|------|------|------|------|------|------|
|------|------|------|------|------|------|

DEBT ISSUES

I. LOANS
 HUD Section 108 - Drive In
 Loan

| | | | | | |
|----------------|----------|----------|----------|----------|----------|
| <u>\$1,163</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
|----------------|----------|----------|----------|----------|----------|

**CITY OF BOULDER
2006 DEBT SERVICE
(in \$1,000s)**

.15 CENT SALES TAX FUND

| 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|------|------|------|------|------|------|
|------|------|------|------|------|------|

DEBT ISSUES

I. BONDS

Parks and Recreation/Municipal
Improvement Refunding Bonds
Series 2002

| | | | | | |
|--------------|--------------|--------------|--------------|--------------|--------------|
| <u>\$560</u> | <u>\$563</u> | <u>\$560</u> | <u>\$557</u> | <u>\$558</u> | <u>\$563</u> |
|--------------|--------------|--------------|--------------|--------------|--------------|

Note: This debt service schedule is prepared using the accrual basis of accounting.

**CITY OF BOULDER
2006 DEBT SERVICE
(in \$1,000s)**

.25 CENT SALES TAX FUND

| 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|------|------|------|------|------|------|
|------|------|------|------|------|------|

DEBT ISSUES

I. BONDS

Parks Acquisition Refunding Bonds

Series 1999

| | | | | | |
|----------------|----------------|----------------|----------------|----------------|----------------|
| <u>\$2,385</u> | <u>\$2,429</u> | <u>\$2,421</u> | <u>\$2,385</u> | <u>\$2,386</u> | <u>\$2,387</u> |
|----------------|----------------|----------------|----------------|----------------|----------------|

**CITY OF BOULDER
2006 DEBT SERVICE
(in \$1,000s)**

OPEN SPACE FUND

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|-------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| DEBT ISSUES | | | | | | |
| I. BONDS | | | | | | |
| Open Space Acquisition Refunding Bonds Series 1998 | \$1,119 | \$1,118 | \$1,116 | \$1,113 | \$1,103 | - |
| Open Space Acquisition Refunding Bonds Series 1999 | 1,739 | 1,737 | 1,737 | 1,743 | 1,745 | 1,747 |
| Open Space Acquisition Refunding Bonds Series 2000 | 1,803 | 1,800 | 1,799 | 1,804 | 1,805 | 1,808 |
| Sales Tax Revenue Refunding Bonds Series 1999 | 1,545 | 1,547 | 1,540 | 1,535 | 1,533 | 1,525 |
| Sub-total | <u>\$6,206</u> | <u>\$6,202</u> | <u>\$6,192</u> | <u>\$6,195</u> | <u>\$6,186</u> | <u>\$5,081</u> |
| II. NOTES | | | | | | |
| Hogan Note | <u>75</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Sub-total | <u>75</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL | <u><u>\$6,281</u></u> | <u><u>\$6,202</u></u> | <u><u>\$6,192</u></u> | <u><u>\$6,195</u></u> | <u><u>\$6,186</u></u> | <u><u>\$5,081</u></u> |

NOTE: The 2006 Open Space Fund budget also funds base rentals in the amount of \$2,938k to the Boulder Municipal Property Authority Debt Service Fund for the payment of various open space properties.

CITY OF BOULDER
2006 DEBT SERVICE
(in \$1,000s)

BMPA DEBT SERVICE FUND

This debt is paid with base rentals transferred from various funds as indicated in the above debt service schedules.

| | | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|----------|----------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 2000C | Dexter | 102 | 102 | 102 | 102 | 102 | - |
| 2001AR-1 | F. LaVerne Johnson Family | 33 | 33 | 33 | 33 | 33 | 33 |
| 2001AR-2 | F. LaVerne Johnson Wife | 41 | 41 | 41 | 41 | 41 | 41 |
| 2001B | Hester | 79 | 79 | 79 | 79 | 79 | 79 |
| 2001C | Suits Enterprises, Ltd. | 101 | 101 | 101 | 101 | 101 | 1,776 |
| 2001D | Abbott | 47 | 47 | 47 | 46 | 46 | 46 |
| 2001ER-1 | William and Associates | 14 | 14 | 14 | 14 | 14 | 244 |
| 2001ER-2 | Suits Enterprises, Ltd. | 25 | 25 | 25 | 25 | 25 | 445 |
| 2002AR-1 | Edward H. Kolb | 32 | 32 | 32 | 32 | 32 | 32 |
| 2002AR-2 | John B. Kolb | 32 | 32 | 32 | 32 | 32 | 32 |
| 2002AR-3 | Frederick M. Kolb | 33 | 32 | 32 | 32 | 32 | 32 |
| 2003A | Helayne B. Jones | 95 | 95 | 95 | 95 | 95 | 95 |
| 2004A | Waldo R. & Nancy R. Dagle | 98 | 98 | 98 | 98 | 98 | 98 |
| 2004B1 | Thirtieth & Pearl, LLC (Affordable Housing) | 229 | 229 | 229 | 229 | 219 | - |
| 2004B2 | Thirtieth & Pearl, LLC (Transportation) | 124 | 124 | 124 | 124 | 137 | 352 |
| 2005A | Gary L. & Donna K. Gisle, Trustees | 128 | 128 | 128 | 128 | 127 | 127 |
| 2005B | John G. & Barbara G. Hill, Tenants in Common | 114 | 114 | 114 | 113 | 113 | 113 |
| 2005C | Luchetta Properties, Inc. | 69 | 69 | 69 | 69 | 69 | 69 |
| | Sub-total | <u>\$3,646</u> | <u>\$3,457</u> | <u>\$2,658</u> | <u>\$2,186</u> | <u>\$2,188</u> | <u>4,266</u> |
| TOTAL | | <u><u>\$4,243</u></u> | <u><u>\$4,055</u></u> | <u><u>\$3,260</u></u> | <u><u>\$2,786</u></u> | <u><u>\$2,784</u></u> | <u><u>\$4,867</u></u> |

**CITY OF BOULDER
2006 DEBT SERVICE
(in \$1,000s)**

TRANSPORTATION FUND

NOTE: The 2006 Transportation Fund budget funds base rentals in the amount of \$124k to the Boulder Municipal Property Authority Debt Service Fund for the payments of the Thirtieth & Pearl, LLC property.

CITY OF BOULDER
2006 DEBT SERVICE
(in \$1,000s)

PERMANENT PARKS AND RECREATION FUND

NOTE: The 2006 Permanent Parks and Recreation Fund budget funds base rentals in the amount of \$50k to the Boulder Municipal Property Authority Debt Service Fund for the payment of the Church of Christ property.

**CITY OF BOULDER
2006 DEBT SERVICE
(in \$1,000s)**

WATER UTILITY FUND

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| DEBT ISSUES | | | | | | |
| I. BONDS | | | | | | |
| Water and Sewer Revenue Bonds - Series 1999 | \$1,238 | \$1,240 | \$1,235 | \$1,240 | \$1,238 | \$1,238 |
| Water and Sewer Revenue Bonds - Series 2000 | 2,273 | 2,272 | 2,272 | 2,267 | 2,265 | 1,520 |
| Water and Sewer Revenue Bonds - Series 2001 | 2,181 | 2,181 | 2,179 | 2,180 | 2,174 | 2,172 |
| Water and Sewer Revenue Ref. Bonds - Series 2005B | 851 | 852 | 845 | 844 | 845 | 849 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL | <u><u>\$6,543</u></u> | <u><u>\$6,545</u></u> | <u><u>\$6,531</u></u> | <u><u>\$6,531</u></u> | <u><u>\$6,522</u></u> | <u><u>\$5,779</u></u> |

Note: This debt service schedule is prepared using the accrual basis of accounting.

**CITY OF BOULDER
2006 DEBT SERVICE
(in \$1,000s)**

WASTEWATER UTILITY FUND

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| DEBT ISSUES | | | | | | |
| I. BONDS | | | | | | |
| Water and Sewer Revenue Refunding Bonds Series 2005A | \$169 | \$170 | \$170 | \$170 | \$165 | \$166 |
| Water and Sewer Revenue Bonds Series 2005C | 3,504 | 3,575 | 3,566 | 3,558 | 3,557 | 3,550 |
| | <u>\$3,673</u> | <u>\$3,745</u> | <u>\$3,736</u> | <u>\$3,728</u> | <u>\$3,722</u> | <u>\$3,716</u> |

Note: This debt service schedule is prepared using the accrual basis of accounting.

**CITY OF BOULDER
2006 DEBT SERVICE
(in \$1,000s)**

FLOOD CONTROL UTILITY FUND

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|----------------------------------------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|---------------------|
| DEBT ISSUES | | | | | | |
| I. BONDS | | | | | | |
| Storm Water & Flood Refunding Bonds Series 1998 | \$805 | \$806 | \$806 | \$810 | \$1,126 | \$494 |
| II. NOTES | | | | | | |
| Crawford | <u>115</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL | <u><u>\$920</u></u> | <u><u>\$806</u></u> | <u><u>\$806</u></u> | <u><u>\$810</u></u> | <u><u>\$1,126</u></u> | <u><u>\$494</u></u> |

Note: This debt service schedule is prepared using the accrual basis of accounting.

**CITY OF BOULDER
2006 DEBT SERVICE
(in \$1,000s)**

CAGID FUND

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|----------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| DEBT ISSUES | | | | | | |
| I. BONDS | | | | | | |
| CAGID Bonds Series 1998 | \$1,076 | \$1,071 | \$1,069 | \$1,073 | \$1,077 | \$1,078 |
| CAGID Refunding Bonds - Series 2002 | 1,524 | 1,636 | - | - | - | - |
| CAGID Bonds Series 2003 | 936 | 939 | 936 | 925 | 917 | 920 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL | <u>\$3,536</u> | <u>\$3,646</u> | <u>\$2,005</u> | <u>\$1,998</u> | <u>\$1,994</u> | <u>\$1,998</u> |

Note: This debt service schedule is prepared using the accrual basis of accounting.

CITY OF BOULDER
LEASE-PURCHASE OBLIGATIONS IN THIS BUDGET
(in \$1,000s)

| ITEM | ESTIMATED AMOUNT TO BE EXPENDED DURING 2006 | REMAINING LIFETIME OBLIGATION - 2007 AND BEYOND |
|-----------------------------|------------------------------------------------|----------------------------------------------------|
| REAL PROPERTY | | |
| Open Space Properties | \$2,938 | \$13,181 |
| East Community Center | 597 | 3,055 |
| Parks Properties | 355 | 438 |
| Affordable Housing Property | 229 | 802 |
| Transportation Property | 124 | 766 |
| SUBTOTAL | \$4,243 | \$18,242 |
| TOTAL | \$4,243 | \$18,242 |

Represented are all lease/purchase obligations known or predictable at the time of the production of the 2006 budget.

CITY OF BOULDER, COLORADO

Computation of Legal Debt Margin

December 31, 2005

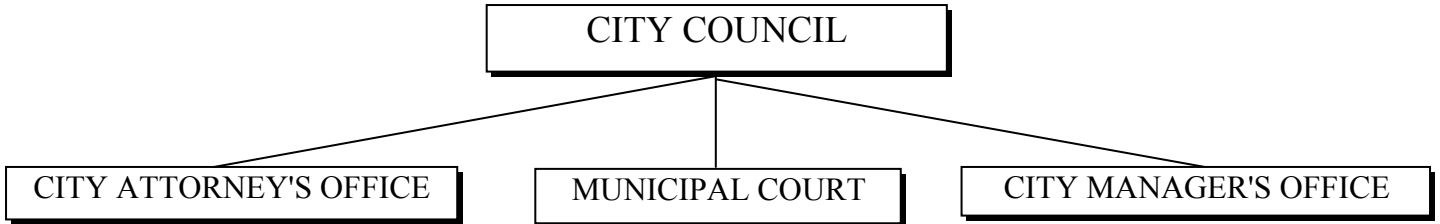
(Amounts in 000's)

| | |
|-----------------------------------------------------------------------------|---------------------|
| Total assessed value (2004 assessed value for 2005 collections - estimated) | \$ <u>1,970,654</u> |
| Debt limit - 3% of total assessed value | \$ <u>59,120</u> |
| Amount of debt applicable to debt margin: | |
| Total bonded debt | 60,374 |
| Less deductions allowed by law: | |
| Self-supporting General Obligation bonds | \$ <u>60,374</u> |
| Total deductions | <u>60,374</u> |
| Amount of debt applicable to debt margin | <u>-</u> |
| Legal debt margin | \$ <u>59,120</u> |

Note: The total indebtedness of the City, payable solely from the proceeds of ad valorem taxes, shall not exceed 3% of assessed value of taxable property in the municipality. Indebtedness payable in whole or in part from other revenue sources, or is subject to annual appropriations by the Boulder City Council, is not included in this limitation. (Charter of the City of Boulder, Sec. 97.)

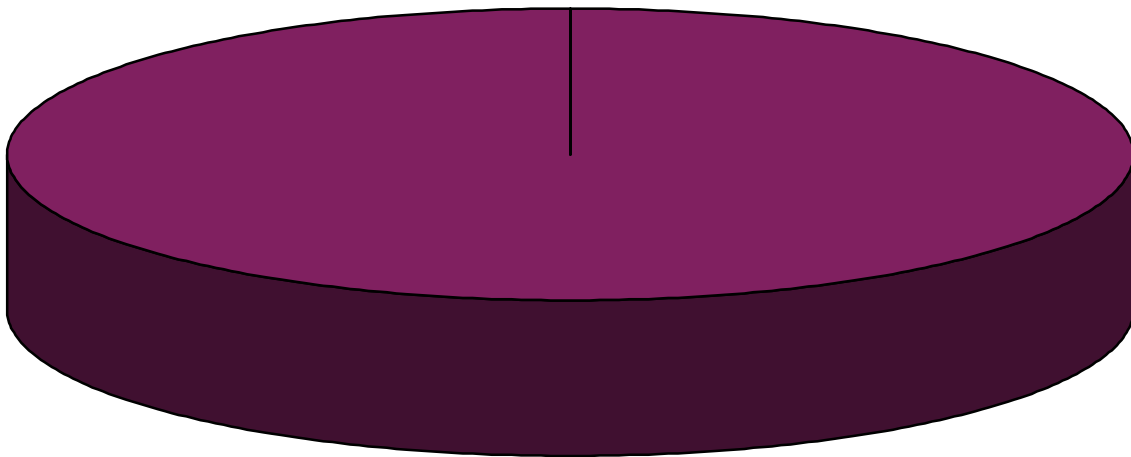
DEPARTMENT SUMMARIES

CITY COUNCIL



2006 BUDGET
\$286,143

City Council



100%

**2006-07 APPROVED BUDGET
CITY COUNCIL**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|----------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| City Council | \$ <u>276,395</u> | \$ <u>281,111</u> | \$ <u>286,143</u> | \$ <u>291,276</u> |
| TOTAL | \$ <u><u>276,395</u></u> | \$ <u><u>281,111</u></u> | \$ <u><u>286,143</u></u> | \$ <u><u>291,276</u></u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 109,673 | \$ 114,674 | \$ 118,051 | \$ 119,822 |
| Operating Expenses | 164,780 | 162,437 | 164,092 | 167,373 |
| Interdepartmental Charges | <u>1,942</u> | <u>4,000</u> | <u>4,000</u> | <u>4,080</u> |
| TOTAL | \$ <u><u>276,395</u></u> | \$ <u><u>281,111</u></u> | \$ <u><u>286,143</u></u> | \$ <u><u>291,276</u></u> |
| <u>BUDGET BY FUND</u> | | | | |
| General | \$ <u>276,395</u> | \$ <u>281,111</u> | \$ <u>286,143</u> | \$ <u>291,276</u> |
| TOTAL | \$ <u><u>276,395</u></u> | \$ <u><u>281,111</u></u> | \$ <u><u>286,143</u></u> | \$ <u><u>291,276</u></u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | <u>1.00</u> | <u>1.00</u> | <u>1.00</u> | <u>1.00</u> |
| TOTAL | <u><u>1.00</u></u> | <u><u>1.00</u></u> | <u><u>1.00</u></u> | <u><u>1.00</u></u> |

2006-07 BUDGET CITY COUNCIL

MISSION STATEMENT

To act as the governing body for the City of Boulder, providing policy direction and leadership to the City organization.

GUIDING PRINCIPLES AND/OR INVESTMENT STRATEGY

- 1.) City Council (Essential):** Includes Council salary, a portion of support tied to primary Council functions including agenda preparation, costs associated with legal notifications and boards and commissions. All of the above are mandated by Charter or are essential to conduct the business of Council.
- 2.) Administration and Intergovernmental Memberships (Desirable):** Includes Council support not directly linked to mandated responsibilities, and membership in Intergovernmental Organizations (DRCOG \$26,600 and CML \$65,128). This area of the council budget has been greatly reduced.
- 3.) Discretionary Services:** Includes Council meals and travel. Travel has been previously reduced.

CITY COUNCIL GOALS

City Council establishes priorities every two years through the goal retreat and attends goal committee meetings to provide policy guidance and enhance Council understanding of the goal areas.

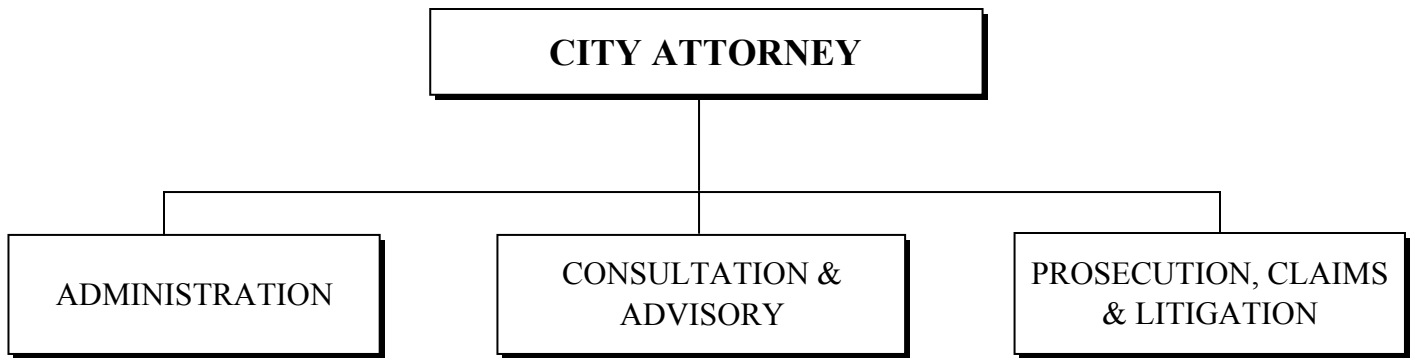
CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

There were no changes to the City Council's base budget between the 2005 and 2006 approved budgets.

PERFORMANCE MEASURES

| | Actuals 2004 | Target 2005 | Target 2006 | Target 2007 |
|------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|--------------------------|--------------------------|--------------------------|
| Number of days to respond to public correspondence when additional response is directed by CAC | 6 days 2,117 items of correspondence were received this year | Within 10 days after CAC | Within 10 days after CAC | Within 10 days after CAC |

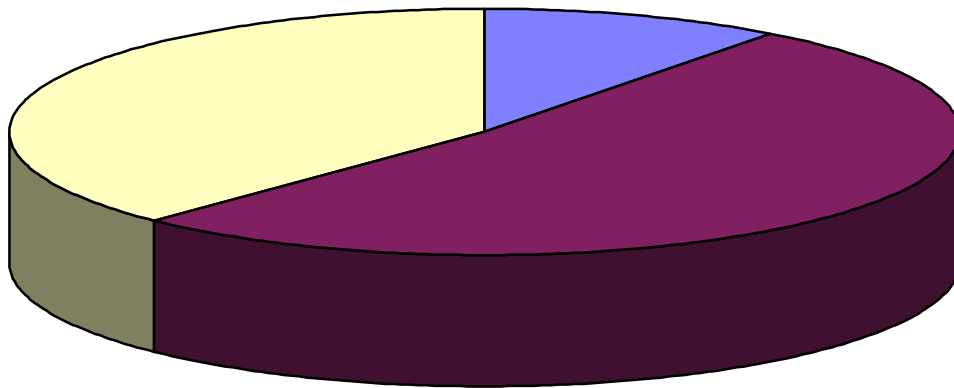
CITY ATTORNEY



2006 BUDGET
\$1,677,543

**Prosecution,
Claims & Litigation**
38%

Administration
10%



**Consultation &
Advisory**
52%

**2006-07 APPROVED BUDGET
CITY ATTORNEY**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| CITY ATTORNEY | | | | |
| City Attorney | \$ 1,436,654 | \$ 1,299,567 | \$ 0 | \$ 0 |
| Prosecution | 212,890 | 336,978 | 0 | 0 |
| | <u>1,649,544</u> | <u>1,636,545</u> | <u>0</u> | <u>0</u> |
| ADMINISTRATION | | | | |
| Administration | 0 | 0 | 173,903 | 176,836 |
| | <u>0</u> | <u>0</u> | <u>173,903</u> | <u>176,836</u> |
| CONSULTATION & ADVISORY | | | | |
| Consultation & Advisory | 0 | 0 | 871,783 | 885,075 |
| | <u>0</u> | <u>0</u> | <u>871,783</u> | <u>885,075</u> |
| PROSECUTION, CLAIMS AND LITIGATION | | | | |
| Prosecution, Claims and Litigation | 0 | 0 | 631,858 | 641,603 |
| | <u>0</u> | <u>0</u> | <u>631,858</u> | <u>641,603</u> |
| TOTAL | <u>\$ 1,649,544</u> | <u>\$ 1,636,545</u> | <u>\$ 1,677,543</u> | <u>\$ 1,703,514</u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 1,539,741 | \$ 1,476,650 | \$ 1,516,049 | \$ 1,538,790 |
| Operating Expenses | 93,614 | 154,395 | 149,514 | 152,504 |
| Interdepartmental Charges | 15,934 | 5,500 | 11,980 | 12,220 |
| Capital | 255 | 0 | 0 | 0 |
| TOTAL | <u>\$ 1,649,544</u> | <u>\$ 1,636,545</u> | <u>\$ 1,677,543</u> | <u>\$ 1,703,514</u> |
| <u>BUDGET BY FUND</u> | | | | |
| General | \$ 1,649,544 | \$ 1,636,545 | \$ 1,677,543 | \$ 1,703,514 |
| TOTAL | <u>\$ 1,649,544</u> | <u>\$ 1,636,545</u> | <u>\$ 1,677,543</u> | <u>\$ 1,703,514</u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | <u>20.00</u> | <u>18.75</u> | <u>18.75</u> | <u>18.75</u> |
| TOTAL | <u>20.00</u> | <u>18.75</u> | <u>18.75</u> | <u>18.75</u> |

**2006-07 BUDGET
OFFICE OF THE CITY ATTORNEY**

MISSION STATEMENT

We work for Boulder to deliver the highest quality municipal legal service. Impeccable quality is our highest value. We achieve this by providing responsive, creative, and timely advice. We back our advice with cost-effective litigation services when necessary.

BUSINESS PLAN NARRATIVE

Like most of the City's other operating departments, the City Attorney's Office has been adapting to resource limitations and staffing reductions. Facing the demands presented by this combination of reduced resources and our status as an internal service provider has resulted in a significant reorganization of the office, both structurally and philosophically. This reorganization has been reflected in our identification of essential, desirable and discretionary services, and may be further reflected in 2006 staffing changes.

The city attorney presented Council with an "Organizational Review and Management Analysis of the City Attorney's Office" in January 2005. This report described our actions to address service deficiencies the city attorney perceived in our department's work for Human Resources and Housing and Human Services.

The January 2005 analysis also reflected our philosophy that tight budgets demand a shift to higher value services. This shift resulted in the formation of a new Litigation Division. We found that by bringing most routine litigation in-house, we can affect a dramatic cost-savings for the City. As an additional benefit, this litigation group will serve as a training ground and promotional unit for attorneys in our Prosecution Division. By involving our prosecutors in civil litigation, we can offer them a more fulfilling career path and save substantial city funds. With the city manager's support, we hope to conclude an ongoing trial staffing program in time to make recommendations to Council for permanent staffing in late 2005 or early 2006. If the litigation program continues to return the savings we have noted thus far for 2005, it is reasonable to assume that we will seek a supplemental appropriation to make the program permanent.

The 2006-2007 budget also reflects "Collaborative Legal Budgeting." Through a series of structured interviews with the operating departments, combined with an analytical review of historical time records and projections about future "key plans" of the departments, we have made allocations of resource needs. Essentially, we are providing a detailed inventory of our "assets" and how we intend to use them to help the City meet its goals.

Finally, the 2006-2007 budget reflects our increased focus on training and development for staff, as well as dramatically increased communications with the Council and public. The CAO philosophy emphasizes personal development so that the value each employee provides to the City can be maximized. The CAO philosophy also emphasizes our commitment to open government by providing a very transparent view for the public, Council and operating departments in to the workings of a 21st century law office.

GUIDING PRINCIPLES OR INVESTMENT STRATEGY

Essential Services

- A. Administration:**
Supporting legally-required continuing legal education for staff attorneys is essential. File maintenance, timekeeping and reporting, and updating the municipal code is also essential.
- B. Advisory Services:**
Support for the City Council and the City's advisory boards and commissions is essential, as is compliance with the Colorado Open Records Act, elections law, Council agenda support, bond finance and tax matters, water rights defense, and providing conflict of interest advice. In addition, support for operating departments is essential when that support is part of their efforts to meet their own essential functions or the City Council's goals.
- C. Litigation Services:**
The CAO is legally obligated to defend the City in civil litigation and to prosecute criminal matters within the Boulder Municipal Court's jurisdiction.

Desirable Services

- A. Administration:**
Providing intra-departmental coordination and training is desirable.
- B. Advisory Services:**
Support for operating departments is desirable when that support is part of their efforts to provide desirable services. Other desirable services include legal maintenance of the City's extensive real estate and affordable housing portfolio, providing responsive support to public inquiries, and supporting the City's legislative agenda.
- C. Litigation Services:**
Providing proactive litigation services to challenge the actions of other persons and entities when those actions are contrary to the City's interests

is desirable. Pre-prosecution counseling and informal dispute resolution is also desirable. Work done on behalf of the Office of Environmental Affairs is desirable and includes Friends of the Earth v. Peter Watson (in the United States District Court for the District of Northern California, Docket No. C 02-4106 JSW), implementation of Amendment 37 (renewable requirements), and Xcel Energy cases pending before the Colorado Public Utilities Commission (Docket Nos. 04S-164E, Xcel Rate Case Phase II; 04A-215E, Xcel 2003 Least-Cost Resource Plan; and 04A-216E, Xcel Renewable Energy RFP).

Discretionary Services

- A. Administration:**
Administrative time reporting to operating departments is discretionary.
- B. Advisory Services:**
All other advisory services are discretionary.
- C. Litigation Services:**
All other litigation is discretionary, such as Amicus Curiae (friend of the court) participation in significant cases.

CITY COUNCIL GOALS

The City Attorney has a special support relationship to all of Council's goals and projects. This is because almost all significant Council activities require legal work or legal advice. The following pending legal work is illustrative of the support given in each of the activities set forth in the Council goals:

Transportation

The City Attorney is providing legal support on a number of transportation related projects including the development of the Boulder Transit Village multi-modal transportation center in Boulder.

Affordable Housing

The City Attorney continues to advise on legal issues relating to the provision of affordable housing, inclusionary zoning, and related matters.

Environmental Sustainability

A member of the City Attorney's Office usually sits with the Council subcommittee for environmental sustainability. The City Attorney has continued to advise upon and draft legislation relating to water and resource conservation issues, issues related to the

protection of local wildlife, and issues related to groundwater contamination and pest management practices.

Economic Sustainability

The City Attorney continues to advise the City Manager, other City officials, and the Boulder Urban Renewal Authority regarding legal and negotiating options concerning the development of 29th Street.

Community Sustainability

The City Attorney's Office has not been called upon to support this goal as yet.

CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

There were no changes to the Office of the City Attorney's base budget between the 2005 and 2006 approved budgets.

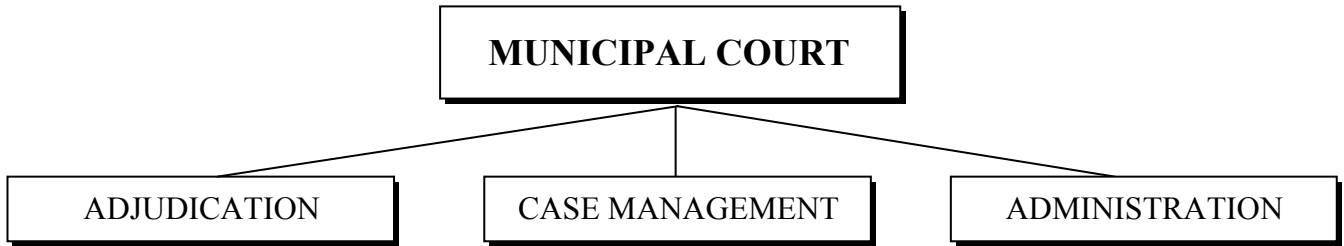
PERFORMANCE MEASURES

| | Actuals 2004 | Target 2005 | Target 2006 | Target 2007 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|
| 1. Criminal Prosecution: Increase the number of Municipal Court matters submitted for alternative dispute resolution and restorative justice resolution. | One hundred thirty formal referrals and continued work with Court on utilizing a variety of community based restorative justice. | Eighty formal referrals and continued work with Court on utilizing a variety of models of community based restorative justice. | See new performance measure below. | See new performance measure below. |

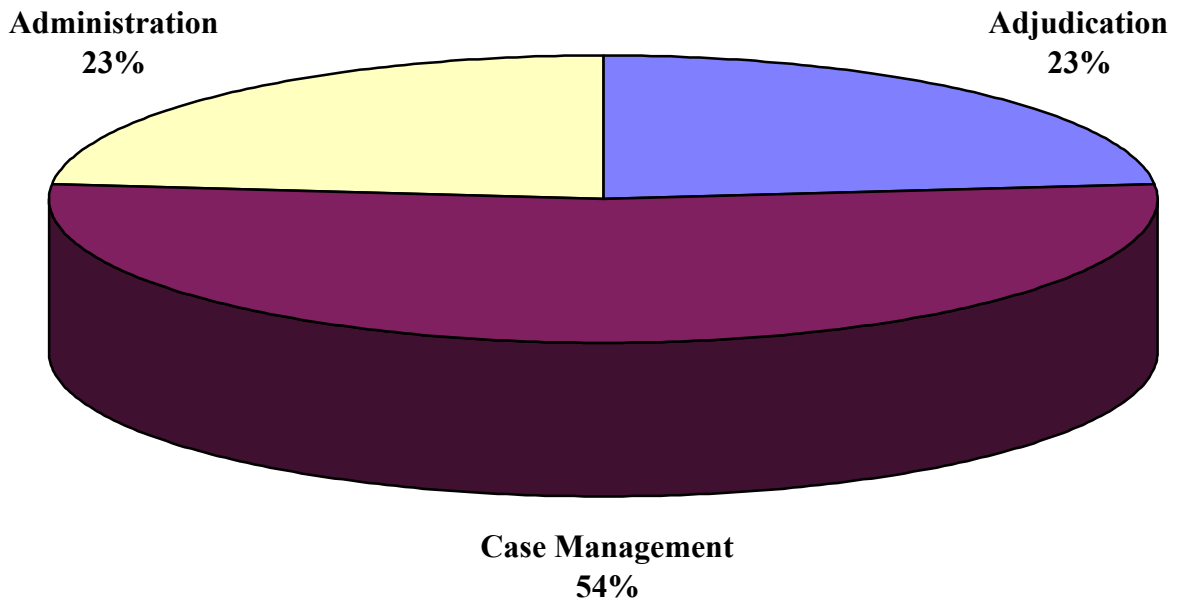
| | Actuals 2004 | Target 2005 | Target 2006 | Target 2007 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| 2. Risk Management: Strive to ensure that the City's insurance premiums and claim payouts are low compared to other front range cities. | This information has been requested, but was not available at the time of printing. | Continue to have the City's insurance premiums and claim payouts low compared to other front range cities. | See new performance measure below. | See new performance measure below. |
| 3. Strive to ensure that the City's payouts and attorney's fees are paid out at no greater than historical (adjusted) levels. | This information has been requested, but was not available at the time of printing. | Continue to control the number of claims through effective risk management practices so that they never again approach the high levels that existed before the current risk management program was put into effect. | See new performance measure below. | See new performance measure below. |
| 4. Criminal Prosecution: Maintain the number of Municipal Court matters submitted for alternative dispute resolution and restorative justice resolution. | N/A | N/A | One hundred thirty formal referrals and continue to work with municipal court to utilize a variety of community-based justice models and agencies. | One hundred thirty formal referrals and continue to work with municipal court to utilize a variety of community-based justice models and agencies. |

| | Actuals 2004 | Target 2005 | Target 2006 | Target 2007 |
|-------------------------------------------------------------------------------------------------------------------------------|-------------------------|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5. Risk Management: Continue recent efforts to improve systems and efficiencies regarding claims management. | N/A | N/A | Send claimant feedback forms to 100% of claimants. Provide three-week turn around time for resolution of claims (either denial or settlement). | Send claimant feedback forms to 100% of claimants. Provide three-week turn around time for resolution of claims (either denial or settlement). |
| 6. Outside Lawyers: Standardize the procedures and oversight mechanism for managing the work performed by outside lawyers. | N/A | N/A | Institute formal procedures for outside counsel contract review/renewal and actively monitor 100% outside counsel invoices by CAO staff. Provide increased accountability for budgeting outside counsel funds. | Institute formal procedures for outside counsel contract review/renewal and actively monitor 100% outside counsel invoices by CAO staff. Provide increased accountability for budgeting outside counsel funds. |

MUNICIPAL COURT



2006 BUDGET
\$1,353,008



**2006-07 APPROVED BUDGET
MUNICIPAL COURT**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| ADJUDICATION | | | | |
| Adjudication | \$ 195,426 | \$ 198,285 | \$ 314,146 | \$ 319,011 |
| | 195,426 | 198,285 | 314,146 | 319,011 |
| CASE MANAGEMENT | | | | |
| Case Management | 525,851 | 570,772 | 0 | 0 |
| Traffic/ General/ Animal | 0 | 0 | 225,706 | 229,351 |
| Photo Enforcement | 98,624 | 102,957 | 110,501 | 112,286 |
| Parking Support | 130,625 | 179,651 | 190,162 | 193,232 |
| Probation Services | 0 | 0 | 195,301 | 198,455 |
| | <u>755,099</u> | <u>853,380</u> | <u>721,670</u> | <u>733,324</u> |
| ADMINISTRATION | | | | |
| Administration | 217,550 | 239,751 | 317,192 | 322,259 |
| | <u>217,550</u> | <u>239,751</u> | <u>317,192</u> | <u>322,259</u> |
| TOTAL | \$ <u>1,168,076</u> | \$ <u>1,291,416</u> | \$ <u>1,353,008</u> | \$ <u>1,374,593</u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 935,895 | \$ 1,035,982 | \$ 1,095,018 | \$ 1,111,443 |
| Operating Expenses | 199,346 | 221,254 | 222,101 | 226,543 |
| Interdepartmental Charges | 32,835 | 34,181 | 35,889 | 36,607 |
| TOTAL | \$ <u>1,168,076</u> | \$ <u>1,291,417</u> | \$ <u>1,353,008</u> | \$ <u>1,374,593</u> |
| <u>BUDGET BY FUND</u> | | | | |
| General | \$ 1,168,076 | \$ 1,291,417 | \$ 1,353,008 | \$ 1,374,593 |
| TOTAL | \$ <u>1,168,076</u> | \$ <u>1,291,417</u> | \$ <u>1,353,008</u> | \$ <u>1,374,593</u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | <u>17.00</u> | <u>17.00</u> | <u>17.00</u> | <u>17.00</u> |
| TOTAL | <u>17.00</u> | <u>17.00</u> | <u>17.00</u> | <u>17.00</u> |

2006-07 BUDGET MUNICIPAL COURT

MISSION STATEMENT

The mission of the Boulder Municipal Court is:

- To provide an accessible, efficient, and impartial forum for all participants in cases involving municipal ordinance violations;
- To adjudicate cases consistent with the law, the needs of the individual, and the community's values; and
- To promote public trust in both the justice system and local government.

BUSINESS PLAN NARRATIVE

As a result of the major reductions required in the general fund budget, the Municipal Court's funding was reduced by a total of 20.26% in 2004. To achieve this reduction, the Court permanently eliminated 2.9% FTE. In response to these staffing reductions, the Court eliminated or outsourced programs and processes not related to the Court's essential functions, such as Teen Court and Restorative Justice.

The Court was also able to downsize the FTE associated with the Court's core functions by means of a variety of strategies. First, the Court capitalized on new technology – largely by broadening its use of the Full Court software to its maximum potential. For example, our Full Court software allows us to fulfill our reporting requirements to the Division of Motor Vehicles by means of online transmissions, rather than through a paper process. Likewise, Full Court's "Overdue" module enables staff to track the progress of cases electronically, rather than manually.

Second, the Court managed the loss of FTE by implementing significant changes in Court operations. In the first half of 2005, extensive work was devoted to redistributing workload to achieve maximum efficiency. All workgroups have been comprehensively cross-trained, increasing overall productivity.

Third, in conjunction with its strategic planning process, the Court assessed its service standards. Long-standing values, such as completing summons and complaint data entry within 24 hours, were replaced with a target of accomplishing the data entry within one week. Response times for written correspondence, such as requests to enter a plea by mail, were increased to better match industry standards in other courts of similar size. Re-alignment of our service measurements with industry standards was thus an additional mechanism by which we addressed the loss of FTE.

The Court ascertained that the most seriously deficient service standards exist in the Violations Bureau and pertain to processing of parking violations. Our strategy for improving functionality in this area involves implementing a new parking software module and restructuring operations in the Violations Bureau. The Court reallocated internal resources to increase the budget for parking operations to assist in improving service standards in this area.

All department Organizational Cost Accounts were recently restructured to provide a more accurate reflection of activity and to achieve grouping of like functions. These changes will enable the Court, in the future, to perform time studies that assess the functionality of work groups and to improve tracking of expenditures related to discrete business areas. These efforts will provide a more accurate picture of our department's operating costs and the changes to those costs resulting from our extensive reorganization efforts.

As the result of implementing the various strategies outlined above we are now operating at the minimum staffing and funding levels necessary to maintain current functions. We are already experiencing service decreases that impact the Court's ability to fulfill its core mission. Up to this point those service reductions have been largely invisible to the public. However, at some point they may become visible in the form of delays at the counter and on the phone, and in other, unforeseen ways.

Moreover, further decreases in either FTE or funding will compromise the Court's ability to compel accountability. As noted in the discussion accompanying last year's budget submittal, any further budget reductions will have a corresponding impact on the Court's ability to process payments and pursue collection of overdue fines and costs, as these functions are not mandatory in nature. The court's ability to monitor compliance with court orders will also be jeopardized. Participation in community collaborations may also need to be scaled back.

GUIDING PRINCIPLES AND/OR INVESTMENT STRATEGY

The guiding principles of the Court are:

- Commitment to simplicity in procedure
 - Fairness in administration
 - Elimination of unjustifiable expense and delay
- 1.) **Essential Services** include activities legally mandated by City Charter and that support adjudication of city ordinances. Judge and support staff roles involve court proceedings, including arraignments, trials, and hearings. The Violations Bureau processes traffic, general, animal, and parking violations and collect associated revenue. Probation Services activities comprise interactions with probationers, and monitoring compliance with the integrity of court orders. Administrative functions encompass financial, project, and office management, staff evaluation and training.
 - 2.) **Desirable Services** include various judicial and probation services activities in alternative sentencing including Restorative Justice and offender education. These

activities include collaboration with the University of Colorado and City Community Mediation Services. Elimination of these partnerships would shift the processing of these cases back to traditional court proceedings and place the activity into our essential services. Additionally, staff attendance at and involvement in various community or inter-departmental meetings are activities which advance desired community values. These meetings include task forces and subcommittees addressing a wide range of subjects such as data sharing, alcohol issues, aggressive panhandling, and town-gown relations.

- 3.) **Discretionary Services** include judicial community outreach including participation in Citizen Police Academy, school programs, collaboration with other courts, university and city departments.

CITY COUNCIL GOALS

Transportation

The Court's approach to resolving traffic violations supports City Council's transportation goals by holding offenders accountable, providing education about ordinances and laws through sentencing, and emphasizing the community impacts of poor driving choices.

Community Sustainability

Bilingual staff/interpreters help non-English speakers navigate through the Court process.

CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

There were no changes to the Municipal Court's base budget between the 2005 and 2006 approved budgets.

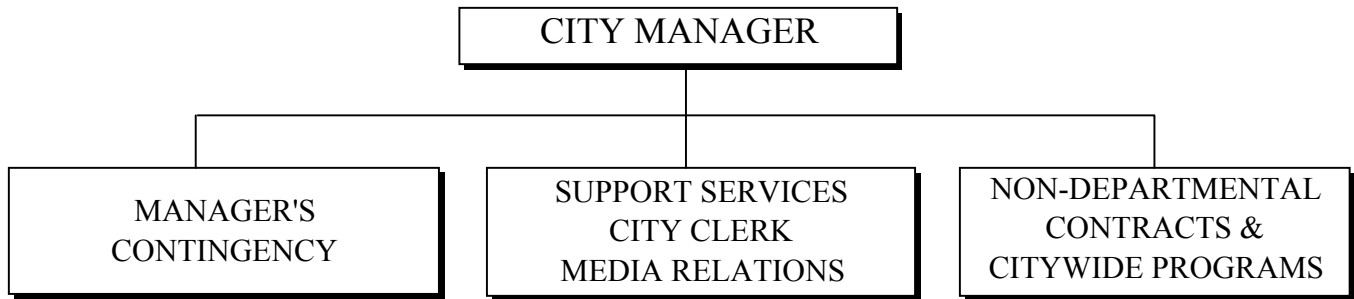
PERFORMANCE MEASURES

| | ACTUALS 2004 | TARGET 2005 | TARGET 2006 | TARGET 2007 |
|---------------------------------------------------------------------|-------------------------|------------------------|------------------------|------------------------|
| 1. Median time for length of an arraignment session (2 – 2 ½ hours) | 2-2½ hours | 2 – 2 ½ hours | 2 – 2 ½ hours | 2 – 2 ½ hours |
| 2. Accomplish targeted community service projects | 14 projects | 10 projects* | 8 projects* | 8 projects* |

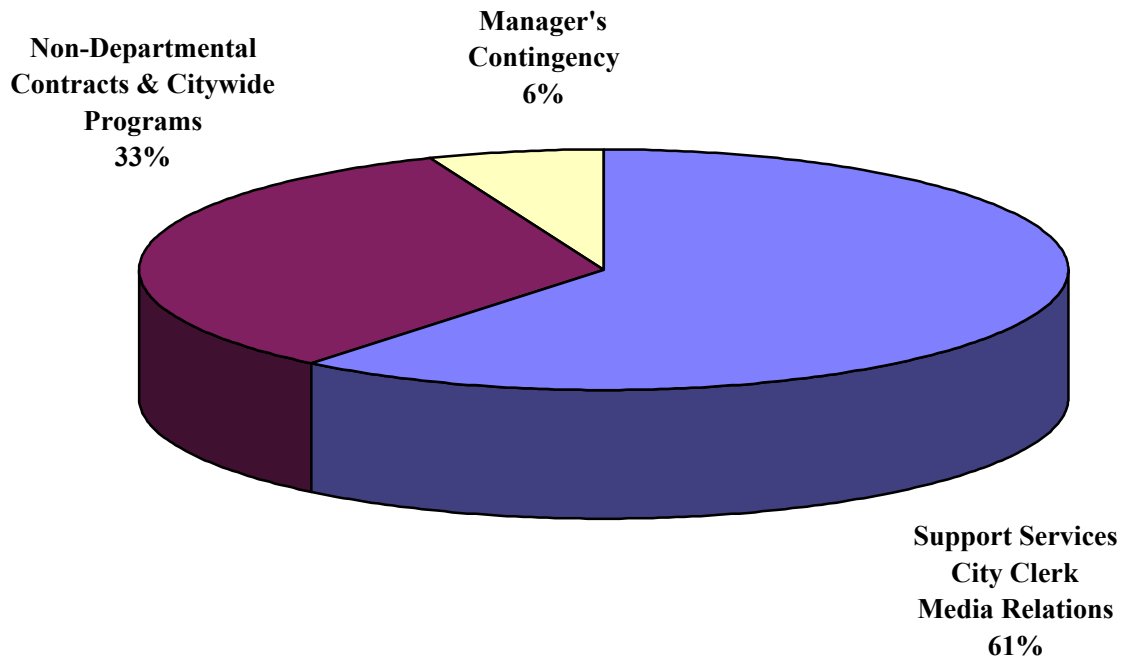
*Reduction in city provided projects due to formation of CURJ Buff Corp.

ADMINISTRATIVE SERVICES

CITY MANAGER



2006 BUDGET \$3,693,677



**2006-07 APPROVED BUDGET
CITY MANAGER'S OFFICE
SUPPORT SERVICES / CITY CLERK / MEDIA RELATIONS**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|----------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| CITY MANAGER'S OFFICE | | | | |
| City Manager's Office | \$ 270,369 | \$ 507,187 | \$ 642,207 | \$ 652,260 |
| | <u>270,369</u> | <u>507,187</u> | <u>642,207</u> | <u>652,260</u> |
| INTERNAL AUDIT | | | | |
| Internal Audit | 0 | 0 | 129,021 | 130,982 |
| | <u>0</u> | <u>0</u> | <u>129,021</u> | <u>130,982</u> |
| ECONOMIC VITALITY | | | | |
| Economic Vitality Program | 128,772 | 250,000 | 250,000 | 250,000 |
| Urban Redevelopment Program | 101,528 | 111,032 | 111,032 | 111,032 |
| | <u>230,300</u> | <u>361,032</u> | <u>361,032</u> | <u>361,032</u> |
| CMO SUPPORT | | | | |
| City Clerk Administration | 165,666 | 170,062 | 231,362 | 234,978 |
| Elections | 30,851 | 75,396 | 78,682 | 80,080 |
| Licensing | 47,774 | 73,773 | 63,045 | 64,056 |
| Records Management | 175,517 | 180,042 | 188,415 | 191,413 |
| CMO Administration | 50,162 | 58,977 | 0 | 0 |
| Campaign Financing | 2,807 | 41,000 | 0 | 43,000 |
| | <u>472,777</u> | <u>599,249</u> | <u>561,504</u> | <u>613,528</u> |
| MEDIA RELATIONS | | | | |
| Media Relations Administration | 227,367 | 137,319 | 185,908 | 188,846 |
| Intergovernmental | 75,931 | 94,165 | 0 | 0 |
| Municipal Channel 8 | 450,103 | 274,939 | 286,190 | 290,900 |
| Neighborhood Services | 89,069 | 55,003 | 16643.74 | 16,977 |
| University Liaison | 55,972 | 58,058 | 61,939 | 62,868 |
| | <u>898,441</u> | <u>619,483</u> | <u>550,681</u> | <u>559,591</u> |
| TOTAL | \$ <u><u>1,871,886</u></u> | \$ <u><u>2,086,951</u></u> | \$ <u><u>2,244,445</u></u> | \$ <u><u>2,317,393</u></u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 1,611,685 | \$ 1,547,617 | \$ 1,763,224 | \$ 1,789,673 |
| Operating Expenses | 249,081 | 443,547 | 383,274 | 427,814 |
| Interdepartmental Charges | 8,819 | 95,787 | 97,947 | 99,906 |
| Capital | 2,301 | 0 | 0 | 0 |
| TOTAL | \$ <u><u>1,871,886</u></u> | \$ <u><u>2,086,951</u></u> | \$ <u><u>2,244,445</u></u> | \$ <u><u>2,317,393</u></u> |
| <u>BUDGET BY FUND</u> | | | | |
| General | \$ 1,871,886 | \$ 2,086,951 | \$ 2,244,445 | \$ 2,317,393 |
| TOTAL | \$ <u><u>1,871,886</u></u> | \$ <u><u>2,086,951</u></u> | \$ <u><u>2,244,445</u></u> | \$ <u><u>2,317,393</u></u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | <u>21.00</u> | <u>21.50</u> | <u>21.50</u> | <u>21.50</u> |
| TOTAL | <u><u>21.00</u></u> | <u><u>21.50</u></u> | <u><u>21.50</u></u> | <u><u>21.50</u></u> |

**2006-07 BUDGET
CITY MANAGER'S OFFICE
SUPPORT SERVICES / CITY CLERK / MEDIA RELATIONS**

MISSION STATEMENT

The Mission of the City Manager's Office includes the provision of professional leadership in the administration and execution of policies and objectives formulated by City Council, the development and recommendation of alternative solutions to community problems for Council consideration, the planning and development of new programs to meet future needs of the City, and government through excellent customer service.

BUSINESS PLAN NARRATIVE

Over the past three years the City Manager's office (CMO) has undergone downsizing and reorganization driven by budget reductions. Beginning in 2003 both an Assistant to the City Manager and a 0.5 FTE Citizen Services Coordinator position were reduced. Further reductions in 2004 included 0.5 FTE administrative assistant to Public Affairs and three Channel 8 staff. Reorganization involved reallocating funding and responsibilities of the Director of Public Affairs to create two Deputy City Manager positions. Over this time the core staffing to the City Manager's office has been reduced 19%.

At the same time to help address the city's economic climate Council approved the City Manager's Economic Vitality Program. The plan included funding for Economic Vitality and Urban Redevelopment Coordinators. Economic Vitality is funded for five years from the remaining Boulder Urban Renewal Authority (BURA) bond reserve and Urban Redevelopment is funded for five years from the balance of the BURA revolving loan fund. In 2004 the management of both of these areas was brought into the City Manager's office along with Internal Audit, which previously resided in the Human Resources Department. In 2005 as part of a continuing effort to develop the CMO team and maximize resources, Public Affairs was reorganized becoming Media Relations and was merged into the CMO.

Reducing core staffing while at the same time adding additional entities that require management and administrative support has made it challenging to maintain quality customer service. Internal customer service has been impacted the most in an effort to maintain external customer service. The impact internally is increased workloads and the loss of resources to take a proactive approach to emerging issues. None the less we continue to find ways through merging areas and work groups to eliminate overlap and leverage technology to maximize our resources to conduct the business of the city in a professional manner.

GUIDING PRINCIPLES AND/OR INVESTMENT STRATEGY

To support of our community, open government and the City of Boulder Municipal organization with progressive leadership.

The City Manager's Prioritization is as follows:

- 1.) City Administration (Essential)** includes management and administration to the municipal organization and support to city council, as well as items mandated by local charter or State and Federal Law. These include the City Manager, Primary City Clerk responsibilities, Elections, Records Management, and Liquor and miscellaneous licensing.
- 2.) Administration & Programs (Desirable)** Whereas these services are not essential to the safety, health and welfare of the city, they are highly desirable in the underlying value that they bring to the community, indirect cost savings to the organization and effectiveness of the City Manager. These include Deputy City Managers, City Manager/City Clerk Support, Media Relations, Municipal Channel 8, Internal Audit and Economic Vitality.
- 3.) Additional Administration (Discretionary):** This area includes additional administration that is not tied to charter or local and state law. This area of the budget has sustained a 100 percent reduction.

CITY COUNCIL GOALS

General

- As an internal service department, the City Manager's Office attends many of the Council goal group meetings and provides general support to the department staff responsible for the meetings.
- During the 2005 session of the Colorado Legislature, the Policy Advisor lobbied on behalf of 14 bills directly related to Council goals, and goal areas also were represented in the city's federal legislative agenda. The Policy Advisor also participates in regional intergovernmental meetings in support of the Transportation and Environmental Sustainability goals.
- The Communications staff has established the Manager Media Meeting every other Friday to coordinate dissemination of information to the media on issues coming before Council, so that the issues are accurately communicated by the local media outlets. Communications staff also has trained goal group staff and others in the city organization on ways to work proactively and effectively with the media.

Transportation

- Lobbied on behalf of the following State House Bills: HB 1064 that would allow Regional Transportation Authorities; HB1148, which provides local input on statewide tolling decisions; and, HB 1218, which brings state bicycle laws in-line with City goals.
- The City Manager's office participated in the following regularly held transportation meetings: U.S. 36 Mayors & Commissioners Coalition; U.S. 36 TMO; Council goal transportation committee; Boulder County Consortium of Cities; Transit Alliance; and, U.S. 36 EIS CGC/TSC meetings.
- Lobbied for federal authorization language for North 28th Street.

Affordable Housing

- Lobbied on behalf of HB 1331, a bill that would give the state greater ability to preserve affordable housing and more flexibility to meet Colorado's diverse housing needs; HB 1229, a bill that would have confirmed that property owners are permitted to provide rent-controlled housing as a condition for approval of land development and; HB 1058 which protects the rights of mobile home owners.

Environmental Sustainability

- Regularly participated in various meetings relating to Rocky Flats Clean-up
- Lobbied on behalf of federal legislation directing funding for city/CU West Nile Virus research.
- Supported HB 1070 requiring water conservation measure; HB 1129, providing a tax credit for residential renewable energy systems; HB1133, HB 1162 and HB1254, promoting energy efficiency, and; supported, monitored and opposed several other environmentally related bills based on Council's goals.

Economic Sustainability

- Through the city's Economic Vitality Team, the City Manager's Office has taken a lead role on the Economic Sustainability goal, most recently forming a partnership with the Boulder Economic Council, a division of the Boulder Chamber of Commerce, to provide leadership for the city's Economic Vitality program. The City Manager's Office actively participates in implementation of the Economic Vitality work plan and has been directly involved in high profile projects such as the St. Julien Hotel and Twenty Ninth Street.
- Working with the Federal labs task force group to develop strategy to ensure that Boulder's Federal labs continue to be adequately funded and continue to be located in Boulder.

- Lobbied for HB1194, TABOR reform and against HB 1158, which would have exempted voice-over-internet protocol from local taxation.
- Lobbied at the national level to obtain funding for several city programs, and in particular, the natural and organic foods industrial cluster initiative.

Community Sustainability

- The City Manager's Office has taken the lead in supporting Council's direction to address alcohol issues in the community by convening two manager-appointed task forces and collaborating with the University of Colorado, Boulder County and the Boulder Valley School District.
- Lobbied on behalf of several state bills designed to decrease alcohol abuse, and; SB28 providing employment non-discrimination protection.
- The Communications staff has developed and executed communications plans related to the goal areas of Economic Vitality, alcohol and other quality-of-life issues associated with CU students who live off campus, and West Nile Virus, along with other major projects, such as a communication plan concerning West Nile Virus.
- Lobbied at the federal level to protect Community Development Block Grant funds.
- The University Liaison has launched a Neighborhood Ambassador Program and conducted the Back to School education campaign to promote and encourage community building and civic responsibility for the CU student body.

CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

As part of the ongoing reorganization of the City Manager's office, Intergovernmental Relations was moved from Media Relations to the City Manager's portion of the budget. Internal Audit was moved from Non-Departmental Contracts to the CMO and CMO Administration was merged with the City Clerk Administration.

PERFORMANCE MEASURES

| | Actuals 2004 | Target 2005 | Target 2006 | Target 2007 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|
| 1. Provide 24 hour response to records requests with a 3 day turn around for information with the exception being extremely large research requests | 97.5% There were 1,790 request handled this year | 95% | 95% | 95% |
| 2. Number of days to respond to public correspondence when additional response is directed by CAC (*) | 6 days 2,117 items of correspondence were received this year | Within 10 days after CAC | Within 10 days after CAC | Within 10 days after CAC |

(*) Performance Measure No. 2 is cross-referenced here (Council’s Performance Measure), as it is CMO/Support Services that administers this measure and provides this service.

| | Actuals 2004 | Target 2005 | Target 2006 | Target 2007 |
|----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| 3. To provide better monitoring of “Hotline” communications, we will establish a standard turnaround time for “Hotline” replies. | Handled 299 Hotlines 62% of the questions requiring a response received a reply within five working days. | 80 percent of “Hotline” questions requiring a response receive replies within five working days | 80 percent of “Hotline” questions requiring a response receive replies within five working days | 80 percent of “Hotline” questions requiring a response receive replies within five working days |

**2006-07 APPROVED BUDGET
MANAGER'S CONTINGENCY**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|----------------------------------|-------------------------|--------------------------|--------------------------|--------------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| Extraordinary Personnel | \$ 16,772 | \$ 111,000 | \$ 113,000 | \$ 114,695 |
| Fuel Contingency | 0 | 0 | 0 | 0 |
| Manager's Contingency | <u>62,711</u> | <u>111,000</u> | <u>113,000</u> | <u>115,260</u> |
| TOTAL | <u><u>\$ 79,483</u></u> | <u><u>\$ 222,000</u></u> | <u><u>\$ 226,000</u></u> | <u><u>\$ 229,955</u></u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 16,772 | \$ 111,000 | \$ 113,000 | \$ 114,695 |
| Operating Expenses | 62,711 | 111,000 | 113,000 | 115,260 |
| Interdepartmental Charges | 0 | 0 | 0 | 0 |
| TOTAL | <u><u>\$ 79,483</u></u> | <u><u>\$ 222,000</u></u> | <u><u>\$ 226,000</u></u> | <u><u>\$ 229,955</u></u> |
| <u>BUDGET BY FUND</u> | | | | |
| General | \$ <u>79,483</u> | \$ <u>222,000</u> | \$ <u>226,000</u> | \$ <u>229,955</u> |
| TOTAL | <u><u>\$ 79,483</u></u> | <u><u>\$ 222,000</u></u> | <u><u>\$ 226,000</u></u> | <u><u>\$ 229,955</u></u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> |
| TOTAL | <u><u>0.00</u></u> | <u><u>0.00</u></u> | <u><u>0.00</u></u> | <u><u>0.00</u></u> |

**2006-07 APPROVED BUDGET
NON-DEPARTMENTAL CONTRACTS AND CITYWIDE PROGRAMS**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| NON-DEPARTMENTAL CONTRACTS | | | | |
| Convention & Visitors Bureau | \$ 593,000 | \$ 592,000 | \$ 621,091 | \$ 633,513 |
| Museum of History | 22,026 | 22,026 | 22,246 | 22,691 |
| Chamber of Commerce | 7,388 | 7,935 | 8,014 | 8,174 |
| Negotiations Support | 35,904 | 43,285 | 43,718 | 44,592 |
| Humane Society Building Loan | 115,670 | 112,000 | 114,063 | 116,344 |
| Downtown Boulder Improvement District | 254,823 | 0 | 0 | 0 |
| Federal Legislative Consultant | 60,000 | 60,000 | 60,600 | 61,812 |
| | <u>1,088,811</u> | <u>837,246</u> | <u>869,732</u> | <u>887,127</u> |
| CATV | | | | |
| CATV | 243,471 | 0 | 0 | 0 |
| | <u>243,471</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| INTERNAL AUDIT | | | | |
| Internal Audit | 116,716 | 126,566 | 0 | 0 |
| | <u>116,716</u> | <u>126,566</u> | <u>0</u> | <u>0</u> |
| CITYWIDE PROGRAMS | | | | |
| West Nile Virus Program | 493,894 | 300,000 | 300,000 | 306,000 |
| Greenhouse Gas Program | 99,536 | 0 | 0 | 0 |
| City of Boulder Business Plan | 138,465 | 0 | 0 | 0 |
| Community Sustainability Plan | 0 | 0 | 53,500 | 54,570 |
| | <u>731,895</u> | <u>300,000</u> | <u>353,500</u> | <u>360,570</u> |
| TOTAL | <u>\$ 2,180,892</u> | <u>\$ 1,263,812</u> | <u>\$ 1,223,232</u> | <u>\$ 1,247,697</u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 314,805 | \$ 121,554 | \$ 0 | \$ 0 |
| Operating Expenses | 1,863,996 | 1,142,258 | 1,223,232 | 1,247,697 |
| Interdepartmental | 2,092 | 0 | 0 | 0 |
| TOTAL | <u>\$ 2,180,892</u> | <u>\$ 1,263,812</u> | <u>\$ 1,223,232</u> | <u>\$ 1,247,697</u> |
| <u>BUDGET BY FUND</u> | | | | |
| General | \$ 2,180,892 | \$ 1,263,812 | \$ 1,223,232 | \$ 1,247,697 |
| TOTAL | <u>\$ 2,180,892</u> | <u>\$ 1,263,812</u> | <u>\$ 1,223,232</u> | <u>\$ 1,247,697</u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | <u>0.00</u> | <u>1.50</u> | <u>0.00</u> | <u>0.00</u> |
| TOTAL | <u><u>0.00</u></u> | <u><u>1.50</u></u> | <u><u>0.00</u></u> | <u><u>0.00</u></u> |

2006-07 BUDGET
NON-DEPARTMENT CONTRACTS AND CITY WIDE PROGRAMS

NON-DEPARTMENTAL CONTRACTS

The City Manager's Office manages the following annual contracts:

| | |
|--------------------------------|------------------|
| Convention & Visitors Bureau | \$621,091 |
| Museum of History | 22,246 |
| Chamber of Commerce | 8,014 |
| Negotiations Support | 43,718 |
| Federal Legislative Consultant | 60,600 |
| Humane Society Building Loan | <u>114,063</u> |
| Total | \$869,732 |

Convention & Visitors Bureau: The funding for the Convention & Visitors Bureau contract is directly tied to accommodation tax (nine percent or 1/11th of the revenues collected)) and food service tax (.15% of the purchase price of prepared food). The Convention and Visitors Bureau promotes Boulder's conference, art/cultural, historic, tourist and visitor potential, contributing to the economic vitality of the community.

Museum of History: This funding assists with preserving the history of the City of Boulder.

Chamber of Commerce: The Boulder Chamber of Commerce is an organization that helps to shape the economy, promote community awareness, and sets the pace for the future of Boulder County and beyond. The Chamber is committed to building solid partnerships with its member businesses, is an advocate for business, striving to create a healthy economy while preserving the quality of life we all enjoy. This contract amount is the City of Boulder's membership fee.

Negotiations Support: This funding is for services to assist in contract negotiations with the city's three bargaining units (Police, Fire and BMEA).

Federal Legislative Consultant: This funding pays for the city's Federal Lobbyist. The contracted firm represents the interests of the City of Boulder at the federal level. In many cases revenue is generated through federal funding and grant awards pursued by the lobbyist on Boulder's behalf.

Humane Society Building Loan: This funding is the city's contribution toward the remaining capital costs for a new animal shelter after fund raising by the Humane Society.

CITYWIDE PROGRAMS

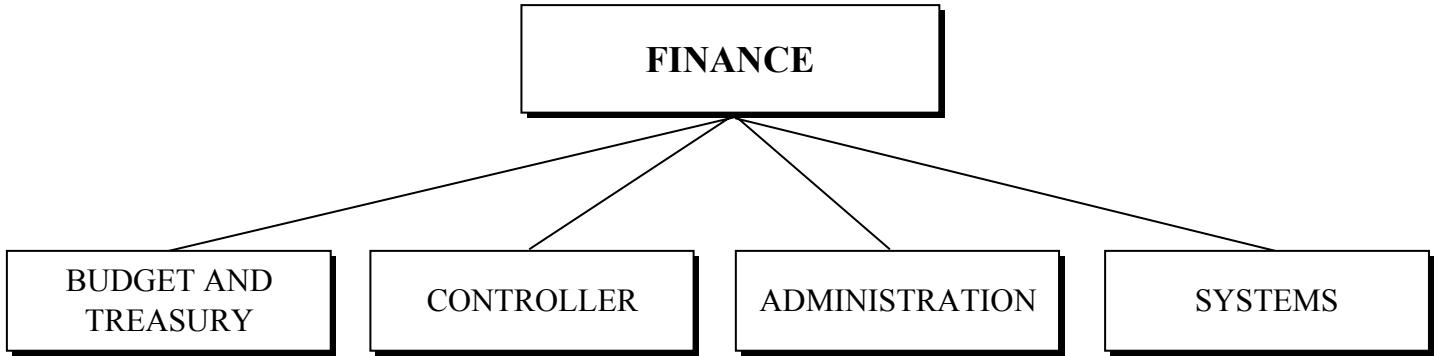
Citywide Programs are funding for policy initiatives that have a time frame associated with them and/or funding for planning and development of new programs to meet future needs of the city.

| | |
|--------------------------|------------------|
| West Nile Virus | \$300,000 |
| Community Sustainability | <u>\$53,500</u> |
| Total | \$353,500 |

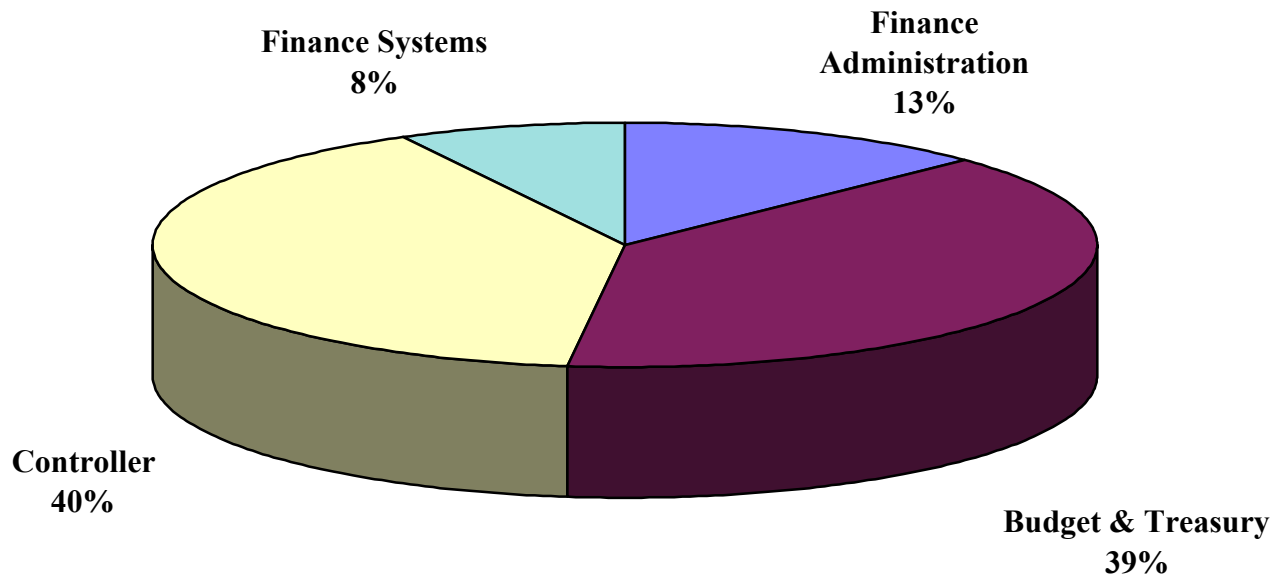
CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

- The Community Access TV funding for 2006 has been eliminated due to budget reductions.
- Internal Audit for 2006 has been moved to the City Manager's Budget.
- One time funding was added in 2006 to complete a comprehensive plan related to Council's Community Sustainability Goal, as detailed in the Manager's Message.

FINANCE



2006 BUDGET
\$2,356,084



**2006-07 APPROVED BUDGET
FINANCE**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|----------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| FINANCE ADMINISTRATION | | | | |
| Finance Administration | \$ 239,237 | \$ 298,269 | \$ 298,589 | \$ 303,777 |
| | 239,237 | 298,269 | 298,589 | 303,777 |
| BUDGET & TREASURY | | | | |
| Budget | 191,458 | 184,017 | 195,697 | 198,739 |
| Treasury | 231,540 | 225,506 | 239,564 | 243,343 |
| Sales Tax | 450,175 | 442,822 | 492,063 | 499,533 |
| Support Services | 104,019 | 0 | 0 | 0 |
| | <u>977,193</u> | <u>852,345</u> | <u>927,324</u> | <u>941,615</u> |
| CONTROLLER | | | | |
| Financial Operations | 273,931 | 337,744 | 323,931 | 328,830 |
| Payroll/Mail | 355,327 | 365,823 | 385,853 | 391,763 |
| Financial Reporting | 208,185 | 232,532 | 236,846 | 240,668 |
| | <u>837,444</u> | <u>936,099</u> | <u>946,630</u> | <u>961,261</u> |
| FINANCE SYSTEM ADMINISTRATION | | | | |
| Finance System Administration | 172,093 | 177,759 | 183,542 | 186,305 |
| | <u>172,093</u> | <u>177,759</u> | <u>183,542</u> | <u>186,305</u> |
| TOTAL | \$ <u>2,225,968</u> | \$ <u>2,264,472</u> | \$ <u>2,356,084</u> | \$ <u>2,392,958</u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 1,910,533 | \$ 1,960,946 | \$ 2,049,523 | \$ 2,080,266 |
| Operating Expenses | 276,864 | 258,526 | 260,361 | 265,568 |
| Interdepartmental Charges | 36,401 | 35,000 | 36,200 | 36,924 |
| Capital | 2,170 | 10,000 | 10,000 | 10,200 |
| TOTAL | \$ <u>2,225,968</u> | \$ <u>2,264,472</u> | \$ <u>2,356,084</u> | \$ <u>2,392,958</u> |
| <u>BUDGET BY FUND</u> | | | | |
| General | \$ 2,225,968 | \$ 2,264,472 | \$ 2,356,084 | \$ 2,392,958 |
| TOTAL | \$ <u>2,225,968</u> | \$ <u>2,264,472</u> | \$ <u>2,356,084</u> | \$ <u>2,392,958</u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | <u>30.25</u> | <u>27.25</u> | <u>27.25</u> | <u>27.25</u> |
| TOTAL | <u>30.25</u> | <u>27.25</u> | <u>27.25</u> | <u>27.25</u> |

2006-07 BUDGET FINANCE DEPARTMENT

MISSION STATEMENT

The mission of the Finance Department is to provide responsive, professional and ethical administrative and fiscal services to meet the needs of the public, the city council, and all departments of the city.

Specific services provided by the Finance Department include: long-range financial planning and budgeting, accounting/auditing; accounts payable; accounts receivable; investment and cash management; debt issuance/management; financial reporting; payroll; purchasing; assessments, revenue collection, and tax enforcement; financial analyses; and finance systems and reporting support.

BUSINESS PLAN NARRATIVE

In private enterprise, the Finance Department is considered part of the overhead of operating a business since they support other revenue producing divisions of a company. In the City of Boulder, the Finance Department provides similar support services for all departments that provide direct services to residents while also carrying out specific responsibilities assigned in the City Charter, and state or federal laws. The Finance Department has a history of minimizing discretionary overhead costs while meeting legal requirements. Over the years, processes have been modified and new computer systems implemented to add efficiency both within the Finance Department and for users in the operating departments. As part of the ongoing process to increase efficiency, between 1995 and 2000, Finance Department staffing was reduced by 3 FTEs or 9%.

Over the past four years, as General Fund revenue declined significantly, further reductions were required. Between 2001 and 2005, staffing was reduced by another 4 FTEs or 12%. By using the business plan to prioritize services during 2005, services classified as essential or desirable have been met by reassigning duties and implementing methods to make processes less labor intensive. In other areas, the cumulative reduction of 21% in staff has diminished the Finance Department's ability to consistently provide the level of service desired by the customer. Under the reorganization being implemented in 2005, ongoing discretionary services have been eliminated and are provided on an as needed basis or provided by a combination of people instead of one specific person. Examples of these types of services are; training that does not pertain directly to the technical aspects of a position, organization-wide purchasing support to take advantage of economies of scale, imaging, and ongoing support for the old hire fire and police pension plans.

Based on the reorganization of the Finance Department, we will be able to supply acceptable levels of support for services in the desirable category that were inadequate before the reorganization. Vacant positions in Finance are being reallocated to long range financial planning, additional quantitative and qualitative analysis, and support for governmental accounting functions. After the reallocations, current funding levels are adequate to provide basic financial services that are classified as essential or desirable. In light of other significant funding needs throughout the city, the Finance Department is planning to operate at current funding levels for the foreseeable future.

GUIDING PRINCIPLES AND/OR INVESTMENT STRATEGY

- 1). Essential Services** include those financial/budgetary functions that are legally mandated by federal or state law, City Charter or generally accepted accounting requirements for governmental agencies. Specifically, this service category reflects those processes which ensure the sound fiscal management of the municipal organization, such as strategic planning and budgeting, debt issuance and management, financial reporting, purchasing, assessments, treasury management, and collections. These programs represent 91% of the appropriation and 86% of the staffing in Finance.
- 2). Desirable Services** reflect services that provide positive interaction with the public, efficient and effective business practices, provide financial information so departments can make sound fiscal decisions, enhance internal customer service, increase citywide efficiency and effectiveness, or generate cost savings due to centralization. Services in this category include Property and Casualty Insurance Fund Management, financial inquiry and query reporting, the information center in the municipal building, and central mail services. This category currently represents 9% of the appropriations and 14% of the staff in Finance.
- 3). Discretionary Services** have been eliminated in Finance. During 2004 and 2005 a reduction of 12% was made in staffing levels. Resources were consolidated and transferred to meet acceptable service levels in the essential and desirable programs of the department.

CITY COUNCIL GOALS

The Finance Department provides staff support to City Council on economic sustainability issues and when requested support to other departments working on Council goals.

CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

There were no changes to the Finance Department's base budget between the 2005 and 2006 approved budgets.

PERFORMANCE MEASURES

| | Actuals 2004 | Target 2005 | Target 2006 | Target 2007 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|-----------------------------------------------|-----------------------------------------------|
| 1. Annual attainment of Government Finance Officers Association award for excellence in financial reporting. | Award was received | Award is received | Award is received | Award is received |
| 2. Annual attainment of Government Finance Officers Association award for excellence in budgeting. | Award was received | Award is received | Award is received | Award is received |
| 3. Achievement of a rate earnings on city investments that exceeds (on an amortized basis) the six month trailing average US Govt. 2 yr. Treasury Note rate. * | Amortized Cost Return on Portfolio (net of fees): 2.27% (6 month trailing rate on 2 year Treasury Note (also amortized cost basis): 2.69%) | Actual rate exceeds 2 year Treasury Note rate | Actual rate exceeds 2 year Treasury Note rate | Actual rate exceeds 2 year Treasury Note rate |

* *within the following constraints;*

- a) Preservation of capital and protection of investment principal;*
- b) Maintenance of sufficient liquidity to meet anticipated cash flows; and*
- c) Diversification to avoid incurring unreasonable market risks.*

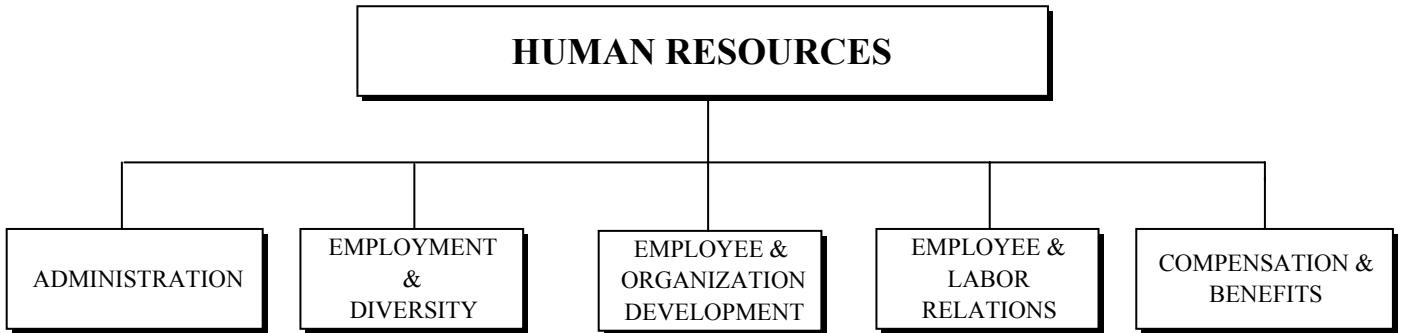
| | Actuals 2004 | Target 2005 | Target 2006 | Target 2007 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| 4. Achievement of reserves, which include <u>minimum</u> fund balance of 5% of operating expenses (excluding grants, internal service, and special revenue funds) in all city funds. | All funds met the reserve goal. | Target reserve balances are achieved. | Target reserve balances are achieved. | Target reserve balances are achieved. |

** Depending upon perceived risk, certain funds may be required to maintain fund balances higher than 5%.*

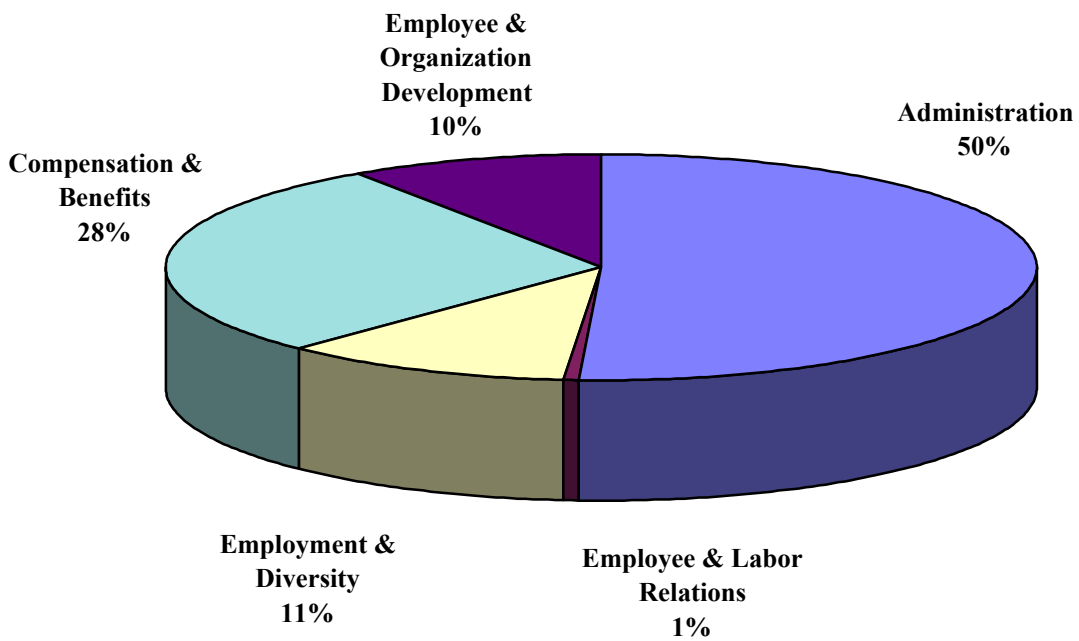
Performance measure number three indicates the target was missed for 2004. Further explanation is required to put the performance measure in perspective. During 2004 the Federal Reserve Board raised overnight interest rates 1.25% to control inflation. Prior to the increase in rates the United States had experienced the lowest interest rates in over forty years. As interest rates rise the value of a bond decreases in market value.

If interest rates are rising investors will not pay the same price for bonds with lower interest rates as they will for bonds that have higher interest rates. This loss in value is called an unrealized loss and it only becomes a real loss if the bonds are sold before maturity. As a bond moves close to maturity the value of the bond moves back to its original value. The yield of the portfolio under the amortized cost method assumes the bonds would have to be sold at a loss. The city currently holds its bonds until maturity since the maturing bonds are normally needed to pay liabilities such as payroll costs or bond payments. When interest rates have been low for several years and then begin to rise the yield of a fixed income portfolio will trail the current market and this is what happened to the city's portfolio in 2004.

HUMAN RESOURCES



2006 BUDGET
\$1,226,917



**2006-07 APPROVED BUDGET
HUMAN RESOURCES**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|----------------------------------------|---------------------|---------------------|---------------------|---------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| HR Management & Administration | \$ 440,159 | \$ 537,547 | \$ 623,937 | \$ 633,717 |
| Diversity | 1,948 | 0 | 0 | 0 |
| Employee Relations & Org Effectiveness | 110,734 | 2,329 | 2,579 | 2,631 |
| Employment & Diversity | 117,684 | 155,974 | 132,095 | 134,269 |
| Compensation & Benefits | 352,941 | 359,922 | 346,727 | 352,629 |
| Labor & Employee Relations | 26,220 | 4,540 | 4,250 | 4,335 |
| Staff & Org. Development | 95,536 | 110,651 | 117,329 | 119,194 |
| Internal Audit | 67 | 0 | 0 | 0 |
| CPPA | 2 | 0 | 0 | 0 |
| TOTAL | \$ <u>1,145,292</u> | \$ <u>1,170,963</u> | \$ <u>1,226,917</u> | \$ <u>1,246,776</u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 813,020 | \$ 882,842 | \$ 935,913 | \$ 949,952 |
| Operating Expenses | 314,617 | 269,622 | 272,404 | 277,954 |
| Interdepartmental Charges | <u>17,655</u> | <u>18,500</u> | <u>18,600</u> | <u>18,870</u> |
| TOTAL | \$ <u>1,145,292</u> | \$ <u>1,170,964</u> | \$ <u>1,226,917</u> | \$ <u>1,246,776</u> |
| <u>BUDGET BY FUND</u> | | | | |
| General | \$ <u>1,145,292</u> | \$ <u>1,170,964</u> | \$ <u>1,226,917</u> | \$ <u>1,246,776</u> |
| TOTAL | \$ <u>1,145,292</u> | \$ <u>1,170,964</u> | \$ <u>1,226,917</u> | \$ <u>1,246,776</u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | <u>15.25</u> | <u>13.75</u> | <u>14.25</u> | <u>14.25</u> |
| TOTAL | <u>15.25</u> | <u>13.75</u> | <u>14.25</u> | <u>14.25</u> |

2006-07 BUDGET HUMAN RESOURCES DEPARTMENT

MISSION STATEMENT

Our mission simply put is “*Caring Accountability*”. Human Resource’s traditional mission is to recruit and retain talent for the organization. Our purpose is two-fold:

- As enforcers, we provide a safe working environment for employees and protect the City from liability.
- As coaches and trainers, we provide tools to the workforce for accomplishing their goals.

BUSINESS PLAN NARRATIVE

Over the past couple of years of budget cuts, the department went from 18.25 employees to our present level of 14.25. In 2004, there was a large amount of turnover and the staff dwindled down to 7 FTE. At that time, there were many essential services that were not getting done and what was getting done was at a below standard service level.

The past year has been one of rebuilding not only staff, but also services. Training, as an example is being rebuilt from the ground up.

Fall of 2005 saw a reorganization that provided efficiencies in service delivery. 2005 began the Benefits Online Open Enrollment Project which will not show efficiencies until 2006. We continue to pursue automation as a way to improve service levels.

Service levels and efficiencies improve through hiring experienced employees and through work redesign. Some improvements will be gained by creating sound policies and procedures and providing training to managers. Others will come through accountability and culture shifts, i.e. helping managers deal with employee performance issues.

GUIDING PRINCIPLES AND/OR INVESTMENT STRATEGY

- 1.) **Essential Services** include those that are required by law as well as those services relative to compensation and benefits that help us maintain our competitive place in the market as an employer. Examples include:
 - a. Complying with the Family & Medical Leave Act of 1993, which includes notifying employees of their rights to take leave as well as administering the leave.

- b. Ecopasses for employees are a competitive benefit that provides a more economic means of commuting, fits in with the Boulder mission and also prevents congestion and additional construction for parking.

2.) Desirable Services include those that improve our competitive place in the market and those that help us to be more efficient. Examples include:

- a. A strong wellness program helps attract employees especially in a “healthy” environment like Boulder. The additional benefit is keeping people proactively healthy reduces benefit costs. It improves our competitive place since it is not a common benefit offering.
- b. A training program helps us work and manage more efficiently. Sharing policies, standards and templates, not only results in consistency, but also time savings.

3.) Discretionary Services include those that help us to be a “best practices” employer. Examples include:

- a. Having a leadership course that brings public sector and private sector employers together to solve regional issues.
- b. Creatively designing incentive pay as a way to continue to show employees’ value while controlling costs.

CITY COUNCIL GOALS

As an internal service department, HR supports departments that are providing direct services to citizens and working towards achieving City Council goals.

CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

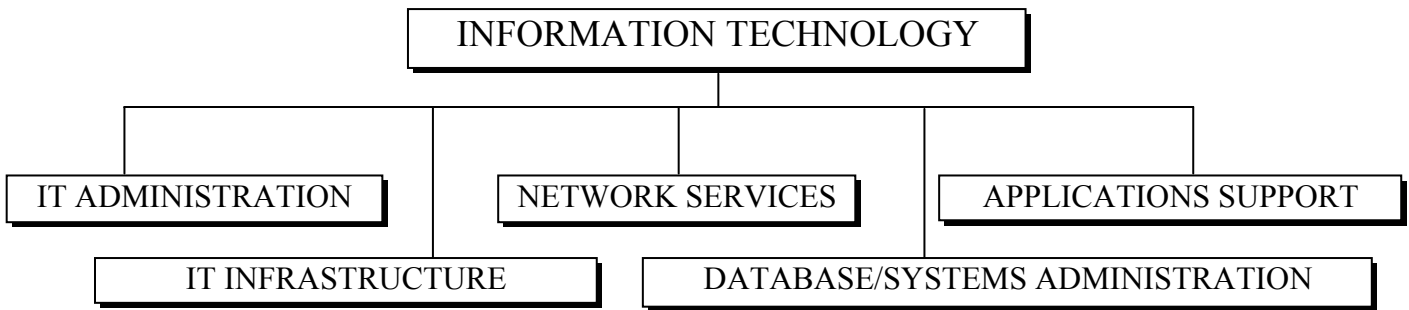
As part of the 2006-2007 budget process, HR added a .75 FTE Seasonal Employment Coordinator position to manage the seasonal hiring process for Parks & Recreation and centralized that employment function within Human Resources. The department also reorganized and reduced FTEs by .25, resulting in an overall increase in FTEs between 2005 and 2006 of .50.

PERFORMANCE MEASURES

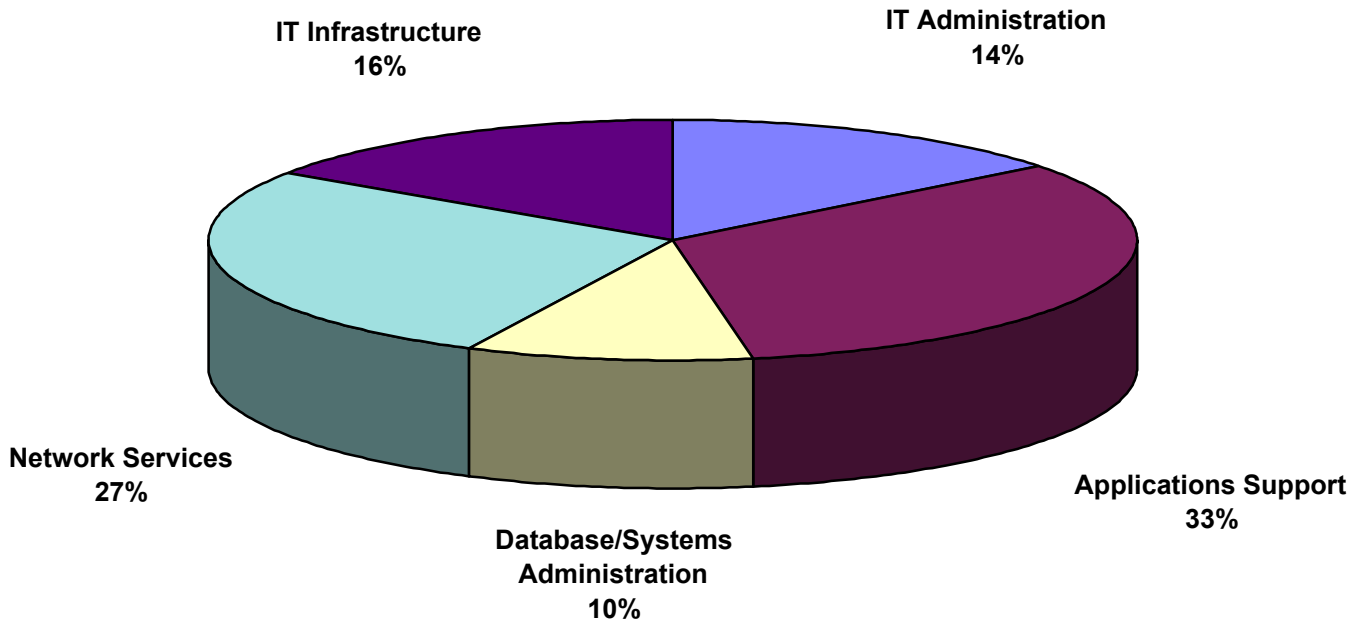
1. Injury leave
2. Compliance/mgmt training
3. Performance Management

| | Actuals 2004 | Target 2005 | Target 2006 | Target 2007 |
|----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| 1. Protect city liability: reduce the city-wide use of injury leave. | 25.54% increase over the previous three year average. We are seeing an increase in injury leave cost due to greater exposure as a result of increase claim severity | Reduction of total injury leave hours as compared to the three year average of total injury leave hours from 2002 through 2004 | Reduction of total injury leave hours as compared to the three year average of total injury leave hours from 2003 through 2005 | Reduction of total injury leave hours as compared to the three year average of total injury leave hours from 2004 through 2006 |
| 2. Protect city liability: Consolidate and update city policies. Conduct all regulatory-driven training. | New goal: Currently approximately 60 policies exist, many in need of update and compliance training has not been held for several years. | Review policies and develop update plan. Complete Sexual Harassment and FMLA training for employees. | Revise/update/consolidate 20% of the policies. Complete required training to be identified year end 2005. | Revise/update/consolidate 20% of the policies. Complete required training to be identified year end 2006. |
| 3. Focus on performance: improve the timeliness of reviews. 100% within 30 days of due date | New goal: 1/3 on time 1/3 within 1 mo 1/3 greater | 75% will be within 30 days of due date | 85% will be within 30 days of due date | 100% will be within 30 days of due date |

INFORMATION TECHNOLOGY



2006 BUDGET
\$4,383,300



**2006-07 APPROVED BUDGET
INFORMATION TECHNOLOGY**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| IT ADMINISTRATION | | | | |
| Administration - IT | \$ 348,388 | \$ 485,176 | \$ 628,111 | \$ 639,250 |
| IT Training Provided | 2,349 | 0 | 0 | 0 |
| TOTAL | <u>350,736</u> | <u>485,176</u> | <u>628,111</u> | <u>639,250</u> |
| IT APPLICATIONS | | | | |
| Applications Support | 1,403,190 | 1,492,042 | 1,442,836 | 1,465,580 |
| Public Safety Applications | 182,020 | 0 | 0 | 0 |
| TOTAL | <u>1,585,209</u> | <u>1,492,042</u> | <u>1,442,836</u> | <u>1,465,580</u> |
| DATABASE/SYSTEM ADMINISTRATION | | | | |
| Operations/System Administration | 394,492 | 416,005 | 434,727 | 441,454 |
| TOTAL | <u>394,492</u> | <u>416,005</u> | <u>434,727</u> | <u>441,454</u> |
| IT MICROCOMPUTER SUPPORT | | | | |
| Microcomputer/LAN Support | 1,316,289 | 1,152,001 | 1,192,626 | 1,210,945 |
| TOTAL | <u>1,316,289</u> | <u>1,152,001</u> | <u>1,192,626</u> | <u>1,210,945</u> |
| IT INFRASTRUCTURE | | | | |
| Computer Replacement | 581,250 | 581,250 | 590,000 | 601,800 |
| IT Technology Funds | 0 | 0 | 50,000 | 51,000 |
| Telecommunications Fund | 44,000 | 44,000 | 45,000 | 45,900 |
| TOTAL | <u>625,250</u> | <u>625,250</u> | <u>685,000</u> | <u>698,700</u> |
| IT PROJECTS | | | | |
| IT Projects - Applications | 36,059 | 0 | 0 | 0 |
| IT Projects - Network Services | 41,358 | 0 | 0 | 0 |
| | 77,417 | 0 | 0 | 0 |
| TOTAL | <u>77,417</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| TOTAL | <u>4,349,393</u> | <u>4,170,474</u> | <u>4,383,300</u> | <u>4,455,928</u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 2,948,592 | \$ 2,861,478 | \$ 3,007,462 | \$ 3,052,574 |
| Operating Expenses | 516,344 | 352,908 | 414,818 | 423,114 |
| Interdepartmental Charges | 839,092 | 742,032 | 750,782 | 765,798 |
| Capital | 45,365 | 214,058 | 210,238 | 214,443 |
| TOTAL | <u>\$ 4,349,393</u> | <u>\$ 4,170,475</u> | <u>\$ 4,383,300</u> | <u>\$ 4,455,928</u> |
| <u>BUDGET BY FUND</u> | | | | |
| General | \$ 4,349,393 | \$ 4,170,475 | \$ 4,383,300 | \$ 4,455,928 |
| TOTAL | <u>\$ 4,349,393</u> | <u>\$ 4,170,475</u> | <u>\$ 4,383,300</u> | <u>\$ 4,455,928</u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | 35.50 | 32.75 | 32.75 | 32.75 |
| TOTAL | <u>35.50</u> | <u>32.75</u> | <u>32.75</u> | <u>32.75</u> |

**2006-07 BUDGET
INFORMATION TECHNOLOGY DEPARTMENT**

MISSION STATEMENT

We leverage technology to improve city services.

VISION STATEMENT

The City of Boulder's vision is to use information technology to increase the capacity of the organization by improving Service Delivery, supporting Policy Development, and enabling Information Access. Please see the city's Strategic Technology Plan, May 2004, for additional information.

BUSINESS PLAN NARRATIVE

In developing the IT Department's budget for 2006-07, we focused on ensuring that we can accomplish our mission in a fiscally constrained environment without significantly compromising our long term strategies and goals. Since the 2002 budget cycle, the annual appropriation to the total IT budget (operating, personnel and internal services funds) has been reduced 25.8%, which is \$1,076,837 and 3.75 FTE.

However, as a result of the city wide reductions, the IT Department has witnessed an increased demand for IT services. At an increasing rate, city departments are turning to technology to maintain core services with reduced budgets and staff. Departments want to better leverage automation and web technologies, and are asking for quicker turnaround in IT development of these services. In addition to these direct services, IT must also continue to be proactive in implementing industry standard "best practices" for the enterprise. Examples include working collaboratively with department management, establishing policy and priorities, ensuring long term strategies with an enterprise focus, maintaining standards with flexibility, and staying current with the rapid advancement of technology and security risks.

To meet these service expectations with our reduced staffing and funding, IT management has focused on reinvesting internal cost savings and staff efficiencies within IT. Over the past few years, the IT Department has established policies and practices for hardware and software procurement, network and workstation setup standards, end user (Help Desk) support, service levels, and security procedures. Our objective has been to make IT as efficient as possible, reducing internal costs of service, while maximizing the value to the city and its citizens. We then reinvest our savings to other internal productivity improvement and cost savings projects. This approach has proven successful in that IT has attained industry standard best practices for significant portions of our services infrastructure without additional resources. We have not requested additional staff or funding appropriations from the general fund since Geographic Information Systems FTEs were added in 2001.

Our next step in leveraging this internal reinvestment strategy is to focus on software and application services. This includes increased accountability for project commitments, creating enterprise web services, developing hub and spoke architectures, and using open source software when it makes business sense. This process will be phased in over the next 24 to 36 months with the bulk of the core changes initiated during the 2006 budget year. This renewed accountability of resources, labor budget, and schedule will ensure that the city receives maximum benefit from its IT investments. Though we do anticipate the need in future budget cycles for additional funding in order to keep up with the insatiable demand for IT services, we will continue to use our fiscally constrained internal reinvestment strategy for the 2006-07 budget cycle.

While meeting this fiscally constrained strategy, we must also manage one of the most challenging aspects of technology... constant change. Using sound business management techniques, we routinely review several key areas of a project request to ensure that technology will solve the business challenge and savings will be realized. Savings are then reallocated within IT (for internal projects) or to the city department or fund (for department or enterprise projects) to fund other projects or areas needing improvement. This long term approach allows us to repeatedly leverage our limited funds, meet an ever changing environment, and uphold service expectations by city departments.

Examples of projects that have resulted in internal IT Department savings include aggressive contract renegotiations, upholding technology standards, converting expensive software to open source (low or no cost) options, implementing remote software management tools, investing in security efforts to reduce the impact of spam and viruses, and standardizing setup of hardware devices. Enterprise examples include citywide imaging, server-based computing, system integration and web based tools and services. Overhead costs have been reduced by hundreds of thousands of dollars and several thousand hours of IT and city staff time has been saved.

GUIDING PRINCIPLES AND/OR INVESTMENT STRATEGY

The following points embrace the long term strategic direction of the IT Department, support our mission and follow IT industry best practices:

- Align IT services with the current and future needs of the city organization and its customers,
- Improve the quality of IT services delivered to the organization, and
- Reduce the long term costs of IT services

Based on this, the following guiding principles have been used to prioritize the IT Department 2006-07 budget:

- 1). Maintenance and support of existing systems (essential):** Approximately 90% of the total proposed IT budget and 87% of our FTE hours. These are critical services that guarantee existing systems function and perform properly. This includes maintenance of the network and server infrastructure, software applications, databases, and workstations; Help Desk services for customer support; data backup and recovery; business continuity planning and

disaster recovery; and security. Essential services also include technology asset management, centralized purchasing, planning, quality control, IT/client relationships, and staff training and development. A portion of our essential work includes application modifications in order to meet changing requirements, such a new council directive or changes in the law, city charter or codes.

- 2). **Improvements of Systems (desirable)**: Approximately 8% of the total proposed IT budget and 10% of our FTE hours. These services are performed if any improvements to existing software applications are needed based on changing business needs. If an existing application no longer meets the business needs of the city or its departments, the application must be changed or replaced. These services ensure that the city stays current in its use of technology, therefore avoiding costly major replacements of out dated technology. Some examples of major upgrades to existing systems include the transition from the mainframe environment to the client-server and web technology used today. For example, when the mainframe was replaced in the late 1990's, every system on it had to be converted to work in the new environment. This multi-year conversion project was costly, yet provided significant cost savings, a strong return on investment, eliminated potential Y2K issues, and provided city employees and departments with enhanced flexibility.

- 3). **Implement New Systems (discretionary)**: Approximately 2% of the total proposed IT budget and 3% of our FTE hours. These are a portion of the projects that have been requested by or are specifically designed for City departments. These services or elements do not exist in the current environment. These projects are new investments in technology to improve services, reduce overhead, and save staff time. Expected financial returns are documented and approved prior to implementing the project. Even still, a portion of these projects can be postponed in the short term without significant impact. As the city's economy recovers and discretionary projects are identified, these project investments must occur to continue to advance the city's use of technology.

CITY COUNCIL GOALS

The IT Department supports several of the city council goals through maintenance and support of the city's technology environment and implementing projects.

Transportation

Network and Telecom Connectivity

IT supports a robust network infrastructure that connects all city departments and staff via email and other electronic communications. This, in addition to conference calling, helps reduce the need for city staff to travel across the city to various meetings.

Nexus Project (a.k.a. server based computing)

One key aspect of this project is that it provides nearly all city computing services over the internet. A city employee can access all their computing resources and tools from their home computer, which needs only an internet connection. No complex software install or

configuration is needed. This environment encourages employees to work from home, therefore reducing traffic congestion and related environmental impacts. Using this technology, it's possible to create a more aggressive telecommuting policy that supports certain city jobs working nearly full time at home.

Bike to Work application

In collaboration with GO Boulder, IT developed an application to track all registrations for Bike to Work Day. This application was then used by the Denver Regional Council of Government (DRCOG) for supporting the Denver region on Bike to Work Day.

Internet Applications and Services

We are continuing to enhance the City's Web site to provide more interactive and transactional services to the public. In addition to signing up and paying for Parks and Recreation classes online and obtaining a variety of permits from Planning and Development Services, new services that will soon be available include payment of parking tickets and utility bills. This continues to help reduce the need for vehicle trips to City offices.

Environmental Sustainability

Use of Web technology to extend workstation life

Shifting away from client/server to Web based technologies will extend the life of our existing workstation inventory. This is due in large part to the reduced memory demands of the web. If a workstation can get to a browser, the application will run. It is far less costly to upgrade servers than workstations.

In addition to web technologies, we are also pursuing several other projects that are focused on extending the useful life of the city's workstations. This will help reduce the city's annual volume of expired equipment and technology waste stream. We are also continuing our effort of selling retired computer equipment to Action Computers. They are a Denver area EPA certified technology reseller/recycler.

Energy Efficient Purchasing

We are continuing the effort of purchasing computer equipment and LCD monitors with the ENERGY STAR rating. This saves energy consumed by the equipment, as well as reducing the heat output thus helping to lower a building's HVAC demands.

Imaging Project, Phase 2

Phase 2 of the Imaging Project is focused on deploying use of the Imaging System to the all city departments. This not only continues to reduce the city's consumption of paper, but also helps to streamline business practices and help city staff more easily find city documents and information.

Economic Sustainability

Shift toward Open Source software

The City's shift toward Open Source software lowers the IT costs of operations while allowing greater control and flexibility (we own the source code). Recent examples in IT's move toward Open Source include phasing out WebSphere (web server platform) in favor of Apache/Tomcat. Other Open Source tools that we are adopting, which include Eclipse (web development tool), Firefox (web browser) and Totos (time management tool) bring significant value to the city.

Integration

In an effort to bring efficient services to the City, we are starting a new integration strategy based on a hub and spoke model. This simplified approach will enable applications to share data quickly, thus allowing IT to easily create new links between our various databases. For example, our joint efforts with Boulder County on address standards and a unified dataset will provide the link point for many application integrations.

Imaging

Expanding use of the imaging application will allow the city to be in control of one of its most important assets, Information. In the past, finding specific information on paper documents has been both too difficult and time intensive, or no one knew where the information existed. The imaging application combined with our new search tool "Bougle" will dramatically reduce the labor costs in finding and retrieving documents.

Measuring Software infrastructure

Software ages and eventually needs to be replaced (recently shown with our utility billing software). IT is launching an effort to determine the useful remaining life of all existing software applications in use at the City. Our goal is to establish a "Software replacement fund" to avoid costly surprises when applications reach end-of-life and can no longer be supported.

Accountability

We are beginning the processes to bring accountability to applications services through the use of "Best practices", service request, project time tracking, time allocated enterprise contracts and priority listings. Through monthly client meetings with departments we will prioritize their needs in an effort to bring higher and timelier value to the organization.

Revenue Systems

IT supports several key systems that bill, receive, track, and manage the City's revenues. These include Sales Tax, Landlink (Building Services System), Assessments, Utility Billing, Parking Tickets, and Parking Permits. Enhancements to our revenues systems that are being pursued included integration of GIS in order to better identifying and map trends, changes and impacts in tax revenues.

Community Sustainability

Youth at risk

This new application tracks services provided by the city to students for treatment or assessment of different issues such things as 'family problems', 'alcohol and drugs' or 'social skills'. This information was previously tracked manually with paper. Each time an interventionist meets face to face or over a phone with his/her client (school children), the information that tracks progress of the issue is readily accessibly and easily referenced by the interventionist.

CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

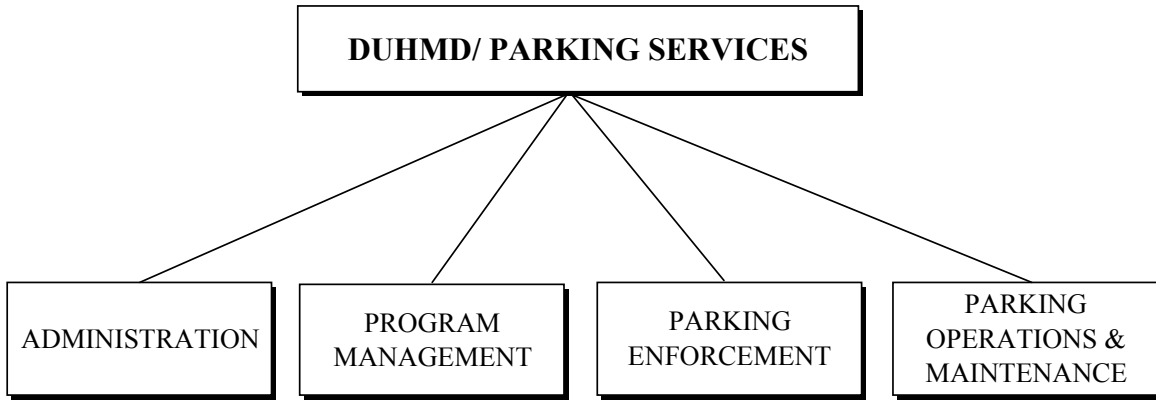
There were no changes to the Information Technology Department's base budget between the 2005 and 2006 approved budgets.

PERFORMANCE MEASURES

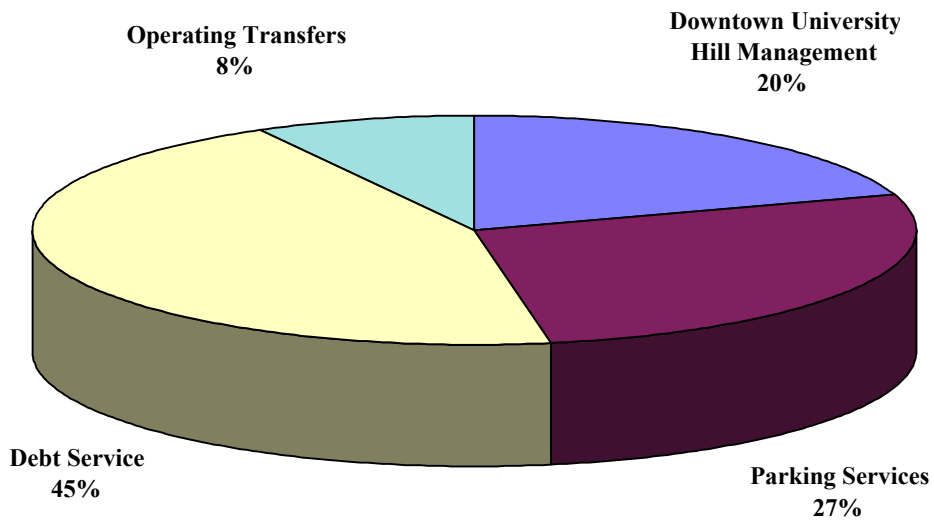
| | Actuals 2004 | Target 2005 | Target 2006 | Target 2007 |
|----------------------------------------------------------------------------------------|-------------------------|------------------------|------------------------|------------------------|
| 1. Percentage of City cost to Market cost (Outside consultant cost) for the following: | | | | |
| a) Applications Support | 42% | <100% | <100% | <100% |
| b) Network Services | 60% | <100% | <100% | <100% |
| c) System Admin Support | 65% | <100% | <100% | <100% |
| 2. Number of help desk calls per PC | 4.35 | 4.0 | 4.0 | 4.0 |

ECONOMIC VITALITY

DOWNTOWN UNIVERSITY HILL MANAGEMENT DIVISION/PARKING SERVICES



2006 BUDGET
\$8,269,538



2006-07 APPROVED BUDGET
DOWNTOWN UNIVERSITY HILL MANAGEMENT DIVISION/PARKING SERVICES

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|----------------------------------|-----------------------------|----------------------------|----------------------------|----------------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| GID Administration | \$ 3,566,880 | \$ 733,325 | \$ 773,377 | \$ 786,669 |
| Operations & Public Information | 89,014 | 116,312 | 118,754 | 120,752 |
| Public Events | 84,350 | 82,879 | 83,792 | 85,239 |
| Community Improvements | 50,075 | 10,000 | 10,000 | 10,200 |
| Economic Vitality | 68,866 | 36,280 | 26,918 | 27,456 |
| Transportation | 606,214 | 702,634 | 639,048 | 651,473 |
| Parking | 0 | 0 | 25,000 | 25,500 |
| Debt Service | 2,487,830 | 3,611,661 | 3,707,143 | 3,710,564 |
| Operating Transfers | 511,539 | 565,040 | 666,470 | 676,467 |
| Parking Enforcement | 652,581 | 659,907 | 661,807 | 672,237 |
| Parking Maintenance/Operations | 858,961 | 1,224,533 | 1,250,565 | 1,272,334 |
| Meter Program | 185,965 | 212,071 | 214,393 | 217,813 |
| Neighborhood Permit Parking | 55,094 | 58,098 | 62,271 | 63,230 |
| Public Information | 35,285 | 30,000 | 30,000 | 30,600 |
| 9th and Canyon | <u>1,471,753</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| TOTAL | \$ <u><u>10,724,406</u></u> | \$ <u><u>8,042,740</u></u> | \$ <u><u>8,269,538</u></u> | \$ <u><u>8,350,535</u></u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 1,865,647 | \$ 2,046,647 | \$ 2,067,773 | \$ 2,098,790 |
| Operating Expenses | 1,445,820 | 1,652,544 | 1,663,084 | 1,696,345 |
| Interdepartmental Charges | 150,533 | 151,848 | 160,067 | 163,269 |
| Capital | 3,936,663 | 15,000 | 5,000 | 5,100 |
| Debt Service | 2,814,204 | 3,611,661 | 3,536,097 | 3,536,097 |
| Non-Recurring Expenditures | 0 | 0 | 171,046 | 174,467 |
| Other Financing Uses | 511,539 | 565,040 | 666,470 | 676,467 |
| TOTAL | \$ <u><u>10,724,406</u></u> | \$ <u><u>8,042,740</u></u> | \$ <u><u>8,269,538</u></u> | \$ <u><u>8,350,535</u></u> |
| <u>BUDGET BY FUND</u> | | | | |
| General | \$ 899,073 | \$ 968,900 | \$ 887,116 | \$ 901,152 |
| CAGID | 9,462,959 | 6,744,947 | 7,055,965 | 7,117,489 |
| UHGID | 362,374 | 328,893 | 326,456 | 331,895 |
| TOTAL | \$ <u><u>10,724,406</u></u> | \$ <u><u>8,042,740</u></u> | \$ <u><u>8,269,538</u></u> | \$ <u><u>8,350,535</u></u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | <u>38.00</u> | <u>40.50</u> | <u>40.50</u> | <u>40.50</u> |
| TOTAL | <u><u>38.00</u></u> | <u><u>40.50</u></u> | <u><u>40.50</u></u> | <u><u>40.50</u></u> |

**2006-07 BUDGET
DOWNTOWN AND UNIVERSITY HILL MANAGEMENT DIVISION/
PARKING SERVICES**

MISSION STATEMENT

We serve the Downtown, University Hill and affected communities by providing quality program, parking, enforcement, maintenance, and alternative modes services through the highest level of customer service, efficient management, and effective problem solving.

BUSINESS PLAN NARRATIVE

Downtown and University Hill Management Division/Parking Services (DUHMD/PS) has participated with all mandatory budget reductions over the past 4-5 years. DUHMD/PS is a city of Boulder division funded through two enterprise funds, CAGID and UHGID and with General Fund dollars. When the local economy began to soften in 2001, revenue projections for the CAGID and UHGID funds were reduced to reflect decreased revenue, and hence reduced expenditures. All General Fund programs in the division have been reduced. All General Fund programs within DUHMD/PS generate revenue for the City of Boulder. Reductions in our program areas can result in a net loss far exceeding the benefit of the cuts. Cuts made have included elimination of the Eco Pass for 800 BID employees outside the CAGID district; eliminated creation of new zones or expansion of existing districts in the Neighborhood Parking Program (NPP); cut all allocations except salary for the citywide permitting and film production position; cut .15 FTE in meter collection; and cuts to Parking Enforcement of .5 FTE and non personnel expenses. Total amounts reduced since 2002 have amounted to over \$125,000, 14% of the 2006 budget.

During 2004 DUHMD/PS generated \$1,819,598 net revenues for the General Fund through parking fees, parking enforcement and permit/rental fees. These revenues do not directly support DUHMD/PS programs and services.

The decline in the local and regional economy has negatively impacted the revenue base of DUHMD/PS. In a proactive measure beginning in 2002, we adjusted CAGID parking revenue estimates downward reflecting a weaker downtown and local economy including 20% downtown office vacancies. And while trimming our expenses in the areas of funding for the Business Improvement District, administration and parking structure maintenance, we have also taken a proactive stance in developing, in partnership with the downtown, parking marketing campaigns as well as new parking product development to generate additional revenues.

However, DUHMD/PS's CAGID fund has been faced with two other significant financial challenges: first, since 2003, the cost of the downtown Eco Pass program has risen 132% and second, the major financial commitment of constructing two, \$13 million dollar parking structures within a 5 year period. Both of these factors, while having a positive impact on the downtown economy, have had a negative financial effect on the CAGID fund. One of the

impacts has been insufficient funding for adequate capital improvements and major maintenance for existing parking structures. The plan is to rectify this situation when substantial debt is paid off in 2007 and additional CAGID revenues are available to invest into our existing structures.

Reallocations and efficiencies have occurred across the funds within DUHMD/PS. Funds for major maintenance in the CAGID parking structures have been reallocated to cover the rising cost of Eco Pass and capital building debt. In addition, CAGID has reduced contract allocations to the Downtown Boulder Business Improvement District. CAGID has attempted to maximize revenue through increased marketing and permit sales. CAGID, UHGID and the GF have cut or reduced all administrative costs including but not limited to training, surveys, studies, and supplies. General Fund cuts have primarily affected non personnel allocations and the other funds in the division have absorbed general fund expenses.

While DUHMD/PS does not have a department master plan, strategies and plans have been developed for both the University Hill (the Hill Business Plan, the Hill Marketing Study and the council-approved Hill Sub Area Plan) and the downtown (the Downtown Alliance plan, the recently completed Downtown Strategic Plan and Best Practices in Parking). Strategies and polices for specific issues and projects, such as EcoPass funding, major maintenance plan for CAGID parking structures, social issues on the mall and parking enforcement, are implemented on a case by case basis through special task forces and studies. In particular, long term, sustainable funding strategies for the downtown Eco Pass Program are underway in coordination with the Transportation Division. The goal is to access the overall mode share and demand in the downtown given the recent development in the downtown, as well as the 20% commercial vacancy rates. Sustainable funding strategies will be developed using the information from these studies through a special task force including downtown representatives.

GUIDING PRINCIPLES AND/OR INVESTMENT STRATEGY

- 1). Essential Services include:** Services that ensure the basic qualities of a healthy, efficient, accessible, and economically viable downtown and University Hill commercial districts are essential to maintaining the commercial infrastructure and fiscally responsible funds. These include parking operations and maintenance, EcoPass program for downtown employees and parking enforcement.
- 2). Desirable Services include:** Services that enhance and promote the quality of life of the commercial centers, bolster economic vitality efforts and encourage economic recovery, and contribute to neighborhood quality of life. These include mall permitting and operations, travel demand management programs other than the Eco Pass program, contract services with the Business Improvement District, parking marketing activities, the NPP program, and proactive measures to stimulate economic recovery and redevelopment such as the Hill Redevelopment workshops, Downtown Strategic Plan, and the conference/convention center.
- 3). Discretionary Services include:** Services that enhance the quality of life but can be provided by other entities. These include school crossings and the Race Series.

CITY COUNCIL GOALS

Environmental Sustainability

Eco Pass - The downtown Boulder employee Eco Pass program is an essential component to the city's transportation master plan and downtown economic vitality by providing Eco Passes to downtown employees. This program reduces single occupancy vehicle trips to the downtown and hence parking demand for employees, and, conversely, creates a greater supply of parking for downtown visitors, clients and customers. DUHMD/PS approaches transportation issues as total access to the downtown. This means that we include all transportation modes when considering how the public gets downtown. Balancing transit, vehicle, pedestrian and bicycle modes creates the total transportation access downtown, i.e. greater transit use reduces the number of vehicles coming downtown and thus the amount of parking needed to ensure a successful environment. It is a financial investment for CAGID because it reduces the need for construction and maintenance of the overall number of parking spaces.

Economic Sustainability

Downtown and University Hill - DUHMD/PS is an active participant with the city's Economic Vitality staff team. Current economic vitality projects include the Downtown Strategic Plan to maintain downtown's competitiveness in light of the 29th Street Project, the potential downtown community-wide conference/convention center feasibility study, support of Downtown Boulder Business Improvement District and Hill Alliance programs, and the Hill business plan and redevelopment strategy. In addition, DUHMD/PS coordinates city services for major events, such as the Boulder Boulder, and for film productions in Boulder, that bring substantial revenues into the city.

Community Sustainability

DUHMD/PS plays a role in sponsoring, supporting and/or collaborating on a variety of community-wide activities, as well as managing and supporting the community resource of the Pearl Street Mall. Both on the hill and downtown, DUHMD/PS is integral to numerous community events such as the Downtown Race Series, CU Homecoming Parade, sponsor of a number of community events such as the CU Welcome Back Festival, Bands on the Bricks, and the Lights of December parade. In addition, DUHMD/PS assists and facilitates community and cultural organizations in planning fairs, festivals, and events in the downtown, on the hill and citywide including the Creek Festival, the Farmers Market and the Jewish Festival.

CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

For a discussion of the changes in the Downtown Eco Pass Program for 2006, please see the City Manager's Budget Message.

PERFORMANCE MEASURES

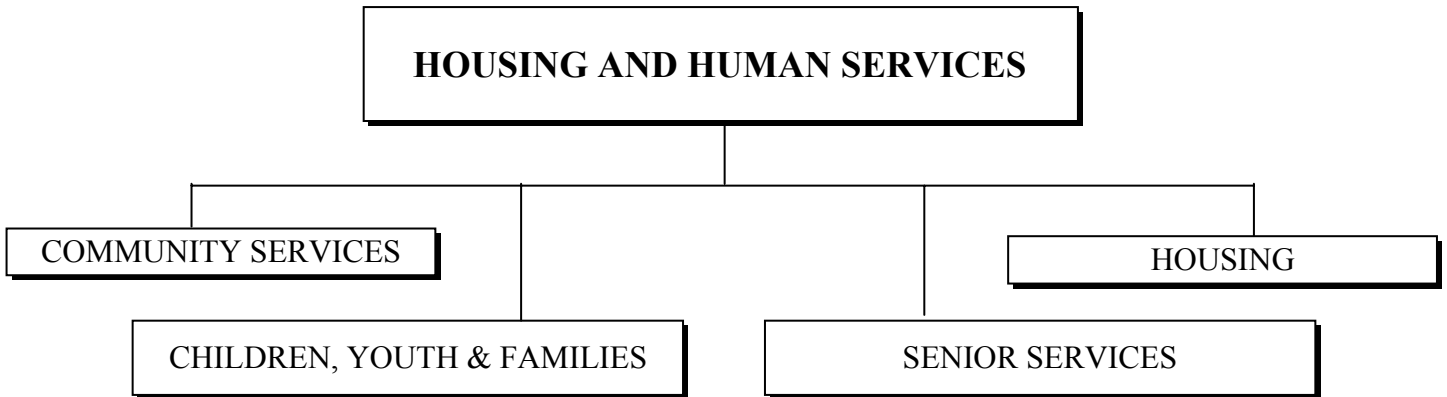
In 2004, DUHMD/PS initiated a survey form for customers to complete and submit at our front desk. We ask questions that will help us evaluate our products, our customer service, our advertising and to determine the impact of our education and outreach programs. We will continue to monitor and update our survey. Results from a few sample questions are included below.

| | Actuals 2004 | Target 2005 | Target 2006 | Target 2007 |
|-------------------------------------------------------------------------------|-------------------------|------------------------|------------------------|------------------------|
| 1. Do you know that the City Parking garages are FREE on Saturday and Sunday? | 85% | 88% | 90% | 91% |
| 2. Are you aware that many downtown businesses validate parking? | 72% | 75% | 80% | 80% |
| 3. Were you satisfied with the service you received? | 98% | 98% | 98% | 98% |
| 4. Are you aware of Meter Keys and Cash Passes? | 64% | 68% | 70% | 72% |

The budget information for Economic Vitality and Urban Redevelopment is located under the tab for Administrative Services in the section titled “City Manager’s Office/City Clerk/Media Relations”.

OPERATIONS

HOUSING AND HUMAN SERVICES

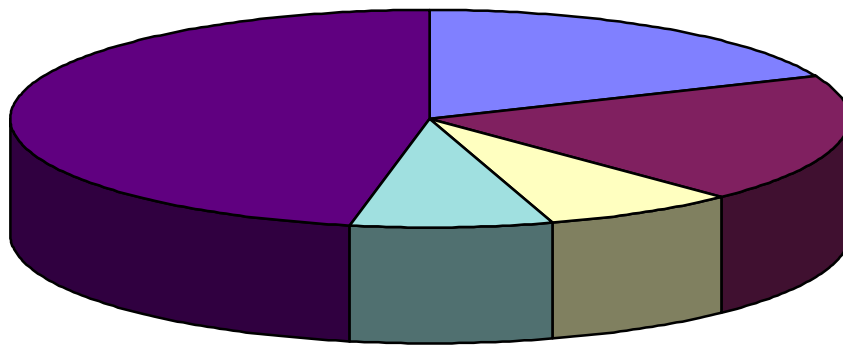


2006 BUDGET
\$13,495,367

**CHAP/HOME/
CDBG/AHF Projects**
46%

Community Services
19%

**Children, Youth &
Families**
19%



Senior Services
8%

**Housing/ Community
Development**
8%

**2006-07 APPROVED BUDGET
HOUSING AND HUMAN SERVICES**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|----------------------------------------------|------------------|------------------|------------------|------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| COMMUNITY SERVICES | | | | |
| Community Services | | | | |
| General Fund Merit Adjustment | \$ 0 | \$ -25,345 | \$ -28,320 | \$ -28,745 |
| Social Planning & Administration | 215,187 | 221,250 | 352,541 | 358,223 |
| Human Services Contract Programs | 1,952,313 | 1,949,387 | 2,014,371 | 2,053,945 |
| Human Rights & Human Relations | 151,375 | 161,282 | 167,986 | 170,770 |
| TOTAL | <u>2,318,876</u> | <u>2,306,574</u> | <u>2,506,578</u> | <u>2,554,193</u> |
| CHILDREN, YOUTH & FAMILIES (CYF) | | | | |
| CYF Division Administration | | | | |
| CYF Division Administration | 204,729 | 217,254 | 208,036 | 211,275 |
| TOTAL | <u>204,729</u> | <u>217,254</u> | <u>208,036</u> | <u>211,275</u> |
| Community Based Services | | | | |
| Community Based Services Admin | 117,422 | 131,662 | 134,157 | 136,237 |
| Child Care Resource & Referral | 162,977 | 162,508 | 149,083 | 151,514 |
| Child Care Assistance Programs | 332,282 | 384,777 | 361,108 | 368,072 |
| Child Care Recruitment & Training | 52,656 | 43,495 | 102,127 | 103,859 |
| Mediation Services | 152,567 | 157,502 | 167,042 | 169,629 |
| Youth Opportunities | 277,440 | 251,000 | 259,000 | 263,652 |
| TOTAL | <u>1,095,345</u> | <u>1,130,943</u> | <u>1,172,516</u> | <u>1,192,963</u> |
| School Based Services | | | | |
| School Based Services Admin | 80,757 | 92,628 | 76,832 | 78,020 |
| Prevention & Intervention Program | 365,817 | 368,775 | 359,212 | 364,570 |
| Family Resource Schools | 427,056 | 491,222 | 481,520 | 489,664 |
| TOTAL | <u>873,630</u> | <u>952,625</u> | <u>917,563</u> | <u>932,255</u> |
| Early Care & Education Council Programs | | | | |
| Early Care & Education Council Programs | 222,600 | 271,200 | 279,200 | 284,515 |
| TOTAL | <u>222,600</u> | <u>271,200</u> | <u>279,200</u> | <u>284,515</u> |
| TOTAL | <u>2,396,304</u> | <u>2,572,023</u> | <u>2,577,316</u> | <u>2,621,008</u> |
| SENIOR SERVICES | | | | |
| Senior Services | | | | |
| Senior Services Administration | 273,843 | 266,463 | 185,378 | 188,259 |
| Facilities Management | 291,201 | 305,882 | 367,409 | 373,467 |
| Nutrition Programs | 68,058 | 79,386 | 79,386 | 80,974 |
| Senior Resource & Referral | 134,214 | 138,249 | 146,320 | 148,551 |
| Senior Recreation Programs | 268,823 | 230,380 | 286,272 | 290,955 |
| TOTAL | <u>1,036,140</u> | <u>1,020,360</u> | <u>1,064,765</u> | <u>1,082,206</u> |
| HOUSING/COMMUNITY DEVELOPMENT | | | | |
| Housing/Community Development/Administration | | | | |
| Funding & Administration | 423,751 | 447,146 | 413,429 | 420,089 |
| Planning & Development Review | 137,796 | 135,497 | 144,947 | 147,121 |
| Asset Management | 107,705 | 107,083 | 72,707 | 133,104 |
| Home Ownership Programs | 119,539 | 149,067 | 88,429 | 89,755 |
| Tenant Services | 54,755 | 8,123 | 8,534 | 8,662 |
| Transfer to Housing Authority | 20,318 | 20,745 | 21,139 | 21,562 |
| Operating Transfers | 47,269 | 206,952 | 154,402 | 156,718 |
| TOTAL | <u>911,133</u> | <u>1,074,614</u> | <u>903,586</u> | <u>977,010</u> |

**2006-07 APPROVED BUDGET
HOUSING AND HUMAN SERVICES**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|-----------------------------------------------|----------------|------------------|------------------|------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| Housing/Community Development/Direct Services | | | | |
| Asset Management | 0 | 0 | 47,334 | 48,044 |
| Home Ownership Programs | 0 | 0 | 75,394 | 76,525 |
| TOTAL | 0 | 0 | 122,728 | 124,569 |
| CHAP/HOME/CDBG/AHF Projects | | | | |
| CHAP/HOME/CDBG/AHF Projects | 11,716,047 | 5,987,244 | 6,320,393 | 6,403,349 |
| TOTAL | 11,716,047 | 5,987,244 | 6,320,393 | 6,403,349 |
| TOTAL | 12,627,179 | 7,061,858 | 7,346,707 | 7,504,928 |
| TOTAL | 18,378,500 | 12,960,815 | 13,495,367 | 13,762,336 |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 3,279,423 | \$ 3,373,249 | \$ 3,604,236 | \$ 3,717,605 |
| Operating Expenses | 10,888,222 | 6,979,303 | 7,368,795 | 7,516,171 |
| Interdepartmental Charges | 153,282 | 185,431 | 193,341 | 197,208 |
| Capital | 0 | 2,000 | 2,000 | 2,040 |
| Debt Service | 2,722,871 | 2,213,880 | 2,172,593 | 2,172,593 |
| Non-Recurring Expenditures | 0 | 0 | 0 | 0 |
| Other Financing | 1,334,702 | 206,952 | 154,402 | 156,718 |
| TOTAL | \$ 18,378,500 | \$ 12,960,815 | \$ 13,495,367 | \$ 13,762,336 |
| <u>BUDGET BY FUND</u> | | | | |
| General | \$ 4,367,715 | \$ 4,417,172 | \$ 4,581,101 | \$ 4,719,970 |
| Affordable Housing Fund | 6,119,456 | 2,461,710 | 2,600,577 | 2,631,438 |
| Community Hsg Asst Prgm (CHAP) | 3,019,271 | 1,562,551 | 1,729,555 | 1,762,464 |
| .15 Cent Sales Tax Fund | 1,503,088 | 1,505,000 | 1,554,000 | 1,583,106 |
| Comm Dvlpmnt Block Grant (CDBG) | 2,052,558 | 2,144,383 | 2,208,558 | 2,227,723 |
| HOME | 1,316,412 | 870,000 | 821,577 | 837,635 |
| TOTAL | \$ 18,378,500 | \$ 12,960,815 | \$ 13,495,367 | \$ 13,762,336 |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | 54.55 | 52.43 | 53.42 | 54.42 |
| Seasonal Temporary FTE's | 4.25 | 4.25 | 4.25 | 4.25 |
| TOTAL | 58.80 | 56.68 | 57.67 | 58.67 |

**2006-07 BUDGET
HOUSING AND HUMAN SERVICES DEPARTMENT**

MISSION STATEMENT

To create a healthy community by providing and supporting diverse housing and human services to Boulder residents in need.

BUSINESS PLAN NARRATIVE

The impact of a decline in City revenue and the resulting budget cuts over the last few years prompted the Department of Housing and Human Services (HHS) to intensify its ongoing search for efficiencies and to find creative solutions to bridging the gap between the cost of achieving the Department's mission and a reduction in City resources to the Department.

One important avenue that HHS has successfully chosen is that of attaining outside funding. The Children Youth and Families division (CYF) has increased its grant funding by 65% since 2002. The Senior Services division (SS) has actively pursued sponsorship for outreach, such as the quarterly magazine and the Senior Focus program on Channel 8, both of which are now entirely self sufficient. The Affordable Housing Fund (AHF) began providing direct service for resale of affordable homes. This service both benefits the community by providing a service at a lower cost than available elsewhere and generates revenue, which covers the cost of the service and supports the ongoing work of securing affordable housing in the City of Boulder. The Department has also developed technological tools and gone through some internal reorganization in order to maximize effectiveness. In the Division of Housing, the development of the Housing Access Link database (HAL) has enabled asset management staff to continue to monitor the growing stock of affordable housing units with no increase in staffing. The Human Services Fund (HSF) and the Youth Opportunities Program (YOP) have implemented two-year funding cycles for community grants to reduce the administrative burden on city staff and community agencies. The creation of a co-directorship of the Department, with two of the Division directors also sharing the responsibilities of HHS Director has resulted in significant savings to the Department.

Nonetheless, the future remains very challenging. Despite efficiencies and increased outside funding, an overall reduction of resources has meant an increased workload for staff, in a climate of increasing community need of human services. Cuts to AHF have slowed the progress towards achieving Council's Affordable Housing Goal. Staff cuts in SS have put additional pressure on the Division, just as issues such as the new Medicare bill are creating greater resource and referral needs for seniors. Resource reductions in direct service programs in CYF significantly impact our ability to provide services to the rapidly growing Spanish speaking community. Besides resource reductions, increased workload burdens arise from new initiatives such as: staffing the Community

Sustainability Goal Committee, creating and staffing the Immigrant Advisory Committee and staffing key City and Community ad hoc committees as the need arises, for example the Community United Against Hate Committee. The requested additions, reallocations and policy issues in HHS strive to address some of these challenges.

As reflected in the business plan, HHS recommends reallocating .25 FTE from the CYF Mediation Program to HHS Department Administration and Planning. Additional planning resources are necessary, above the current .25 FTE dedicated to planning for all of HHS, to implement CYF division work related to the HHS Master Plan and anticipated Community Sustainability work, and to keep current with the workplan. The CYF Mediation Program is operating up to program standards and could continue providing essential and desirable services to the community with this reallocation. HHS does not recommend making any other reallocation of HHS resources, either within the department or from the department to the greater City budget. The main reasons for this are:

Programs/services in the desirable and discretionary columns are still serving a vulnerable population and/or addressing identified community needs. For example, YOP provides some grants for social and recreational purposes. In exchange, youth do community service and these activities provide an alternative to higher risk behaviors.

Some programs/services exist as a package which includes elements in all three categories. An example is the Family Resource Schools program (50% essential, 40% desirable, 10% discretionary), which is funded by HSF, CDBG and Boulder Valley Schools District.

Some of the HHS programs/services are funded through dedicated funding sources and/or funds set up for a particular purpose. One example of this is the housing projects and associated management funded through the CHAP fund.

All of the Housing projects, associated management and some direct Homeownership services are working towards achieving Council's Affordable Housing Goal and helping to ensure that Boulder is able to house its workforce and people with special needs. As an example, the \$738,142 (discretionary) in housing projects, funded by AHF, is primarily serving a population below 70% AMI. Much of this funding comes from cash-in-lieu that is generated through the City's Inclusionary Zoning Ordinance.

Programs/services that are highly leveraged increase the benefit of COB's dollars to the community. The Early Care and Education Council of Boulder County (ECECBC) (desirable) is 100% grant funded, with the exception of minimal in-kind, indirect services from the City. The City, by acting as fiscal agent to ECECBC is able to provide community benefit from this source of revenue for early care and education programs and support City Council's Community Sustainability goal of expanding the availability and affordability of child care.

Programs/services that are discretionary are of significant value to the community and may generate revenue for the City. An example of this is the East Senior Center programs. Though discretionary, they have a cost recovery of approximately 70%. For very modest cost, highly valued services are provided to Boulder Seniors.

GUIDING PRINCIPLES AND/OR INVESTMENT STRATEGY

Guiding Principles:

- Maintain the integrity of the City's Human Services infrastructure by providing and/or supporting programs and services which meet community needs in the following areas:
 - ⇒ Safety net – health and safety
 - ⇒ Prevention and intervention
 - ⇒ Social equity, diversity and human rights
 - ⇒ Services and programs that promote self-sufficiency
 - ⇒ Quality of life enhancement
- Seek out efficiency improvements
- Capitalize on leverage opportunities
- Fulfill current financial obligations

Investment Strategy:

The ten-year update to the HHS Master Plan provides further direction regarding investment strategies for the department. This includes operational and organizational strategies that may impact investment. The strategies are consistent with the city-wide business plan.

Only 26% of the HHS budget comes from the General Fund. The remaining 74% comes from restricted or dedicated funds, including Federal, State and private grants. Some of these funds are received in support of specific programs and cannot be used for any other purpose. HHS strives to maximize leveraged funding, as a way to increase the community benefit of COB dollars, while maintaining flexibility.

HHS serves a vulnerable (at risk and/or low income) population through all of its services and programs, including those that have been listed as desirable or discretionary. HHS also recognizes, as per direction from Council and in support of community values, the importance of having a range and mix of services that contribute to a balanced and diverse community.

HHS Categorization is based on the following:

Essential

- ⇒ Safety net services and programs - meeting basic needs of mental and physical health, food and shelter, crisis intervention and containment -
With a priority focus of residents at 40% AMI or less, residents at 200% national poverty level or less, disabled residents, at risk residents (e.g. of domestic violence, suicide, teen pregnancy, social isolation), etc.
- ⇒ Financial obligations
- ⇒ Barebones maintenance of existing, essential facilities
- ⇒ Core services not provided by any other entity

Desirable

- ⇒ Prevention and intervention services and programs that avoid future social and economic cost to the City and the community – counseling, outreach, education, training, family support -
With a priority focus of meeting the needs of residents up to 70% AMI
- ⇒ Services and programs reflecting community values and supported by ballot initiatives or legislative action of City Council
- ⇒ Services and programs that advance and/or support Council goals and/or Council directed initiatives

Discretionary

- ⇒ Services and programs that enhance quality of life – social, cultural and recreational support that improves the social fabric of the community
- ⇒ Services available through other means
- ⇒ Other community desired programs and services not specifically supported through legislative action or election

HHS Prioritization is based on the following criteria:

Safety net services
Services not available elsewhere
Services available elsewhere but not affordable
Support of legislative action and/or code
Support of Council goals
Council directed initiatives
Consistency with Boulder Valley Comprehensive Plan
Support of regional initiatives or goals

Cost per client served and/or cost/benefit
Efficiency of providing service or program
Available funding and/or leveraged funding

Breadth of community population served

Community capacity building
Court-ordered or referred services
Geographic population served

CITY COUNCIL GOALS

Affordable Housing

The rate of securing permanently affordable units has increased by approximately 250% since the late 1990's to 192 units in 2003, and approximately 202 units in 2004. During 2005, it is anticipated that the Department's Housing Division will secure deed restrictions on at least 60 housing units, in order to preserve them as permanently affordable. While there will be fluctuations in the addition of affordable housing units from year to year, the average annual production of 125 - 150 units is expected to be maintained. Significant progress continues to be made on achievement of the City Council's goal of securing 10% of Boulder's housing inventory as permanently affordable. Under current trends, it is anticipated that there will be 3,400 units of affordable housing in Boulder by 2011, an increase of 1,600 units since 2001 but less than the "vision plan" for 4,500 units. The increased affordable housing inventory includes rental and home ownership units; acquisition of existing housing and new construction; and housing that addresses households with moderate, low and very low incomes.

Community Sustainability

HHS staffs the Community Sustainability Goal Committee (CSGC).

CSGC has identified seven goal areas, all of which will directly impact the department. The committee is completing a strategic workplan which will identify initiatives specific to HHS. Current department programs and services which address this goal area:

Office of Human Rights, Human Relations Commission, Immigrant Advisory Board, Community United Against Hate Committee, representation on the community wide Immigrant Integration Project with the Colorado Trust, participation on community Alcohol Issues Task Force, YOP, Community leadership on addressing the issues in the Youth Risk Behavior Survey, Prevention and Intervention Program, Child Care Certificate Program, Child Care Resource and Referral Program, Child Care Recruitment and Training Program, leadership on ECECBC, leadership on the Knight Foundation Community Advisory Committee (early care and education for low income, Latino children), Senior Services programs, leadership on the Regional Strategic Agenda for Seniors, working with Planning Department staff on: community outreach for update to the Boulder Valley Comprehensive Plan, development of social indicators for Indicators Project/Boulder Valley Comprehensive Plan, development of social impact filters for planning and projects.

Economic

The provision of affordable housing allows Boulder's workforce to live in the community, thereby reducing traffic and air quality impacts and enhancing attractiveness of the community for employers. The provision of child care assistance and child care subsidies allows employers to recruit and retain employees, creating a more stable workforce and self sufficient population. Public child care subsidies indirectly support private sector benefits.

Environmental

HHS funds Longs Peak Energy Conservation to provide energy conservation services to low income residents of Boulder.

All Requests for Proposal (RFP) issued by HHS for capital investment in housing and human services infrastructure include evaluation criteria that place emphasis on environmentally sustainable practices. The new Shelter for the Homeless meets LEEDS Standards and the construction of housing at 55th Street and Baseline, and the Holiday Neighborhood include emphasis on exceeding Green Points as well as installation of sustainable landscaping.

Transportation

The funding of human services facilities and programs for elderly and special needs populations allows these citizens to remain in the community, and makes it possible for them to receive services without having to travel long distances.

HHS has worked with the private sector and the University of Colorado to develop student housing close to CU, in order to address some of the transportation and housing impacts of students on the community.

Partnership efforts with the Transportation Division to jointly develop a transit-oriented development at 30th and Pearl Streets are intended to address all five Council goals by providing high density, environmentally sustainable housing at a key, inter-modal transit hub that is close to much of Boulder's employment base.

CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

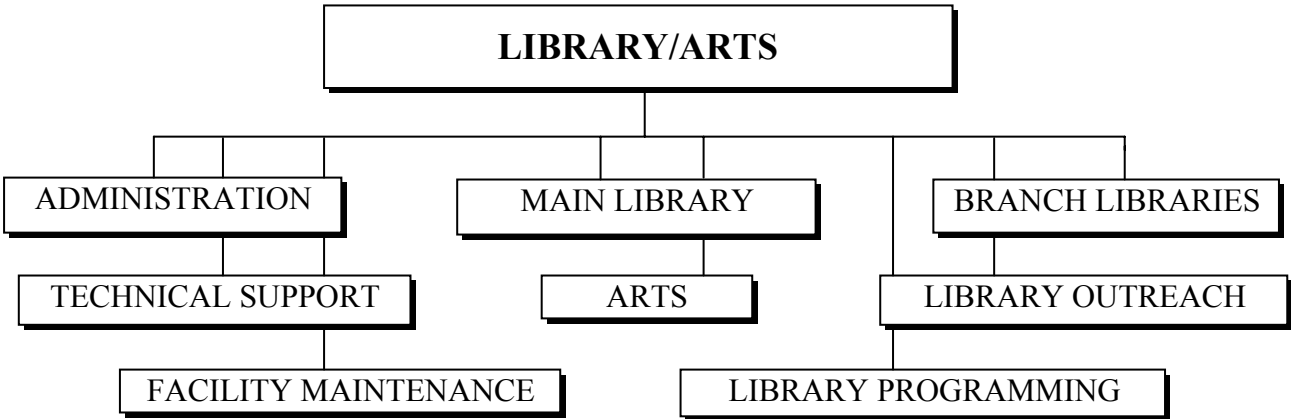
There were no changes to the Housing and Human Services Department's base budget between the 2005 and 2006 approved budgets.

PERFORMANCE MEASURES

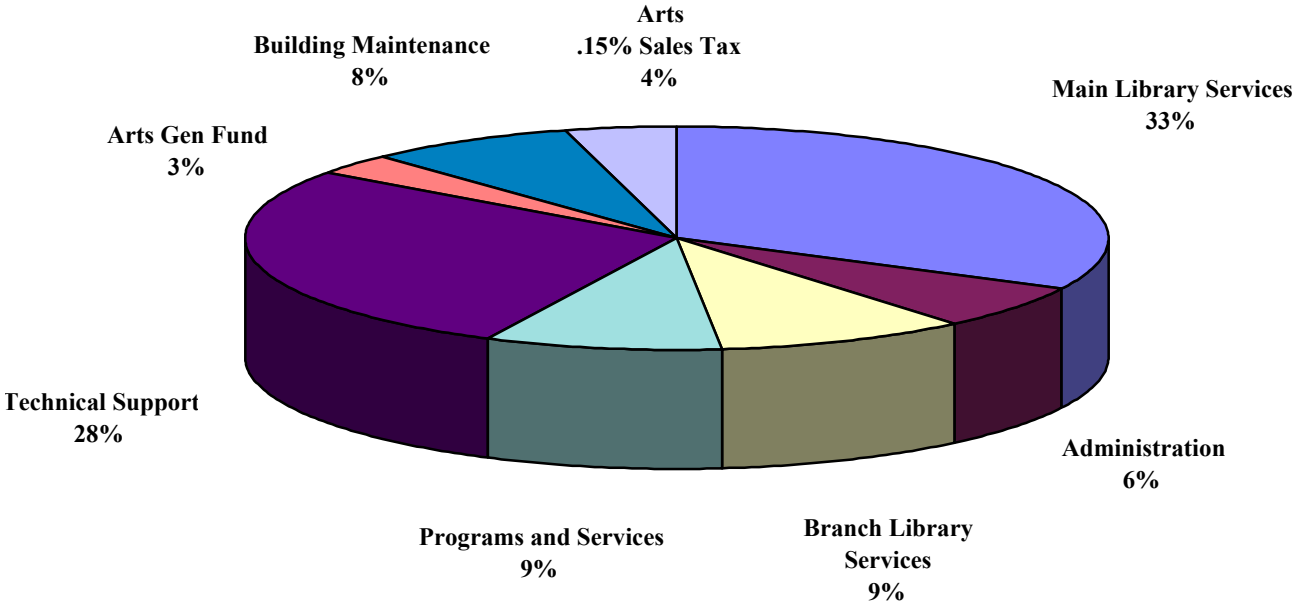
| | Actuals 2004 | Target 2005 | Target 2006 | Target 2007 |
|------------------------------------------------------------------------------------------------------------------------------|-------------------------|------------------------|------------------------|------------------------|
| 1. The number of permanently affordable housing units added to the COB's housing stock on an annual basis | 202 | 125 | 125 | 125 |
| 2. The average percentage of goal attainment on performance objectives set for agencies & projects funded by the HSF* & YOP* | 94% | 80% | 85% | 85% |
| 3. The percent of self-reported customer satisfaction surveys rating HHS services as "satisfactory" or "very satisfactory" | 92% | 80% | 85% | 85% |

* HSF (Human Services Fund); YOP (Youth Opportunities Program)

LIBRARY/ARTS



2006 LIBRARY/ARTS BUDGET \$6,427,937



**2006-07 APPROVED BUDGET
LIBRARY**

| | | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|---------------------------------|-------|------------------------|--------------------------|--------------------------|--------------------------|
| <u>BUDGET BY PROGRAM</u> | | | | | |
| ADMINISTRATION | | | | | |
| Administration | | \$ 429,790 | \$ 389,126 | \$ 410,732 | \$ 416,953 |
| | TOTAL | <u>429,790</u> | <u>389,126</u> | <u>410,732</u> | <u>416,953</u> |
| MAIN LIBRARY SERVICES | | | | | |
| Adult Services | | | | | |
| Adult | | 1,046,186 | 1,044,806 | 1,041,660 | 1,058,643 |
| Young Adult | | 20,258 | 19,979 | 19,721 | 20,017 |
| | TOTAL | <u>1,066,443</u> | <u>1,064,784</u> | <u>1,061,382</u> | <u>1,078,660</u> |
| Childrens Services | | | | | |
| Childrens Services | | 223,722 | 237,510 | 247,434 | 251,150 |
| | TOTAL | <u>223,722</u> | <u>237,510</u> | <u>247,434</u> | <u>251,150</u> |
| Information Services | | | | | |
| Information Services | | 669,355 | 660,174 | 782,381 | 794,119 |
| | TOTAL | <u>669,355</u> | <u>660,174</u> | <u>782,381</u> | <u>794,119</u> |
| | TOTAL | <u>1,959,520</u> | <u>1,962,468</u> | <u>2,091,196</u> | <u>2,123,930</u> |
| BRANCH LIBRARY SERVICES | | | | | |
| Meadows Branch Library | | | | | |
| Meadows Branch Library | | 256,195 | 217,468 | 263,660 | 267,726 |
| | TOTAL | <u>256,195</u> | <u>217,468</u> | <u>263,660</u> | <u>267,726</u> |
| Reynolds Branch Library | | | | | |
| Reynolds Branch Library | | 242,261 | 217,466 | 211,085 | 214,291 |
| | TOTAL | <u>242,261</u> | <u>217,466</u> | <u>211,085</u> | <u>214,291</u> |
| Carnegie Branch Library | | | | | |
| Carnegie Branch Library | | 121,957 | 129,452 | 135,145 | 137,258 |
| | TOTAL | <u>121,957</u> | <u>129,452</u> | <u>135,145</u> | <u>137,258</u> |
| | TOTAL | <u>620,412</u> | <u>564,386</u> | <u>609,889</u> | <u>619,274</u> |
| PROGRAMS AND SERVICES | | | | | |
| Adult Programming | | | | | |
| Film Program | | 33,946 | 30,882 | 31,545 | 32,028 |
| Concert series | | 880 | 13,407 | 26,193 | 26,600 |
| Lectures, Exhibits | | 37,019 | 30,070 | 23,188 | 23,578 |
| Public Information | | 118,079 | 150,031 | 150,816 | 153,408 |
| | TOTAL | <u>189,924</u> | <u>224,390</u> | <u>231,742</u> | <u>235,614</u> |
| Childrens Programming | | | | | |
| Childrens Programming | | 49,810 | 51,248 | 53,349 | 54,152 |
| | TOTAL | <u>49,810</u> | <u>51,248</u> | <u>53,349</u> | <u>54,152</u> |
| Volunteer Services | | | | | |
| Volunteer Services | | 29,021 | 29,634 | 31,283 | 31,758 |
| | TOTAL | <u>29,021</u> | <u>29,634</u> | <u>31,283</u> | <u>31,758</u> |
| Literacy Program | | | | | |
| Literacy Program | | 126,962 | 134,425 | 141,542 | 143,691 |
| | TOTAL | <u>126,962</u> | <u>134,425</u> | <u>141,542</u> | <u>143,691</u> |

**2006-07 APPROVED BUDGET
LIBRARY**

| | | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|----------------------------------|-------|---------------------|---------------------|---------------------|---------------------|
| <u>BUDGET BY PROGRAM</u> | | | | | |
| Special Services | | | | | |
| Special Services | | 20,386 | 35,545 | 37,151 | 37,718 |
| Library Outreach | | <u>60,506</u> | <u>62,595</u> | <u>68,696</u> | <u>69,735</u> |
| | TOTAL | <u>80,892</u> | <u>98,140</u> | <u>105,847</u> | <u>107,453</u> |
| | TOTAL | 476,610 | 537,835 | 563,763 | 572,668 |
| TECHNICAL SUPPORT | | | | | |
| Technical Support Services | | | | | |
| Acquisitions | | 683,774 | 690,503 | 693,531 | 707,083 |
| Collection Org. and Maintenance | | <u>354,101</u> | <u>391,428</u> | <u>357,962</u> | <u>363,441</u> |
| | TOTAL | <u>1,037,875</u> | <u>1,081,931</u> | <u>1,051,493</u> | <u>1,070,524</u> |
| Computer Services | | | | | |
| Computer Services | | <u>564,181</u> | <u>497,919</u> | <u>515,426</u> | <u>524,002</u> |
| | TOTAL | 564,181 | 497,919 | 515,426 | 524,002 |
| Database Services | | | | | |
| Database Services | | <u>136,604</u> | <u>219,984</u> | <u>228,192</u> | <u>232,154</u> |
| | TOTAL | <u>136,604</u> | <u>219,984</u> | <u>228,192</u> | <u>232,154</u> |
| | TOTAL | 1,738,660 | 1,799,835 | 1,795,111 | 1,826,680 |
| BUILDING MAINTENANCE | | | | | |
| Building Maintenance | | <u>456,726</u> | <u>486,019</u> | <u>506,152</u> | <u>515,365</u> |
| | TOTAL | 456,726 | 486,019 | 506,152 | 515,365 |
| | TOTAL | <u>\$ 5,681,719</u> | <u>\$ 5,739,669</u> | <u>\$ 5,976,844</u> | <u>\$ 6,074,870</u> |
| <u>BUDGET BY CATEGORY</u> | | | | | |
| Personnel Expenses | | \$ 3,955,074 | \$ 4,081,448 | \$ 4,302,041 | \$ 4,366,571 |
| Operating Expenses | | 1,529,216 | 1,576,920 | 1,593,502 | 1,625,372 |
| Interdepartmental Charges | | 197,430 | 77,801 | 77,801 | 79,357 |
| Capital | | <u>0</u> | <u>3,500</u> | <u>3,500</u> | <u>3,570</u> |
| | TOTAL | <u>\$ 5,681,719</u> | <u>\$ 5,739,669</u> | <u>\$ 5,976,844</u> | <u>\$ 6,074,870</u> |
| <u>BUDGET BY FUND</u> | | | | | |
| Library | | \$ <u>5,681,719</u> | \$ <u>5,739,669</u> | \$ <u>5,976,844</u> | \$ <u>6,074,870</u> |
| | TOTAL | <u>\$ 5,681,719</u> | <u>\$ 5,739,669</u> | <u>\$ 5,976,844</u> | <u>\$ 6,074,870</u> |
| <u>AUTHORIZED FTE's</u> | | | | | |
| Standard FTE's | | <u>71.40</u> | <u>78.35</u> | <u>78.95</u> | <u>78.95</u> |
| | TOTAL | <u>71.40</u> | <u>78.35</u> | <u>78.95</u> | <u>78.95</u> |

2006-07 BUDGET LIBRARY DEPARTMENT

MISSION STATEMENT

The purpose of the Boulder Public Library is to enhance the personal development of Boulder residents by seeking to meet their information needs, recognizing the benefits to the community of a well-informed public, the individual's capacity for self-improvement, the worth of each person, and the need for human dignity.

BUSINESS PLAN NARRATIVE

Because of changes in the city's economic climate, the library, like all city departments, has been challenged to rethink how it can efficiently and effectively offer quality services to the community. In the last three years the library's operating budget has been reduced by \$816,000, resulting in the loss of almost 14 FTE. Opening all library facilities one hour later each morning and closing the Meadows and Reynolds branch libraries one day a week have had the greatest public impact, yet represent only 17% of the total amount of library reductions made.

Minimizing reduction impacts to the community was a deliberate decision, but it required that 83% of the reductions come from components that affect our ability to maintain quality service, though this is not immediately visible to the public. Examples can be seen in cataloging support, where staffing reductions have resulted in a slower turnaround time for making materials available to the public. Reduced supervisory and managerial support has resulted in greater workload on remaining managers and reduced time available for planning, community outreach, and community coordination opportunities. And, off-desk time, when staff works on collection development and researches emerging information service trends, has had to be significantly reduced to ensure adequate public desk coverage.

The reductions also have demanded that we find more effective ways to provide services at less cost. One way the library has met this challenge is by using a private vendor to sell its outdated and worn library books through the Internet. Revenues realized through this venture have allowed us to sustain the library materials budget. Also, the library has undergone an internal reorganization, an efficiency which has helped with recent staffing losses. Continuing to rethink how we allocate our staff resources has led to further opportunities for patrons to "self-serve" either remotely, through the library's website, or during their library visit. Reallocation of staff resources has also offered opportunities for improvements in the areas of collection development, marketing and customer service, despite reduced staff numbers.

Branch libraries, Main library children's and adult services, and facility oversight have been impacted most by the library's fiscally constrained budget. Branch libraries have seen hours reduced, then partially restored only to experience deeper hourly reductions in a subsequent year. This has resulted in continuing patron confusion about the status of the branch facilities as well as significant branch staff concerns about the future. Reduction impacts at the Main library have resulted in challenges to adequately staff public service desks, particularly when vacation or

other staff leave coverage is required. And the library has identified more than \$500,000 in needed upgrades and renovations at its existing facilities, all of which are currently unfunded.

GUIDING PRINCIPLES AND/OR INVESTMENT STRATEGY

- Providing the public with free and equal access to information is one of the cornerstones of our democratic society. It is primarily through public libraries, found in all urban areas of the country, that this access is provided.
 - The Boulder City Charter established a Library Commission to oversee a central library and branches, as necessitated by growth, and to acquire information resources.
- 1.) Essential Services.** Essential services include basic adult and children information services found in all public libraries, and a central facility to house these services (Main Library). Essential library services include children's and adult fiction and non-fiction materials, reference materials and reference assistance, and basic children's literacy programming such as storytime. Services required to support these direct public services are also categorized as essential. Support service examples include the technology and staffing to select, purchase, catalog, process, and shelve the materials, technology and staffing to allow the public to use and check-out the materials, and support to clean and maintain the facility.
 - 2.) Desirable Services.** Desirable services are enhancements to the essential library services and include additional facilities as needed by growth, outreach programs to ensure equal information access by all community members, and central library programming to allow access to information in alternative forms. Also included are services and programs that contribute to the community's economic vitality. In this role the library functions as one of three community arts venues, offering exhibits, films, concerts and literary discussions.
 - 3.) Discretionary Services.** Discretionary services expand desirable library services and include programs valued by the community, such as Books by Mail, or services that support a more limited segment of the population and are available at more than one library location.

The library's responses to recent budget reductions coincide with the library master plan update process, currently underway. The update process will include a re-examination of all library services, as well as how those services are delivered. The outcomes from the master plan update may change or influence the Essential, Desirable, or Discretionary investment strategies as currently presented.

CITY COUNCIL GOALS

Transportation - Residents have access to significant library information resources and services without using a car. The goal of alternative transportation is supported by Books by Mail, convenient neighborhood branches and electronic information resources available remotely to BPL cardholders via the Internet. In addition, cardholders may borrow from the collections of more than twenty Colorado academic and public libraries through home, work or library Internet connections.

Affordable Housing - Library support of Council's affordable housing goal can be found through satellite libraries initially set up through the library's Cultural Outreach program in three city affordable housing neighborhoods. These libraries now are managed and supported by the individual neighborhood residents.

Environmental Sustainability - Library facilities strive to be as energy-efficient as possible. Examples include the use of day lighting, occupancy sensors to turn off lights when not needed, changing out older light fixtures for low energy use models, and evaporative cooling systems in use at Main and the Reynolds branch facilities.

Economic Sustainability - The core mission of the library is to create a well-informed public, a foundation needed to maintain a strong regional economy. Library reference services provide databases, public instruction and individual support to assist individuals and businesses with their information needs. Skills acquired through the library's literacy service, BoulderReads! allow participants to achieve personal goals in acquiring reading skills, often leading to an increase in their role or contributions in the local workforce.

The library also offers services and programs that support the community's economic vitality: the library functions as one of three community arts venues, offering exhibits, films, concerts and literary discussions which contribute to the city's role as an arts destination.

Community Sustainability - In the library's primary role as a provider of information, free library services allow community members of all incomes, ages and backgrounds to stand on equal footing with regard to information access. As a community center, the library provides spaces for a wide variety of public meetings and public gatherings. The combination of these roles defines the library as a crossroad for diverse members of the community, and a place where all are welcome to pursue their unique needs for library services.

The library also places an emphasis on providing service to diverse populations through outreach efforts, programming and collection development. The library's Cultural Outreach program, Conversations in English, offers non-native English speakers the opportunity to practice their English speaking skills in a small workshop setting. BoulderReads!, the library's adult literacy program, serves a diverse group of adults needing one-on-one literacy instruction, allowing the participants to better function in their work and personal lives. And, improvements to the Spanish language collection have also contributed to an increase in library use by culturally diverse groups.

CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

\$17,030 (.60 FTE) was added to the 2006 Library budget to restore evening hours at the Meadows and Reynolds branch libraries.

PERFORMANCE MEASURES

| | Actuals 2004 | Target 2005 | Target 2006 | Target 2007 |
|-------------------------------------------------------------------------------------------------------------------------|-------------------------|------------------------|------------------------|------------------------|
| 1. Probability that materials or information sought by patrons can be obtained through Boulder Public library services. | 97%* | 88% | 88% | 88% |
| 2. (a) In-house use of conventional information sources (books, videos, tapes) | 1,058,470 circulation | 1,200,000 circulation | 1,200,000 circulation | 1,200,000 circulation |
| (b) Remote use of library resources (remote access to library webpage) | 562,819 remote visits | 480,000 remote visits | 600,000 remote visits | 650,000 remote visits |
| 3. Percent of users who perceive that Boulder Public Library staff provide competent, courteous service | 100%* | 95% | 95% | 95% |
| 4. Number participating in the Library's cultural and educational programming. | 48,802 | 65,000 | 45,000 | 45,000 |
| 5. Attendance at Outreach Program activities by members of diverse communities | 5,237 | 7,500 | 5,000 | 5,000 |

* data from 2004 Library User Survey

**2006-07 APPROVED BUDGET
ARTS**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|----------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| Arts Administration | \$ 40,400 | \$ 43,651 | \$ 45,512 | \$ 46,231 |
| Arts .15% Allocation | 183,375 | 251,000 | 259,000 | 263,872 |
| Major Arts Grants | 71,064 | 71,500 | 73,024 | 74,484 |
| Arts Mini-Grants | 8,390 | 8,000 | 8,000 | 8,160 |
| Theater Guild Assistance | 20,055 | 0 | 21,841 | 22,278 |
| Boulder Arts Center Assistance | 40,285 | 43,717 | 43,717 | 44,591 |
| Space for Dance Assistance | <u>734</u> | <u>21,841</u> | <u>0</u> | <u>0</u> |
| TOTAL | \$ <u>364,303</u> | \$ <u>439,710</u> | \$ <u>451,093</u> | \$ <u>459,616</u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 93,338 | \$ 94,772 | \$ 99,893 | \$ 101,392 |
| Operating Expenses | 233,057 | 344,938 | 351,200 | 358,224 |
| Interdepartmental Charges | 208 | 0 | 0 | 0 |
| Other Financing Uses | <u>37,700</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| TOTAL | \$ <u>364,303</u> | \$ <u>439,710</u> | \$ <u>451,093</u> | \$ <u>459,616</u> |
| <u>BUDGET BY FUND</u> | | | | |
| General | \$ 180,928 | \$ 188,709 | \$ 192,094 | \$ 195,744 |
| .15 Cent Sales Tax Fund | <u>183,375</u> | <u>251,000</u> | <u>259,000</u> | <u>263,872</u> |
| TOTAL | \$ <u>364,303</u> | \$ <u>439,710</u> | \$ <u>451,093</u> | \$ <u>459,616</u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | <u>1.00</u> | <u>1.50</u> | <u>1.50</u> | <u>1.50</u> |
| TOTAL | <u>1.00</u> | <u>1.50</u> | <u>1.50</u> | <u>1.50</u> |

2006-07 BUDGET ARTS DEPARTMENT

MISSION STATEMENT

The mission of the Boulder Arts Commission is to further the development of a dynamic arts community by encouraging artistic innovation, collaboration, public art and organizational stability; to increase awareness of, participation in, and access to the arts as a community-wide resource; to promote multicultural expression and participation in the arts through support of diverse ethnic cultures and artistic aesthetics; to create opportunities for Boulder artists and arts organizations to participate successfully in their communities; to act as an advocate on behalf of the arts in the public and private sectors; and, to foster a creative cultural climate in the community.

BUSINESS PLAN NARRATIVE

City arts funding comes from two sources, the General Fund and a dedicated .15% sales tax, 8% of which goes toward community arts initiatives. Like other Boulder sales tax funded services, arts programs have seen reductions in recent years. Within the General Fund, reductions of over \$40,000 have been sustained, and .15% sales tax revenues have dropped 17% since 2002. During this same period, however, the importance of the arts to the local economy has been recognized.

The quality of life implications of a thriving arts community are apparent, but the financial reasons for supporting the arts are less obvious. An Arts Commission study completed in mid-2002 showed that the arts were a \$19.2 million industry in the community at that time. Nonprofit arts organizations, which spend \$7.9 million each year, leverage a remarkable \$11.3 million in additional spending. This results from arts audiences' event-related expenditures in local restaurants, hotels, retail stores and services. Nationwide, similar studies have shown that the arts are an economically sound investment: a clean industry that attracts audiences, spurs business development, supports jobs and generates revenue for government services.

Recognizing the arts' role in economic vitality, the Arts Commission has responded to recent budget reductions by focusing grant funding on efforts which will position Boulder as a major center known for quality arts offerings. In addition to supporting diverse and professional arts performances, exhibits and works, funding has also included organizational training and resource development for arts groups to enhance business and management skills, with a strong focus on mentorship. Local and regional partnerships with the business community and other arts organizations have been focused on marketing, promotion and coordinated support of the arts.

The Cultural Master Plan, a joint effort of the Boulder Arts Commission, community arts organizations and artists was completed in the fall of 2005, providing a framework for community arts initiatives in the coming years.

GUIDING PRINCIPLES AND/OR INVESTMENT STRATEGY

- To promote and encourage the development and public awareness of, and interest in, the fine and performing arts.
 - To advise the City Council in all matters relating to the artistic and cultural development of the city, to administer the city arts programs as provided by Council ordinance.
- 1.) **Essential Services.** There are no arts services and programs meeting the essential services definition as presented in the City Business Plan.
 - 2.) **Desirable Services.** Desirable Arts services and programs contribute to the local economic vitality, help shape the identity of the community, attract creative talent and enhance the community's quality of life.
 - 3.) **Discretionary Services.** Discretionary Arts services and programs enhance or expand desirable art programs or are programs that benefit a limited population or group.

CITY COUNCIL GOALS

Transportation - Transportation-related public art projects enhance mobility to maintain a livable community. Examples of completed and planned transportation public art projects include the underpass artwork on the east section of the College Avenue, aesthetic elements integrated into the retaining wall between Colorado and Taft, and future enhancements to the pedestrian crossings in the north segment of 28th Street.

Affordable Housing - not applicable

Environmental Sustainability - not applicable

Economic Sustainability - The Arts Department offers services and programs that support the community's economic vitality through grants to community artists, public art services, and arts outreach functions.

Community Sustainability - Direct grants to local artists help keep this diverse population living and working in Boulder. Additionally, many arts grants focus on serving special needs populations and at-risk youth. Arts education grants bring the arts to Boulder Valley school students allowing for a wide variety of enrichment opportunities.

CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

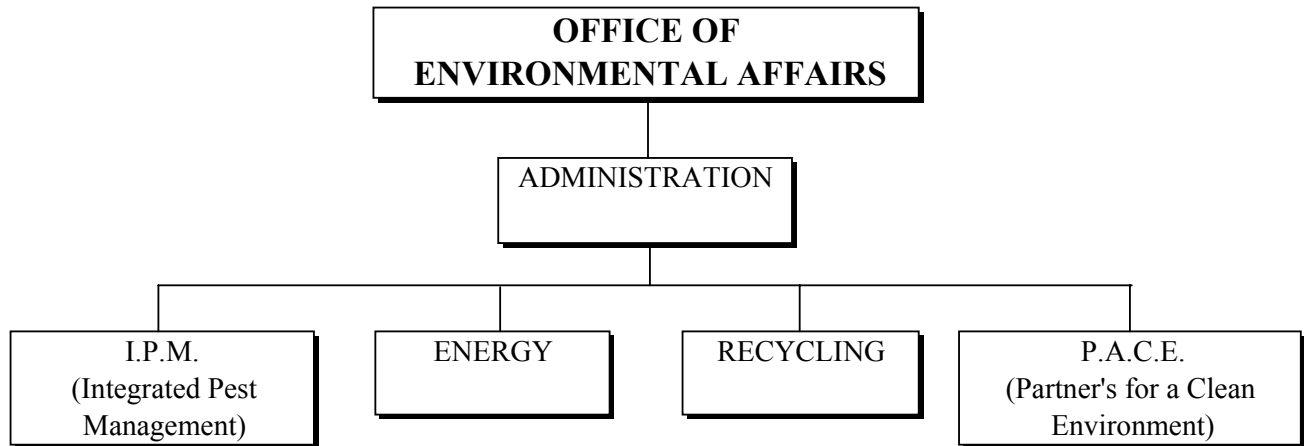
There were no changes to Art's base budget between the 2005 and 2006 approved budgets.

PERFORMANCE MEASURES

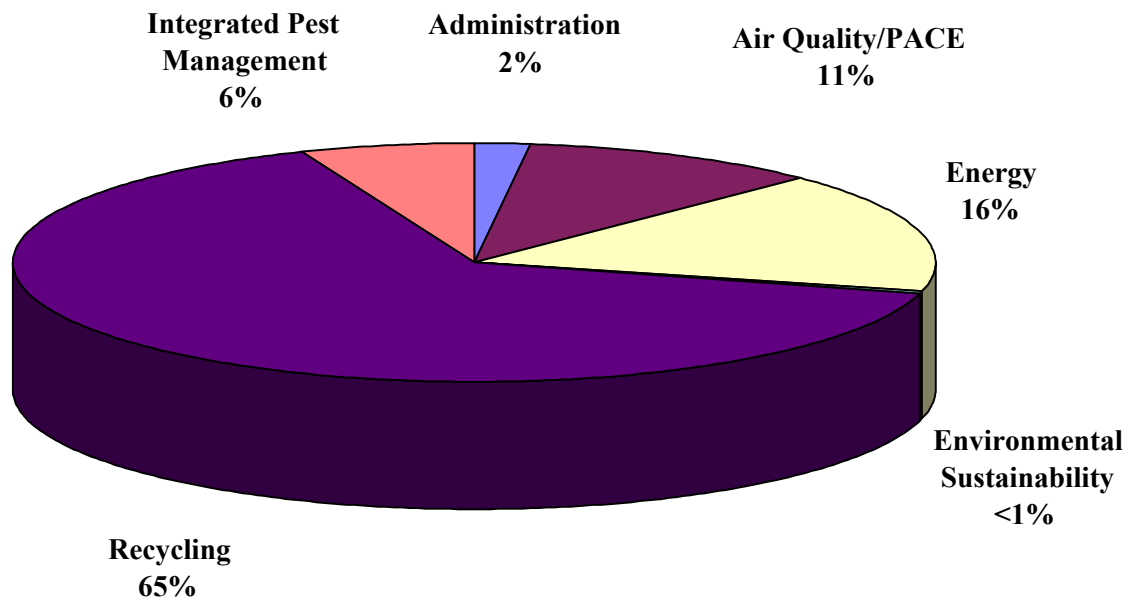
| | Actuals 2004 | Target 2005 | Target 2006 | Target 2007 |
|----------------------------------------------------------------------------------|-------------------------|------------------------|------------------------|------------------------|
| 1. Increase the number of participants registered in the Boulder Arts Resource. | 310 | 375 | 400 | 425 |
| 2. Increase the number of new public art pieces incorporated into City projects. | 4 | 3 | 2 | 2 |

ENVIRONMENTAL SERVICES

OFFICE OF ENVIRONMENTAL AFFAIRS



2006 BUDGET \$1,754,000



**2006-07 APPROVED BUDGET
ENVIRONMENTAL AFFAIRS**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|----------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| Administration | \$ 23,604 | \$ 28,782 | \$ 32,088 | \$ 44,970 |
| Air Quality/PACE | 216,410 | 176,686 | 186,481 | 189,746 |
| Energy | 13,129 | 283,688 | 286,666 | 29,238 |
| Environmental Sustainability | 12,451 | 6,000 | 6,000 | 6,120 |
| Recycling | 885,766 | 1,139,799 | 1,133,279 | 1,154,880 |
| IPM | <u>98,744</u> | <u>101,045</u> | <u>109,486</u> | <u>111,228</u> |
| TOTAL | \$ <u><u>1,250,104</u></u> | \$ <u><u>1,736,000</u></u> | \$ <u><u>1,754,000</u></u> | \$ <u><u>1,536,182</u></u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 346,217 | \$ 462,994 | \$ 475,157 | \$ 401,483 |
| Operating Expenses | 893,479 | 1,267,654 | 1,272,971 | 1,128,710 |
| Interdepartmental Charges | <u>10,407</u> | <u>5,352</u> | <u>5,871</u> | <u>5,989</u> |
| TOTAL | \$ <u><u>1,250,104</u></u> | \$ <u><u>1,736,000</u></u> | \$ <u><u>1,754,000</u></u> | \$ <u><u>1,536,182</u></u> |
| <u>BUDGET BY FUND</u> | | | | |
| General | \$ 1,009,141 | \$ 1,485,000 | \$ 1,495,000 | \$ 1,260,209 |
| .15 Cent Sales Tax Fund | 240,963 | 251,000 | 259,000 | 275,972 |
| TOTAL | \$ <u><u>1,250,104</u></u> | \$ <u><u>1,736,000</u></u> | \$ <u><u>1,754,000</u></u> | \$ <u><u>1,536,182</u></u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | <u>4.00</u> | <u>6.00</u> | <u>6.00</u> | <u>6.00</u> |
| TOTAL | <u><u>4.00</u></u> | <u><u>6.00</u></u> | <u><u>6.00</u></u> | <u><u>6.00</u></u> |

**2006-07 BUDGET
CITY MANAGER'S OFFICE
OFFICE OF ENVIRONMENTAL AFFAIRS**

MISSION STATEMENT

To guide the community and city organization in protecting the quality of our environment by reducing pollution, curbing resource consumption and promoting sustainable practices.

BUSINESS PLAN NARRATIVE

Budget History

Since 2001, the budget for the Office of Environmental Affairs has changed considerably. In 2001, a Trash Haulers Recycling ordinance was passed allowing the curbside recycling program to be privatized by regulations requiring private sector trash haulers to provide curbside recycling services. This saved the city approximately \$700,000 and allowed for the re-allocation of Trash Tax revenues for other waste reduction programs including creation of the Center for Hard-to-Recycle Materials, business recycling incentives and a Business Recycling Coordinator position.

In 2002, City Council approved a reduction strategy for the .15 cent sales tax Environmental Fund, removing \$40,000 from the Environmental Affairs allocation, and in response to evolving priorities, Trash tax revenues were reallocated for portions of the Partners for a Clean Environment (PACE) program. In addition, \$87,000 of Trash Tax funds was re-allocated for personnel costs for PACE and in order to support expansion of alternative energy and Integrated Pest Management programs.

In 2004, as part of the City Manager's 4-year reduction plan, the Director of Environmental Affairs position was eliminated. With no Director's position, the Office of Environmental Affairs formed a self-managed work group with a rotating Team Lead. The 2004 reductions also approved by City Council for OEA included the elimination of all General Fund subsidies not associated with Trash Tax revenues. Together, these reductions resulted in a General Fund budget reduction to OEA of \$225,529.

Finally, as part of the 2005 budget, Council approved increasing the Trash Tax by \$468,000 in 2005, with \$258,000 dedicated to greenhouse gas emissions reduction. The remaining \$210,000 of the Trash Tax increase is dedicated to waste reduction programs to reach the city's 50% waste reduction goal.

Master Planning

The Office of Environmental Affairs is in the process of developing a Master Plan for Waste Reduction (MPWR), which includes a current plan, an action plan, and a vision plan. In addition, staff is developing a draft Climate Action Plan, given limited funding appropriated for Greenhouse Gas Emissions Reduction Planning activities. This MPWR and the draft Climate Action Plan will be merged into a larger Master Plan for the Office

Environmental Affairs, a draft of which is expected by the end of the year. Discussed in the draft Master Plan for Waste Reduction is the following Trash Tax investment strategy:

The city's investment strategy for the Trash Tax focuses on building infrastructure by providing convenient programs and services that further waste reduction but are not initially viable for the private sector to provide. Programs and services are designed to be "spun off" when either the economic motivators or the desires of the program participants have shifted sufficiently to allow the private sector to take over. Sometimes this shift requires enabling legislation to ensure a level playing field between private sector companies.

In all instances, the general investment strategy is for the city to only provide programs that protect the environmental health and safety of the community, always giving preference to cooperative ventures with for-profit and non-profit organizations above sole municipal control.

The philosophy guiding programs and services in the Current Plan [or "fiscally constrained plan" in the Master Plan for Waste Reduction] is to continue to do what has worked well and has been successful, taking particular care to maintain the many successful public-private partnerships that have been fostered in Boulder. However, while it is important to maintain existing programs insofar as they are effective, it is also important that the city audit and analyze the efficiency of programs and when possible, restructure or eliminate those that do not adequately serve the community.

As part of the 2005 budget process, Council approved increasing the Trash Tax partly to look at ways to restructure Spring Clean-up, a costly but popular annual program. Toward this end, beginning in April and running through November 2006, 2400 Boulder households will participate in a pilot residential composting collection program designed to potentially replace Spring Clean-up and the Fall Leaf Drop-off program. Also in 2006, a public process will be conducted relating to attitudes about changes to the Spring Clean-up program. Staff will report back to Council with options as pilot program results become available.

No new funding is being requested, but in 2007 and beyond there may be cost savings and increased recycling associated with a new program.

GUIDING PRINCIPLES AND/OR INVESTMENT STRATEGY

The budget for the Office of Environmental Affairs (OEA) is comprised of \$1,495,000 from the General Fund - Trash Haulers' Occupation Tax revenues and \$259,000 from a portion of the .15% Sales Tax Environmental Fund. OEA uses this funding to address

needs in the community, seeking opportunities for cost-effective and equitable programs to achieve City Council objectives and by leveraging outside programs and funds when appropriate.

- 1.) **Essential services** include financial management, administration, West Nile Virus Administration and Education (90% essential), and state Weed Law implementation. These services encompass components of programs that address public health, state legal responsibilities, as well as legal and professional responsibilities within the city organization for employee and financial management.
- 2.) **Desirable services** are those which address community values and quality of life improvements and that are not obtainable through other means. The main program areas include: maintaining and expanding community recycling options, reducing greenhouse gas emissions, maintaining Boulder's leading edge status in green building, and reducing chemical use and pest problems through integrated pest management.
- 3.) **Discretionary services** contribute to but are not essential to achieving City Council goals and OEA objectives. Services in this category include electronics recycling, oversight of the public power feasibility study, and staff participation in the Urban Wildlife Management Plan.

CITY COUNCIL GOALS

The Office of Environmental Affairs' mission mirrors the City Council Environmental Goal, and contributes to the Economic Sustainability and Affordable Housing goals. The OEA work plan for 2006 revolves around advancing the city environmental goal in the following areas:

- **Energy** - Several OEA programs or projects improve the quality and efficiency of Boulder homes and commercial buildings, save the community money on energy costs, and reduce global emissions associated with energy use and transportation. Programs and assistance are available to a broad spectrum of the community. To extend the city's reach, program funding and rebates are leveraged from several external sources.
- **Sustainability** - OEA staff coordinates the city organization's integrated pest management policy and programs. OEA staff participates in interdepartmental wildlife management efforts as well as the interdepartmental effort to identify and report on the status of key Sustainability Indicators. The Boulder Valley Comprehensive Plan goals provide guidance for these indicators which help to provide a measure of the city's progress toward environmental leadership.
- **Reuse, Recycling and Pollution Prevention** - OEA and community partners facilitate programs and services that reduce the volume and toxicity of waste sent to the landfill, and directly reduce air and water pollution. Focus areas for 2006 include organic waste composting, commercial recycling, and construction and demolition debris reuse and recycling.

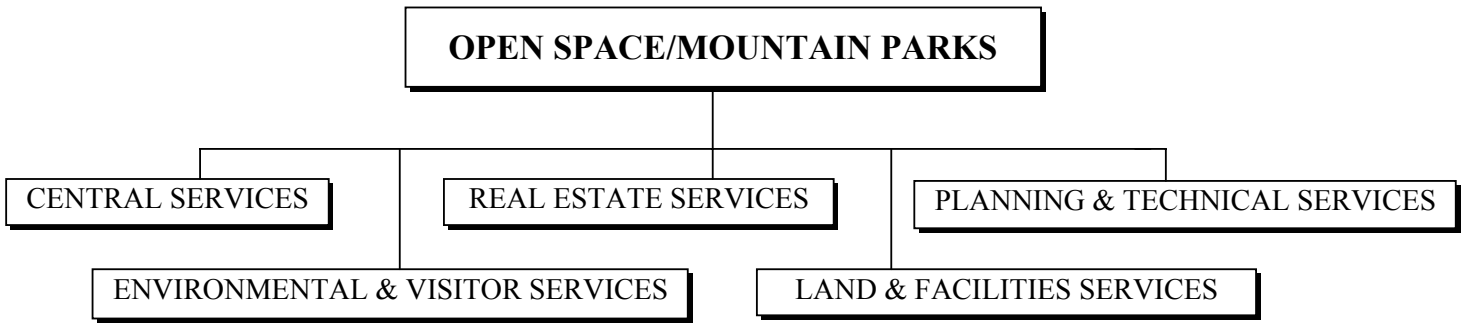
CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

There were no changes to the Office of Environmental Affairs base budget between the 2005 and 2006 approved budgets.

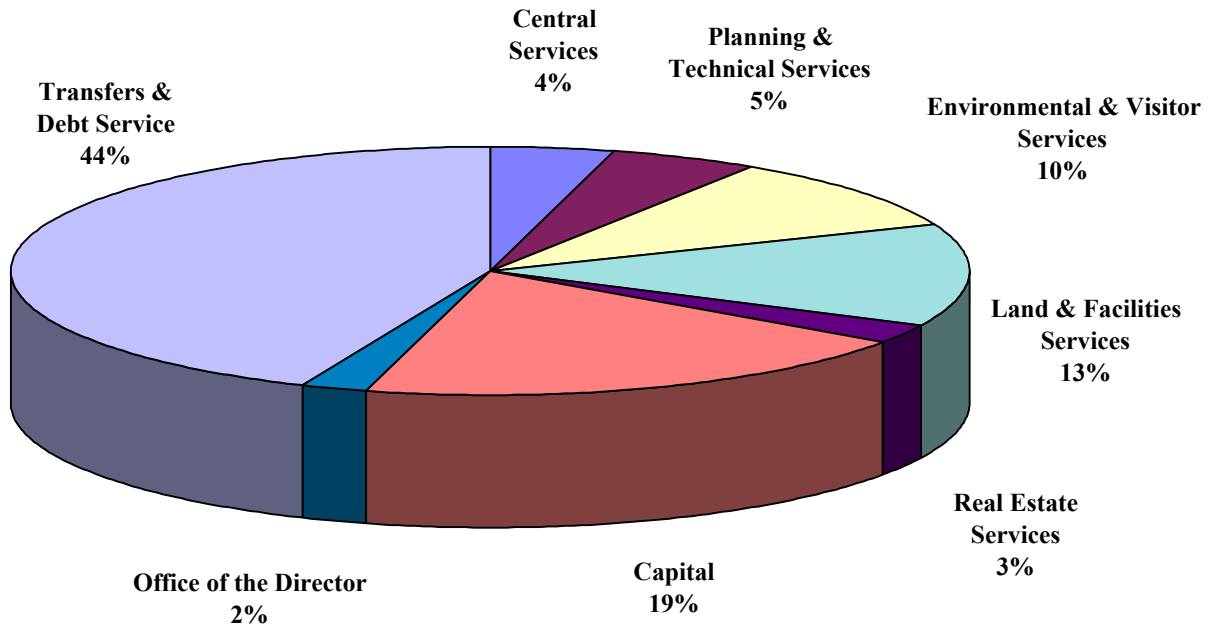
PERFORMANCE MEASURES

| | ACTUALS 2004 | TARGET 2005 | TARGET 2006 | TARGET 2007 |
|------------------------------------------------------------------------------------------|-------------------------|------------------------|------------------------|------------------------|
| 1. Residential waste reduction | 49% | 50% | 65% | 70% |
| 2. Commercial waste reduction | 17% | 25% | 40% | 50% |
| 3. Energy (commercial): number of commercial properties' lighting installations | 11 | 10 | 10 | 10 |
| 4. Energy (residential): - Number of solar hot water installations | n/a | 10 | 10 | 10 |
| - Number of weatherization projects | n/a | 10 | 10 | 10 |

OPEN SPACE/MOUNTAIN PARKS



2006 BUDGET \$22,847,171



**2006-07 APPROVED BUDGET
OPEN SPACE/MOUNTAIN PARKS**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|--------------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| OFFICE OF THE DIRECTOR | | | | |
| Office of the Director | \$ 247,577 | \$ 511,923 | \$ 526,745 | \$ 536,268 |
| | <u>247,577</u> | <u>511,923</u> | <u>526,745</u> | <u>536,268</u> |
| CENTRAL SERVICES DIVISION | | | | |
| CSD-Divisional Services | 108,102 | 111,473 | 121,557 | 123,450 |
| Support Services | 469,309 | 493,982 | 560,500 | 569,727 |
| Financial Mgmt Services | 175,191 | 204,722 | 214,898 | 218,232 |
| Media Services | 78,544 | 80,793 | 81,261 | 82,490 |
| | <u>831,146</u> | <u>890,970</u> | <u>978,216</u> | <u>993,899</u> |
| REAL ESTATE SERVICES DIVISION | | | | |
| Real Estate Services | 542,734 | 569,031 | 594,433 | 603,539 |
| | <u>542,734</u> | <u>569,031</u> | <u>594,433</u> | <u>603,539</u> |
| PLANNING & TECHNICAL SERVICES DIVISION | | | | |
| PTSD-Divisional Services | 139,929 | 115,469 | 121,311 | 123,241 |
| Planning Services | 358,541 | 393,298 | 547,199 | 556,301 |
| Technical Services | 464,553 | 448,520 | 460,312 | 468,109 |
| | <u>963,022</u> | <u>957,287</u> | <u>1,128,822</u> | <u>1,147,651</u> |
| ENVIRONMENTAL & VISITOR SRVCS DIVISION | | | | |
| EVSD-Divisional Services | 92,210 | 94,792 | 103,275 | 104,834 |
| Resource Conservation & Education Outreach | 890,491 | 963,369 | 1,078,988 | 1,096,079 |
| Ranger Naturalist Services | 739,394 | 759,141 | 1,006,667 | 1,022,386 |
| | <u>1,722,095</u> | <u>1,817,302</u> | <u>2,188,930</u> | <u>2,223,299</u> |
| LAND & FACILITIES SERVICES DIVISION | | | | |
| LFSD-Divisional Services | 84,830 | 92,401 | 99,080 | 100,578 |
| Resource Operations Services | 590,563 | 620,045 | 727,821 | 739,464 |
| Maintenance Operations Services | 1,198,611 | 1,240,433 | 1,402,485 | 1,426,061 |
| Project Management Services | 604,006 | 660,571 | 830,557 | 845,314 |
| | <u>2,478,010</u> | <u>2,613,451</u> | <u>3,059,943</u> | <u>3,111,416</u> |
| CAPITAL | | | | |
| Capital | 2,980,857 | 4,218,828 | 4,422,828 | 4,511,285 |
| | <u>2,980,857</u> | <u>4,218,828</u> | <u>4,422,828</u> | <u>4,511,285</u> |
| TRANSFERS AND DEBT SERVICE | | | | |
| Operating Transfers | 793,249 | 754,793 | 726,134 | 737,026 |
| Debt Service (BMPA) | 3,144,320 | 2,811,796 | 2,939,052 | 2,939,052 |
| Debt Service (Non-BMPA) | 6,464,914 | 6,472,469 | 6,282,068 | 6,282,068 |
| | <u>10,402,484</u> | <u>10,039,058</u> | <u>9,947,255</u> | <u>9,958,147</u> |
| TOTAL | \$ <u><u>20,167,924</u></u> | \$ <u><u>21,617,850</u></u> | \$ <u><u>22,847,171</u></u> | \$ <u><u>23,085,504</u></u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 5,102,167 | \$ 5,289,164 | \$ 6,111,588 | \$ 6,203,262 |
| Operating Expenses | 1,086,010 | 1,377,800 | 1,672,500 | 1,705,950 |
| Interdepartmental Charges | 507,634 | 511,000 | 511,000 | 521,220 |
| Capital | 3,069,629 | 4,400,828 | 4,604,828 | 4,696,925 |
| Debt Service | 9,609,235 | 9,284,265 | 9,221,121 | 9,221,121 |
| Other Financing Uses | 793,249 | 754,793 | 726,134 | 737,026 |
| TOTAL | \$ <u><u>20,167,924</u></u> | \$ <u><u>21,617,850</u></u> | \$ <u><u>22,847,171</u></u> | \$ <u><u>23,085,504</u></u> |

**2006-07 APPROVED BUDGET
OPEN SPACE/MOUNTAIN PARKS**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|---------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| <u>BUDGET BY FUND</u> | | | | |
| General | \$ 104,792 | \$ 111,177 | \$ 112,514 | \$ 114,202 |
| Lottery | 434,601 | 268,828 | 272,828 | 278,285 |
| Open Space | 19,628,530 | 21,237,846 | 22,461,829 | 22,693,017 |
| TOTAL | \$ <u><u>20,167,924</u></u> | \$ <u><u>21,617,850</u></u> | \$ <u><u>22,847,171</u></u> | \$ <u><u>23,085,504</u></u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | 70.50 | 69.00 | 77.58 | 77.58 |
| Seasonal Temporary FTEs | 13.00 | 13.00 | 13.00 | 13.00 |
| TOTAL | <u><u>83.50</u></u> | <u><u>82.00</u></u> | <u><u>90.58</u></u> | <u><u>90.58</u></u> |

**2006-07 BUDGET
OPEN SPACE & MOUNTAIN PARKS DEPARTMENT**

MISSION STATEMENT

The Open Space & Mountain Parks Department preserves and protects the natural environment and land resources that characterize Boulder. The Department fosters appreciation and use that sustain the natural values of the land for current and future generations.

BUSINESS PLAN NARRATIVE

The Open Space & Mountain Parks Department, as with other City departments, has been impacted by the declining sales/use tax revenues. In 2002 OSMP made one-time spending reductions of \$2,950,000 in its land acquisition program and \$711,000 in operations in response to declining sales/use tax revenues. The reduction of \$2,950,000 in the land acquisition program meant that a significant portion of the real estate acquisition program could not be achieved in 2002. In addition, on-going CIP base budget reductions of \$300,000 and on-going operating base budget reductions of \$1,000,000 were enacted in 2002. This total reduction of \$4,961,000 represented 23.3 percent of the 2002 approved budget. In 2003, OSMP reduced future projected Fund Balance by \$1,863,000 because of reductions in projected sales/use tax revenue and planned Department expenditures were reduced accordingly; recognized an increase of \$176,000 in projected lease and investment income; and made on-going operating spending reductions of \$1,818,000. Salary savings for standard employees were realized by keeping 6.5 FTEs vacant and for non-standard employees by funding the Junior Ranger program at 50 percent and eliminating most of the seasonal employee funding. This caused standard employees to assume tasks in the field that seasonal employees would normally perform in the summer. Seasonal employees are a valuable resource to OSMP as they assist in trail maintenance and construction and educational programs. Reductions in 2003 totaled \$3,505,000 or 17.4% of the OSMP approved budget. In 2004, the 6.5 FTEs that were vacant in 2003 were cut, including an OSMP funded position in the Fire Department. These cuts represented an 8.4 percent reduction in staffing and resulted in a reduction of \$382,645 of personnel expense. Also in 2004, OSMP reduced planned spending at mid-year by \$627,000 in response to actual revenue being realized at a level less than projected.

In April 2005 the City Council approved the OSMP Visitor Master Plan. The development of this Plan included considerable community involvement and the expression by the community that certain activities of the Department were of a very high priority. Although not strictly defined as "Essential Services" within the Business Plan template, both Council and the Department consider the community's priority activities as highly desirable. Among these activities are an enforceable voice and sight program for dogs and maintenance of visitor infrastructure. To this end, the voice and sight dog-tag program is being expedited for implementation in 2006 and additional capital funding is requested for visitor infrastructure maintenance starting in 2005. In addition, sufficient

funds are available to meet the aggressive acquisition policy established by the Open Space Board of Trustees and City Council in 1999 and 2001.

GUIDING PRINCIPLES OR INVESTMENT STRATEGY

- 1.) **Essential Services** include the Charter goals of land acquisition for open space and mountain parks; preservation and restoration of open space and mountain parks land to protect unusual, spectacular, historically important and valuable terrain, geologic formations, flora and fauna. Other Charter goals include preservation of water resources by purchase of water rights; shaping the development of the City; limiting urban sprawl through land acquisitions; and preserving land for its aesthetic or passive recreational value and its contribution to the quality of life of the community. In addition to attaining Charter goals, the Department must comply with local, state and federal laws and regulations; for example, state weed laws and dam safety regulations.
- 2.) **Desirable Services** include enforcement of City code requirements including dog management, parking on Flagstaff Mountain and trailhead curfews. In April 2005, the City Council approved the Visitor Master Plan establishing long-term policies and practices designed to improve the visitor experience on OSMP land. Additionally, OSMP is guided by the adopted Boulder Valley Comprehensive Plan, the Open Space Long Range Management Policies and resource management plans including Forest Ecosystem Management Plan and the Grasslands/Black-tailed Prairie Dog Plan. All of the plans require that the Department take specific actions for implementation and management.
- 3.) **Discretionary Services** include management of third tier prairie dog issues which include relocation of prairie dogs from private property in the City to other sites. This relocation is no longer being performed as it is no longer feasible.

CITY COUNCIL GOALS

Environmental Sustainability

The OSMP Department supports the City Council goal of Environmental Sustainability, including environmental priorities of pesticide reduction, habitat preservation, water quality, waste reduction and energy efficiency. Adoption of the Visitor Master Plan has set the groundwork to improve access to and management of the land and to address conflicts among members of Boulder's recreational and environmental communities.

- Pesticide Reduction is achieved through Integrated Pest Management (IPM) which considers and utilizes all measures available to control identified pests. IPM evaluates each control method and uses the one that affects other species and the environment the least while providing effective control. Chemicals are always the last alternative.

- Cultural control practices are utilized on OSMP agricultural land. These practices include early cutting of alfalfa fields for weevil and weed control; tilling fallow cropland; planting cover crops as a weed control measure before a reclamation project; and attention to crop selection and crop rotation.
- Biological controls are in place in cooperation with the University of Colorado by using three insect species that attack diffuse knapweed.
- Mechanical controls such as pulling, cutting and digging are widely used on OSMP land by standard and seasonal staff as well as Junior Rangers, volunteers and neighborhood groups. Prescribed fires are also used to suppress weed species in grasslands and forests as well as along irrigation ditches.
- Habitat Preservation is a Charter goal. Monitoring includes mapping and assessing natural ecosystems on OSMP land.
- Water Quality is maintained by OSMP managing water resources including riparian forests, stream banks, wetlands and springs, as well as water rights in irrigation ditches and reservoirs and management of agricultural practices. OSMP has worked to improve water quality by reducing pesticide use; enhancing minimum stream flows; reducing soil erosion through trail reconstruction and relocation projects; and making run-off water quality improvements along the Boulder Feeder Canal.
- Waste Reduction is achieved by “deconstructing” irreparable structures and improvements and salvaging all reusable building materials. In 2005 after acquiring the City Limits property, OSMP deconstructed the office building and donated materials to Resource 2000 and Habitat for Humanity.
- Energy Efficiency is achieved by closely monitoring vehicle usage. Car-pooling and vehicle sharing has reduced the total number of vehicles in the Department. The Department has acquired two hybrid gas/electric vehicles to reduce costs and pollution, as well as increasing miles per gallon.

Community Sustainability

Annually, OSMP recruits and trains a diverse cadre of youth for its Junior Ranger program which provides job skills, leadership training and environmental awareness to all participants. OSMP also provides opportunities for youth through its partnerships with the Americorps, Third Way and Cedars programs.

CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

As part of the 2006-07 Approved Budget, a total of \$693,200 in additions was approved in 2006 budget for the VMP. Of the total additions, \$623,200 (7.33 FTEs) are for

ongoing funding to implement the Action Plan portion of the VMP and includes \$115,000 for dog management; \$110,000 for monitoring, including monitoring the dog management strategy; \$66,000 for visitor infrastructure; \$70,000 for education and outreach; \$75,000 for additional ranger costs associated with the VMP exclusive of dog management; \$100,000 for repairs and maintenance on existing facilities including buildings and bridges; \$69,000 for continuation of fixed term positions for water resources, integrated pest management and coordinating volunteer projects; and \$18,200 for grant consulting and volunteer and media support.

In addition to the ongoing funding for the VMP, \$70,000 was approved for one-time requests: one fixed term position to assist in the construction and installation of signs and funding for a .50 seasonal position to provide administrative support issuing dog tags and managing the related database.

Open Space also had approved \$35,000 in ongoing 2006 budget additions not directly related to the VMP. These include \$10,000 required for the Resource Conservation programs related to Chronic Wasting Disease and \$25,000 to cover the costs of a Boulder County jail crew to provide manual labor on OSMP property.

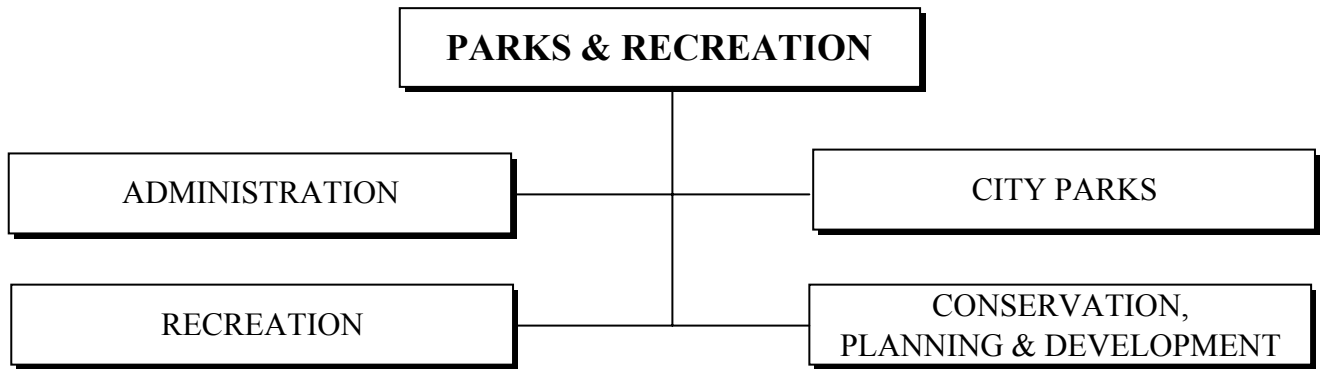
Lastly, \$36,000 in one-time budget additions not directly related to the VMP was approved for safety related equipment and materials.

PERFORMANCE MEASURES

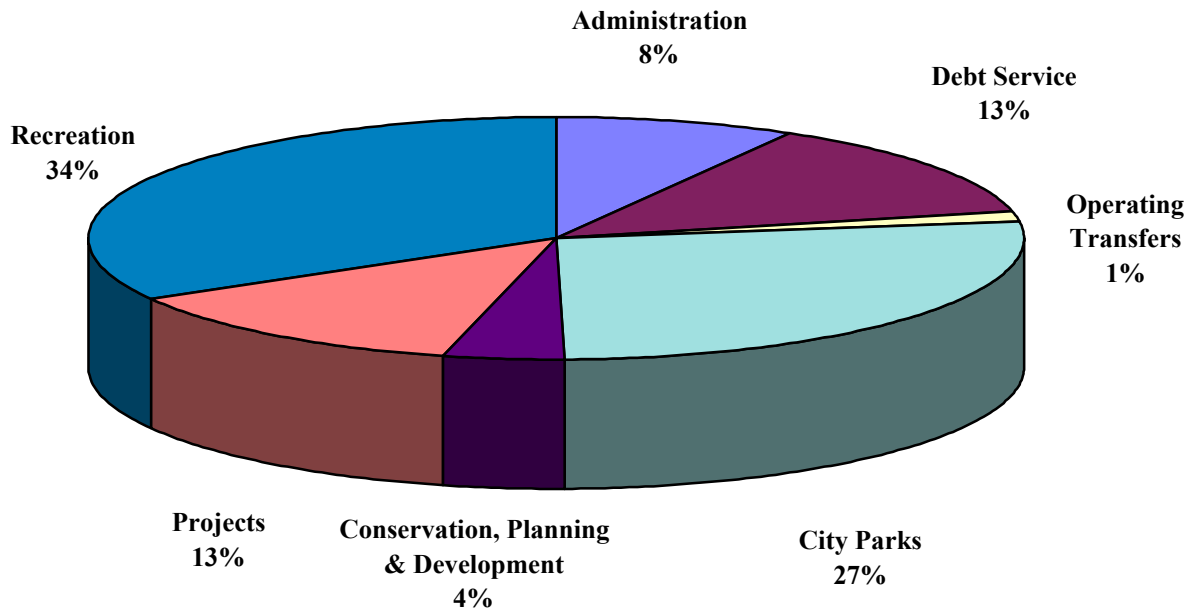
| | Actual 2004 | Target 2005 | Target 2006 | Target 2007 |
|---------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
| 1. Total acres under Management and Stewardship of Department | 42,875 | 44,634 | 45,700 | 46,800 |
| 2. Internal Customer Satisfaction with Real Estate Services | 90% | 90% | 90% | 90% |
| 3. Number of adopted area and resource management plans | 5 | 6 | 6 | 6 |

Actual acres acquired through 2005 total 43,182.

PARKS AND RECREATION



2006 BUDGET
\$20,729,720



**2006-07 APPROVED BUDGET
PARKS AND RECREATION**

*Due to timing differences, the 2006 budget information presented does not yet reflect the Department's organizational restructure

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|------------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| ADMINISTRATION | | | | |
| Administration | \$ 248,097 | \$ 123,359 | \$ 119,497 | \$ 111,566 |
| Support Services | 506,945 | 693,897 | 673,801 | 687,310 |
| Computer Support | 117,246 | 133,000 | 124,226 | 0 |
| Registration | 221,330 | 221,252 | 152,444 | 128,143 |
| Community Relations | 310,085 | 337,900 | 339,160 | 291,825 |
| Office of the Director | 319,808 | 293,593 | 300,553 | 287,825 |
| Debt Service | 2,753,689 | 2,783,839 | 2,739,939 | 2,739,939 |
| Operating Transfers | 184,248 | 255,281 | 245,908 | 249,597 |
| | <u>4,661,448</u> | <u>4,842,120</u> | <u>4,695,528</u> | <u>4,496,205</u> |
| PARKS PLANNING & CONSTRUCTION | | | | |
| Administration | 333,659 | 354,119 | 370,544 | 377,897 |
| Projects | 1,586,511 | 2,326,964 | 2,620,934 | 2,672,538 |
| | <u>1,920,169</u> | <u>2,681,083</u> | <u>2,991,478</u> | <u>3,050,435</u> |
| CITY PARKS | | | | |
| Administration | 135,575 | 130,043 | 132,462 | 125,989 |
| City Parks | 2,914,173 | 2,753,565 | 2,831,407 | 3,231,025 |
| Forestry | 612,587 | 652,865 | 640,565 | 536,863 |
| Sports Turf | 888,294 | 899,491 | 900,780 | 916,708 |
| Golf Course Operations | 533,356 | 619,956 | 594,064 | 618,574 |
| Reservoir | 638,288 | 503,595 | 515,254 | 524,745 |
| | <u>5,722,272</u> | <u>5,559,515</u> | <u>5,614,532</u> | <u>5,953,904</u> |
| RECREATION | | | | |
| Administration | 162,259 | 19,235 | 125,245 | 3,627,629 |
| Therapeutics | 537,054 | 543,199 | 543,740 | 417,646 |
| NBRC and Programs | 1,808,868 | 2,020,041 | 1,945,705 | 938,574 |
| EBRC and Programs | 1,147,541 | 1,225,083 | 1,180,407 | 607,821 |
| SBRC and Programs | 1,693,916 | 1,997,077 | 1,881,676 | 669,401 |
| Athletics | 882,177 | 877,201 | 924,780 | 505,956 |
| Youth & Other Recreation Programs | 394,413 | 384,168 | 323,041 | 265,136 |
| | <u>6,626,229</u> | <u>7,066,005</u> | <u>6,924,594</u> | <u>7,032,162</u> |
| ENVIRONMENTAL RESOURCES | | | | |
| Environmental Resources | 12,182 | 0 | 0 | 0 |
| Prairie Dog Relocation | 24,699 | 40,000 | 40,000 | 40,800 |
| Environmental Resources | 405,192 | 445,366 | 457,409 | 465,305 |
| | <u>442,073</u> | <u>485,366</u> | <u>497,409</u> | <u>506,105</u> |
| CITYWIDE | | | | |
| Citywide | 0 | 0 | 6,180 | 6,304 |
| | <u>0</u> | <u>0</u> | <u>6,180</u> | <u>6,304</u> |
| TOTAL | \$ <u>19,372,191</u> | \$ <u>20,634,089</u> | \$ <u>20,729,720</u> | \$ <u>21,045,115</u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 10,872,904 | \$ 10,480,600 | \$ 10,376,807 | \$ 8,763,665 |
| Operating Expenses | 3,948,116 | 4,503,631 | 4,671,459 | 7,064,090 |
| Interdepartmental Charges | 810,607 | 661,697 | 506,984 | 10,923 |
| Capital | 781,314 | 1,949,041 | 2,188,623 | 2,216,902 |
| Debt Service | 2,753,689 | 2,783,839 | 2,739,939 | 2,739,939 |
| Other Financing Uses | 205,562 | 255,281 | 245,908 | 249,597 |
| TOTAL | \$ <u>19,372,191</u> | \$ <u>20,634,089</u> | \$ <u>20,729,720</u> | \$ <u>21,045,115</u> |

**2006-07 APPROVED BUDGET
PARKS AND RECREATION**

*Due to timing differences, the 2006 budget information presented does not yet reflect the Department's organizational restructure

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|---------------------------------|------------------------|--------------------------|--------------------------|--------------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| <u>BUDGET BY FUND</u> | | | | |
| General | \$ 4,024,207 | \$ 3,888,583 | \$ 3,973,404 | \$ 4,037,516 |
| Lottery | 586,286 | 631,172 | 627,172 | 633,629 |
| .15 Cent Sales Tax Fund | 119,737 | 184,000 | 205,000 | 208,860 |
| .25 Cent Sales Tax Fund | 4,799,041 | 5,327,835 | 5,384,569 | 5,437,692 |
| Recreation Activity | 8,604,260 | 9,065,180 | 8,745,505 | 8,899,579 |
| Permanent Parks & Recreation | 1,238,660 | 1,537,319 | 1,794,069 | 1,827,840 |
| TOTAL | \$ <u>19,372,191</u> | \$ <u>20,634,089</u> | \$ <u>20,729,720</u> | \$ <u>21,045,115</u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | 144.50 | 149.22 | 145.25 | 145.25 |
| Seasonal Temporary FTE's | <u>80.00</u> | <u>80.00</u> | <u>80.00</u> | <u>80.00</u> |
| TOTAL | <u>224.50</u> | <u>229.22</u> | <u>225.25</u> | <u>225.25</u> |

**2006-07 BUDGET
PARKS AND RECREATION DEPARTMENT**

MISSION STATEMENT

The City of Boulder Parks and Recreation Department exists to provide care for public lands and opportunities for personal growth. Through active and passive pursuits, we work with the citizens of Boulder to provide opportunities to renew, restore, and recreate, balancing often stressful lifestyles. It is our overall intent to encourage the participation of individuals and families to develop the highest possible level of physical and mental well-being. It is our belief that well-balanced, healthy people contribute to a productive and healthy community.

*The updated Parks and Recreation Master Plan will lead to a revision of the department's Mission Statement in 2006.

BUSINESS PLAN NARRATIVE

The City of Boulder has been fiscally challenged by local economic factors for several years. City sales tax collections have decreased by 16% since 2001. This has impacted the Department of Parks and Recreation since sales tax revenue directly funds 43% of its functions. The Parks and Recreation Department has been similarly challenged by the budgetary reductions necessitated by local economic conditions. Since 2001, the department's General Fund budget has been reduced by \$1,100,000 and the general fund subsidy for recreation services has been reduced by \$273,000. The budget reductions resulted in the permanent loss of 11 FTE employees, as well as reductions to funding for seasonal staff and non-personnel expenditures.

In addition to the general fund reductions, the Department of Parks and Recreation has been impacted by decreased funding derived from its dedicated .25 Cent Sales Tax Fund. The Capital Improvement Budget has been reduced by over \$1,200,000 per year as a result of the budget strategy implemented for the .25 Cent Sales Tax Fund, which prioritized funding for the maintenance and renovation of the department's current assets. This philosophy has shifted more of the burden of ongoing maintenance to the .25 Sales Cent Tax Fund.

The department's ability to generate additional revenue through the provision of recreation programs and services has been impacted both by the local economy and by competition from other providers and communities. In recent years, many neighboring communities have built new recreation centers and increased the number of programs offered to their residents. Market comparisons indicate that recreation center fees are higher in Boulder than in neighboring communities. Recreation management believes that it cannot implement further fee increases and remain competitive in the marketplace. The user fee structure for 2006 is still being developed, but it is anticipated that very few

fees will be increased. To ensure the solvency of the Recreation Activity Fund (RAF), revenue generation must grow at the same rate as expenditures. Even though the RAF is currently balanced, it is critical that the department continues to focus on improving its long-term sustainability

The department's budget reduction strategy prioritized identifying efficiencies within the organization and minimizing public impact. As an example, the department recently chose to combine the recreation front desk and class registration positions. In the process, the department eliminated 2.25 vacant FTE positions and it is expected that customers will benefit from employees who are cross-trained to perform all front desk functions. The recreation centers, outdoor pools, athletic fields, Flatirons Golf Course and Boulder Reservoir remain open during their typical hours of operation. Although the overall park system is being maintained at a decreased level of service, the department is committed to resolving and preventing all health, safety and sanitation issues at all sites. As an alternative to the elimination of the flower program (except for the Pearl Street Mall), the department is encouraging residents and community businesses to adopt flower beds and park sites. This reduction strategy was supported by City Council and retained funding for programs and services provided directly to the public.

The department is striving to best serve the community with its limited available resources. In an effort to meet that goal, Parks and Recreation is embarking on a complete organizational restructure to position itself to better allocate current resources and create a sustainable system of programs and services. The organizational restructure will not require any additional city funding and will be implemented in phases. The first phase of leadership reorganization occurred in the fall of 2005. Other phases will follow with the goal of completing all phases by June 30, 2006.

The Parks and Recreation Master Plan is being updated and it will incorporate public feedback from Town Hall Meetings, focus groups, survey data and the recommendations of the Parks and Recreation Advisory Board. It is anticipated that the updated Parks and Recreation Master Plan will be adopted by City Council in 2006. The new Master Plan will provide recommendations and guidance regarding departmental funding priorities.

GUIDING PRINCIPLES AND/OR INVESTMENT STRATEGY

Guiding Principles:

- Allocate appropriate levels of subsidy based on community interests and values
- Provide and prioritize services within existing cost recovery model
- Strive to meet parks and recreation industry standards
- Enhance community health, wellbeing and quality of life
- Ensure the public trust

Investment Strategy:

- 1). Essential** – Programs and services that are equally available to all residents for no additional charge and support the operations and maintenance of the existing system for health and safety purposes. These include: snow removal, sidewalk, parking lot, playground, walkway and path maintenance, basic turf maintenance, trash removal, security lighting, protective fencing, bridge repair, maintenance of retaining walls, precautionary signage; hazardous tree removal, noxious weed mitigation, protective wildlife management (e.g. bear encroachment); general health and safety maintenance and repairs to recreation facilities, restrooms and shelters; ADA requirements (accessibility and inclusion); strategic management (financial/budget, crisis communication).
- 2). Desirable** – Programs and services that benefit a large portion of the community, are provided to residents at no cost or for an appropriate user fee, and sustain a system derived from significant public investment at parks and recreation industry standards. These include: expansion of the system to meet ballot measure commitments (planning, design, construction); parks and facilities routine and preventative maintenance; capital improvements, replacement and modification to achieve or maintain industry standards; safety net programming (EXPAND, Youth Services Initiative; learn to swim and public open swim programs); societal benefit through recreation, programs for people with financial barriers; administrative services to sustain operations.
- 3). Discretionary** – Programs and services that benefit a wide range of targeted interest groups, age groups or ability levels by developing or enhancing the system beyond industry standards and providing programs and services some of which have high cost recovery rates that subsidize desirable programs and services. The benefits associated with discretionary programs typically benefit the individual participant more directly than the community. These include: land acquisition beyond current service level standards; development of currently owned undeveloped land; aesthetic enhancements to land and facilities (flower beds, turf edging); enhanced park maintenance; golf course and reservoir operations; maintenance outside of health and safety reasons; habitat restoration; public youth and adult programs with high cost recovery capability; public education programs.

CITY COUNCIL GOALS

Environmental Sustainability

- Developing and implementing a department wide system to comprehensively integrate GIS data, park asset information, maintenance agreements, legal information, property issues, and Memorandum of Understanding (MOU) information. The asset management database will facilitate decision making and

will provide the background and context information necessary to understand the complex nature of the agreements that the department has with various community entities.

- Enhanced efforts to reduce chemical applications by logging 600 plus hours of mechanical and cultural weed control.
- Improved wildlife habitat at Valmont City Park
- Enhanced coordination of parkland inventory to develop and implement specific resource management techniques.
- Directed and managed the installation of 50 bear/wildlife proof trash cans at strategic park/urban interface locations.
- Expanded the current Adopt-A-Park program. The Adopt-A-Park program accepts volunteers to provide maintenance assistance at specific park sites.
- A new raw water infrastructure system was completed at Valmont City Park in spring of 2005. This project included construction of a 1.5 acre pond, pump house, and a water diversion and irrigation system to utilize North Boulder Farmer's Ditch water to irrigate the park landscape. This ditch water will significantly replace the use of potable water for the park irrigation. The pond has been designed to accommodate passive recreation uses with soft surface trails and sittings areas.
- A new raw water pump station was completed at Martin Park in 2005. The pump station utilizes ditch water to irrigate Martin Park. Use of ditch water will significantly reduce the use of potable water for park irrigation.
- Installed liquid fertilizer injection systems in 13 park sites in 2005.
- Converted 15 pieces of equipment and/or park vehicles to use biodiesel fuel.
- The renovated North Boulder Recreation Center design has reduced energy costs due to the efficiencies gained from the LEEDS design. The North Boulder Recreation Center was the first building in Colorado to be designated as a Silver-Certified LEED's facility.

Economic Sustainability

- Of the numerous tournaments conducted by the Department of Parks and Recreation, at least 80% or more of the participants are from out of state; revenues generated from lodging, shopping and restaurants support the local economy.
- National research has proven that the increased use of health and wellness programs and services reduce health care costs, increase work place productivity and decrease worker absenteeism.
- The Department is continuing to explore a potential public-private partnership with Boulder Ice to lease land at Valmont City Park

Transportation

- The North Boulder Recreation Center features carpool parking and electric vehicle specific stalls.

- Programs at centers are scheduled at times and locations that have access to RTD; bus routes and times have been adjusted to accommodate more recreation user needs; recreation managers work with RTD on requests.
- The Department of Parks and Recreation provides on-line, fax, phone-in, and mail program registration reducing the need to drive to city facilities to register for classes.

Community Sustainability

- In 2004, the Youth Services Initiative (YSI) was created as an extension of the Youth Recreation Program. The YSI was developed as a two year pilot program and its current funding ends on 12/31/05. Due to funding challenges, the department is seeking alternative funding sources for the program. The YSI is intended to be a comprehensive, community-based after-school and summer program designed to provide economically disadvantaged youth with the opportunities, skills, knowledge, and resources necessary to make informed, positive choices related to personal, educational and lifestyle pursuits.
- The EXPAND (EXciting Programs, Adventure and New Dimensions) program affords people with disabilities opportunities to access, improve and gain new recreation and leisure skills. Adverse range of activities are available to EXPAND participants, including adaptive water-ski, golf, gymnastics, aquatics, unified sports, outdoor activities, community outings, dances and fitness. Through its work, EXPAND strives to improve participants' quality of life and well being.
- The Journeys through EXPAND program was developed in 2004 and provides fitness, adventure, and leisure opportunities for adults who have suffered a Mild Traumatic Brain Injury (MTBI). These services promote personal challenge, increase self-esteem and growth in a supportive and safe environment. Within the metro Denver region, there is a critical shortage of programs for people with MTBI.

CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

To ensure the solvency of the Recreation Activity Fund (RAF), revenue generation must increase at the same rate as expenditures. In recent years, revenue growth for recreation services and programs has not kept pace with increases in operating costs. In response to the fund imbalance between revenues and expenditures, the RAF's 2006 budget was reduced by \$415,000. The Department's budget reduction strategy for addressing the shortfall was to identify efficiencies within the organization while minimizing impacts to the public. A detailed listing of the approved reductions in the Recreation Activity Fund is included as an attachment to the Manager's Message.

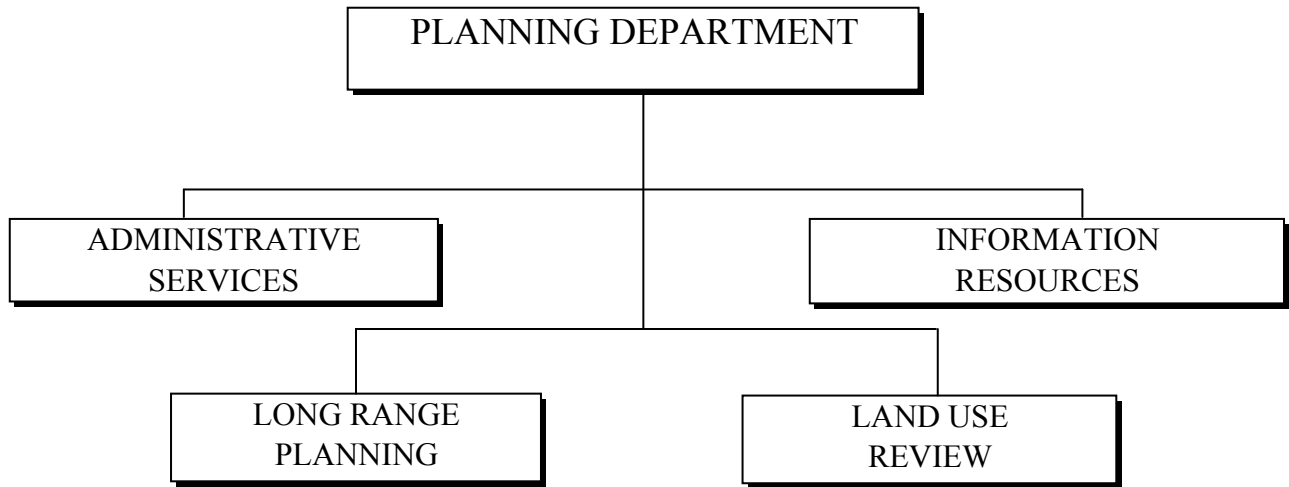
The seasonal hiring function, historically provided by Parks and Recreation, was approved to be transferred to the Human Resources Department. This 0.75 FTE will be funded by reallocating existing funds from both Departments' budgets. The \$40,000

budget consists of contributions of \$20,000 from the .25 Cent Sales Tax Fund and \$20,000 from Human Resources General Fund allocation.

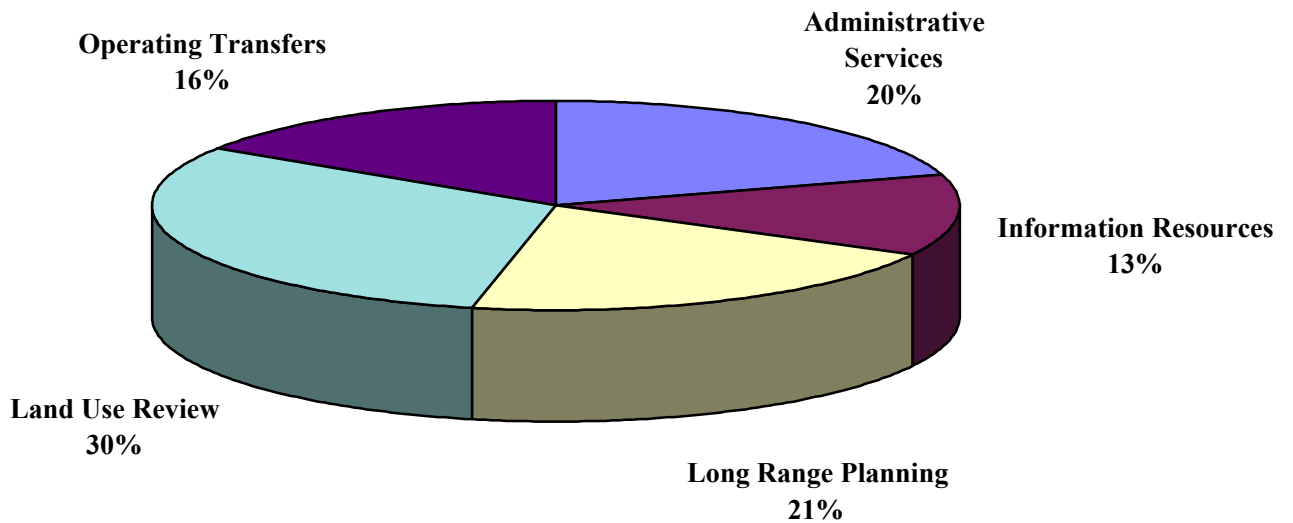
PERFORMANCE MEASURES

| | ACTUALS 2004 | TARGET 2005 | TARGET 2006 | TARGET 2007 |
|----------------------------------------------------|-------------------------|------------------------|------------------------|------------------------|
| 1. Recreation Center Attendance | 416,370 | 438,750 | 437,189 | 441,560 |
| 2. Outdoor Pool Attendance | 34,160 | 35,446 | 35,868 | 36,227 |
| 3. Adult Athletics Attendance | 198,944 | 225,189 | 208,891 | 210,980 |
| 4. Recreation Class Enrollment | 25,311 | 24,833 | 26,323 | 26,586 |
| 5. Three Urban Parks Acres per 1,000 Population | 3/1,000 | 3/1,000 | 3/1,000 | 3/1,000 |
| 6. Reservoir Attendance | 200,000 | 205,000 | 207,050 | 209,120 |
| 7. Rounds of Golf | 42,955 | 48,000 | 50,000 | 50,000 |

PLANNING DEPARTMENT



2006 BUDGET \$2,862,155



**2006-07 APPROVED BUDGET
PLANNING**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|----------------------------------|------------------------|--------------------------|--------------------------|--------------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| ADMINISTRATIVE SERVICES | \$ 594,774 | \$ 593,152 | \$ 578,798 | \$ 588,188 |
| INFORMATION RESOURCES | 389,498 | 410,848 | 358,762 | 364,589 |
| LONG RANGE PLANNING | 618,654 | 549,786 | 590,111 | 599,364 |
| LAND USE REVIEW | 806,839 | 933,686 | 881,672 | 895,281 |
| OPERATING TRANSFERS | 524,946 | 508,847 | 452,812 | 459,604 |
| TOTAL | \$ <u>2,934,711</u> | \$ <u>2,996,319</u> | \$ <u>2,862,155</u> | \$ <u>2,907,026</u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 2,052,972 | \$ 1,956,664 | \$ 2,022,000 | \$ 1,960,980 |
| Operating Expenses | 232,264 | 406,556 | 277,372 | 349,163 |
| Interdepartmental Charges | 119,624 | 114,842 | 102,424 | 129,581 |
| Capital | 4,905 | 9,410 | 7,547 | 7,697 |
| Other Financing Uses | 524,946 | 508,847 | 452,812 | 459,604 |
| TOTAL | \$ <u>2,934,711</u> | \$ <u>2,996,319</u> | \$ <u>2,862,155</u> | \$ <u>2,907,026</u> |
| <u>BUDGET BY FUND</u> | | | | |
| Planning & Development Services | \$ 2,934,711 | \$ 2,996,319 | \$ 2,862,155 | \$ 2,907,026 |
| TOTAL | \$ <u>2,934,711</u> | \$ <u>2,996,319</u> | \$ <u>2,862,155</u> | \$ <u>2,907,026</u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | <u>24.48</u> | <u>24.32</u> | <u>23.58</u> | <u>23.58</u> |
| TOTAL | <u>24.48</u> | <u>24.32</u> | <u>23.58</u> | <u>23.58</u> |

**2006-07 BUDGET
PLANNING DEPARTMENT**

MISSION STATEMENT

The mission of the Planning Department is to help create, enhance and preserve a natural, physical and economic environment that fosters a unique quality of life in the City of Boulder.

BUSINESS PLAN NARRATIVE

The business plan narrative can be found in the Planning and Development Services page.

GUIDING PRINCIPLES AND/OR INVESTMENT STRATEGY

The guiding principles and/or investment strategy can be found in the Planning and Development Services page.

CITY COUNCIL GOALS

Many of the department's programs and projects are directly or indirectly focused on council's five major goals: Economic Vitality, Environmental, Transportation, Affordable Housing and Community Sustainability. Action items associated with Council Goals are outlined on the Planning & Development Services section.

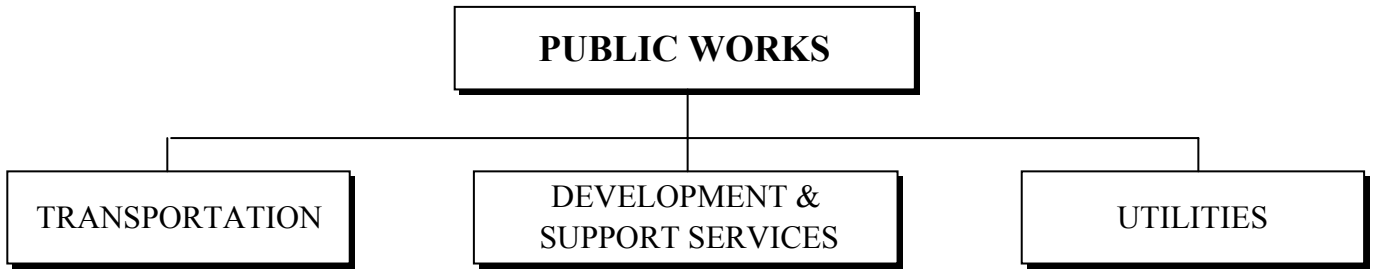
CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

There were no changes to the Planning Department's base budget between the 2005 and 2006 approved budgets.

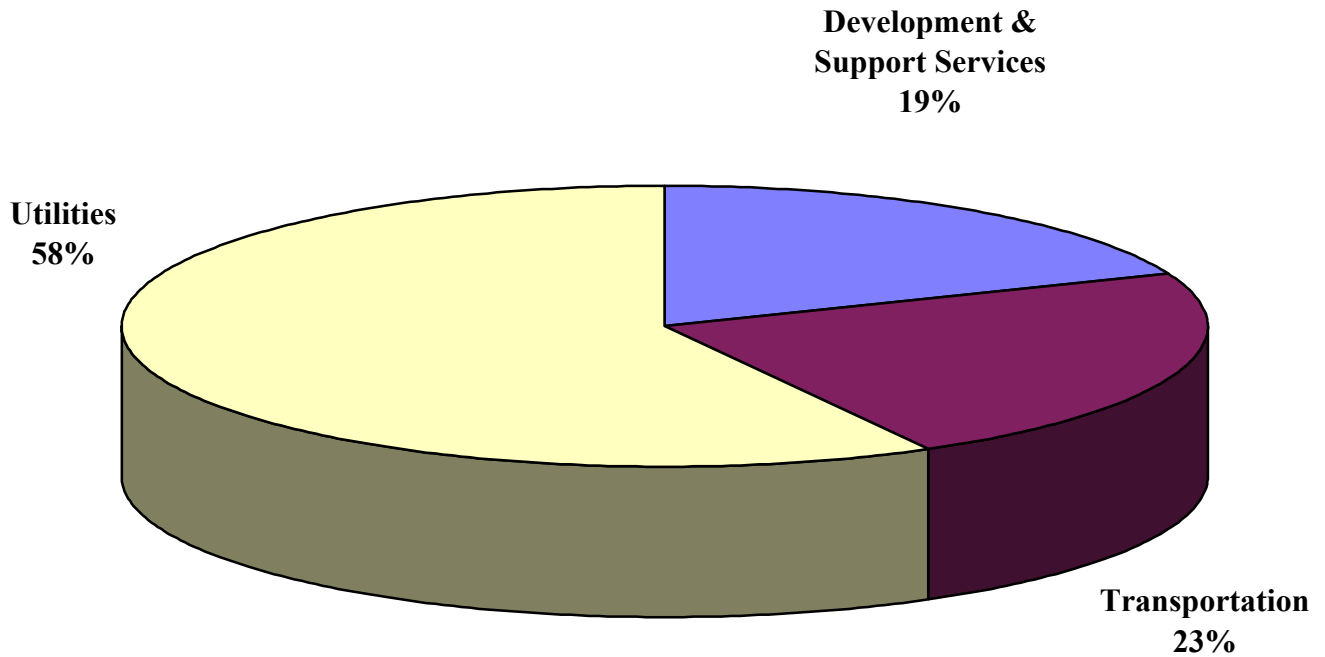
PERFORMANCE MEASURES

Performance measures are reported in the Planning & Development Services page.

PUBLIC WORKS DEPARTMENT



2006 BUDGET
\$83,070,255



**2006-07 APPROVED BUDGET
PUBLIC WORKS DEPARTMENT**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|-------------------------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| DEVELOPMENT & SUPPORT SERVICES | \$ 16,136,683 | \$ 16,577,492 | \$ 15,687,648 | \$ 15,970,258 |
| TRANSPORTATION | 20,603,188 | 23,575,700 | 19,194,425 | 30,948,923 |
| UTILITIES | <u>54,922,806</u> | <u>44,405,615</u> | <u>48,188,182</u> | <u>55,450,839</u> |
| TOTAL | <u><u>91,662,677</u></u> | <u><u>84,558,807</u></u> | <u><u>83,070,255</u></u> | <u><u>102,370,020</u></u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 19,302,412 | \$ 19,438,471 | \$ 20,009,571 | \$ 20,309,714 |
| Operating Expenses | 26,143,360 | 19,209,264 | 19,708,958 | 20,095,243 |
| Interdepartmental Charges | 3,488,687 | 4,096,635 | 4,109,049 | 4,191,230 |
| Capital | 26,874,556 | 28,611,145 | 26,615,907 | 40,632,315 |
| Debt Service | 8,081,662 | 8,203,544 | 7,755,344 | 12,191,327 |
| Other Financing Uses | <u>7,772,000</u> | <u>4,999,748</u> | <u>4,871,426</u> | <u>4,950,191</u> |
| TOTAL | <u><u>\$ 91,662,677</u></u> | <u><u>\$ 84,558,807</u></u> | <u><u>\$ 83,070,255</u></u> | <u><u>\$ 102,370,020</u></u> |
| <u>BUDGET BY FUND</u> | | | | |
| General | \$ 2,881,124 | \$ 2,823,647 | \$ 3,083,346 | \$ 3,140,820 |
| Capital Development | 86,755 | 589,872 | 109,057 | 111,093 |
| Planning & Development Services | 4,089,250 | 4,508,908 | 4,827,375 | 4,904,291 |
| .25 Cent Sales Tax | 399,975 | 411,974 | 416,093 | 424,415 |
| Airport | 455,100 | 383,707 | 394,635 | 401,644 |
| Transportation | 19,263,991 | 18,378,463 | 17,824,718 | 25,597,263 |
| Transportation Development | 1,115,101 | 4,897,626 | 1,057,363 | 5,033,745 |
| Transit Pass General Improvement District | 9,524 | 9,560 | 10,337 | 10,544 |
| Water Utility | 39,773,014 | 27,462,084 | 30,869,336 | 26,162,576 |
| Wastewater Utility | 9,278,328 | 10,649,979 | 10,393,216 | 22,941,357 |
| Stormwater and Flood Mgmt Utility | 5,865,594 | 6,120,754 | 6,753,069 | 6,171,101 |
| Fleet | 6,748,216 | 5,785,798 | 6,129,664 | 6,245,744 |
| Equipment Replacement | 455,061 | 1,319,471 | 305,139 | 310,966 |
| Facility Renovation & Replacement | <u>1,241,644</u> | <u>1,216,963</u> | <u>896,909</u> | <u>914,462</u> |
| TOTAL | <u><u>\$ 91,662,677</u></u> | <u><u>\$ 84,558,807</u></u> | <u><u>\$ 83,070,255</u></u> | <u><u>\$ 102,370,020</u></u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | 288.40 | 284.21 | 284.98 | 284.98 |
| Seasonal Temporary FTE's | <u>11.50</u> | <u>11.50</u> | <u>11.50</u> | <u>11.50</u> |
| TOTAL | <u><u>299.90</u></u> | <u><u>295.71</u></u> | <u><u>296.48</u></u> | <u><u>296.48</u></u> |

**2006 BUDGET
PUBLIC WORKS DEPARTMENT**

DEPARTMENT OVERVIEW

The Public Works Department continues to work toward building a “sustainable organization” by focusing on operational efficiencies and improvements. These efforts are consistent with ongoing budget themes supported by council for the 2006 budget process. These themes are exemplified by the department’s commitment to reevaluate systems and business processes through costing of service analysis, implementing and monitoring performance measures, and analyzing privatization options. Public Works is committed to fiscal sustainability by maintaining reserve goals in each of its special revenue and enterprise funds. These are analyzed and adjusted accordingly based on operational and fund balance goals.

CITY COUNCIL GOALS

Many of the department’s programs and projects directly or indirectly are focused on council’s four major goals: Affordable Housing, Community Sustainability, Economic Sustainability, Environmental Sustainability, and Transportation Sustainability.

Actions items associated with Council Goals are outlined in individual Division sections.

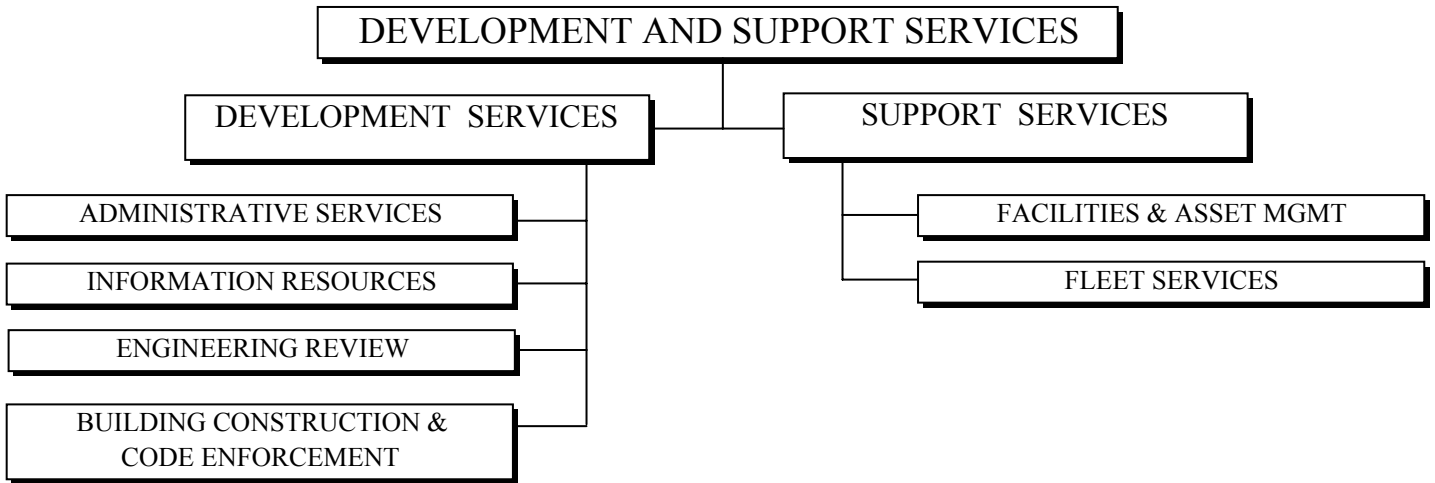
CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

Please see the individual Division sections for a complete discussion of the changes in budget.

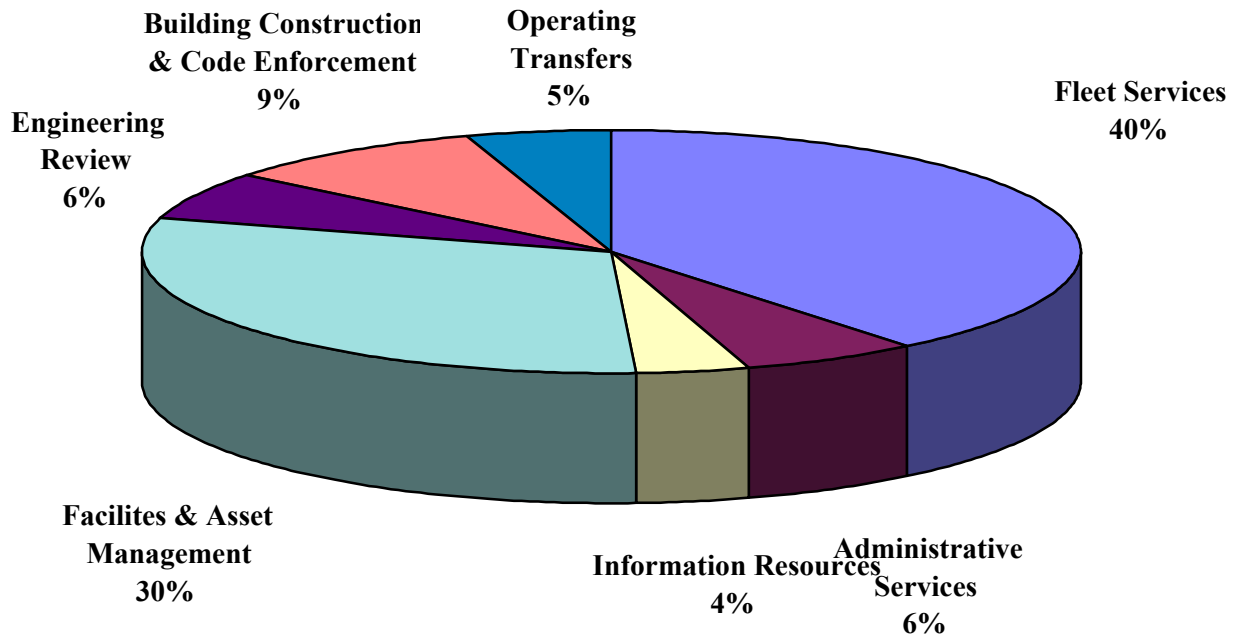
PERFORMANCE MEASURES

Performance measures are reported within the separate Public Works Divisions.

DIVISION OF DEVELOPMENT AND SUPPORT SERVICES



2006 BUDGET
\$15,687,649



**2006-07 APPROVED BUDGET
DEVELOPMENT & SUPPORT SERVICES DIVISION**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|------------------------------------------|----------------------|----------------------|----------------------|----------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| DEVELOPMENT SERVICES | | | | |
| Engineering Review | \$ 795,005 | \$ 989,697 | \$ 1,011,758 | \$ 1,027,464 |
| Building Construction & Code Enforcement | 1,210,085 | 1,249,941 | 1,448,227 | 1,471,963 |
| Administrative Services | 821,355 | 889,728 | 985,521 | 1,001,508 |
| Information Resources | 537,878 | 616,272 | 610,864 | 620,786 |
| Operating Transfers | 724,926 | 763,271 | 771,005 | 782,570 |
| TOTAL | <u>4,089,249</u> | <u>4,508,908</u> | <u>4,827,375</u> | <u>4,904,291</u> |
| SUPPORT SERVICES | | | | |
| Public Works Administration | 65,593 | 0 | 0 | 0 |
| Facilities & Asset Management | 4,964,106 | 6,282,786 | 4,730,610 | 4,820,223 |
| Fleet Services | 7,017,736 | 5,785,798 | 6,129,664 | 6,245,744 |
| TOTAL | <u>12,047,434</u> | <u>12,068,584</u> | <u>10,860,274</u> | <u>11,065,967</u> |
| TOTAL | <u>\$ 16,136,683</u> | <u>\$ 16,577,492</u> | <u>\$ 15,687,649</u> | <u>\$ 15,970,258</u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 4,973,493 | \$ 4,900,752 | \$ 5,089,819 | \$ 5,166,166 |
| Operating Expenses | 3,803,033 | 4,000,434 | 4,130,810 | 4,207,732 |
| Interdepartmental Charges | 888,892 | 834,219 | 1,017,263 | 1,037,608 |
| Capital | 5,368,613 | 5,697,261 | 4,311,364 | 4,397,591 |
| Other Financing Uses | 1,102,654 | 1,144,826 | 1,138,392 | 1,161,160 |
| TOTAL | <u>\$ 16,136,683</u> | <u>\$ 16,577,492</u> | <u>\$ 15,687,649</u> | <u>\$ 15,970,258</u> |
| <u>BUDGET BY FUND</u> | | | | |
| General | \$ 2,807,646 | \$ 2,744,505 | \$ 3,003,412 | \$ 3,059,287 |
| Capital Development | 86,755 | 589,872 | 109,057 | 111,093 |
| Planning & Development Services | 4,089,250 | 4,508,908 | 4,827,375 | 4,904,291 |
| .25 Cent Sales Tax | 399,975 | 411,974 | 416,093 | 424,415 |
| Airport | 466 | 0 | 0 | 0 |
| Transportation | 144,126 | 0 | 0 | 0 |
| Water Utility | 62,791 | 0 | 0 | 0 |
| Wastewater Utility | 42,908 | 0 | 0 | 0 |
| Stormwater and Flood Mgmt Utility | 57,845 | 0 | 0 | 0 |
| Fleet | 6,748,216 | 5,785,798 | 6,129,664 | 6,245,744 |
| Equipment Replacement | 455,061 | 1,319,471 | 305,139 | 310,966 |
| Facility Renovation & Replacement | 1,241,644 | 1,216,963 | 896,909 | 914,462 |
| TOTAL | <u>\$ 16,136,683</u> | <u>\$ 16,577,492</u> | <u>\$ 15,687,649</u> | <u>\$ 15,970,258</u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | 75.65 | 70.80 | 71.57 | 71.57 |
| Seasonal Temporary FTE's | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL | <u>75.65</u> | <u>70.80</u> | <u>71.57</u> | <u>71.57</u> |

**2006-07 BUDGET
PUBLIC WORKS DEPARTMENT
DEVELOPMENT AND SUPPORT SERVICES DIVISION**

MISSION STATEMENT

The mission of Development and Support Services is

- to effectively assist customers in a regulatory environment while preserving public health, safety and environmental quality for our community overall, through the efficient administration of codes and standards,
- to provide quality facilities and asset management (FAM) services to City departments for the design, construction and maintenance of facilities,
- to effectively maintain the City's fleet while balancing customer and community values.

BUSINESS PLAN NARRATIVE

From 2001 through 2004, Facilities and Asset Management (FAM) implemented budget reductions totaling \$695,000. Budget reductions included extending the time between surface refurbishments (carpet replacement, painting, etc.) and building inspections, reducing maintenance and custodial service levels, and delaying non-critical projects.

O&M funding levels for General Fund facilities are projected to be 2.33 percent of the Current Replacement Value (CRV) by the end of 2005. The recommended service standard is 2.5 percent of the CRV. Based on current funding, the O&M needs continue to be prioritized based upon critical needs and all preventative and corrective maintenance will be performed on essential systems in both essential and other buildings. Service levels will decrease steadily until only essential buildings will receive industry standard service levels of maintenance and all other buildings will receive less maintenance for essential systems commensurate with available funding.

MM/FR&R funding levels are projected to be 1.55 percent CRV by the end of 2005. The recommended service standard is 2.0 percent of the CRV

As part of the FAM 2006 Business Plan, \$292,395 and 1.65 FTEs were reallocated from O&M "desirable" services to O&M "essential" services. FAM also reallocated \$106,535 and 0.93 FTEs to MM/FR&R. These reallocations will help "essential" services meet minimum acceptable standards.

The FAM Master Plan Update was accepted by City Council on July 19, 2005. The plan recommends industry standard levels of service at all General Fund facilities. The plan also recognizes the city's current economic climate and the need to prioritize services such that only essential facilities will receive industry standard levels of service and the remaining

facilities will receive services commensurate with available funding. The plan also presents an Action Plan that identifies the funding necessary to provide the recommended service levels at all facilities. Facility maintenance will continue to be one of the key budget strategies addressed in the future.

Please refer to Planning and Development Services' Business Plan Narrative.

GUIDING PRINCIPLES AND/OR INVESTMENT STRATEGY

1). Maintenance of City Assets (Essential):

FAM: Industry standard levels of operations & maintenance (O&M) are provided for in 29 "Essential Buildings" assigned to the General Fund (GF). Essential services also include providing preventive and corrective maintenance on critical building systems in the remaining GF facilities assigned to FAM. Additional essential services provided by FAM include providing security and access control systems energy payments, and Major Maintenance/Facility Renovation & Replacement (MM/FRR) and associated project management costs for essential projects.

Fleet Services: Includes all vehicle and radio repair, preventive maintenance, and acquisition services directly related to vehicle safety. Also includes the Fleet Replacement Fund (FRF) which replaces existing vehicles classified as "emergency" such as police patrol cars and heavy trucks used for snow and ice control.

2). Maintenance of City Assets (Desirable):

FAM: Includes providing O&M service levels in "Non-essential Buildings" to industry standards for all buildings assigned to FAM, periodic surface finish replacement on a ten year cycle, administrative services, staff training and Equipment Replacement Fund (ERP) payments for capital equipment.

Fleet Services: Includes all non-essential customer requested services such as providing a self-service car wash facility. Also includes the Fleet Replacement Fund (FRF) which replaces existing vehicles classified as "non-emergency" such as non-patrol sedans and pickup trucks.

3.) Maintenance of City Assets (Discretionary):

FAM: Includes funding for furnishing GF common areas such as conference areas and outdoor furniture and administrative services associated with investigating renewable energy technologies such as solar and wind, where cost effective.

Fleet Services: Includes a 1 percent Emergency Reserve and a 2 percent Operating Reserve which are annually appropriated to fund unanticipated emergency and operating needs.

Please refer to Planning and Development Services' Guiding Principles or Investment Strategy.

CITY COUNCIL GOALS

Transportation

The 2006 Budget for Public Works/Support Services provides for the following in support of this goal:

- Fleet Services directly supports Council's transportation goals by minimizing the amount of vehicle miles traveled (VMT). For the period of 1996 through 2004, Fleet Services drove an average of 25 percent fewer miles than its VMT target and the city's fleet drove an average of 14 percent fewer miles than established VMT targets. Fleet Services provides users with actual VMT reports every month and actual VMT versus VMT target reports on a quarterly basis.
- For the period of 1996 through 2004, FAM drove an average of 14 percent fewer miles than its VMT target.

Community Sustainability

While FAM and Fleet are internal city services, information about both programs is provided on the city's webpage in order to improve communication with community residents. Additional information will be posted in 2006 as the FAM master plan and Fleet strategic plan efforts progress. FAM provides services for leased facilities such as The Edge that houses the County SOS Program and other human services programs.

Environmental Sustainability

The 2006-07 Budget for Public Works/Support Services provides for the following in support of this goal:

- Fleet Services directly supports Council's environmental sustainability goals by continuing to purchase alternative fuel vehicles (AFV) and hybrid vehicles. The Fleet Policy Advisory Committee, that includes city staff representatives from across the organization and meets quarterly to consider fleet issues, established a specific purchasing goal: 60 percent of all new vehicles purchased will be AFV or hybrid vehicles. In 2004, AFVs accounted for 55 percent of the total vehicle purchases and 91 percent in 2005. Fleet will continue its efforts to reach and exceed when possible the annual purchasing goal of 60 percent AFV and hybrid vehicles.

- A pilot program to evaluate the use of a biodiesel blended fuel (B20) has been completed. No major maintenance, operational, or fuel supply issues were identified when using this fuel in non-emergency vehicles. As a result, Fleet Services is investigating options to provide a biodiesel tank at the Municipal Service Center (Yards).
- FAM and Fleet Services continue to be PACE certified.
- FAM is directly involved with the replacement of equipment and systems with those that are more energy efficient. These replacements reduce the reliance on fossil fuel energy sources and reduce greenhouse gas emissions.
- FAM continues to actively support energy conservation and education programs, monitor energy use and implement improvements to reduce consumption. With respect to city facilities, all new construction or significant renovation is built to a LEED (Silver) standard.

Economic Sustainability

The 2006-07 Budget for Public Works/Support Services provides for the following in support of this goal:

- Fleet Services directly supports Council's economic sustainability goals by properly managing assigned assets. Vehicles and equipment are well maintained and detailed maintenance records are kept resulting in excellent resale value. Vehicles and equipment are carefully monitored and replaced at the most cost effective point in the life cycle.
- Fleet Services continues to charge one of the lowest shop labor rates when compared to 37 area automotive/truck repair shops.
- FAM provides regular and proper maintenance of facilities to extend the life of existing City of Boulder assets. FAM also provides MM/FRR and other services for leased facilities such as the Boulder-Dushanbe Teahouse and Mustard's Last Stand. In addition, FAM provides support for events such as the Boulder Farmer's Market and the Boulder Creek Festival.

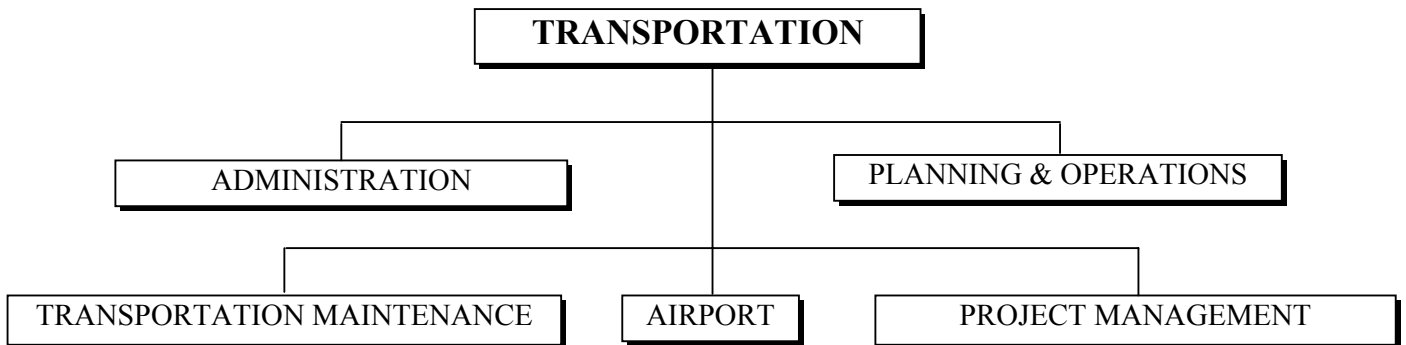
CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

There were no changes to the Development and Support Services Division's base budget between the 2005 and 2006 approved budgets.

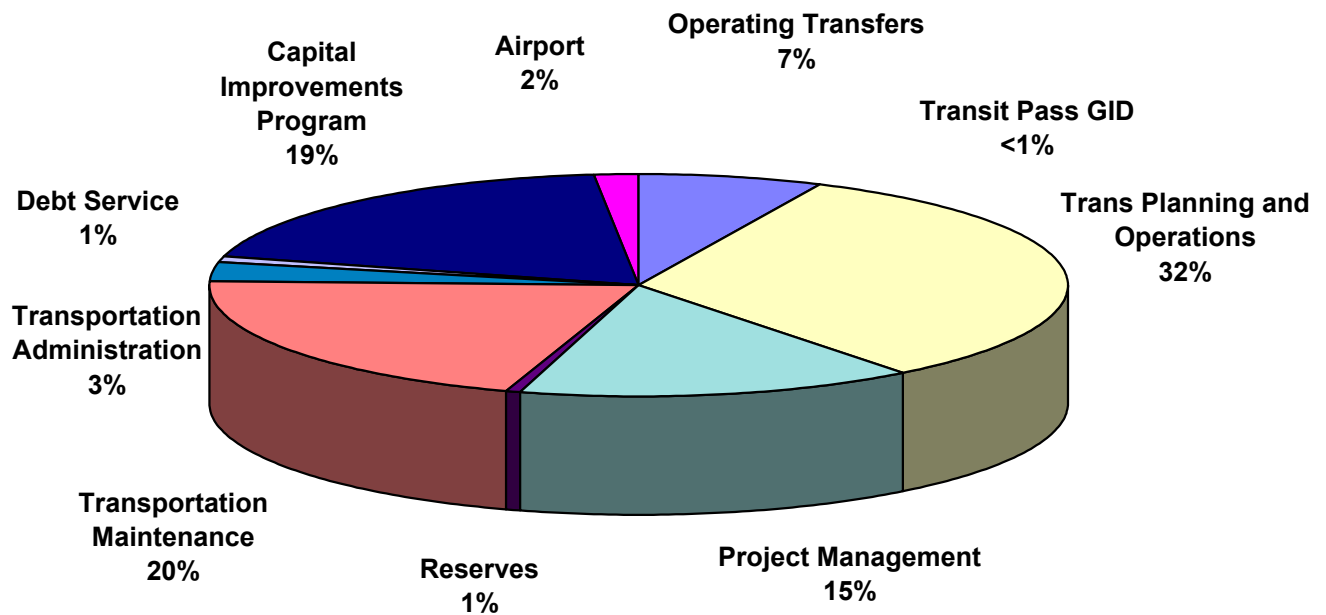
PERFORMANCE MEASURES

| | ACTUALS 2004 | TARGET 2005 | TARGET 2006 | TARGET 2007 |
|------------------------------------------------|-------------------------------------------------------------|--------------------------------------------------------------------|-------------------------------------------------------------------|--------------------------------------------------------------------|
| Fleet Services | | | | |
| 1. Repairs returned for rework | 0.1% | <2% | <2% | <2% |
| 2. Increase miles traveled between road calls | 73,029 | >40,000 miles | >40,000 miles | >40,000 miles |
| FAM | | | | |
| 1. Major maintenance backlog reduction program | \$3,265,170 | \$3,574,861 | \$3,574,861 | \$3,691,750 |
| 2. Facility Safety | 278 of 348 existing and new safety projects completed (80%) | Reduce # of existing and new safety deficiencies by 50% each year. | Reduce # of existing and new safety deficiencies by 50% each year | Reduce # of existing and new safety deficiencies by 50% each year. |

DIVISION OF TRANSPORTATION



2006 BUDGET \$19,194,425



**2006-07 APPROVED BUDGET
TRANSPORTATION DIVISION**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|-----------------------------------------|------------------|------------------|------------------|------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| TRANSPORTATION DIVISION | | | | |
| Operating Transfers | | | | |
| Cost Allocation/Transfers | \$ 1,629,204 | \$ 1,397,446 | \$ 1,339,233 | \$ 1,359,322 |
| TOTAL | <u>1,629,204</u> | <u>1,397,446</u> | <u>1,339,233</u> | <u>1,359,322</u> |
| Capital Payments | | | | |
| Boulder Transit Village - Debt Payments | 18,421 | 123,630 | 123,606 | 123,606 |
| TOTAL | <u>18,421</u> | <u>123,630</u> | <u>123,606</u> | <u>123,606</u> |
| Reserves | | | | |
| Operating Reserves | 0 | 110,000 | 110,000 | 110,000 |
| TOTAL | <u>0</u> | <u>110,000</u> | <u>110,000</u> | <u>110,000</u> |
| Transportation Planning & Operations | | | | |
| Traffic Engineering | 78,661 | 90,669 | 88,322 | 89,790 |
| Street Lighting & Construction | 922,161 | 993,319 | 1,007,906 | 1,028,064 |
| Signs/Markings | 931,791 | 965,168 | 988,361 | 1,006,068 |
| Signal Maintenance & Upgrade | 986,574 | 912,960 | 924,822 | 941,578 |
| Transportation Operations | 483,503 | 557,229 | 582,978 | 592,155 |
| Transportation System Management | 129,168 | 143,641 | 146,607 | 149,430 |
| Traffic Mitigation Planning | | | | |
| Photo Enforcement | 0 | 0 | 0 | 0 |
| NTMP Planning | 38,467 | 0 | 0 | 0 |
| subtotal | <u>38,467</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Transportation Planning | | | | |
| Transit Service Operations | 1,495,890 | 1,547,259 | 1,577,826 | 1,609,140 |
| Travel Demand Management (TDM) | 493,547 | 483,048 | 495,416 | 504,850 |
| TDM Grants | 321,401 | 0 | 0 | 0 |
| Facilities/Regional Planning | 51,196 | 117,348 | 118,650 | 120,538 |
| Master/Community Planning | 92,759 | 116,595 | 116,857 | 118,951 |
| Bike/Ped Planning | 150,598 | 191,110 | 197,000 | 200,492 |
| subtotal | <u>2,605,392</u> | <u>2,455,360</u> | <u>2,505,750</u> | <u>2,553,971</u> |
| TOTAL | <u>6,175,717</u> | <u>6,118,346</u> | <u>6,244,746</u> | <u>6,361,056</u> |
| Project Management | | | | |
| CIP Administration | 272,548 | 285,969 | 301,149 | 305,957 |
| Transportation Rehabilitation | | | | |
| Overlay | 1,842,165 | 1,231,496 | 1,251,636 | 1,276,354 |
| Sidewalk Maintenance | 213,532 | 212,639 | 216,863 | 221,050 |
| Major Street Reconstruction | 296,253 | 291,761 | 300,978 | 306,616 |
| Bikeways Capital Maintenance | 251,505 | 180,710 | 184,737 | 188,348 |
| subtotal | <u>2,603,455</u> | <u>1,916,606</u> | <u>1,954,214</u> | <u>1,992,368</u> |
| 3rd Party Construction | | | | |
| TOTAL | <u>46,795</u> | <u>600,000</u> | <u>600,000</u> | <u>612,000</u> |
| TOTAL | <u>2,922,797</u> | <u>2,802,575</u> | <u>2,855,364</u> | <u>2,910,325</u> |

**2006-07 APPROVED BUDGET
TRANSPORTATION DIVISION**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|----------------------------------|----------------------|----------------------|----------------------|----------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| Alternative Transportation | | | | |
| Transit Pass GID | 9,524 | 9,560 | 10,337 | 10,544 |
| TOTAL | <u>9,524</u> | <u>9,560</u> | <u>10,337</u> | <u>10,544</u> |
| Transportation Maintenance | | | | |
| Administration | 447,865 | 400,367 | 397,979 | 404,307 |
| Fleet Liaison | 21,549 | 36,059 | 39,748 | 40,366 |
| Bikeway Maintenance | 171,802 | 289,847 | 299,721 | 304,937 |
| Graffiti Maintenance | 79,116 | 74,344 | 75,601 | 76,832 |
| Median Maintenance | 580,312 | 575,457 | 587,121 | 597,000 |
| Street Sweeping | 391,642 | 420,219 | 433,922 | 441,546 |
| Street Snow & Ice Control | 697,504 | 607,869 | 583,008 | 593,516 |
| Repair & Maintenance | 1,549,947 | 1,495,236 | 1,512,881 | 1,540,301 |
| TOTAL | <u>3,939,737</u> | <u>3,899,398</u> | <u>3,929,979</u> | <u>3,998,805</u> |
| Transportation Administration | | | | |
| Transportation Administration | 357,974 | 0 | 0 | 0 |
| Division administration | 0 | 387,115 | 435,429 | 442,691 |
| Support Services | 0 | 127,494 | 132,066 | 134,209 |
| TOTAL | <u>357,974</u> | <u>514,609</u> | <u>567,495</u> | <u>576,900</u> |
| Airport | | | | |
| Administration | 155,630 | 144,288 | 127,405 | 129,439 |
| Repair & Maintenance | | | | |
| Lighting Maintenance | 1,873 | 4,710 | 4,781 | 4,877 |
| Runway/Taxiway Maintenance | 12,336 | 39,700 | 40,296 | 41,102 |
| Grounds Maintenance | 41,386 | 64,355 | 65,320 | 66,626 |
| Building Maintenance | 37,862 | 52,082 | 72,863 | 74,320 |
| subtotal | <u>93,456</u> | <u>160,847</u> | <u>183,260</u> | <u>186,925</u> |
| TOTAL | <u>249,087</u> | <u>305,135</u> | <u>310,665</u> | <u>316,365</u> |
| Capital Improvement Program | | | | |
| Capital Improvement Program | 5,300,727 | 8,295,000 | 3,703,000 | 15,182,000 |
| TOTAL | <u>5,300,727</u> | <u>8,295,000</u> | <u>3,703,000</u> | <u>15,182,000</u> |
| TOTAL | <u>\$ 20,603,188</u> | <u>\$ 23,575,700</u> | <u>\$ 19,194,425</u> | <u>\$ 30,948,923</u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 4,631,036 | \$ 4,478,739 | \$ 4,592,529 | \$ 4,661,417 |
| Operating Expenses | 7,295,259 | 5,398,916 | 5,831,207 | 5,945,631 |
| Interdepartmental Charges | 1,366,781 | 1,483,696 | 1,456,601 | 1,485,733 |
| Capital | 5,662,909 | 10,693,272 | 5,851,249 | 17,373,214 |
| Debt Service | 17,980 | 123,630 | 123,606 | 123,606 |
| Other Financing | 1,629,223 | 1,397,446 | 1,339,233 | 1,359,322 |
| TOTAL | <u>\$ 20,603,188</u> | <u>\$ 23,575,700</u> | <u>\$ 19,194,425</u> | <u>\$ 30,948,923</u> |

**2006-07 APPROVED BUDGET
TRANSPORTATION DIVISION**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|-------------------------------------------|------------------------|--------------------------|--------------------------|--------------------------|
| BUDGET BY PROGRAM | | | | |
| BUDGET BY FUND | | | | |
| General | \$ 56,997 | \$ 62,661 | \$ 63,288 | \$ 64,554 |
| Airport | 454,634 | 383,707 | 394,635 | 401,644 |
| Transportation | 18,966,932 | 18,222,146 | 17,668,802 | 25,438,437 |
| Transportation Development | 1,115,101 | 4,897,626 | 1,057,363 | 5,033,745 |
| Transit Pass General Improvement District | 9,524 | 9,560 | 10,337 | 10,544 |
| TOTAL | \$ <u>20,603,188</u> | \$ <u>23,575,700</u> | \$ <u>19,194,425</u> | \$ <u>30,948,923</u> |
| AUTHORIZED FTE's | | | | |
| Standard FTE's | 64.08 | 62.97 | 62.97 | 62.97 |
| Seasonal Temporary FTE's | <u>5.00</u> | <u>5.00</u> | <u>5.00</u> | <u>5.00</u> |
| TOTAL | <u>69.08</u> | <u>67.97</u> | <u>67.97</u> | <u>67.97</u> |

**2006-07 BUDGET
PUBLIC WORKS DEPARTMENT
TRANSPORTATION DIVISION**

MISSION STATEMENT

The Transportation Division provides for the mobility of persons and goods by developing and maintaining a safe, efficient, environmentally sound and balanced transportation system with emphasis on providing travel choice through all modes – transit, pedestrian, bicycle and vehicular transportation; maintains streets and bikeways; and maintains the municipal airport to provide for safe and efficient aircraft operations.

BUSINESS PLAN NARRATIVE

Since 2001 the Transportation budget has been reduced by between 25% and 30% due to declining sales tax revenues. Those reductions have been guided consistently by a set of principles that were created through transportation prioritization analyses and transportation policy as noted below. The analyses and policies were grounded in public involvement and board and Council review and approval and have been reinforced through the City Manager's Business Plan. As revenues rebound, these same guiding principles will be used for prioritizing budget restoration.

In the current budget cycle, Council will note changes due to fulfilling commitments for the Pollard property agreement and related implementation of the Municipal Service Center (Yards) Master Plan, including property disposition and acquisition. In the 28th Street project there is an added component of construction coordination with the 29th Street redevelopment phases. Also, in out years of the Transportation Development portion of the capital program, flexibility is provided to address local match for federal funding and/or local implementation to optimize FasTracks.

GUIDING PRINCIPLES AND/OR INVESTMENT STRATEGIES

Aligning with the policies of the Transportation Master Plan is an important aspect of the Transportation Budget's guiding principles. As previously outlined in Council/Board budget processes, the following priorities and strategies have been used to develop the Transportation budget:

- ▶ Maintain Integrity of Transportation Prioritization, in order:
 - Maintenance and Operations (Essential)
 - Multimodal System Expansion (Desirable)
 - Enhancements without system performance benefit (Discretionary)
- ▶ Achieve Sustainable Reductions
- ▶ Continue Efficiency Improvements
- ▶ Maintain Leveraged Funded Projects

The essential, desirable, discretionary categories of funding are derived similarly and are described below with examples:

- 1.) **Essential Services include Operation and Maintenance of Existing System to Maintain Public Safety.** Examples include pothole repair, street resurfacing, taking care of signs and signals, addressing safety issues and basic levels of existing direct service for all modes, etc. This area has sustained reductions, but to a much lesser extent than other areas at about 18% reductions on average across Operations and Maintenance. Quality of life is addressed in this area though air quality, quality of experience in travel (e.g. addressing failing streets, potholes, sidewalk hazards, etc.), and maintaining a reliable system (e.g. traffic signals functioning and in good condition).

- 2.) **Desirable Services include Expansion of Multimodal System** - All modal system expansion has been slowed. The expansion of the multimodal system includes roadway, bicycle, pedestrian, transit and travel demand management projects, programs and services. Examples include new sections of path, sidewalk, improved roadway segments and intersections, expanded transit service and increases to Eco Pass enrollment. This area has received cuts over the past several years in excess of 50%. At this point, if a citizen sees a project it is highly likely that it either has leveraged funds, is associated with a capital maintenance project, or both. The quality of life enhancement consists of improving system performance, providing more travel choices, connecting citizens to basic needs and activities, improved air quality, and increasing mobility. Also, a capital improvements program helps support the community's economic vitality efforts.

- 3.) **Discretionary Services include Mitigation Projects** – Examples include things like noise walls and Neighborhood Traffic Mitigation such as traffic circles, bulb outs, speed bumps, etc. This area of the budget does not improve system performance or preserve the quality or integrity of the infrastructure and/or system. This area of the budget has sustained a 100% reduction. Until the economy recovers sufficiently, we will not be considering any new mitigation projects.

CITY COUNCIL GOALS

Transportation

The 2006-2007 budget has been developed in accordance with policies outlined in the Transportation Master Plan and its “fiscally constrained plan”. Programs and projects address Council’s transportation goal to develop strategies to keep congestion at reasonable levels that maintain a livable community.

Furthermore, Council previously established three focus areas for its Transportation Goal:

- Regional Connections – coalition building and multimodal solutions
- Transportation Master Plan - pursuing the Current Plan and Action Plan
- FasTracks – supporting success of FasTracks

Regional Connections: The city of Boulder has been active in regional coalition building and assembling financial support for three key regional connections: US 36, the Diagonal Highway (SH 119) and Arapahoe Road (SH 7). The city has been active in creating consensus solutions that include multimodal enhancements that will ease congestion in and around Boulder. For example:

- US 36 – The US 36 consensus package includes commuter rail, bus rapid transit (BRT), a bikeway, and roadway elements. The Boulder Transit Village and the 28th Street project are implementation steps toward achieving the package from the locally preferred alternative (LPA). Both of these projects are multimodal and bring local and regional connections together. Participating in the US 36 Mayors and Commissioners Coalition (MCC) continues to be an active part of the city’s work plan with resulting efforts to change regional, state and federal legislation for funding transportation. The Transit Village Area Plan is underway and the Transit Village Site Plan process is intended to be informed by the Area Plan. Transportation continues to work toward honoring the property purchase agreement and the city’s partnership with RTD in pursuing the phased implementation of the Boulder Transit Village.
- Diagonal Highway (SH 119) – Boulder County and the cities of Longmont and Boulder have partnered together to develop a mid-term consensus for multimodal improvements to the Diagonal. This agreement has and continues to result in a number of actions: The partners are working together to assure that a CDOT interchange project at SH 52 includes multimodal elements and preserves the opportunity for extending commuter rail along the Diagonal. The BOLT transit service was introduced in September 2004 and continues to increase in ridership. The Diagonal partners worked together to shift over \$18 million identified in Regional Transportation Plan funding from the old Pearl Parkway concept to the Diagonal corridor. Boulder County received a Transportation Improvement Program (TIP) grant to improve multimodal operations at the Diagonal and 63rd intersection. The city is helping to provide the local match for that project.
- Arapahoe Avenue (SH 7) – Boulder County and the city of Boulder are working together to assure that a CDOT intersection project at 75th Street includes multimodal solutions, including a transit queue-jump facility. In addition, the city was awarded federal funds to make other multimodal intersection improvements on Arapahoe at Foothills Parkway and from Cherryvale East to the city limits. The JUMP continues to run on Arapahoe and is partially supported by the city of Boulder and by Boulder County.
- Boulder County Regional Transit Committee (RTC) / RTD Coordination on Bus Service – Boulder County’s RTC has been developing a vision for transit in Boulder County. The city’s staff and elected officials are participating in this effort that will hopefully generate a county-wide, coordinated approach to transit in Boulder and Broomfield Counties. Recently, this regional committee selected a consultant to create a more detailed countywide transit and demand management plan.

Transportation Master Plan Implementation: As previously stated, the fiscally constrained TMP, or Current Plan, is the policy basis for the 2006-2007 Transportation budget. Staff and Council continue to work toward implementation of the TMP through such efforts as sound operation and maintenance of the transportation infrastructure, the 28th Street Project, regional initiatives, maintaining the Community Transit Network, maintaining the Eco Pass program, completing missing links in the multimodal system, and other efforts. The city manager also established a TMP Action Plan Task Force in 2004 which completed its work in late 2004. The summary of findings from the Action Plan Task Force was presented to Council in summer 2005. Next steps toward the Action Plan may occur depending on Council consideration and direction within the context of the Business Plan. Also, the Transportation Advisory Board (TAB) and staff are evaluating the Current and Action Plans from the perspective of implementing FasTracks.

FasTracks: FasTracks was passed by the voters in the Denver region. There are a number of benefits for the Boulder region as a result of FasTracks including significant progress toward realizing the US 36 multimodal consensus package, added suburb-to-suburb bus service, rail and transit connections to Longmont as well as others. Successful implementation of FasTracks will be an important factor in our upcoming work program. The city needs to assure that it prepares effectively to maximize what FasTracks will deliver through such efforts as Eco Pass stability and expansion, multimodal connections, and improvements in the key activity centers such as downtown, the University area and the Boulder Transit Village/29th Street area. It will be important to coordinate with RTD which is the responsible agency for FasTracks. To these ends, TAB and staff have initiated the “FasTracks Local Optimization Work (FLOW) effort to assure Boulder is ready for FasTracks’ 2014 arrival.

Lead Time for Major Projects: Many of the more significant capital projects require a long lead time for actual construction. In most cases there are intergovernmental agreements among and between agencies, state permits required, and timing determined by the flow of federal dollars. An example of more recent Council action, the Pollard property acquisition, will take years, even beyond the cycle of the current CIP, to fully deliver on contractual obligations. An example of another project with a long lead time and extensive agreements with other parties is the 28th Street Project. The 28th Street Project community design began in 2000 and involved a community charrette, a citizen design committee, the Transportation Advisory Board, Boulder Arts Commission and City Council. There were approved federal funding requests, connections plans, Community Environmental Assessment Projects (CEAPs), Arts and Aesthetics Plan, and other formal actions by boards and Council. There are intergovernmental agreements and local matching requirements with the federal government through DRCOG, CDOT and RTD. Also, for many of these types of projects there is significant time involved in securing clearances and permits from local and state agencies. Due to the long lead time of these construction projects, there is a need to remind or inform community members about the process behind projects and their overall intent. Since a number of the current and upcoming construction projects were approved by previous board and commission members, staff will begin enhancing annual and seasonal information items to include background on project process and intent.

Community Sustainability

This new goal is continuing to be defined.

Economic Sustainability

Council's goal for economic sustainability is represented by a number of projects such as 28th Street, the Boulder Transit Village and other system improvements and investments. The capital improvement program invests in the community by leveraging state and federal dollars and rebuilding and revitalizing the infrastructure. For example, state and federal sources are helping to re-create the 28th Street corridor in the south section. Redevelopment is already occurring along south 28th Street with additional private investment adjacent to recently completed 28th Street improvements. Additional federal money will be invested in the north section of 28th Street. The Boulder Transit Village is considered a catalyst for quality redevelopment in the area of 30th and Pearl and its environs. In addition, RTD has an approximate \$7.7 million grant in 2007 for investing in the first, bus-based phase of the Boulder Transit Village.

Environmental Sustainability

Environmental goals are accomplished through construction projects and providing/encouraging choice in transportation. Landscaping in new construction is drought-tolerant through plant selection and installing drip irrigation systems. Transportation follows Integrated Pest Management (IPM) guidelines for medians, landscaped right-of-ways and the airport. The city applies snow clearing and sweeping and other maintenance strategies to reduce impacts on the environment. A balanced transportation system that provides mode choice contributes to our air and water quality goals. Also, improved timing and operation of the signal timing system reduces traffic delays, but also improves air quality through reduced congestion.

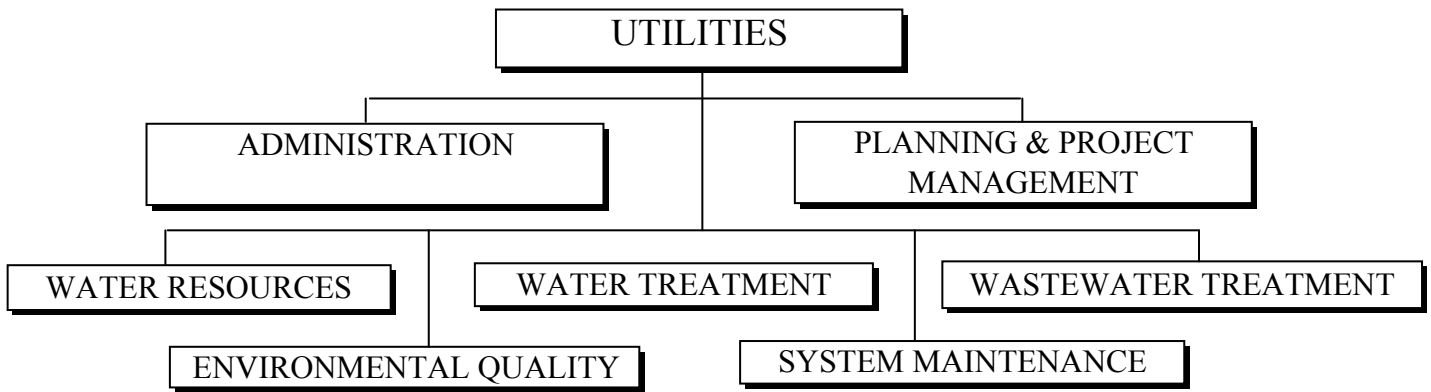
CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

There are no major changes in the Transportation budget between 2005 and 2006.

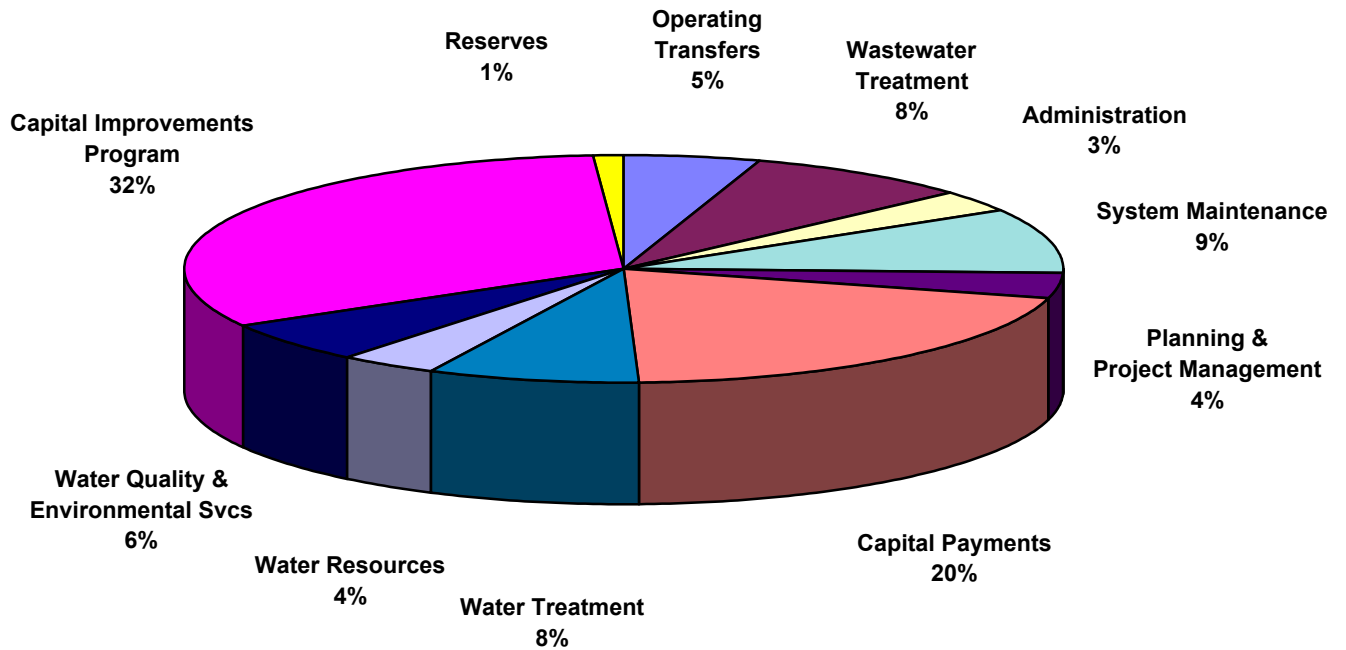
PERFORMANCE MEASURES

| | Actuals 2004 | Target 2005 | Target 2006 | Target 2007 |
|---------------------------------------------------------------------------------------------------------------|-------------------------|------------------------|------------------------|------------------------|
| 1. Daily vehicle miles of travel (VMT) in Boulder Valley: maintain at 1994 levels. | 2.63 Million | 2.72 Million | 2.71 Million | 2.71 Million |
| 2. Modal shift – Reduce SOV travel to 25% of trips by 2025. | 39% | 38% | 37% | 36% |
| 3. Transportation System Performance: maintain average drive times; maintain congestion at 20% of the system. | 16% | 20% | 20% | 20% |
| 4. Of total number of potholes reported, the number of potholes filled within one business day. | 97% | 95% | 95% | 95% |
| 5. Of total number of sidewalk trip hazards reported, the number of hazards repaired within one business day. | 81% | 95% | 95% | 95% |

DIVISION OF UTILITIES



2006 BUDGET \$48,188,182



**2006-07 APPROVED BUDGET
UTILITIES DIVISION**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|------------------------------------|-------------------|-------------------|------------------|-------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| UTILITIES DIVISION | | | | |
| Capital Payments | | | | |
| Windy Gap Payments | \$ 2,331,532 | \$ 2,079,657 | \$ 2,102,375 | \$ 2,144,423 |
| Debt Service Payments | 8,063,681 | 8,079,913 | 7,631,738 | 12,067,721 |
| TOTAL | <u>10,395,214</u> | <u>10,159,570</u> | <u>9,734,113</u> | <u>14,212,143</u> |
| Operating Transfers | | | | |
| Transfers/Cost Allocation | 5,040,124 | 2,457,476 | 2,393,801 | 2,429,708 |
| TOTAL | <u>5,040,124</u> | <u>2,457,476</u> | <u>2,393,801</u> | <u>2,429,708</u> |
| Reserves | | | | |
| Operating Reserves | 0 | 590,000 | 595,000 | 606,900 |
| TOTAL | <u>0</u> | <u>590,000</u> | <u>595,000</u> | <u>606,900</u> |
| Administration | | | | |
| Division Administration | 388,355 | 629,083 | 608,340 | 617,561 |
| Public Power | 0 | 100,000 | 0 | 0 |
| Rate Administration | 56,656 | 45,000 | 44,000 | 44,880 |
| Computer Replacement | 187,798 | 193,000 | 176,000 | 179,520 |
| Billing Services | 404,245 | 427,925 | 438,246 | 445,995 |
| Support Services | 0 | 185,589 | 192,512 | 195,732 |
| TOTAL | <u>1,037,055</u> | <u>1,580,596</u> | <u>1,459,099</u> | <u>1,483,688</u> |
| Planning & Project Management | | | | |
| Planning & Project Management | 904,153 | 735,008 | 838,924 | 852,932 |
| Unallocated Construction | 291,987 | 850,000 | 500,000 | 510,000 |
| Flood Management | 0 | 406,233 | 439,074 | 447,428 |
| TOTAL | <u>1,196,140</u> | <u>1,991,242</u> | <u>1,777,998</u> | <u>1,810,360</u> |
| Water Resources | | | | |
| Water Resources Management | 1,120,547 | 1,068,230 | 1,063,847 | 1,084,212 |
| Watershed Operations | 294,590 | 298,171 | 308,403 | 313,604 |
| Hydroelectric Operations | 380,925 | 348,104 | 357,385 | 363,540 |
| Stormwater Contract Management | 52,531 | 53,319 | 53,852 | 54,929 |
| TOTAL | <u>1,848,592</u> | <u>1,767,823</u> | <u>1,783,487</u> | <u>1,816,285</u> |
| Water Treatment | | | | |
| Betasso Treatment Plant | 1,851,388 | 1,856,965 | 1,908,908 | 1,941,709 |
| Boulder Reservoir Treatment Plant | 1,300,122 | 1469210.13 | 1,462,914 | 1,488,725 |
| System Controls | 132,080 | 275103.56 | 258,887 | 263,113 |
| WTP Residuals Handling | 27,672 | 124,134 | 125,386 | 127,883 |
| TOTAL | <u>3,311,262</u> | <u>3,725,413</u> | <u>3,756,096</u> | <u>3,821,430</u> |
| Water Quality Environment Services | | | | |
| Industrial Pretreatment | 254,072 | 288,009 | 311,386 | 316,356 |
| Water Conservation | 334,332 | 422,454 | 435,370 | 443,404 |
| Drinking Water Quality Services | 720,183 | 695,828 | 741,863 | 754,030 |
| Wastewater Quality Services | 453,754 | 469,783 | 479,829 | 487,959 |
| Stormwater Quality Services | 702,390 | 754,441 | 773,387 | 787,067 |
| TOTAL | <u>2,464,730</u> | <u>2,630,516</u> | <u>2,741,835</u> | <u>2,788,817</u> |

**2006-07 APPROVED BUDGET
UTILITIES DIVISION**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|-----------------------------------------|------------------------|--------------------------|--------------------------|--------------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| System Maintenance | | | | |
| Distribution System Maintenance | 1,274,650 | 1,473,261 | 1,545,659 | 1,571,873 |
| Collection System Maintenance | 1,182,883 | 1,356,306 | 1,352,345 | 1,375,513 |
| Storm Sewer Maintenance | 404,574 | 573,061 | 572,480 | 582,283 |
| Flood Channel Maintenance | 200,185 | 232,960 | 231,655 | 235,648 |
| Meter Services | 683,794 | 720,336 | 707,097 | 719,342 |
| TOTAL | <u>3,746,086</u> | <u>4,355,925</u> | <u>4,409,236</u> | <u>4,484,659</u> |
| Wastewater Treatment | | | | |
| 75th Street Treatment Plant | 2,789,626 | 2,923,124 | 3,001,680 | 3,053,131 |
| Marshall Landfill Operations | 160,892 | 240,000 | 242,400 | 247,248 |
| Cogeneration | 122,966 | 120,908 | 122,189 | 124,257 |
| Biosolids Operations | 595,839 | 668,023 | 686,248 | 698,363 |
| TOTAL | <u>3,669,322</u> | <u>3,952,054</u> | <u>4,052,518</u> | <u>4,122,999</u> |
| Capital Improvements Program | | | | |
| Capital Improvements Program | 22,214,281 | 11,195,000 | 15,485,000 | 17,873,850 |
| TOTAL | <u>22,214,281</u> | <u>11,195,000</u> | <u>15,485,000</u> | <u>17,873,850</u> |
| TOTAL | <u>\$ 54,922,806</u> | <u>\$ 44,405,615</u> | <u>\$ 48,188,182</u> | <u>\$ 55,450,839</u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 9,697,883 | \$ 10,058,980 | \$ 10,327,223 | \$ 10,482,131 |
| Operating Expenses | 15,045,069 | 9,809,914 | 9,746,941 | 9,941,880 |
| Interdepartmental Charges | 1,233,014 | 1,778,720 | 1,635,185 | 1,667,889 |
| Capital | 15,843,034 | 12,220,612 | 16,453,294 | 18,861,510 |
| Debt Service | 8,063,681 | 8,079,913 | 7,631,738 | 12,067,721 |
| Other Financing Uses | 5,040,124 | 2,457,476 | 2,393,801 | 2,429,708 |
| TOTAL | <u>\$ 54,922,806</u> | <u>\$ 44,405,615</u> | <u>\$ 48,188,182</u> | <u>\$ 55,450,839</u> |
| <u>BUDGET BY FUND</u> | | | | |
| General | \$ 16,481 | \$ 16,481 | \$ 16,646 | \$ 16,979 |
| Transportation | 152,934 | 156,317 | 155,916 | 158,826 |
| Water Utility | 39,710,222 | 27,462,084 | 30,869,336 | 26,162,576 |
| Wastewater Utility | 9,235,420 | 10,649,979 | 10,393,216 | 22,941,357 |
| Stormwater and Flood Management Utility | 5,807,749 | 6,120,754 | 6,753,069 | 6,171,101 |
| TOTAL | <u>\$ 54,922,806</u> | <u>\$ 44,405,615</u> | <u>\$ 48,188,182</u> | <u>\$ 55,450,839</u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | 148.67 | 150.44 | 150.44 | 150.44 |
| Seasonal Temporary FTE's | 6.50 | 6.50 | 6.50 | 6.50 |
| TOTAL | <u>155.17</u> | <u>156.94</u> | <u>156.94</u> | <u>156.94</u> |

**2006-07 BUDGET
PUBLIC WORKS DEPARTMENT
UTILITIES DIVISION**

MISSION STATEMENT

The Utilities Division's mission is to provide quality water services, as desired by the community, in a manner which emphasizes efficient management of fiscal and natural resources, and protects human and environmental health. Our services include:

- ◆ Potable Water Treatment and Distribution
- ◆ Water Resources and Hydroelectric Management
- ◆ Wastewater Collection and Treatment
- ◆ Stormwater Collection and Conveyance
- ◆ Water Quality Protection and Enhancement
- ◆ Infrastructure Planning, Construction and Maintenance
- ◆ Emergency Planning and Response

BUSINESS PLAN NARRATIVE

Each of the city's three utilities (Water, Wastewater and Stormwater/Flood Management) is a separate enterprise fund established to finance and account for the acquisition, operation and maintenance of each utility's facilities and services. The utility funds receive a majority of their revenues from monthly user charges and utility system development fees. Therefore, the changes in the city's economic climate which have reduced sales tax revenues and impacted departments which depend on sales tax revenues have not impacted the utility funds. However, the 2002 Drought dramatically reduced water usage (both indoors and outdoors) and correspondingly water and wastewater fund revenues. Subsequent year's revenues have also been reduced because of customers' on-going conservation efforts (2003-04) and above average precipitation (2004). In addition to drought induced conservation behavior, several commercial accounts have implemented cooling towers and other conservation efforts that have resulted in less water returning through the wastewater system and thus lowering wastewater revenues. Wastewater revenue projections for monthly user charges were reduced in 2004 by approximately \$1 million to reflect the reduction in wastewater services.

These on-going revenue reductions have demanded that programs and projects be reviewed and re-prioritized in an effort to reduce expenditures. Some capital projects have been deferred to future years, and projects to expand the water system's treatment and delivery capacity are being re-evaluated.

For 2006, funds are being reallocated within the Water Fund to provide financial resources needed to comply with new federal regulations regarding water data collection, testing and analysis. This reallocation shifts existing funds (\$20,000) from discretionary

programs in Division Administration and Water Treatment Process Optimization to Water Treatment for ongoing microparticulate analysis. In addition \$40,000 is needed for a one-time regulatory data collection effort in 2006. This effort will be funded from Raw Water Acquisition (\$15,000) and Water Quality Operations (\$25,000).

Additional resources are also needed in the Wastewater fund as new federal regulations for local pretreatment limits and pharmaceutical requirements come into effect in 2006 (\$20,000). In addition, in order to fully utilize the new treatment and capacity improvements at the Wastewater Treatment Plant a Process Control Specialist will be needed beginning in the fall of 2006 (\$22,000). These additional needs will be funded by reallocating \$42,000 from existing discretionary and desirable programs within Division Administration, Wastewater Data and Analysis, and Wastewater Process Optimization.

GUIDING PRINCIPLES AND/OR INVESTMENT STRATEGY

The **Guiding Principles** Utilities will use to fulfill its mission include:

- ◆ Providing reliable utility services
- ◆ Complying with all city, county, state and federal laws, taking direction from both regulatory standards and community goals
- ◆ Planning work activities and expenditures in a manner which demands fiscal responsibility and accountability
- ◆ Incorporating environmental stewardship, public health, and public safety in all aspects of our work
- ◆ Understanding that our community is dynamic, not static, and as a result, so must be plans and programs
- ◆ Treating people with respect, dignity and honesty
- ◆ Setting high standards and consistently managing performance to achieve those standards
- ◆ Promoting staff as a team and resource
- ◆ Maintaining a safe work environment
- ◆ Realizing that the quality of our work is as important as the quantity of our work
- ◆ Promoting personal responsibility, contributions and growth
- ◆ Recognizing that we are a part of a larger organization and, as such, strive to understand other needs and use resources in a collaborative manner

Investment Strategy

- 1.) Highly Reliable Treatment and Delivery Systems (Essential Services) –**
Includes services and programs that meet federal and state regulatory criteria. These services and programs include treatment operations, maintenance of existing facilities, watershed protection of raw water quality, pretreatment program, utility billing operations, financial management, planning and analysis, raw water supply management and emergency response programs.

- 2.) **Expansion of Treatment and Delivery Systems (Desirable Services)** – Includes services and programs that are desired to respond to impacts of future growth, meet federal or state goals, or which support city goals. These services and programs include conservation and public education programs, hydroelectric operations and household hazardous waste program.
- 3.) **Enhancement of Treatment and Delivery Systems (Discretionary Services)** – Includes services and programs that enhance the existing systems or to help others (but not required) perform their basic business service. These services and programs include the acquisition of new water supplies beyond that needed for build-out projections, treatment optimization programs and some facility maintenance projects.

CITY COUNCIL GOALS

The Utilities Division most directly supports the following three City Council Goals:

Economic Sustainability

- As enterprise funds, all three utilities are self-sustaining in that revenues are predominantly derived from user fees and services.
- Boulder's monthly user fees are mostly dependent upon the current customer base, and are not dependent on future (or growth) customers, therefore making the utility services more sustainable.

Environmental Sustainability

- The hydroelectric and cogeneration facilities assist in reducing the city's reliance on fossil-fuel energy and support the city's Kyoto goal.
- Implementation of the new utility billing system and water budget rate structure and the enhancement of the Water Conservation Program will promote the efficient use of water, both indoors and outdoors, and promote practices that conserve and protect this natural resource.
- The implementation of "City PACE", an environmental management system within the Utilities Maintenance and Wastewater Treatment work programs including: installation of automated meter reading devices, recycling of appropriate metals, and use of environmentally preferable products.
- The application of the Integrated Pest Management (IPM) policies into land management plans and programs associated with the Silver Lake Watershed, Barker Reservoir facilities, Caribou Ranch area, and the Water and Wastewater Treatment Plants.
- Continued support for regional water quality protection programs, such as BASIN (Boulder Area Sustainability Information Network) and WASH (Watershed Approach to Stream Health.)

- Continued development and implementation of instream flow programs for Boulder Creek and South Boulder Creek

Community Sustainability

- Continue to provide regular website updates on utility information, meetings, programs and projects.

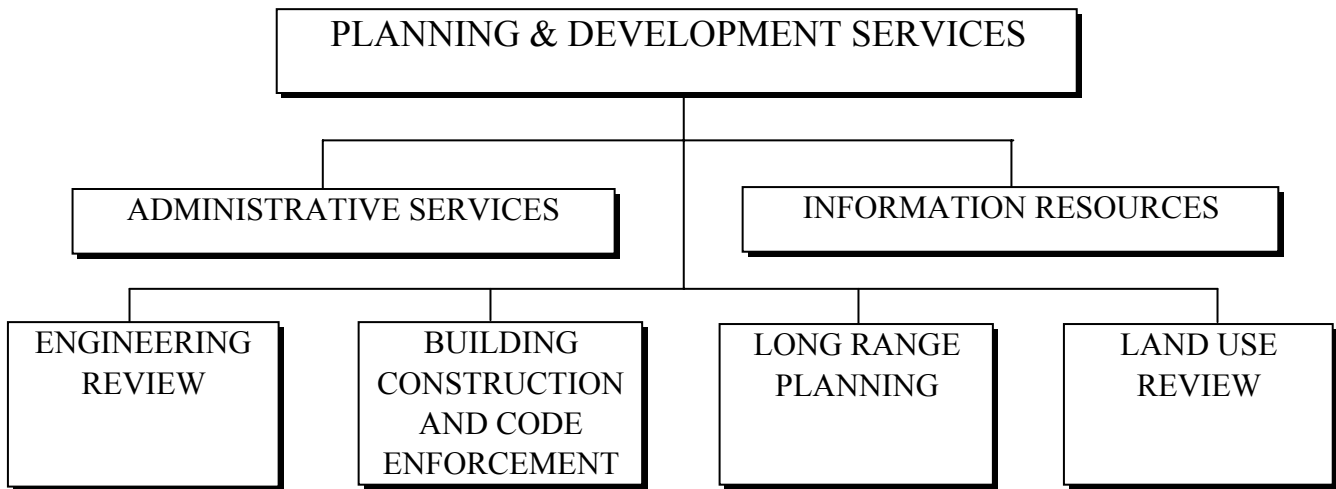
CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

There were no changes to the Public Works Department/Utility Division’s base budget between the 2005 and 2006 approved budgets.

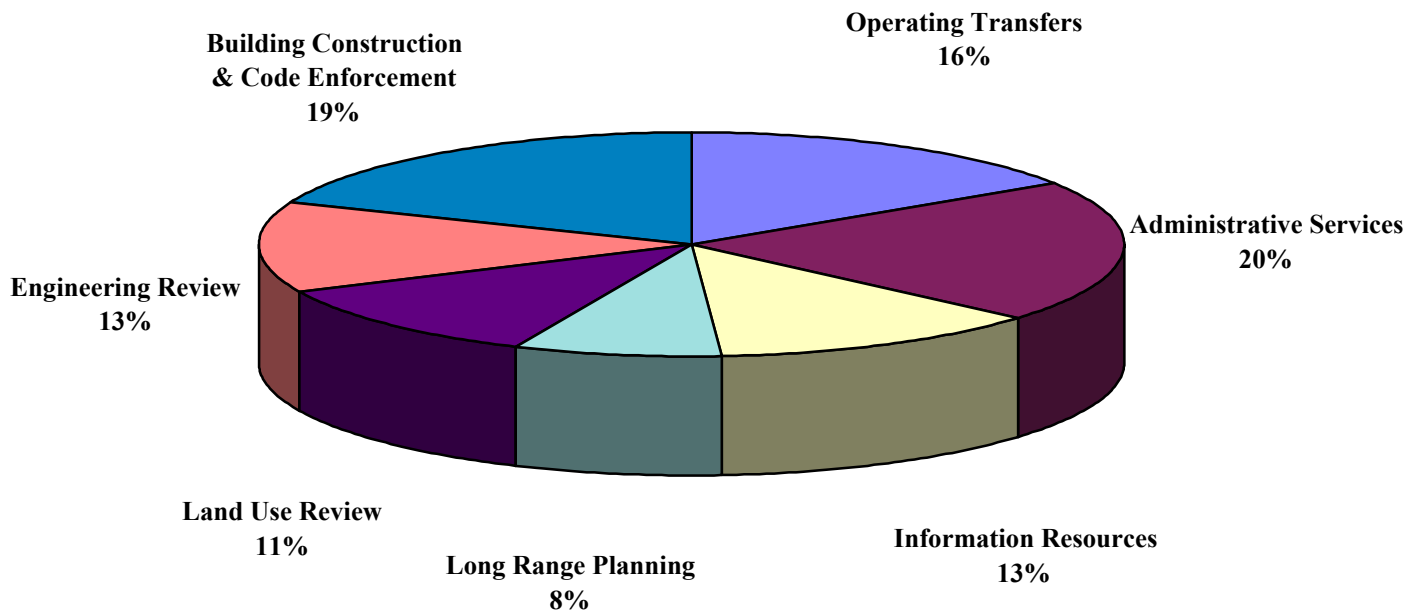
PERFORMANCE MEASURES

| | Actuals 2004 | Target 2005 | Target 2006 | Target 2007 |
|------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|------------------------|------------------------|------------------------|
| 1. Average length of time for an unplanned water service outage - not to exceed 5 hours | 100% less than 5 hours | 100% less than 5 hours | 100% less than 5 hours | 100% less than 5 hours |
| 2. Water Treatment – percent of compliance (based on days per quarter) in which all of the reportable regulatory standards are met. | 100% Compliance | 100% Compliance | 100% Compliance | 100% Compliance |
| 3. Wastewater Treatment – percent of compliance (based on days per quarter) in which all of the reportable regulatory standards are met. | 100% Compliance | 100% Compliance | 100% Compliance | 100% Compliance |
| 4. City of Boulder Community Rating System (CRS) for Flood Insurance Purposes. | Rating = 8 | Rating = 8 | Rating = 8 | Rating = 8 |

PLANNING & DEVELOPMENT SERVICES



2006 BUDGET \$7,689,530



**2006-07 APPROVED BUDGET
PLANNING & DEVELOPMENT SERVICES**

The information on this page is also displayed on the Public Works Department/Development and Support Services Division page (under Development Services) and on the Planning Department page.

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| ADMINISTRATIVE SERVICES | | | | |
| General Administration | \$ 403,405 | \$ 1,132,157 | \$ 1,185,304 | \$ 1,204,825 |
| Planning & Dev Svcs Center | 908,579 | 189,364 | 203,328 | 206,521 |
| Budget & Finance | 103,659 | 161,360 | 175,686 | 178,350 |
| Events & Meetings | 487 | 0 | 0 | 0 |
| | <u>1,416,130</u> | <u>1,482,880</u> | <u>1,564,318</u> | <u>1,589,696</u> |
| INFORMATION RESOURCES | | | | |
| Information Resources Administration | 124,554 | 252,623 | 153,775 | 156,376 |
| LandLink Administration | 210,990 | 211,539 | 222,617 | 226,272 |
| Records & Research | 146,758 | 136,919 | 132,105 | 134,280 |
| Geographic Information Systems | 445,075 | 426,038 | 461,130 | 468,447 |
| | <u>927,377</u> | <u>1,027,120</u> | <u>969,627</u> | <u>985,375</u> |
| LONG RANGE PLANNING | | | | |
| Long Range Planning Administration | 505,907 | 432,896 | 452,327 | 459,395 |
| Historic Preservation | 112,747 | 116,890 | 137,784 | 139,969 |
| | <u>618,654</u> | <u>549,786</u> | <u>590,111</u> | <u>599,364</u> |
| LAND USE REVIEW | | | | |
| Land Use Review | 156,825 | 258,431 | 146,402 | 148,746 |
| Planner Review Services | 321,446 | 350,248 | 395,169 | 401,296 |
| Zoning Administration | 328,569 | 325,007 | 340,102 | 345,239 |
| | <u>806,840</u> | <u>933,686</u> | <u>881,673</u> | <u>895,281</u> |
| ENGINEERING REVIEW | | | | |
| Engineering Review | 131,687 | 161,120 | 162,961 | 165,738 |
| Engineer Review Services | 436,498 | 593,955 | 611,825 | 621,076 |
| Right-of-Way Inspection | 226,820 | 234,622 | 236,971 | 240,650 |
| | <u>795,005</u> | <u>989,697</u> | <u>1,011,757</u> | <u>1,027,464</u> |
| BUILDING CONSTRUCTION & CODE ENFORCEMENT | | | | |
| Inspection & Enforcement Admin | 3,735 | 124,040 | 123,640 | 125,548 |
| Building & Housing Code | 627,739 | 600,982 | 765,410 | 778,390 |
| Zoning/Environmental Code | 309,211 | 241,178 | 260,315 | 264,423 |
| Building Code Review | 95,685 | 117,959 | 124,489 | 126,594 |
| Building Code Plan Review Services | 173,714 | 165,781 | 174,373 | 177,008 |
| | <u>1,210,084</u> | <u>1,249,941</u> | <u>1,448,227</u> | <u>1,471,963</u> |
| OPERATING TRANSFERS | | | | |
| Cost Allocation/Transfers | 1,249,872 | 1,272,118 | 1,223,817 | 1,242,174 |
| | <u>1,249,872</u> | <u>1,272,118</u> | <u>1,223,817</u> | <u>1,242,174</u> |
| TOTAL | <u><u>7,023,962</u></u> | <u><u>7,505,228</u></u> | <u><u>7,689,530</u></u> | <u><u>7,811,317</u></u> |

| | | | | |
|----------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 4,886,749 | \$ 4,958,053 | \$ 5,176,785 | \$ 5,254,436 |
| Operating Expenses | 523,576 | 899,465 | 925,181 | 943,685 |
| Interdepartmental Charges | 352,086 | 354,066 | 343,351 | 350,218 |
| Capital | 11,679 | 21,526 | 20,396 | 20,804 |
| Other Financing Uses | 1,249,872 | 1,272,118 | 1,223,817 | 1,242,174 |
| | <u>1,249,872</u> | <u>1,272,118</u> | <u>1,223,817</u> | <u>1,242,174</u> |
| TOTAL | <u><u>\$ 7,023,962</u></u> | <u><u>\$ 7,505,228</u></u> | <u><u>\$ 7,689,530</u></u> | <u><u>\$ 7,811,317</u></u> |

**2006-07 APPROVED BUDGET
PLANNING & DEVELOPMENT SERVICES**

The information on this page is also displayed on the Public Works Department/Development and Support Services Division page (under Development Services) and on the Planning Department page.

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|---------------------------------|------------------------|--------------------------|--------------------------|--------------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| <u>BUDGET BY FUND</u> | | | | |
| Planning & Development Services | \$ 7,023,962 | \$ 7,505,228 | \$ 7,689,530 | \$ 7,811,317 |
| TOTAL | \$ <u>7,023,962</u> | \$ <u>7,505,228</u> | \$ <u>7,689,530</u> | \$ <u>7,811,317</u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | <u>65.00</u> | <u>64.71</u> | <u>64.74</u> | <u>64.74</u> |
| TOTAL | <u>65.00</u> | <u>64.71</u> | <u>64.74</u> | <u>64.74</u> |

**2006-07 BUDGET
PLANNING AND DEVELOPMENT SERVICES**

MISSION STATEMENT

Planning and Development Services (P&DS) strives to develop and implement the desired long-term future of the natural and built environment in the city of Boulder by:

- supporting a community vision and plan that preserves Boulder's unique quality of life,
- protecting the public health and safety,
- promoting environmental quality, and
- supporting others in carrying out their mission.

BUSINESS PLAN NARRATIVE

The Planning Department and portions of the Public Works Department have come together to form Planning and Development Services (P&DS). P&DS is a fund and service area that was formed in recognition of the inter-relationships of these development-related responsibilities. The P&DS work program has focused on continuous improvement in order to be efficient and effective in service delivery, to improve customer satisfaction and to be more responsive and accountable to the community.

P&DS has reduced resources to address the city's changing economic climate and revenue shortfalls. Since 2003, P&DS has reduced its operating budget by \$995,000 and has eliminated nine standard and seven temporary positions. The focus in P&DS has been on preserving programs and activities essential to its mission. The reductions have been in areas where resources provided are in excess of the current demand and in peripheral activities which may enhance the efficiency and effectiveness of P&DS but are not absolutely essential to its central mission.

Staff reductions have resulted in reduced service levels and extended project review timelines. For example, a slot system was created in order to address staff reductions in the Land Use Review workgroup and manage the number of applications submitted every week. The number of projects submitted has consistently exceeded the number of slots available for land use review/technical document review. This has resulted in a large percentage of development review applications being delayed up to two weeks before the review can begin.

Staff reductions and transitions in Environmental and Zoning Enforcement have necessitated increased emphasis on prioritizing complaints based upon the more immediate safety issues. Long Range Planning, while experiencing reductions, has assumed additional duties in Land Use Review and also provides services formerly provided by a division in the City Manager's office that was eliminated (i.e, Audit and

Evaluation). This has resulted in a reduced number and scope of Long Range Planning projects and an extension of some projects' timelines.

Administrative Services and Information Resource reductions have put more emphasis on developing additional web based applications and self help materials for the public. In addition, reductions in advisory board and staff support have shifted work which resulted in some efficiencies but also created an additional workload for some staff.

In the P&DS fiscally constrained budget, improvements to business process and technology continue to be implemented to create additional efficiencies and achieve cost reductions. In addition, as positions become vacant staff continues to evaluate and explore the best way to allocate those resources. For example, in order to address the below service level standards in the building permit area, staff is proposing to shift a Senior Planner FTE to a new Residential Plans Examiner position. This resource reallocation recognizes the needs within this program have changed.

In addition, the Land Use Code Simplification Project is an effort to provide more simplicity, clarity, consistency and predictability in the land use regulations, and reduce code complexity so fewer resources are needed to administer the code. It is anticipated that the improvements associated with this project and the reallocation of a .75 FTE back to case management will help address the below service level standards in the land use and technical document review areas.

The focus of the 2006 budget submission was on the reallocation of resources necessary to improve service standards in essential areas and the identification of further efficiency improvements. P&DS will continue to gather and analyze information to develop an action plan and vision plan to inform priorities for further enhancements to our programs.

GUIDING PRINCIPLES AND/OR INVESTMENT STRATEGY

- 1.) Essential Services include:** Health and safety related code compliance and the coordination of the comprehensive plan, department master plans, and capital improvement program. Health and safety related code compliance includes: the review and inspections associated with building, floodplain, right of way and utility permits and the land use and engineering review associated with annexations, rezoning and subdivisions.
- 2.) Desirable Services include:** Programs that further community goals by protecting cultural and natural resources and by enhancing the quality of the built environment through discretionary review processes and other programs. The historic preservation program is an example of protecting the cultural resources in the community. The wetland permitting program and environmental planning activities are examples of working to protect natural resources. Land use review processes that define community standards for development while allowing flexibility in project design is an example of how

the community can enhance the quality of the built environment. In addition, zoning and environmental enforcement and the rental licensing program enhance the quality of the built environment.

- 3.) Discretionary Services include:** Programs and services that further enhance Boulder’s quality of life or that provide a special convenience to the customer. In order to assist those who go through the development review process, P&DS provides consultation services in a variety of ways, including front line customer support by project specialists with application submittals and pre-application meetings.

CITY COUNCIL GOALS

Economic Vitality

- Support the Twenty Ninth Street development.
- Continue to implement customer service improvements that demonstrate that “Boulder is open for business.”
- Participate on the City Manager’s project team to coordinate staff efforts related to the implementation of the economic vitality work program.
- Provide customized planning and zoning assistance to businesses that are looking to expand or relocate to Boulder.
- Implement tools for economic development and business retention, such as land use code simplification.
- Implement the Gunbarrel community center plan which includes changing land use and zoning designations, identifying and prioritizing public improvements, identifying methods of public or private financing of improvements, supporting formation of a Gunbarrel alliance and identifying location and funding for a public or private park site.

Environmental

- Review current commercial development codes, standards and regulations in order to demonstrate equivalency with the U.S. Green Building Council’s (USGBC) LEED criteria. Commercial building and development codes and standards are proposed to be amended accordingly to implement LEED standards.
- Continue to implement training/workshops and provide education materials for the community relative to Green Points and the Energy Code.
- Continue to participate as a member of the City’s Partners for a Clean Environment (PACE) program.
- Implement new storm water regulations to address National Pollutant Discharge and Elimination System (NPDES) Phase II regulations.
- Implement updated Community and Environmental Assessment Process (CEAP) and Project Planning Process.

- Develop sustainability indicators report and website to track the community's success in meeting sustainability goals over time.
- Continue to pursue annexation agreements between the city and various neighborhoods in order to allow for the provision of water and sewer services.
- Examine environmental building practices as they relate to historic preservation.
- Support the development of an Urban Wildlife Management Plan to identify policies and resolve wildlife/land use conflicts in the city.
- Develop a concept plan for public improvements to the Boulder Creek and South Boulder Creek floodplain area from Valmont Road to 61st Street.

Transportation

- Expand the Skip-A-Trip program that provides a non-driving alternative to conducting business downtown at the P&DS Service Center.
- Reduce vehicle trips through public access via the web to imaged records and information and the implementation of additional E-Government applications.
- Develop a transportation network plan as part of the Transit Village Area Plan.

Affordable Housing

- Process development review applications for affordable housing projects.
- Continue to support the evaluation of housing development on city-owned land.
- Continue to evaluate the potential of additional residential units in commercial and industrial zones, with a special focus on the Transit Village area.
- Continue to license rental properties, respond to housing code violations and associated zoning and environmental enforcement concerns.

Community Sustainability

- Complete reorganization of the P&DS website so that information related to our processes is more understandable to all customers.
- Provide regular web site updates to improve public information and outreach opportunities.
- Continue to provide forms and other written materials in multiple languages.
- Develop special outreach efforts to engage the minority community in the Transit Village area planning process.

CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

There were no changes to the Planning & Development Services Department's base budget between the 2005 and 2006 approved budgets.

PERFORMANCE MEASURES

| | ACTUALS 2004 | TARGET 2005 | TARGET 2006 | TARGET 2007 |
|---------------------------------------------------------------------------------|-----------------|----------------|----------------|----------------|
| 1. Total number of applications received annually (projected). | 5698 | 5,900 | 5,700 | 5,700 |
| 2. *Administrative Review (ADR): | | | | |
| Administrative Setback Variances, Minor Modifications, etc. Target = 12 days | 75% | 85% | 85% | 85% |
| *Land Use Review (LUR): | | | | |
| Site Reviews, Use Reviews, Annexations, etc. Target = 19 days | 85% | 85% | 85% | 85% |
| *Technical Document Review (TEC) Target = 19 days | 85% | 85% | 85% | 85% |
| *Building-related Permits: | | | | |
| New Residential - SFD = 40 days | 45% | 71% | 85% | 85% |
| New Residential - MFD = 60 days | 75% | 71% | 85% | 85% |
| New Commercial = 60 days | 75% | 71% | 85% | 85% |

| | ACTUALS | TARGET | TARGET | TARGET |
|---------------------------------------------------------------------------------------------------------------------------------------------|----------------|---------------|---------------|---------------|
| | 2004 | 2005 | 2006 | 2007 |
| Residential Alt/Add = 20 days | 26% | 71% | 85% | 85% |
| Commercial Alt/Add = 25 days | 51% | 71% | 85% | 85% |
| Single /Stand Alone = 12 days | 64% | 71% | 85% | 85% |
| 3. Percentage of building-related permit applications processed "over-the-counter" (projected). | 61% | 65% | 65% | 65% |
| 4. **Number of cases investigated and action taken annually in Zoning and Environmental Code Enforcement. | 2,921 | 2,000 | 2,500 | 2,500 |
| 5. Percent of initial enforcement field inspections performed within three calendar days of receipt of complaint. | 88% | 80% | 88% | 88% |
| 6. Percent of complaints for which all investigation and action by Environmental Enforcement Officers is completed within 30 calendar days. | 76% | 80% | 76% | 76% |

| | ACTUALS | TARGET | TARGET | TARGET |
|--------------------------------------------------------------------------------------------------------------------------|----------------|---------------|---------------|---------------|
| | 2004 | 2005 | 2006 | 2007 |
| 7. Percent of complaints for which all investigation and action by Zoning Officers is completed within 60 calendar days. | 73% | 80% | 73% | 73% |

*Performance measures for development review activities are based on the actual time an application is under review. In many cases, there is a delay between the date an application is received and the date review actually begins. Applications have typically waited between 2-6 weeks for adequate staff resources to become available to begin review. For the performance measure of the target response date, a tolerance of +/-5 calendar days is included to allow for variability in the number of weekends and Monday morning (vs. Friday) issuance of comments. For building permits, performance is calculated as the average for all review types.

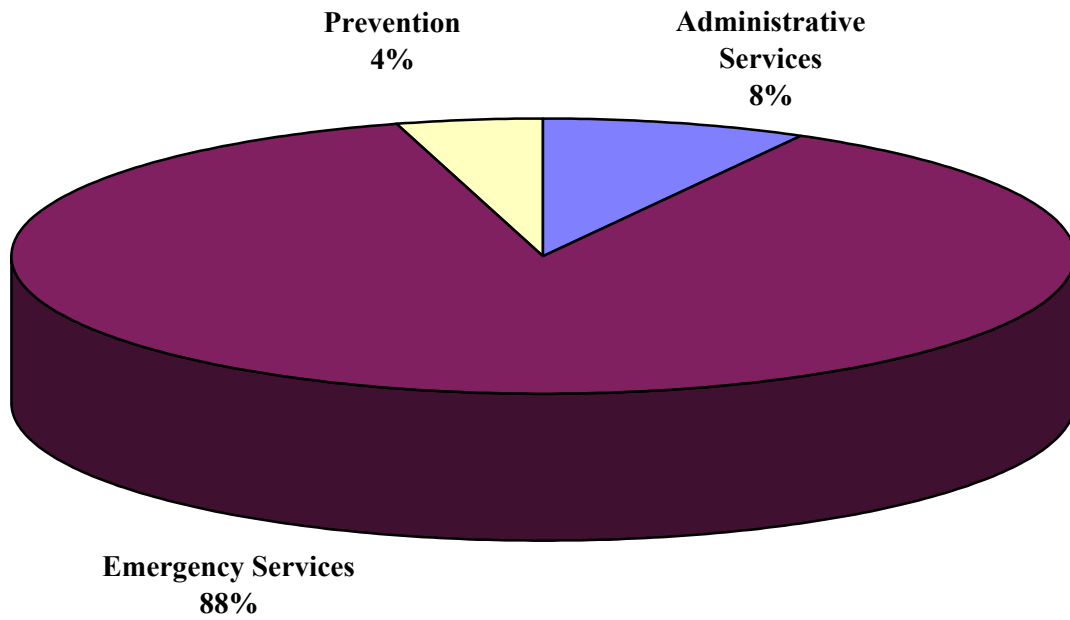
**Does not include noise complaints dispatched by police or sidewalk snow removal by complaint or proactive activity. Neighborhood noise and sidewalk snow removal total an additional 1919 cases. These are not included in the target values.

PUBLIC SAFETY

FIRE



2006 BUDGET
\$11,324,555



**2006-07 APPROVED BUDGET
FIRE**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|----------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| ADMINISTRATIVE SERVICES | | | | |
| General | \$ 562,209 | \$ 551,589 | \$ 563,436 | \$ 572,290 |
| Communication/Contracted Svcs | <u>333,980</u> | <u>345,051</u> | <u>350,700</u> | <u>357,415</u> |
| | 896,189 | 896,640 | 914,136 | 929,705 |
| EMERGENCY SERVICES | | | | |
| General | 8,858,335 | 8,906,120 | 9,166,799 | 9,308,474 |
| Wildland Coordination | 504,437 | 473,489 | 466,181.24 | 473,557 |
| Specialty Teams | 26,111 | 64,375 | 65,207 | 66,320 |
| Training | <u>206,478</u> | <u>208,116</u> | <u>215,055</u> | <u>218,406</u> |
| | 9,595,361 | 9,652,100 | 9,913,243 | 10,066,757 |
| PREVENTION | | | | |
| Prevention | <u>485,319</u> | <u>511,525</u> | <u>497,176</u> | <u>504,903</u> |
| | 485,319 | 511,525 | 497,176 | 504,903 |
| TOTAL | <u><u>\$ 10,976,868</u></u> | <u><u>\$ 11,060,265</u></u> | <u><u>\$ 11,324,555</u></u> | <u><u>\$ 11,501,365</u></u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 9,553,399 | \$ 9,686,625 | \$ 9,936,179 | \$ 10,085,222 |
| Operating Expenses | 844,699 | 735,594 | 743,947 | 758,826 |
| Interdepartmental Charges | <u>578,771</u> | <u>638,046</u> | <u>644,429</u> | <u>657,318</u> |
| TOTAL | <u><u>\$ 10,976,868</u></u> | <u><u>\$ 11,060,265</u></u> | <u><u>\$ 11,324,555</u></u> | <u><u>\$ 11,501,365</u></u> |
| <u>BUDGET BY FUND</u> | | | | |
| General | \$ 10,914,058 | \$ 10,996,382 | \$ 11,257,998 | \$ 11,433,734 |
| Open Space | <u>62,811</u> | <u>63,883</u> | <u>66,556</u> | <u>67,631</u> |
| TOTAL | <u><u>\$ 10,976,868</u></u> | <u><u>\$ 11,060,265</u></u> | <u><u>\$ 11,324,555</u></u> | <u><u>\$ 11,501,365</u></u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | 108.33 | 111.33 | 111.33 | 111.33 |
| Seasonal Temporary FTE's | <u>2.50</u> | <u>2.50</u> | <u>2.50</u> | <u>2.50</u> |
| TOTAL | <u><u>110.83</u></u> | <u><u>113.83</u></u> | <u><u>113.83</u></u> | <u><u>113.83</u></u> |

2006-07 BUDGET FIRE DEPARTMENT

MISSION STATEMENT

The Boulder Fire Department strives to make Boulder a safe place to live, work and play. We reduce the human suffering caused by fires, accidents, sudden illness, hazardous material releases, or other disasters.

BUSINESS PLAN NARRATIVE

As part of the four-year strategic reduction plan for the General Fund, the Fire Department's budget was reduced approximately \$550,000. These reductions resulted in the loss of two FTEs, one in administrative support and the other in the Wildland Fire Division. In response, some administrative duties have been moved to the Battalion chiefs (shift supervisors) and other duties have been reallocated to remaining staff or are no longer accomplished. Duties of the Wildland Fire position have been reassigned to a remaining wildland staff member who can now handle the duties following completion of appropriate training. In addition, non-personnel (or operating) budget reductions have caused the Department to delay equipment replacement and postpone training opportunities for Department members. Eighty-two percent (82%) of the Fire Department's non-personnel budget is allocated to fixed costs that must be paid and over which the Department has no discretion. These include expenses such as utilities, communication/dispatch services, computer replacement, fleet replacement, training center expenses, and fleet repair/fuel costs. The remaining non-personnel budget is used to pay the day-to-day expenses of the Department. Due to the City's budget condition, no additional funding was provided over the past three years for these types of expenses. The result of continuing fixed expense increases without equivalent budget increases is a significant reduction in budget available to fund training necessary to maintain certifications and skills. Repairs and replacement of essential equipment has also been postponed.

All services currently provided by the Fire Department are essential and there is no plan to reallocate any resources at this time within the Department.

The Fire Department Master Plan update is underway and expected to be completed early in 2006. This will provide the basis for the Fire Department to develop both action and vision plans for this crucial City service.

GUIDING PRINCIPLES AND/OR INVESTMENT STRATEGY

- 1.) Essential Services** are those that directly provide for the health and safety of the people and property in the community. These services are not provided by another entity. These include response to emergencies within and around the City, and the support activities necessary to safely and efficiently mitigate those emergencies. Examples include; fire and emergency medical response, automobile, technical and water rescues, fire fighter training and fire safety inspections to comply with City and State regulations and ordinances. Replacement of aging fire vehicles is essential.
- 2.) Desirable Services** are those that enhance essential services or improve quality of life in the Boulder community. Examples include wildland fire mitigation and public safety education designed to reduce the demand for emergency responses.
- 3.) Discretionary Services** are those that serve limited special interest. Examples are funding of a regular fire apparatus replacement program and our smoke detector give away program funded through donations.

CITY COUNCIL GOALS

Transportation - Fire Department personnel make a practice of planning their routine trips in fire apparatus to accomplish multiple tasks during a single trip.

Affordable Housing - The Fire Department supports this Council goal by protecting the existing housing stock within the City through strategically placed fire stations.

Fire prevention and fire safety education programs conducted in City owned housing help reduce the number and severity of fires.

Environmental Sustainability -The Fire Department's hazardous materials response team is trained and equipped to contain and control releases of hazardous substances. Two particular priorities are protection of citizens and the containment of liquid releases before they enter waterways.

Economic Sustainability - Fire prevention safety inspections help local business owners understand the importance of good fire safety practices. Businesses that experience a fire take months to reopen and many never recover or resume operation resulting in lost tax revenue to the City.

Automatic fire sprinkler system regulations provide businesses with built-in fire protection to control or extinguish fires while they are small.

When fires do occur, fast response from strategically located fire stations many times helps minimize the damage from fire.

Community Sustainability - To thrive, a city must provide for the safety and well being of residents. People relocate from unsafe communities. The Fire Department provides services equally to all who live, work, visit or travel through the community. Safety education programs are designed to reach all segments of the community.

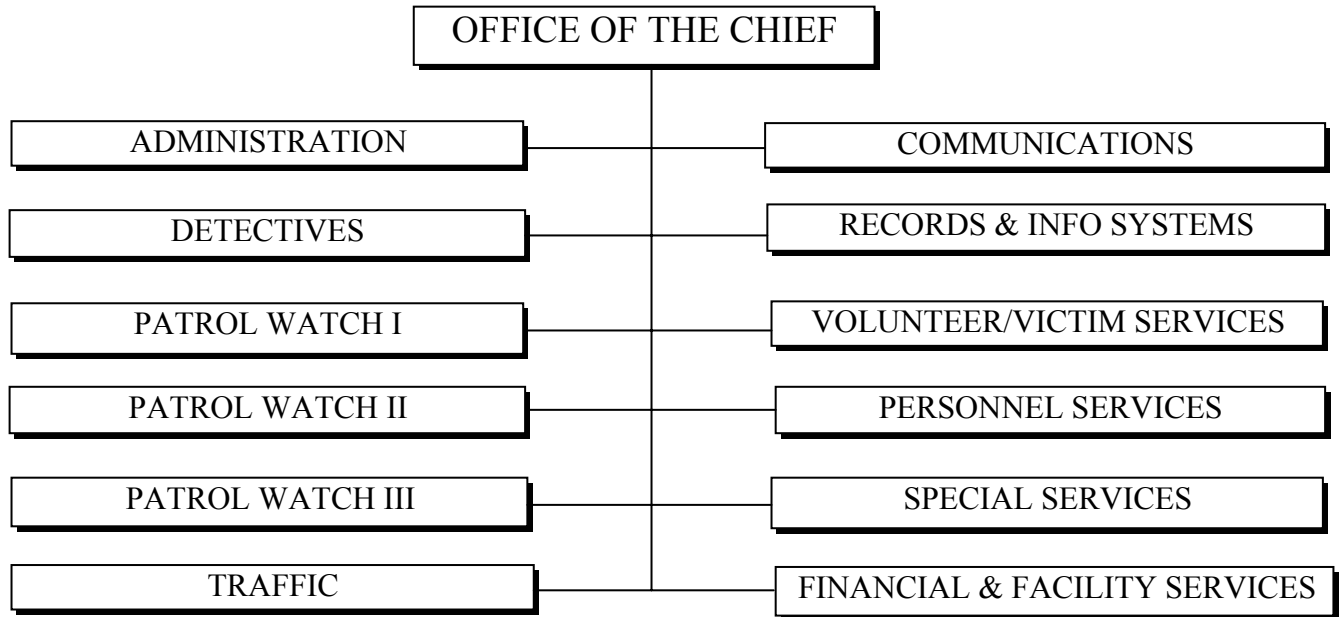
CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

There were no changes to the Fire Department’s base budget between the 2005 and 2006 approved budgets.

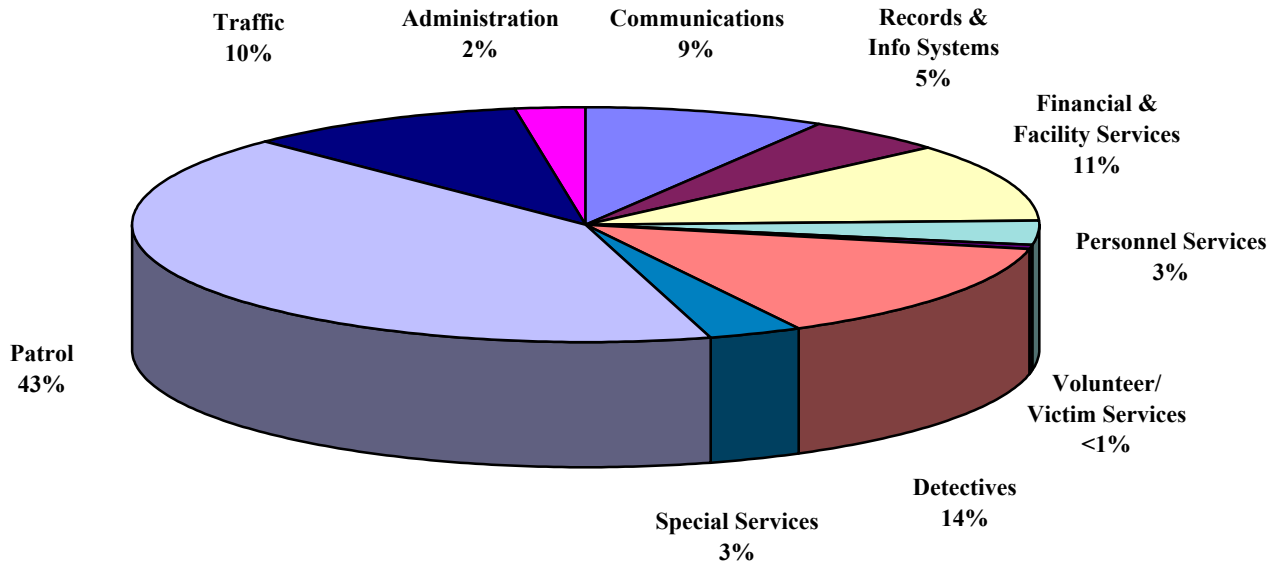
PERFORMANCE MEASURES

| | ACTUALS 2004 | TARGET 2005 | TARGET 2006 | TARGET 2007 |
|-----------------------------------------------------------------------------------------|-------------------------|------------------------|------------------------|------------------------|
| 1. Percentage of emergency responses within six minutes. Target 90% | 84% | 90% | 90% | 90% |
| 2. Number of fire fighters per 1000 population. Target less than 1.0 | .92 | <1.0 | <1.0 | <1.0 |
| 3. Percentage of all units dispatched to emergencies arrive on scene within 11 minutes. | Data Unavailable | 11 minutes | 11 minutes | 11 minutes |

POLICE



2006 BUDGET \$23,415,399



**2006-07 APPROVED BUDGET
POLICE**

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROPOSED |
|----------------------------------|------------------------|--------------------------|--------------------------|--------------------------|
| <u>BUDGET BY PROGRAM</u> | | | | |
| Administration | \$ 353,495 | \$ 460,337 | \$ 575,673 | \$ 584,525 |
| Communications | 2,260,813 | 1,870,438 | 2,003,923 | 2,034,761 |
| Records & Information Systems | 1,385,308 | 1,240,667 | 1,185,029 | 1,203,023 |
| Financial & Facility Services | 3,295,736 | 2,413,622 | 2,529,953 | 2,577,430 |
| Personnel Services | 906,572 | 749,020 | 810,655 | 823,880 |
| Volunteer/Victim Services | 102,813 | 97,566 | 102,324 | 103,928 |
| Detectives | 2,190,001 | 3,325,717 | 3,247,597 | 3,296,945 |
| Special Services | 338,545 | 861,237 | 778,518 | 790,710 |
| Patrol Watch I | 10,197,133 | 3,392,482 | 3,912,358 | 3,971,361 |
| Patrol Watch II | 147,507 | 3,222,121 | 3,029,739 | 3,075,263 |
| Patrol Watch III | 115,883 | 2,506,882 | 2,880,472 | 2,923,758 |
| Traffic | 891,445 | 2,539,807 | 2,359,156 | 2,398,384 |
| Donations | 26,848 | 0 | 0 | 0 |
| Grants | 217,199 | 0 | 0 | 0 |
| TOTAL | \$ <u>22,429,298</u> | \$ <u>22,679,896</u> | \$ <u>23,415,399</u> | \$ <u>23,783,967</u> |
| <u>BUDGET BY CATEGORY</u> | | | | |
| Personnel Expenses | \$ 17,881,906 | \$ 19,307,842 | \$ 19,947,940 | \$ 20,247,160 |
| Operating Expenses | 2,863,985 | 2,426,280 | 2,452,029 | 2,501,070 |
| Interdepartmental Charges | 1,624,411 | 921,856 | 991,511 | 1,011,341 |
| Capital | 58,996 | 23,918 | 23,918 | 24,396 |
| TOTAL | \$ <u>22,429,298</u> | \$ <u>22,679,896</u> | \$ <u>23,415,399</u> | \$ <u>23,783,967</u> |
| <u>BUDGET BY FUND</u> | | | | |
| General | \$ 22,429,298 | \$ 22,679,896 | \$ 23,415,399 | \$ 23,783,967 |
| TOTAL | \$ <u>22,429,298</u> | \$ <u>22,679,896</u> | \$ <u>23,415,399</u> | \$ <u>23,783,967</u> |
| <u>AUTHORIZED FTE's</u> | | | | |
| Standard FTE's | <u>256.25</u> | <u>263.25</u> | <u>263.25</u> | <u>263.25</u> |
| TOTAL | <u>256.25</u> | <u>263.25</u> | <u>263.25</u> | <u>263.25</u> |

2006-07 BUDGET POLICE DEPARTMENT

MISSION STATEMENT

The mission statement of the Boulder Police Department is very simple: Working with the community to provide service and safety.

BUSINESS PLAN NARRATIVE

From 2001 to 2005 the department has experienced a 7.5% budget reduction for a cumulative total of \$1,643,718. In the midst of these cuts, the Police Department has been committed to absorbing these reductions without compromising the efficiency of core public safety services to the citizens of Boulder. The Department has been successful at protecting the quality of core services, but the reductions inevitably had to impact some services and efficiencies. We have taken across the board reductions from non-personnel accounts in an attempt to meet unfunded liabilities. We have reduced our staffing by 19.25 FTEs. We have also taken steps to increase efficiencies by streamlining our arrest and report writing procedures, and reducing our paperwork for officers.

The loss of an annex reduced the Department's efforts to develop partnerships within the community which were beneficial in utilizing both the resources of the Department and the community to maintain a safe environment. It is a loss of decentralization of police services and loss of improved access/convenience for residents which would have provided a neighborhood approach to service delivery.

Another service affected by budget cuts was the reduction of services in the Records Section. The Police Records Specialists provide direct service to the community at the front desk as well as to department staff. They maintain police records, and are responsible for data entry of reports in the Police Information Network (PIN). These services are still available, but operating hours had to be reduced by eliminating the graveyard shift and closing the section on week-ends. This impacts citizens as well as officers and detectives who need to access information.

The Detectives Division was also affected when reduced staffing forced them to decrease the types of cases for follow-up. Detectives are unable to follow-up on forgeries or check frauds under \$1,500. These are now referred to the District Attorney for alternative disposition. The functions performed by a reduced Police Sergeant position, namely responsibility for Special Events and Emergency Preparedness, were assigned to a Patrol Division Commander in addition to regular duties.

The canine unit, consisting of two officers and two dogs, was disbanded completely and the funding reallocated to fund core services. The canine unit was a great asset in providing officer safety in situations where building searches are needed.

The Police Master Plan was originally completed in 1996 and later updated in 2001 (approved by Council in 2003). The Police Department will continue to focus efforts on meeting basic functions and core services identified during the master planning process. Staffing and equipping the department to maintain service levels as the community grows will be part of future action and vision plans.

GUIDING PRINCIPLES AND/OR INVESTMENT STRATEGY

- 1.) Essential Services include:** Those functions and services that contribute to our ability to respond to emergency situations involving threat to persons or property, to meet the service demands of our community, to investigate criminal acts, and to prevent crime. This also includes those functions necessary to support these critical services. Quality of life is addressed through our ability to create and maintain a safe and secure environment for our citizens. Minimal cuts have occurred in these services. Examples of services that fall into this category are responses to calls such as assaults in progress, injury accidents, and other crimes in progress. It would also include those police services that are considered basic to public safety, such as taking reports of serious crimes and then conducting follow-up investigations. Burglaries and robberies would fall into this category. We also need to provide a minimum level of police presence to deter crime and provide adequate back-up and safety for our officers.
- 2.) Desirable Services include:** Those functions and services that contribute to our efforts in providing a safe and secure environment, but are not generally considered as critical as essential services. These functions are often expected or demanded by our community as core services and enhance our ability to serve the community in a variety of ways beyond emergency services. Some cuts have occurred in these areas. An example of this type of service would be the investigation of non-jury traffic accidents. It is desirable to investigate and determine who is at fault in a traffic accident so that proper accountability can be applied. It is also desirable to protect the safety of those involved and to clear the roadways as quickly as possible to enhance traffic flow. Another desirable service would be having officers on foot and bicycle patrols on the Hill and Mall. This enhances safety and provides for more personal and attentive service to the special needs of those districts.
- 3.) Discretionary Services include:** Those functions and services that are supportive of our core services and enhance the quality of life in our community. Generally an enhancement to other services provided by the department or a response to expressed desires of the community, but not as critical to public safety. Many of these services have experienced cuts over the past few years. An example of this type of service is our School Resource Officers. They work in our high schools and middle schools to respond to

service needs, build relationships with the students, provide safety education, work with at risk youth, and work with other service agencies in protecting our communities' children.

CITY COUNCIL GOALS

Affordable Housing

Members of the Department have availed themselves of the affordable housing offered in the City as some members have chosen to reside with their families in City sponsored complexes. This available housing is also utilized as a recruiting tool for new members wishing to relocate to Boulder. The Police Department remains very active in various housing services through its "Adopt-a-Site" Program. In this program, beat officers have "adopted" various City of Boulder Housing Authority sites to provide personalized problem solving and police services.

Economic Sustainability

The Department is constantly looking for new ways to reduce budget expenditures and thus maintain our economic sustainability. The Police Department revised the DUI process to reduce duplication and time spent in processing the paperwork. The Department completely revamped municipal and state tickets to reduce the completion time. The Department's policy manuals went to an electronic format to save on the cost of printing. The use of volunteers allows the Department to accomplish many tasks that would otherwise either not be completed or cost staff hours.

Environment Sustainability

The Department has increased both foot and bicycle patrol to conserve fossil fuels and reduce emissions. Recycling bins are set up throughout the Department and recycling of goods such as paper and aluminum is encouraged. Five patrol vehicles with V8 engines were replaced with fuel efficiency vehicles which run on .85% Ethanol. A new V6 engine SUV was purchased to replace an older V8 engine SUV. The CPC's allow the Department to bring all services to the citizen, thus reducing the need for the citizen to travel to us. Environmental sustainability has been formally addressed in the Master Plan Update.

Transportation

The Department is committed to easing traffic congestion and improving the free movement of vehicles and public transportation throughout the City. The motorcycle unit allows greater flexibility in meeting this challenge. Since implementation of the motorcycle unit, the approach for providing the equipment has changed with the implementation of 2-year leases on motorcycles for \$1,188/yr. to replace the purchase of the same equipment at a cost of \$17,500/2-yrs. In 2004, the Department was able to

expand its motorcycle unit by two for the same equipment at a lease cost of \$2.00 for 2 years. The Department is also committed to finding other alternatives from the patrol car. Officers have increased foot and bicycle patrol in the Downtown core area, on and around the Hill, and on the Boulder Creek Path. By utilizing localized CPC's, the Department is providing neighborhood Police Services that allow citizens to interact with the Department in their local neighborhood without the use of motor vehicles.

CHANGES TO BUDGET BETWEEN 2005 AND 2006 APPROVED BUDGETS

There were no changes to the Police Department's base budget between the 2005 and 2006 approved budgets.

PERFORMANCE MEASURES

| | Actuals 2004 | Target 2005 | Target 2006 | Target 2007 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|------------------------|------------------------|------------------------|
| 1. Reduce the harmful effects resulting from the use of alcohol, by reducing the number of vehicle accidents that involve injuries and deaths and are alcohol related by 5% under the last five years average. | 37 | 50 | 50 | 50 |
| To report the number of D.U.I. arrests | 972 | 1,000 | 1,100 | 1,000 |
| 2. Improve community access and obtain a 75% citizen satisfaction rate when using Boulder Police services with Community Police Centers. | 92% | 85% | 90% | 90% |
| Report the total number of customers served by the Community Police Centers. | 5,981 | 6,500 | 6,500 | 6,500 |

| | Actuals 2004 | Target 2005 | Target 2006 | Target 2007 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|------------------------|------------------------|------------------------|
| 3. To provide improved delivery of police service to the community of Boulder, by evaluating police effectiveness through the use of crime clearance statistics to exceed the national average of 21%. | 29% | 25% | 25% | 25% |
| Evaluate police effectiveness through the improvement of police emergency response under the last five-year average of 6.2 minutes. | 3.3 minutes | 3.5 minutes | 3.5 minutes | 3.5 minutes |

The budget information for Municipal Court Administration is located under the tab for Municipal Court.

FUND FINANCIALS

CITY OF BOULDER
2006 FUND FINANCIAL
GENERAL FUND
(in \$1,000s)

| | A | B | BA | BE | BG | BI | BK | BM | BO | BQ |
|-----|---|-----------------------------------------------|-----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|
| 1 | | Consumer Price Index | 0.10% | 1.80% | 1.90% | 2.40% | 2.60% | 2.50% | 2.50% | 2.50% |
| 4 | | Sales Tax Growth | 1.01% | 1.00% | 2.00% | 2.44% | 2.60% | 2.48% | 2.48% | 2.48% |
| 5 | | 1/4/2006 | ACTUAL | REVISED | APPROVED | PROJECTED | PROJECTED | PROJECTED | PROJECTED | PROJECTED |
| 6 | | | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| 36 | | TOTAL BEGINNING RESOURCES | \$11,123 | \$9,029 | \$10,210 | \$10,242 | \$10,529 | \$10,604 | \$10,182 | \$9,589 |
| 37 | | REVENUE: | | | | | | | | |
| 38 | | Sales/Use Tax | 31,999 | 32,348 | 32,995 | 33,799 | 34,678 | 35,537 | 36,417 | 37,319 |
| 41 | | Add'l Sales/Use Tax (29th Street) | 0 | 620 | 844 | 1,462 | 1,738 | 1,828 | 1,874 | 1,921 |
| 43 | | Food Service Tax | 388 | 401 | 409 | 419 | 430 | 440 | 451 | 463 |
| 47 | | Property Tax | 12,218 | 12,204 | 12,448 | 12,697 | 13,014 | 13,340 | 13,740 | 14,152 |
| 50 | | Public Safety Property Tax | 3,904 | 3,908 | 4,006 | 4,126 | 4,250 | 4,377 | 4,508 | 4,644 |
| 51 | | Cable TV Franchise | 927 | 871 | 880 | 889 | 898 | 907 | 916 | 925 |
| 54 | | Liquor Occupation Tax | 515 | 530 | 546 | 563 | 580 | 597 | 615 | 633 |
| 55 | | Telephone Occupation Tax | 768 | 768 | 768 | 768 | 768 | 768 | 768 | 768 |
| 56 | | Accommodation Tax | 2,306 | 2,421 | 2,542 | 2,669 | 2,803 | 2,943 | 3,090 | 3,245 |
| 57 | | Admission Tax | 459 | 507 | 522 | 538 | 554 | 571 | 588 | 605 |
| 58 | | Add'l Admissions Tax (29th Street) | 0 | 0 | 0 | 214 | 285 | 285 | 285 | 285 |
| 59 | | Xcel Franchise Fee | 3,157 | 3,252 | 3,349 | 3,450 | 3,553 | 3,660 | 3,770 | 3,883 |
| 60 | | Specific Ownership Tax | 1,617 | 1,544 | 1,575 | 1,607 | 1,639 | 1,672 | 1,705 | 1,739 |
| 61 | | Tobacco Tax | 434 | 435 | 435 | 435 | 435 | 435 | 435 | 435 |
| 62 | | NPP and Other Parking Revenue | 150 | 72 | 71 | 72 | 72 | 72 | 72 | 72 |
| 63 | | Meters-Out of Parking Districts | 304 | 295 | 295 | 295 | 295 | 295 | 295 | 295 |
| 67 | | Sale of Other Services | 119 | 121 | 124 | 126 | 129 | 131 | 134 | 137 |
| 68 | | Sale of Goods | 44 | 45 | 47 | 48 | 50 | 51 | 53 | 54 |
| 70 | | Licenses | 141 | 145 | 150 | 154 | 159 | 163 | 168 | 173 |
| 71 | | Court Fees and Charges | 1,704 | 1,600 | 1,648 | 1,697 | 1,748 | 1,801 | 1,855 | 1,910 |
| 72 | | Parking Violations | 2,402 | 2,181 | 2,246 | 2,314 | 2,383 | 2,455 | 2,528 | 2,604 |
| 74 | | Other Fines & Penalties | 3 | 3 | 3 | 3 | 3 | 3 | 4 | 4 |
| 76 | | Court Awards-DUI & Seized Property | 85 | 40 | 41 | 42 | 44 | 45 | 46 | 48 |
| 77 | | Photo Radar Revenue | 1,131 | 1,159 | 1,188 | 1,218 | 1,248 | 1,280 | 1,312 | 1,344 |
| 78 | | Other Governmental | 0 | 10 | 10 | 11 | 11 | 11 | 12 | 12 |
| 79 | | Interest Income | 408 | 416 | 424 | 433 | 442 | 450 | 459 | 469 |
| 81 | | Rental Income | 234 | 241 | 248 | 256 | 263 | 271 | 279 | 288 |
| 83 | | Other Revenue | 363 | 378 | 484 | 408 | 424 | 441 | 459 | 477 |
| 87 | | Housing/Human Services Fees | 264 | 230 | 231 | 232 | 233 | 235 | 236 | 237 |
| 88 | | Parks Fees (see Other Revenue) | 160 | 160 | 165 | 166 | 167 | 167 | 168 | 169 |
| 98 | | SUB-TOTAL CURRENT REVENUE | 66,204 | 66,907 | 68,696 | 71,111 | 73,296 | 75,232 | 77,242 | 79,310 |
| 100 | | Other Revenue | | | | | | | | |
| 101 | | Grants | 979 | 799 | 846 | 871 | 898 | 924 | 952 | 981 |
| 104 | | Meters-Within Parking Districts | 1,395 | 1,455 | 1,468 | 1,468 | 1,468 | 1,468 | 1,468 | 1,468 |
| 105 | | Trash Hauler Occupation Tax | 1,049 | 1,485 | 1,495 | 1,247 | 1,258 | 1,268 | 1,279 | 1,279 |
| 107 | | Bond Reserves | 101 | 380 | 380 | 380 | 380 | 250 | 250 | 250 |
| 108 | | .15 Sales Tax | 3,142 | 3,172 | 3,237 | 3,316 | 3,402 | 3,487 | 3,573 | 3,661 |
| 109 | | SUB-TOTAL OTHER REVENUE | 6,666 | 7,291 | 7,426 | 7,282 | 7,406 | 7,397 | 7,522 | 7,639 |
| 111 | | TRANSFERS IN: | | | | | | | | |
| 119 | | Cost Allocation - Current Opr Costs-All Funds | 6,324 | 6,221 | 5,985 | 6,075 | 6,043 | 5,965 | 6,114 | 6,267 |
| 120 | | Other Transfers | 692 | 68 | 48 | 49 | 51 | 52 | 54 | 56 |
| 134 | | Mall Reimbursement from CAGID (see Revenue) | 384 | 392 | 500 | 500 | 500 | 500 | 500 | 500 |

CITY OF BOULDER
2006 FUND FINANCIAL
GENERAL FUND
(in \$1,000s)

| | A | B | BA | BE | BG | BI | BK | BM | BO | BQ |
|-----|---|-----------------------------------------|--------|---------|----------|-----------|-----------|-----------|-----------|-----------|
| 1 | | Consumer Price Index | 0.10% | 1.80% | 1.90% | 2.40% | 2.60% | 2.50% | 2.50% | 2.50% |
| 4 | | Sales Tax Growth | 1.01% | 1.00% | 2.00% | 2.44% | 2.60% | 2.48% | 2.48% | 2.48% |
| 5 | | 1/4/2006 | ACTUAL | REVISED | APPROVED | PROJECTED | PROJECTED | PROJECTED | PROJECTED | PROJECTED |
| 6 | | | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| 137 | | SUB-TOTAL TRANSFERS IN | 7,400 | 6,681 | 6,533 | 6,624 | 6,594 | 6,517 | 6,668 | 6,822 |
| 138 | | ANNUAL SOURCES (EXCLUDING FUND BALANCE) | 80,270 | 80,879 | 82,655 | 85,018 | 87,296 | 89,146 | 91,432 | 93,771 |
| 139 | | TOTAL SOURCES OF FUNDS | 91,393 | 89,908 | 92,865 | 95,259 | 97,824 | 99,750 | 101,614 | 103,361 |
| 140 | | USES OF FUNDS | | | | | | | | |
| 141 | | City Council | 276 | 281 | 286 | 291 | 296 | 302 | 307 | 313 |
| 142 | | Municipal Court | 1,168 | 1,292 | 1,353 | 1,375 | 1,401 | 1,427 | 1,454 | 1,481 |
| 144 | | City Attorney | 1,650 | 1,637 | 1,678 | 1,705 | 1,737 | 1,770 | 1,803 | 1,836 |
| 147 | | City Manager (including Internal Audit) | 999 | 1,192 | 1,325 | 1,347 | 1,372 | 1,397 | 1,424 | 1,450 |
| 148 | | West Nile Virus Program | 494 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| 149 | | Economic Vitality Program | 231 | 361 | 361 | 361 | 361 | 250 | 250 | 250 |
| 150 | | Conference and Visitors Bureau | 593 | 592 | 621 | 640 | 662 | 685 | 708 | 732 |
| 151 | | Non-departmental | 368 | 133 | 135 | 137 | 140 | 142 | 145 | 148 |
| 152 | | Contingency | 79 | 111 | 113 | 115 | 117 | 119 | 122 | 124 |
| 153 | | Fuel Contingency | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 155 | | Extraordinary Personnel Expense | 0 | 111 | 113 | 115 | 117 | 119 | 121 | 123 |
| 156 | | Environmental Affairs | 1,009 | 1,485 | 1,495 | 1,247 | 1,258 | 1,268 | 1,279 | 1,279 |
| 157 | | DUHMD/Parking Svcs | 899 | 876 | 887 | 902 | 918 | 936 | 953 | 971 |
| 159 | | BID | 255 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 160 | | Public Affairs | 898 | 620 | 558 | 567 | 578 | 589 | 599 | 611 |
| 162 | | Unemployment & Volunteer Ins | 152 | 108 | 130 | 107 | 109 | 111 | 113 | 115 |
| 163 | | Property & Casualty Ins. | 1,241 | 1,539 | 1,609 | 1,767 | 1,885 | 1,885 | 1,885 | 1,885 |
| 164 | | Compensated Absences | 281 | 311 | 311 | 311 | 311 | 311 | 311 | 311 |
| 168 | | Information Technology | 4,349 | 3,545 | 3,698 | 3,758 | 3,829 | 3,900 | 3,973 | 4,047 |
| 169 | | IT/Computer Replacement Funding | 0 | 581 | 590 | 600 | 611 | 622 | 634 | 646 |
| 170 | | IT/Technology Funding | 0 | 0 | 50 | 51 | 52 | 53 | 54 | 55 |
| 171 | | IT/Telecommunications Funding | 0 | 44 | 45 | 45 | 46 | 47 | 48 | 49 |
| 173 | | Human Resources | 1,145 | 1,171 | 1,227 | 1,247 | 1,270 | 1,294 | 1,318 | 1,343 |
| 174 | | Finance | 2,226 | 2,264 | 2,356 | 2,395 | 2,439 | 2,485 | 2,531 | 2,578 |
| 175 | | Campaign Financing | 0 | 41 | 0 | 43 | 0 | 46 | 0 | 0 |
| 176 | | Police | 22,429 | 22,680 | 23,415 | 23,798 | 24,245 | 24,696 | 25,156 | 25,625 |
| 178 | | Fire | 10,914 | 10,996 | 11,258 | 11,442 | 11,657 | 11,874 | 12,095 | 12,320 |
| 181 | | Public Works | 2,345 | 1,618 | 1,669 | 1,696 | 1,728 | 1,760 | 1,793 | 1,827 |
| 182 | | Municipal Facilities Fund | 0 | 780 | 811 | 843 | 877 | 912 | 949 | 987 |
| 184 | | Equipment Replacement | 0 | 24 | 24 | 25 | 25 | 26 | 26 | 27 |
| 186 | | Facilities Renovation & Replacement | 536 | 401 | 579 | 602 | 627 | 652 | 678 | 705 |
| 187 | | Parks | 4,024 | 3,889 | 3,973 | 4,038 | 4,114 | 4,190 | 4,268 | 4,348 |
| 193 | | Arts | 181 | 189 | 192 | 195 | 199 | 203 | 206 | 210 |
| 194 | | Real Estate (Open Space) | 105 | 111 | 113 | 115 | 117 | 119 | 121 | 124 |
| 195 | | Housing/Human Services | 4,368 | 4,417 | 4,581 | 4,706 | 4,812 | 4,920 | 5,029 | 5,141 |
| 199 | | Annual Merit Added to Base | 0 | 0 | 0 | 900 | 1,817 | 2,751 | 3,702 | 4,671 |
| 201 | | Greenhouse Gas Program | 100 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 214 | | Add'l Budget Reductions (one-time) | 0 | (300) | 0 | 0 | 0 | 0 | 0 | 0 |
| 215 | | Downtown EcoPass | 0 | 93 | 0 | 0 | 0 | 0 | 0 | 0 |
| 222 | | Carryovers (all depts) | 2,052 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

CITY OF BOULDER
 2006 FUND FINANCIAL
 GENERAL FUND
 (in \$1,000s)

| | A | B | BA | BE | BG | BI | BK | BM | BO | BQ |
|-----|---|-------------------------------------------|--------|---------|----------|-----------|-----------|-----------|-----------|-----------|
| 1 | | Consumer Price Index | 0.10% | 1.80% | 1.90% | 2.40% | 2.60% | 2.50% | 2.50% | 2.50% |
| 4 | | Sales Tax Growth | 1.01% | 1.00% | 2.00% | 2.44% | 2.60% | 2.48% | 2.48% | 2.48% |
| 5 | | 1/4/2006 | ACTUAL | REVISED | APPROVED | PROJECTED | PROJECTED | PROJECTED | PROJECTED | PROJECTED |
| 6 | | | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| 351 | | Unrestricted Reserve | 7,877 | 7,612 | 7,894 | 8,095 | 8,335 | 8,560 | 8,795 | 9,040 |
| 354 | | Total Reserve Designations | 7,877 | 7,612 | 7,894 | 8,095 | 8,335 | 8,560 | 8,795 | 9,040 |
| 355 | | SURPLUS/(DEFICIT) vs. RESERVE GOAL | 1,151 | 2,598 | 2,348 | 2,434 | 2,269 | 1,623 | 794 | (253) |

**CITY OF BOULDER
2006 FUND FINANCIAL**

COMMUNITY HOUSING ASSISTANCE PROGRAM FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|----------------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of Year | \$4,084,277 | \$2,633,568 | \$37,928 | \$39,066 | \$40,238 | \$41,445 | \$42,688 | \$43,969 |
| SOURCES OF FUNDS: | | | | | | | | |
| Property Tax | \$1,229,665 | \$1,258,802 | \$1,296,566 | \$1,335,463 | \$1,375,527 | \$1,416,793 | \$1,459,297 | \$1,503,075 |
| Development Tax | \$245,479 | \$230,000 | \$350,000 | \$300,000 | \$126,000 | \$92,000 | \$70,000 | \$70,000 |
| Interest | \$90,931 | \$50,000 | \$60,000 | \$60,000 | \$60,000 | \$60,000 | \$60,000 | \$60,000 |
| Transfer from CDBG/interest for sec 108 loan | \$265 | \$23,333 | \$24,127 | | | | | |
| Housing Authority Loan Repayment | | | | | | | | |
| Proceeds from Sale of Units | | | | | | | | |
| Other | \$2,222 | | | | | | | |
| TOTAL SOURCES OF FUNDS | \$1,568,562 | \$1,562,135 | \$1,730,693 | \$1,695,463 | \$1,561,527 | \$1,568,793 | \$1,589,297 | \$1,633,075 |
| USES OF FUNDS: | | | | | | | | |
| Operating: | | | | | | | | |
| Program Management | \$260,534 | \$267,545 | \$282,975 | \$291,465 | \$300,209 | \$309,215 | \$318,491 | \$328,046 |
| Housing Authority Transfer | \$20,318 | \$20,745 | \$21,139 | \$21,540 | \$21,950 | \$22,367 | \$22,792 | \$23,225 |
| Total Operating Uses of Funds | \$280,852 | \$288,290 | \$304,114 | \$313,005 | \$322,158 | \$331,582 | \$341,283 | \$351,271 |
| Transfers to Other Funds | | | | | | | | |
| Cost Allocation | \$16,925 | \$16,980 | \$16,335 | \$16,825 | \$17,330 | \$17,850 | \$18,385 | \$18,937 |
| Excise Tax Administration | \$4,607 | \$4,699 | \$4,840 | \$4,985 | \$5,135 | \$5,289 | \$5,447 | \$5,611 |
| Transfer to CDBG for section 108 loan | | \$114,280 | \$63,250 | | | | | |
| Total Transfers to Other Funds | \$21,532 | \$135,959 | \$84,425 | \$21,810 | \$22,465 | \$23,138 | \$23,833 | \$24,548 |
| Capital Improvements Program: | | | | | | | | |
| Acquisition/Rehabilitation/Construction | \$2,716,887 | \$1,186,479 | \$1,341,016 | \$1,359,476 | \$1,215,697 | \$1,212,829 | \$1,222,900 | \$1,255,938 |
| Housing Authority Bridge Loan | | | | | | | | |
| Total Capital Improvements Program | \$2,716,887 | \$1,186,479 | \$1,341,016 | \$1,359,476 | \$1,215,697 | \$1,212,829 | \$1,222,900 | \$1,255,938 |
| Project Carryovers & Encumbrances | | \$2,547,047 | | | | | | |
| TOTAL USES OF FUNDS | \$3,019,271 | \$4,157,775 | \$1,729,555 | \$1,694,291 | \$1,560,320 | \$1,567,549 | \$1,588,016 | \$1,631,756 |
| UNRESTRICTED FUND BALANCE | \$2,633,568 | \$37,928 | \$39,066 | \$40,238 | \$41,445 | \$42,688 | \$43,969 | \$45,288 |
| DESIGNATIONS: | | | | | | | | |
| Designated Reserve * | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Sick/Vacation/Bonus Liability | \$0 | \$37,928 | \$39,066 | \$40,238 | \$41,445 | \$42,688 | \$43,969 | \$45,288 |
| Total Reserve | \$0 | \$37,928 | \$39,066 | \$40,238 | \$41,445 | \$42,688 | \$43,969 | \$45,288 |
| SURPLUS/(DEFICIT) vs. RESERVE GOAL | \$2,633,568 | \$0 | \$0 | \$0 | (\$0) | \$0 | \$0 | (\$0) |

* There is no need for a "designated reserve" as the CHAP allocation process allows the Capital Improvements Program to function as a reserve.

**CITY OF BOULDER
2006 FUND FINANCIAL**

CAPITAL DEVELOPMENT FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|--------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of Year | \$3,567,027 | \$4,004,717 | \$1,230,720 | \$1,587,241 | \$1,938,372 | \$1,648,616 | \$1,998,678 | \$2,357,681 |
| SOURCES OF FUNDS | | | | | | | | |
| Excise Taxes | \$441,630 | \$379,938 | \$428,341 | \$413,927 | \$413,927 | \$413,927 | \$413,927 | \$413,927 |
| Interest on Investments | \$82,816 | \$25,131 | \$37,237 | \$47,617 | \$58,151 | \$49,458 | \$59,960 | \$70,730 |
| TOTAL SOURCES OF FUNDS | \$524,446 | \$405,069 | \$465,578 | \$461,544 | \$472,078 | \$463,385 | \$473,887 | \$484,657 |
| USES OF FUNDS | | | | | | | | |
| Cost Allocation | \$26,796 | \$25,173 | \$24,217 | \$25,428 | \$26,699 | \$28,034 | \$29,436 | \$30,908 |
| Excise Tax Administration | \$4,607 | \$4,699 | \$4,840 | \$4,985 | \$5,135 | \$5,289 | \$5,448 | \$5,611 |
| Total Operating Uses of Funds | \$31,403 | \$29,872 | \$29,057 | \$30,413 | \$31,834 | \$33,323 | \$34,884 | \$36,519 |
| Continuation Projects | \$55,002 | \$530,000 | \$80,000 | \$80,000 | \$80,000 | \$80,000 | \$80,000 | \$50,000 |
| New projects | \$350 | \$30,000 | \$0 | \$0 | \$650,000 | \$0 | \$0 | \$0 |
| Total Capital Uses of Funds | \$55,352 | \$560,000 | \$80,000 | \$80,000 | \$730,000 | \$80,000 | \$80,000 | \$50,000 |
| Carryovers & Encumbrances | \$0 | \$2,589,195 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL USES OF FUNDS | \$86,755 | \$3,179,067 | \$109,057 | \$110,413 | \$761,834 | \$113,323 | \$114,884 | \$86,519 |
| FUND BALANCE - END OF YEAR | \$4,004,717 | \$1,230,720 | \$1,587,241 | \$1,938,372 | \$1,648,616 | \$1,998,678 | \$2,357,681 | \$2,755,820 |
| Restricted Reserve | \$500,000 | \$500,000 | \$500,000 | \$500,000 | \$500,000 | \$500,000 | \$500,000 | \$500,000 |
| SURPLUS (DEFICIT) vs RESERVES | \$3,504,717 | \$730,720 | \$1,087,241 | \$1,438,372 | \$1,148,616 | \$1,498,678 | \$1,857,681 | \$2,255,820 |

**CITY OF BOULDER
2006 FUND FINANCIAL**

LOTTERY FUND

| | 2004 ACTUAL | 2005 APPROVED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|------------------------------------|------------------------|--------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of the Year | 1,290,478 | 1,189,510 | 403,458 | 424,658 | 345,858 | 367,058 | 388,258 | 409,458 |
| SOURCES OF FUNDS | | | | | | | | |
| Intergovernmental Revenues | 847,215 | 875,000 | 875,000 | 875,000 | 875,000 | 875,000 | 875,000 | 875,000 |
| Grant Revenue | 42,000 | - | - | - | - | - | - | - |
| Interest Income | 30,704 | 39,900 | 46,200 | 46,200 | 46,200 | 46,200 | 46,200 | 46,200 |
| TOTAL SOURCES OF FUNDS | <u>919,919</u> | <u>914,900</u> | <u>921,200</u> | <u>921,200</u> | <u>921,200</u> | <u>921,200</u> | <u>921,200</u> | <u>921,200</u> |
| USES OF FUNDS | | | | | | | | |
| Operating | | | | | | | | |
| Total Operating Uses of Funds | 185,047 | 301,180 | 172,828 | 222,828 | 240,083 | 325,000 | 325,000 | 325,000 |
| Transfers To Other Funds | | | | | | | | |
| Cost Allocation | 8,897 | - | - | - | - | - | - | - |
| Debt Service | | | | | | | | |
| Total Debt Service | 304,344 | 304,344 | 304,344 | 304,344 | 169,835 | - | - | - |
| Capital Improvement Program | | | | | | | | |
| Capital Projects | 522,599 | 1,095,428 | 422,828 | 472,828 | 490,082 | 575,000 | 575,000 | 575,000 |
| TOTAL USES OF FUNDS | <u>1,020,887</u> | <u>1,700,952</u> | <u>900,000</u> | <u>1,000,000</u> | <u>900,000</u> | <u>900,000</u> | <u>900,000</u> | <u>900,000</u> |
| UNRESTRICTED FUND BALANCE | <u>1,189,510</u> | <u>403,458</u> | <u>424,658</u> | <u>345,858</u> | <u>367,058</u> | <u>388,258</u> | <u>409,458</u> | <u>430,658</u> |

**CITY OF BOULDER
2006 FUND FINANCIAL**

PLANNING & DEVELOPMENT SERVICES

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|------------------------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of Year | \$1,754,873 | \$2,023,365 | \$1,651,505 | \$1,636,256 | \$1,618,480 | \$1,599,391 | \$1,579,335 | \$1,558,696 |
| SOURCES OF FUNDS | | | | | | | | |
| General Fund Transfer | \$1,892,420 | \$1,845,831 | \$1,903,366 | \$1,960,467 | \$2,019,281 | \$2,079,859 | \$2,142,255 | \$2,206,523 |
| Restricted Funds' Transfers (Public Works) | \$622,190 | \$598,933 | \$616,902 | \$635,409 | \$654,471 | \$674,105 | \$694,329 | \$715,158 |
| Restricted Funds' Transfers (Excise Tax Collections) | \$23,035 | \$23,495 | \$24,200 | \$24,926 | \$25,674 | \$26,444 | \$27,237 | \$28,054 |
| CLG Grant | \$7,667 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| State Historic Tax Credit | \$4,988 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Wetlands Grant | \$71,600 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Fees & Permits | \$4,623,200 | \$4,991,458 | \$5,063,533 | \$5,130,155 | \$5,207,107 | \$5,285,214 | \$5,364,492 | \$5,444,960 |
| Interest on Investments | \$47,354 | \$34,512 | \$41,279 | \$49,088 | \$48,554 | \$47,982 | \$47,380 | \$46,761 |
| TOTAL SOURCES OF FUNDS | \$7,292,454 | \$7,494,229 | \$7,649,280 | \$7,800,045 | \$7,955,088 | \$8,113,604 | \$8,275,694 | \$8,441,458 |
| USES OF FUNDS | | | | | | | | |
| Operating-- | | | | | | | | |
| Administrative Services | \$1,416,129 | \$1,457,880 | \$1,539,321 | \$1,570,108 | \$1,601,510 | \$1,633,540 | \$1,666,211 | \$1,699,535 |
| Information Resources | \$927,377 | \$1,027,121 | \$969,626 | \$989,019 | \$1,008,799 | \$1,028,975 | \$1,049,555 | \$1,070,546 |
| Long Range Planning | \$618,654 | \$549,786 | \$590,111 | \$601,913 | \$613,951 | \$626,230 | \$638,755 | \$651,530 |
| Land Use Review | \$806,839 | \$933,686 | \$881,671 | \$899,304 | \$917,290 | \$935,636 | \$954,349 | \$973,436 |
| Engineering Review | \$790,880 | \$964,697 | \$986,507 | \$1,006,237 | \$1,026,362 | \$1,046,889 | \$1,067,827 | \$1,089,183 |
| Floodplain & Wetland Management | \$4,126 | \$25,000 | \$25,250 | \$25,755 | \$26,270 | \$26,796 | \$27,331 | \$27,878 |
| Building Construction and Inspection Services | \$872,138 | \$884,722 | \$1,064,271 | \$1,085,557 | \$1,107,268 | \$1,129,413 | \$1,152,002 | \$1,175,042 |
| Environmental and Zoning Enforcement | \$337,947 | \$365,218 | \$383,955 | \$391,634 | \$399,467 | \$407,456 | \$415,605 | \$423,917 |
| Restricted Operating Reserve | \$0 | \$25,000 | \$25,000 | \$25,000 | \$25,000 | \$25,000 | \$25,000 | \$25,000 |
| TOTAL OPERATING USES OF FUNDS | \$5,774,090 | \$6,233,110 | \$6,465,713 | \$6,594,527 | \$6,725,917 | \$6,859,936 | \$6,996,634 | \$7,136,067 |
| Transfers to Other Funds-- | | | | | | | | |
| Cost Allocation | \$1,249,872 | \$1,272,118 | \$1,223,817 | \$1,248,293 | \$1,273,259 | \$1,298,724 | \$1,324,699 | \$1,351,193 |
| TOTAL TRANSFERS TO OTHER FUNDS | \$1,249,872 | \$1,272,118 | \$1,223,817 | \$1,248,293 | \$1,273,259 | \$1,298,724 | \$1,324,699 | \$1,351,193 |
| ENCUMBRANCES, CARRYOVERS, ATBs | \$0 | \$385,861 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL USES OF FUNDS | \$7,023,962 | \$7,891,089 | \$7,689,530 | \$7,842,820 | \$7,999,177 | \$8,158,660 | \$8,321,333 | \$8,487,261 |
| Restricted Reserve Adjustment | \$0 | \$25,000 | \$25,000 | \$25,000 | \$25,000 | \$25,000 | \$25,000 | \$25,000 |
| UNRESTRICTED FUND BALANCE | \$2,023,365 | \$1,651,505 | \$1,636,256 | \$1,618,480 | \$1,599,391 | \$1,579,335 | \$1,558,696 | \$1,537,893 |
| Operating Reserve | \$231,160 | \$249,573 | \$253,177 | \$256,508 | \$260,355 | \$264,261 | \$268,225 | \$272,248 |
| Susan Osborne Park Improvement Fund | \$1,420 | \$1,420 | \$1,420 | \$1,420 | \$1,420 | \$1,420 | \$1,420 | \$1,420 |
| State Historic Tax Credit Fund | \$23,098 | \$20,429 | \$20,429 | \$20,429 | \$20,429 | \$20,429 | \$20,429 | \$20,429 |
| Sick/Vacation/Bonus Accrual Adjustment | \$459,925 | \$469,124 | \$478,506 | \$488,076 | \$497,838 | \$507,794 | \$648,087 | \$661,049 |
| SURPLUS (DEFICIT) vs. RESERVE GOAL | \$1,307,762 | \$910,960 | \$882,724 | \$852,047 | \$819,349 | \$785,431 | \$620,536 | \$582,747 |

**CITY OF BOULDER
2006 FUND FINANCIAL**

AFFORDABLE HOUSING FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|-------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of Year | \$1,558,517 | \$2,854,009 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SOURCES OF FUNDS: | | | | | | | | |
| Cash In Lieu of Affordable Units | \$910,465 | \$1,230,000 | \$1,400,000 | \$650,000 | \$1,500,000 | \$500,000 | \$500,000 | \$500,000 |
| Transfer from General Fund | \$508,467 | \$386,710 | \$390,577 | \$398,389 | \$404,364 | \$410,430 | \$416,586 | \$422,835 |
| Fannie Mae Line of Credit Proceeds | \$2,520,000 | \$600,000 | \$600,000 | \$600,000 | | | | |
| Proceeds from Line of Credit Projects (BTV) | \$33,548 | \$156,000 | \$156,000 | \$156,000 | \$3,156,000 | \$156,000 | \$156,000 | \$156,000 |
| Proceeds from MMHP | \$2,900,000 | | | | | | | |
| Interest | \$47,514 | | | | | | | |
| Proceeds from Sale of Units | \$45,766 | | | | | | | |
| Fees from Resale of Units | \$28,000 | \$60,000 | \$54,000 | \$64,000 | \$74,000 | \$86,000 | \$96,000 | \$108,000 |
| MMHP Owner Repayment | \$421,188 | | | | | | | |
| TOTAL SOURCES OF FUNDS | \$7,414,948 | \$2,432,710 | \$2,600,577 | \$1,868,389 | \$5,134,364 | \$1,152,430 | \$1,168,586 | \$1,186,835 |
| USES OF FUNDS: | | | | | | | | |
| Operating: | | | | | | | | |
| Program Management | \$25,027 | \$128,547 | \$181,992 | \$187,452 | \$193,076 | \$198,868 | \$204,834 | \$210,979 |
| Total Operating Uses of Funds | \$25,027 | \$128,547 | \$181,992 | \$187,452 | \$193,076 | \$198,868 | \$204,834 | \$210,979 |
| Transfers to Other Funds | | | | | | | | |
| Cost Allocation | \$2,351 | \$25,990 | \$25,003 | \$7,530 | \$7,756 | \$7,989 | \$8,228 | \$8,475 |
| Total Transfers to Other Funds | \$2,351 | \$25,990 | \$25,003 | \$7,530 | \$7,756 | \$7,989 | \$8,228 | \$8,475 |
| Debt Service & Fees on Fannie Mae Line of Credit | \$168,161 | \$720,000 | \$780,000 | \$780,000 | \$3,090,000 | | | |
| Debt Service on BTV-Pollard site | \$19,190 | \$790,214 | \$229,343 | \$229,281 | \$229,214 | \$229,143 | \$219,358 | |
| Debt Service on Mapleton Mobile Home Park | \$2,770,380 | | | | | | | |
| Capital Improvements Program: | | | | | | | | |
| Acquisition/Rehabilitation/Construction | \$519,090 | \$1,116,205 | \$1,293,338 | \$571,408 | \$1,520,210 | \$620,910 | \$639,213 | \$868,974 |
| Affordable Housing Fee Waivers | \$67,574 | \$90,000 | \$90,900 | \$92,718 | \$94,109 | \$95,520 | \$96,953 | \$98,408 |
| BoulderTransit Village &/or Mapleton MHP | \$2,547,682 | | | | | | | |
| Total Capital Improvements Program | \$3,134,346 | \$1,206,205 | \$1,384,238 | \$664,126 | \$1,614,319 | \$716,430 | \$736,166 | \$967,381 |
| Project Carryovers & Encumbrances | | \$2,415,763 | | | | | | |
| TOTAL USES OF FUNDS | \$6,119,456 | \$5,286,719 | \$2,600,577 | \$1,868,389 | \$5,134,364 | \$1,152,430 | \$1,168,586 | \$1,186,835 |
| UNRESTRICTED FUND BALANCE | \$2,854,009 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| DESIGNATIONS: | | | | | | | | |
| Designated Reserve * | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Sick/Vacation/Bonus Liability | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Reserve | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SURPLUS/(DEFICIT) vs. RESERVE GOAL | \$2,854,009 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

* There is no need for a "designated reserve" as funds will only be allocated after they have been collected rather than based upon revenue projections.

**CITY OF BOULDER
2006 FUND FINANCIAL**

.25 SALES TAX FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|-------------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of the Year | 3,550,041 | 3,740,701 | 962,527 | 924,266 | 1,031,700 | 1,042,081 | 1,113,907 | 1,237,397 |
| SOURCES OF FUNDS | | | | | | | | |
| Sales Tax | 5,225,262 | 5,289,365 | 5,395,249 | 5,526,727 | 5,670,393 | 5,810,858 | 5,954,800 | 6,102,303 |
| 29th Street Incremental Sales Tax | - | 101,289 | 137,929 | 238,901 | 284,020 | 298,745 | 298,745 | 298,745 |
| Interest | 91,224 | 118,500 | 137,223 | 139,967 | 142,767 | 145,622 | 148,535 | 151,505 |
| Intergovernmental Revenue | 30,391 | 225,200 | - | - | - | - | - | - |
| Grants | 44,864 | 344,258 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 |
| Other Revenue | 13,079 | 80,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 |
| TOTAL SOURCES OF FUNDS | 5,404,820 | 6,158,612 | 5,762,401 | 5,997,595 | 6,189,180 | 6,347,225 | 6,494,080 | 6,644,553 |
| USES OF FUNDS | | | | | | | | |
| Operating & Maintenance | 1,862,120 | 2,577,706 | 2,028,021 | 2,088,862 | 2,151,527 | 2,216,073 | 2,282,556 | 2,351,032 |
| Civic Park Complex | 18,977 | 175,952 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 |
| Historical & Cultural | 52,393 | 113,368 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| Capital Refurbishment | 518,224 | 1,221,091 | 793,165 | 813,214 | 833,902 | 895,959 | 917,986 | 945,639 |
| Total Operating Uses of Funds | 2,451,714 | 4,088,117 | 2,946,186 | 3,027,076 | 3,110,429 | 3,237,032 | 3,325,542 | 3,421,671 |
| Transfers To Other Funds | | | | | | | | |
| Cost Allocation | 131,862 | 195,853 | 188,417 | 194,070 | 199,892 | 205,888 | 212,065 | 218,427 |
| Total Transfers | 131,862 | 195,853 | 188,417 | 194,070 | 199,892 | 205,888 | 212,065 | 218,427 |
| Debt Service | | | | | | | | |
| Total Debt Service | 2,398,942 | 2,429,093 | 2,385,193 | 2,428,953 | 2,421,453 | 2,385,453 | 2,385,959 | 2,386,628 |
| Capital Improvement Program | | | | | | | | |
| Capital Projects | 231,642 | 2,223,723 | 280,866 | 240,063 | 447,025 | 447,025 | 447,025 | 550,000 |
| TOTAL USES OF FUNDS | 5,214,160 | 8,936,786 | 5,800,662 | 5,890,161 | 6,178,799 | 6,275,399 | 6,370,590 | 6,576,726 |
| FUND BALANCE END OF YEAR | 3,740,701 | 962,527 | 924,266 | 1,031,700 | 1,042,081 | 1,113,907 | 1,237,397 | 1,305,224 |
| Designations: | | | | | | | | |
| Newcomer Legacy (1) | (172,949) | - | - | - | - | - | - | - |
| Sick & Vacation Liability Reserve | (219,891) | (226,488) | (233,282) | (240,281) | (247,489) | (254,914) | (262,561) | (270,438) |
| SURPLUS/(DEFICIT) VS. RESERVE GOAL | 3,347,861 | 736,039 | 690,984 | 791,419 | 794,592 | 858,994 | 974,835 | 1,034,786 |

Notes:

(1) The Newcomer Legacy was an endowment provided to the city for cultural, parks or recreation activities. The available funding from this endowment was reappropriated in 2005 and is reflected in the revised 2005 Uses of Funds under the Operating & Maintenance category.

**CITY OF BOULDER
2006 FUND FINANCIAL**

LIBRARY FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|---------------------------------------------------------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of Year | \$ 283,321 | \$ 392,705 | \$ 176,281 | \$ 176,281 | \$ 176,281 | \$ 176,281 | \$ 176,281 | \$ 176,281 |
| SOURCES OF FUNDS | | | | | | | | |
| <i>Library Fund Revenues</i> | | | | | | | | |
| Property Tax | \$ 511,960 | \$ 521,433 | \$ 534,469 | \$ 547,831 | \$ 561,526 | \$ 575,564 | \$ 589,954 | \$ 604,702 |
| Fees: Overdues | 94,940 | 95,000 | | | | | | |
| Fees: Reserve Charge | 22,509 | 17,000 | | | | | | |
| Fees: Overdues, Fines, Reserve Charges | - | - | 109,000 | 99,000 | 99,000 | 99,000 | 99,000 | 99,000 |
| Facility Rental | 2,270 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| Food Service | 2,870 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| Interest on Investment | 12,650 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 |
| Other | | | | | | | | |
| Gifts | | | | | | | | |
| Miscellaneous/Third Party Revenues | 39,228 | 44,000 | 24,000 | 24,000 | 24,000 | 24,000 | 24,000 | 24,000 |
| Gates Foundation Grant | 5,138 | - | | | | | | |
| Branch evening hours - donation | - | 16,000 | | | | | | |
| Total Library Fund Revenues | 691,565 | 706,933 | 680,969 | 684,331 | 698,026 | 712,064 | 726,454 | 741,202 |
| <i>Transfer from the General Fund</i> | <i>5,099,538</i> | <i>5,071,736</i> | <i>5,295,875</i> | <i>5,412,050</i> | <i>5,520,282</i> | <i>5,630,610</i> | <i>5,743,075</i> | <i>5,857,716</i> |
| TOTAL SOURCES OF FUNDS | \$ 5,791,103 | \$ 5,778,669 | \$ 5,976,844 | \$ 6,096,381 | \$ 6,218,308 | \$ 6,342,675 | \$ 6,469,528 | \$ 6,598,919 |
| USES OF FUNDS | | | | | | | | |
| <i>Operating</i> | | | | | | | | |
| Programs | \$ 5,681,719 | \$ 5,739,669 | \$ 5,976,844 | \$ 6,096,381 | \$ 6,218,308 | \$ 6,342,675 | \$ 6,469,528 | \$ 6,598,919 |
| Fund Balance Expenditures | - | - | - | - | - | - | - | - |
| Total Operating Uses of Funds | 5,681,719 | 5,739,669 | 5,976,844 | 6,096,381 | 6,218,308 | 6,342,675 | 6,469,528 | 6,598,919 |
| <i>Carryovers and Encumbrances</i> | | | | | | | | |
| Carryover Budget | - | 66,791 | | | | | | |
| Carryover Encumbrances | - | 149,633 | | | | | | |
| Total Carryovers and Encumbrances | - | 216,424 | - | - | - | - | - | - |
| <i>Mid Year Adjustments to Base</i> | | | | | | | | |
| Community Donation - Branch evening hours | - | 16,000 | | | | | | |
| May, 2005 ATB | - | 21,000 | | | | | | |
| December, 2005 ATB | - | 2,000 | | | | | | |
| Total Mid Year Adjustments to Base | - | 39,000 | - | - | - | - | - | - |
| TOTAL USES OF FUNDS | \$ 5,681,719 | \$ 5,995,093 | \$ 5,976,844 | \$ 6,096,381 | \$ 6,218,308 | \$ 6,342,675 | \$ 6,469,528 | \$ 6,598,919 |
| UNRESTRICTED FUND BALANCE | \$ 392,705 | \$ 176,281 | \$ 176,281 | \$ 176,281 | \$ 176,281 | \$ 176,281 | \$ 176,281 | \$ 176,281 |
| DESIGNATIONS | | | | | | | | |
| Designated Reserve - 10% of LF Revenues (changed from 5% to 10% beginning in 2004) | 69,157 | 70,693 | 68,097 | 68,433 | 69,803 | 71,206 | 72,645 | 74,120 |
| SURPLUS/DEFICIT vs. RESERVE GOAL | \$ 323,549 | \$ 105,588 | \$ 108,184 | \$ 107,848 | \$ 106,478 | \$ 105,075 | \$ 103,636 | \$ 102,161 |

**CITY OF BOULDER
2006 FUND FINANCIAL**

RECREATION ACTIVITY FUND

| | 2004 FINAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|-------------------------------------------|-----------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of the Year | 803,746 | 414,951 | 101,951 | 53,409 | 71,121 | 100,473 | 127,916 | 153,391 |
| SOURCES OF FUNDS | | | | | | | | |
| Recreation Revenue | 4,739,303 | 5,237,143 | 5,115,637 | 5,269,106 | 5,427,179 | 5,589,995 | 5,757,695 | 5,930,425 |
| Golf Revenue | 1,353,323 | 1,599,773 | 1,485,000 | 1,529,550 | 1,575,437 | 1,622,700 | 1,671,381 | 1,721,522 |
| Reservoir Revenue | 655,020 | 665,801 | 667,000 | 687,010 | 707,620 | 728,849 | 750,714 | 773,236 |
| Interest Income | 21,314 | 16,000 | - | - | - | - | - | - |
| Transfers From the General Fund | 1,385,149 | 1,297,390 | 1,336,325 | 1,389,778 | 1,445,369 | 1,488,730 | 1,533,392 | 1,579,394 |
| Transfers From Worker's Compensation Fund | 50,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 |
| Transfers From Transportation Fund | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 |
| TOTAL SOURCES OF FUNDS | 8,217,109 | 8,909,107 | 8,696,962 | 8,968,444 | 9,248,605 | 9,523,273 | 9,806,182 | 10,097,577 |
| USES OF FUNDS | | | | | | | | |
| Recreation | 6,500,068 | 7,164,875 | 6,762,033 | 6,907,756 | 7,114,988 | 7,328,438 | 7,548,291 | 7,774,740 |
| Administration | 118,966 | 160,803 | 104,410 | 107,542 | 110,769 | 114,092 | 117,515 | 121,040 |
| Golf | 1,327,267 | 1,275,821 | 1,264,560 | 1,302,496 | 1,341,571 | 1,381,818 | 1,423,273 | 1,465,971 |
| Reservoir | 638,288 | 503,595 | 515,254 | 530,711 | 546,633 | 563,032 | 579,923 | 597,320 |
| Pleasantview | - | 101,013 | 99,248 | 102,225 | 105,292 | 108,451 | 111,704 | 115,056 |
| Total Operating Uses of Funds | 8,584,589 | 9,206,107 | 8,745,505 | 8,950,731 | 9,219,253 | 9,495,831 | 9,780,706 | 10,074,127 |
| Transfers To Other Funds | | | | | | | | |
| Transfer to the General Fund | 21,314 | 16,000 | - | - | - | - | - | - |
| Total Transfers | 21,314 | 16,000 | - | - | - | - | - | - |
| Total Debt Service | - | - | - | - | - | - | - | - |
| TOTAL USES OF FUNDS | 8,605,903 | 9,222,107 | 8,745,505 | 8,950,731 | 9,219,253 | 9,495,831 | 9,780,706 | 10,074,127 |
| Reserve for Budget Adjustment | - | - | - | - | - | - | - | - |
| TOTAL FUND BALANCE | 414,951 | 101,951 | 53,409 | 71,121 | 100,473 | 127,916 | 153,391 | 176,841 |
| Operating Reserve | (50,000) | (50,000) | (50,000) | (50,000) | (50,000) | (50,000) | (50,000) | (50,000) |
| Total Reserves | (50,000) | (50,000) | (50,000) | (50,000) | (50,000) | (50,000) | (50,000) | (50,000) |
| UNRESTRICTED FUND BALANCE | 364,951 | 51,951 | 3,409 | 21,121 | 50,473 | 77,916 | 103,391 | 126,841 |

CITY OF BOULDER
2006 FUND FINANCIAL

OPEN SPACE FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|-------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of Year | \$13,564,098 | \$14,540,132 | \$9,115,204 | \$7,521,442 | \$6,898,773 | \$7,441,342 | \$8,648,596 | \$10,189,877 |
| SOURCES OF FUNDS | | | | | | | | |
| Net Sales Tax Revenue | \$18,399,935 | \$18,975,101 | \$19,476,788 | \$20,295,008 | \$20,959,533 | \$21,505,803 | \$22,012,477 | \$22,531,691 |
| Investment Income | \$269,717 | \$255,000 | \$255,000 | \$255,000 | \$255,000 | \$255,000 | \$255,000 | \$255,000 |
| Lease & Misc Revenue | \$419,652 | \$245,000 | \$245,000 | \$245,000 | \$245,000 | \$245,000 | \$245,000 | \$245,000 |
| Sale of Property | \$570,853 | | | | | | | |
| General Fund Transfer | \$1,001,028 | \$927,150 | \$957,836 | \$967,414 | \$977,089 | \$986,859 | \$996,728 | \$1,006,695 |
| Grants | \$6,190 | \$120,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Annual Sources of Funds | <u>\$20,667,375</u> | <u>\$20,522,251</u> | <u>\$20,934,624</u> | <u>\$21,762,422</u> | <u>\$22,436,622</u> | <u>\$22,992,662</u> | <u>\$23,509,205</u> | <u>\$24,038,386</u> |
| USES OF FUNDS | | | | | | | | |
| General Operating Expenditures | \$6,662,549 | \$7,312,671 | \$8,431,131 | \$8,491,634 | \$8,661,466 | \$8,834,696 | \$9,011,389 | \$9,191,617 |
| Grant Expenditures | | \$120,000 | | | | | | |
| Prior Year Carryover & Encumbrances | \$0 | \$885,198 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Administrative Transfer | \$793,249 | \$754,793 | \$726,134 | \$740,657 | \$755,470 | \$770,579 | \$785,991 | \$801,711 |
| Total Operating Uses of Funds | <u>\$7,455,798</u> | <u>\$9,072,662</u> | <u>\$9,157,265</u> | <u>\$9,232,290</u> | <u>\$9,416,936</u> | <u>\$9,605,275</u> | <u>\$9,797,380</u> | <u>\$9,993,328</u> |
| CAPITAL IMPROVEMENTS PROGRAM | | | | | | | | |
| Continuation Projects | \$2,626,309 | \$3,950,000 | \$4,150,000 | \$4,150,000 | \$4,150,000 | \$4,150,000 | \$4,150,000 | \$4,150,000 |
| Bond Proceeds & Carryover | \$0 | \$3,016,742 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Capital Improvements Program | <u>\$2,626,309</u> | <u>\$6,966,742</u> | <u>\$4,150,000</u> | <u>\$4,150,000</u> | <u>\$4,150,000</u> | <u>\$4,150,000</u> | <u>\$4,150,000</u> | <u>\$4,150,000</u> |
| DEBT SERVICE USES OF FUNDS | | | | | | | | |
| Debt Service - BMPA | \$3,144,320 | \$3,435,307 | \$2,939,052 | \$2,800,889 | \$2,135,416 | \$1,835,039 | \$1,834,358 | \$3,915,759 |
| Debt Service - Bonds & Notes | <u>\$6,464,914</u> | <u>\$6,472,469</u> | <u>\$6,282,068</u> | <u>\$6,201,913</u> | <u>\$6,191,700</u> | <u>\$6,195,095</u> | <u>\$6,186,185</u> | <u>\$5,080,470</u> |
| Total Debt Service Uses of Funds | <u>\$9,609,234</u> | <u>\$9,907,776</u> | <u>\$9,221,121</u> | <u>\$9,002,801</u> | <u>\$8,327,116</u> | <u>\$8,030,134</u> | <u>\$8,020,543</u> | <u>\$8,996,229</u> |
| TOTAL USES OF FUNDS | \$19,691,341 | \$25,947,180 | \$22,528,386 | \$22,385,091 | \$21,894,052 | \$21,785,409 | \$21,967,923 | \$23,139,557 |
| FUND BALANCE - END OF YEAR | \$14,540,132 | \$9,115,204 | \$7,521,442 | \$6,898,773 | \$7,441,342 | \$8,648,596 | \$10,189,877 | \$11,088,706 |
| 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 |
| REVENUE BOND RESERVE | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| OTHER RESERVES | <u>\$890,000</u> | <u>\$890,000</u> | <u>\$890,000</u> | <u>\$890,000</u> | <u>\$890,000</u> | <u>\$890,000</u> | <u>\$890,000</u> | <u>\$890,000</u> |
| SUBTOTAL - RESERVES | <u>\$6,365,000</u> | <u>\$6,365,000</u> | <u>\$6,365,000</u> | <u>\$6,365,000</u> | <u>\$6,365,000</u> | <u>\$6,365,000</u> | <u>\$6,365,000</u> | <u>\$6,365,000</u> |
| UNRESTRICTED FUND BALANCE | \$8,175,132 | \$2,750,204 | \$1,156,442 | \$533,773 | \$1,076,342 | \$2,283,596 | \$3,824,877 | \$4,723,706 |

**CITY OF BOULDER
2006 FUND FINANCIAL**

AIRPORT FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|-------------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of Year | \$652,711 | \$699,846 | \$565,096 | \$540,225 | \$515,005 | \$478,507 | \$430,401 | \$381,266 |
| SOURCES OF FUNDS | | | | | | | | |
| Airport Rental | \$349,893 | \$353,472 | \$353,472 | \$364,076 | \$364,076 | \$364,076 | \$374,998 | \$374,998 |
| Fuel Flowage Fees | 3,325 | 3,325 | 3,325 | 3,325 | 3,325 | 3,325 | 3,325 | 3,325 |
| Fuel Tax Refund | 8,343 | 8,343 | 8,343 | 8,343 | 8,343 | 8,343 | 8,343 | 8,343 |
| Federal Grant | 120,276 | 118,974 | 0 | 0 | 0 | 0 | 0 | 0 |
| State Grant | 6,682 | 6,609 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest on Investments | 13,768 | 14,159 | 14,625 | 15,210 | 15,818 | 16,451 | 17,109 | 17,793 |
| TOTAL SOURCES OF FUNDS | \$502,287 | \$504,882 | \$379,765 | \$390,954 | \$391,562 | \$392,195 | \$403,775 | \$404,460 |
| USES OF FUNDS | | | | | | | | |
| Operating: | | | | | | | | |
| Airport Management | \$399,046 | \$305,135 | \$310,665 | \$319,985 | \$329,585 | \$339,473 | \$349,657 | \$360,146 |
| PW Support Services | 466 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transportation Administration | 16,705 | 13,759 | 21,238 | 21,875 | 22,531 | 23,207 | 23,904 | 24,621 |
| Operating Reserve | 0 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Subtotal Operating Uses of Funds | \$416,217 | \$328,894 | \$341,903 | \$351,861 | \$362,116 | \$372,680 | \$383,560 | \$394,767 |
| Transfers: | | | | | | | | |
| Cost Allocation | \$38,935 | \$54,813 | \$52,732 | \$54,314 | \$55,943 | \$57,622 | \$59,350 | \$61,131 |
| TOTAL OPERATING USES OF FUNDS | \$455,152 | \$383,707 | \$394,635 | \$406,175 | \$418,060 | \$430,302 | \$442,911 | \$455,898 |
| TOTAL CAPITAL USES OF FUNDS | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| CARRYOVERS & ENCUMBRANCES | 0 | 175,925 | 0 | 0 | 0 | 0 | 0 | 0 |
| MID-YEAR ADJUSTMENTS-TO-BASE | 0 | 70,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL USES OF FUNDS | \$455,152 | \$629,632 | \$394,635 | \$406,175 | \$418,060 | \$430,302 | \$442,911 | \$455,898 |
| Restricted Reserve Adjustment | 0 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| FUND BALANCE - END OF YEAR | \$699,846 | \$565,096 | \$540,225 | \$515,005 | \$478,507 | \$430,401 | \$381,266 | \$319,828 |
| Designations: | | | | | | | | |
| Designated Reserve | 113,788 | 93,427 | 96,159 | 99,044 | 102,015 | 105,075 | 108,228 | 111,474 |
| Sick & Vacation Liability Reserve | 25,063 | 5,000 | 5,150 | 5,305 | 5,464 | 5,628 | 5,796 | 5,970 |
| Less: Total Reserve Designations | 138,851 | 98,427 | 101,309 | 104,348 | 107,479 | 110,703 | 114,024 | 117,445 |
| SURPLUS/(DEFICIT) vs. RESERVE GOAL | \$560,995 | \$466,669 | \$438,917 | \$410,657 | \$371,029 | \$319,698 | \$267,242 | \$202,383 |

CITY OF BOULDER
2006 FUND FINANCIAL

TRANSPORTATION DEVELOPMENT FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|-------------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of Year | \$3,890,066 | \$3,912,059 | \$1,341,159 | \$1,544,584 | \$782,024 | \$1,015,555 | \$898,042 | \$774,348 |
| SOURCES OF FUNDS | | | | | | | | |
| Transportation Excise Tax | \$923,679 | \$1,428,794 | \$1,059,658 | \$1,091,448 | \$1,091,448 | \$1,091,448 | \$1,091,448 | \$1,091,448 |
| Interest Income | 95,206 | 97,910 | 101,131 | 105,176 | 109,383 | 113,759 | 118,309 | 123,041 |
| Reimbursements | 118,210 | 4,155,000 | 100,000 | 3,078,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| ATB's | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL SOURCES OF FUNDS | \$1,137,095 | \$5,681,704 | \$1,260,789 | \$4,274,624 | \$1,300,831 | \$1,305,206 | \$1,309,757 | \$1,314,489 |
| USES OF FUNDS | | | | | | | | |
| Operating: | | | | | | | | |
| Operating Expenditures | \$259,414 | \$291,309 | \$316,157 | \$325,641 | \$335,411 | \$345,473 | \$355,837 | \$366,512 |
| Transfers: | | | | | | | | |
| Cost Allocation | \$9,714 | \$6,618 | \$6,367 | \$6,558 | \$6,755 | \$6,957 | \$7,166 | \$7,381 |
| Excise Tax Administration | 4,607 | 4,699 | 4,840 | 4,985 | 5,135 | 5,289 | 5,447 | 5,611 |
| Subtotal Transfers to Other Funds | \$14,321 | \$11,317 | \$11,207 | \$11,543 | \$11,890 | \$12,246 | \$12,614 | \$12,992 |
| TOTAL OPERATING USES OF FUNDS | \$273,735 | \$302,626 | \$327,364 | \$337,185 | \$347,300 | \$357,719 | \$368,451 | \$379,504 |
| TOTAL CAPITAL USES OF FUNDS | \$841,367 | \$4,595,000 | \$730,000 | \$4,700,000 | \$720,000 | \$1,065,000 | \$1,065,000 | \$430,000 |
| CARRYOVERS & ENCUMBRANCES | 0 | 3,054,978 | 0 | 0 | 0 | 0 | 0 | 0 |
| MID-YEAR ADJUSTMENTS-TO-BASE | 0 | 300,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL USES OF FUNDS | \$1,115,102 | \$8,252,604 | \$1,057,364 | \$5,037,185 | \$1,067,300 | \$1,422,719 | \$1,433,451 | \$809,504 |
| FUND BALANCE - END OF YEAR | \$3,912,059 | \$1,341,159 | \$1,544,584 | \$782,024 | \$1,015,555 | \$898,042 | \$774,348 | \$1,279,333 |
| Designations: | | | | | | | | |
| Less: Designated Reserve | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| SURPLUS/(DEFICIT) vs. RESERVE GOAL | \$3,887,059 | \$1,316,159 | \$1,519,584 | \$757,024 | \$990,555 | \$873,042 | \$749,348 | \$1,254,333 |

**CITY OF BOULDER
2006 FUND FINANCIAL**

TRANSPORTATION FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|----------------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| UNAPPROPRIATED FUND BALANCE | \$9,307,548 | \$7,255,409 | \$2,886,037 | \$4,234,076 | \$2,263,876 | \$919,415 | \$994,883 | \$1,643,665 |
| SOURCES OF FUNDS | | | | | | | | |
| Sales Tax | \$12,540,635 | \$12,680,769 | \$12,934,480 | \$13,249,602 | \$13,593,964 | \$13,930,632 | \$14,275,629 | \$14,629,161 |
| Sales Tax - 29th St. | 0 | 243,093 | 331,030 | 573,362 | 681,648 | 716,988 | 716,988 | 716,988 |
| City-Auto Registrations | 244,577 | 244,577 | 244,577 | 244,577 | 244,577 | 244,577 | 244,577 | 244,577 |
| County Road & Bridge | 204,618 | 204,618 | 204,618 | 204,618 | 204,618 | 204,618 | 204,618 | 204,618 |
| Highway User's Tax | 2,172,963 | 2,062,592 | 2,193,613 | 2,193,613 | 2,193,613 | 2,193,613 | 2,193,613 | 2,193,613 |
| St. Traffic Control & Hwy Maint. & Landscape | 301,034 | 244,316 | 244,316 | 244,316 | 244,316 | 244,316 | 244,316 | 244,316 |
| Reimbursements | 1,210,081 | 9,427,126 | 626,000 | 6,351,000 | 789,000 | 1,413,000 | 500,000 | 500,000 |
| Federal/State Grants | 232,317 | 104,580 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest on Investments | 196,711 | 202,298 | 208,953 | 217,311 | 226,004 | 235,044 | 244,446 | 254,223 |
| Assessment Revenues | 55,684 | 70,000 | 70,000 | 70,000 | 70,000 | 70,000 | 70,000 | 70,000 |
| Lease Revenue - BTV | 18,065 | 84,000 | 84,000 | 84,000 | 84,000 | 84,000 | 84,000 | 84,000 |
| Other Miscellaneous | 35,167 | 170,739 | 115,000 | 115,000 | 115,000 | 115,000 | 115,000 | 115,000 |
| Land Disposal Estimates | 0 | 0 | 1,666,170 | 0 | 0 | 0 | 0 | 1,215,000 |
| Transfers from Other Funds | 0 | 154,800 | 150,000 | 150,000 | 150,000 | 150,000 | 73,000 | 0 |
| Transfer from State | 0 | 2,250,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL SOURCES OF FUNDS | \$17,211,852 | \$28,143,508 | \$19,072,757 | \$23,697,399 | \$18,596,740 | \$19,601,788 | \$18,966,187 | \$20,471,496 |
| USES OF FUNDS | | | | | | | | |
| Operating: | | | | | | | | |
| Transportation Planning & Operations | \$5,859,307 | \$5,864,375 | \$5,965,301 | \$6,144,260 | \$6,328,587 | \$6,518,445 | \$6,713,998 | \$6,915,418 |
| Project Management | 2,922,797 | 2,702,575 | 2,755,363 | 2,838,023 | 2,923,164 | 3,010,859 | 3,101,185 | 3,194,220 |
| Transportation Maintenance | 3,939,737 | 3,899,399 | 3,929,980 | 4,047,879 | 4,169,315 | 4,294,395 | 4,423,227 | 4,555,924 |
| Transportation Administration | 341,269 | 500,851 | 546,258 | 562,646 | 579,526 | 596,911 | 614,819 | 633,263 |
| PW Support Services | 144,126 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Programs | 152,934 | 156,317 | 155,916 | 160,593 | 165,411 | 170,374 | 175,485 | 180,749 |
| Operating Reserve | 0 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| Subtotal Operating Uses of Funds | \$13,360,170 | \$13,223,517 | \$13,452,817 | \$13,853,402 | \$14,266,004 | \$14,690,984 | \$15,128,713 | \$15,579,575 |
| Transfers: | | | | | | | | |
| Cost Allocation | \$1,323,392 | \$1,092,846 | \$1,051,351 | \$1,082,892 | \$1,115,378 | \$1,148,840 | \$1,183,305 | \$1,218,804 |
| Federal Legislative Consultant | 20,000 | 20,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Forest Glen GID | 3,350 | 3,350 | 3,599 | 0 | 0 | 0 | 0 | 0 |
| Parks & Recreation | 28,000 | 28,000 | 28,000 | 28,000 | 28,000 | 28,000 | 28,000 | 28,000 |
| HHS | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 |
| Planning & Development Services Fund | 188,206 | 174,120 | 179,344 | 184,724 | 190,266 | 195,974 | 201,853 | 207,909 |
| Subtotal Transfers to Other Funds | \$1,575,948 | \$1,331,316 | \$1,275,294 | \$1,308,616 | \$1,346,644 | \$1,385,814 | \$1,426,158 | \$1,467,713 |
| Debt Payments: | | | | | | | | |
| Boulder Transit Village | \$18,421 | \$123,630 | \$123,607 | \$123,581 | \$123,553 | \$123,523 | \$137,533 | \$352,443 |
| TOTAL OPERATING USES OF FUNDS | \$14,954,539 | \$14,678,463 | \$14,851,718 | \$15,285,599 | \$15,736,201 | \$16,200,321 | \$16,692,404 | \$17,399,731 |
| Capital Improvements Program: | | | | | | | | |
| TOTAL CAPITAL USES OF FUNDS | \$4,309,452 | \$3,700,000 | \$2,973,000 | \$10,482,000 | \$4,305,000 | \$3,426,000 | \$1,725,000 | \$2,700,000 |

CITY OF BOULDER
2006 FUND FINANCIAL

TRANSPORTATION FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|-------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| CARRYOVERS & ENCUMBRANCES | 0 | 13,584,098 | 0 | 0 | 0 | 0 | 0 | 0 |
| MID-YEAR ADJUSTMENTS-TO-BASE | 0 | 650,319 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL USES OF FUNDS | \$19,263,991 | \$32,612,880 | \$17,824,718 | \$25,767,599 | \$20,041,201 | \$19,626,321 | \$18,417,404 | \$20,099,731 |
| Add: Operating Reserve Adjustment | 0 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| FUND BALANCE - END OF YEAR | \$7,255,409 | \$2,886,037 | \$4,234,076 | \$2,263,876 | \$919,415 | \$994,883 | \$1,643,665 | \$2,115,431 |
| Designations: | | | | | | | | |
| Sick & Vacation Liability Reserve | 688,730 | 630,760 | 628,380 | 628,380 | 628,380 | 628,380 | 628,380 | 628,380 |
| Undergrounding Cost Share Pgm Designation | 208,978 | 89,616 | 0 | 0 | 0 | 0 | 0 | 0 |
| Less: Total Reserve Designations | 897,708 | 720,376 | 628,380 | 628,380 | 628,380 | 628,380 | 628,380 | 628,380 |
| SURPLUS/(DEFICIT) vs. RESERVE GOAL | \$6,357,701 | \$2,165,660 | \$3,605,695 | \$1,635,496 | \$291,035 | \$366,502 | \$1,015,284 | \$1,487,050 |

**CITY OF BOULDER
2006 FUND FINANCIAL**

TRANSIT PASS GENERAL IMPROVEMENT DISTRICT - FOREST GLEN

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED |
|-----------------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | |
| Beginning of Year | \$2,240 | \$2,066 | \$89 | \$0 | \$0 | \$0 |
| SOURCES OF FUNDS | | | | | | |
| Property Tax | \$5,544 | \$3,865 | \$6,737 | \$0 | \$0 | \$0 |
| Specific Ownership Tax | 438 | 314 | 450 | 0 | 0 | 0 |
| Interest on Investments | 19 | 0 | 0 | 0 | 0 | 0 |
| Transfers from Other Funds: | | | | | | |
| City of Boulder - ECO Pass Subsidy | 2,490 | 2,490 | 2,739 | 0 | 0 | 0 |
| City of Boulder - Administration Cost Subsidy | 860 | 860 | 860 | 0 | 0 | 0 |
| TOTAL SOURCES OF FUNDS | \$9,351 | \$7,529 | \$10,786 | \$0 | \$0 | \$0 |
| USES OF FUNDS | | | | | | |
| Operating: | | | | | | |
| RTD ECO Pass Cost | \$8,300 | \$8,300 | \$9,131 | \$0 | \$0 | \$0 |
| Annual Administration Cost | 860 | 860 | 860 | 0 | 0 | 0 |
| Rebate Program | 346 | 346 | 346 | 0 | 0 | 0 |
| Subtotal Operating Uses of Funds | \$9,506 | \$9,506 | \$10,337 | \$0 | \$0 | \$0 |
| Transfers to Other Funds: Interest | 19 | 0 | 0 | 0 | 0 | 0 |
| TOTAL OPERATING USES OF FUNDS | \$9,525 | \$9,506 | \$10,337 | \$0 | \$0 | \$0 |
| TOTAL CAPITAL USES OF FUNDS | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| CARRYOVERS & ENCUMBRANCES | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL USES OF FUNDS | \$9,525 | \$9,506 | \$10,337 | \$0 | \$0 | \$0 |
| FUND BALANCE - END OF YEAR | \$2,066 | \$89 | \$538 | \$0 | \$0 | \$0 |
| SURPLUS/(DEFICIT) vs. RESERVE GOAL | \$2,066 | \$89 | \$538 | \$0 | \$0 | \$0 |

**CITY OF BOULDER
2006 FUND FINANCIAL**

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|------------------------------------------------------------------------------------------|--------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of Year | \$0 | \$1,000,000 | \$1,100,000 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SOURCES OF FUNDS: | | | | | | | | |
| Federal Grant Revenue Received | \$995,994 | | | | | | | |
| Current Year Federal Grant | | \$1,074,927 | \$1,021,181 | \$970,122 | \$970,122 | \$921,616 | \$921,616 | \$875,535 |
| Available Prior Years Grant Balances | | \$1,388,271 | | | | | | |
| Sale Proceeds-BHP/interest on prepayment for sec 108* | \$2,038,370 | \$1,023,333 | \$24,127 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Transfer from CHAP for section 108 loan* | | \$114,280 | \$63,250 | | | | | |
| Third Party Reimbursements | \$18,193 | | | | | | | |
| TOTAL SOURCES OF FUNDS | \$3,052,558 | \$3,600,811 | \$1,108,558 | \$970,122 | \$970,122 | \$921,616 | \$921,616 | \$875,535 |
| USES OF FUNDS: | | | | | | | | |
| Operating: | | | | | | | | |
| Program Management | \$205,102 | \$202,394 | \$167,494 | \$172,519 | \$177,695 | \$183,025 | \$188,516 | \$194,172 |
| Total Operating Uses of Funds | \$205,102 | \$202,394 | \$167,494 | \$172,519 | \$177,695 | \$183,025 | \$188,516 | \$194,172 |
| Transfers to Other Funds | | | | | | | | |
| Transfer to CHAP/interest on BHP prepayment | | \$23,333 | \$24,127 | | | | | |
| Cost Allocation | \$15,411 | \$18,070 | \$17,384 | \$17,906 | \$18,443 | \$18,996 | \$19,566 | \$20,153 |
| Total Transfers to Other Funds | \$15,411 | \$41,403 | \$41,511 | \$17,906 | \$18,443 | \$18,996 | \$19,566 | \$20,153 |
| Total Debt Service & Principal on Section 108 Drive In Theater Property Loan* | \$1,038,370 | \$1,014,280 | \$1,163,250 | \$0 | \$0 | \$0 | \$0 | \$0 |
| CDBG Program: | | | | | | | | |
| Community Development/Housing Activities | \$793,675 | \$855,573 | \$836,302 | \$779,697 | \$773,984 | \$719,594 | \$713,534 | \$661,210 |
| Total CDBG Program | \$793,675 | \$855,573 | \$836,302 | \$779,697 | \$773,984 | \$719,594 | \$713,534 | \$661,210 |
| Program Carryovers & Encumbrances | | \$1,387,161 | | | | | | |
| TOTAL USES OF FUNDS | \$2,052,558 | \$3,500,811 | \$2,208,558 | \$970,122 | \$970,122 | \$921,616 | \$921,616 | \$875,535 |
| UNRESTRICTED FUND BALANCE | \$1,000,000 | \$1,100,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| DESIGNATIONS: | | | | | | | | |
| Designated Reserve | \$1,000,000 | \$1,100,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Sick/Vacation/Bonus Liability | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Reserve** | \$1,000,000 | \$1,100,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SURPLUS/(DEFICIT) vs. RESERVE GOAL | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

*Since the CDBG is the collateral for the Section 108 Loan from the Department of Housing and Urban Development (HUD), this fund serves as a flow through account for the repayment of the loan starting in 2003. This loan was used to purchase the Drive In Theater property on behalf of the City of Boulder Housing Authority. The source of funding for repayment of the loan will be sale proceeds from the Drive In site and transfer of funds from CHAP to cover remaining interest payments in last two years of loan.

** This fund cannot have designated reserves because expenses are funded only on a reimbursable basis by HUD. The exception to this is in 2004 and 2005 - repayment from Boulder Housing Partners in advance of HUD section 108 loan schedule will be held here until needed for loan repayment.

**CITY OF BOULDER
2006 FUND FINANCIAL**

HOME INVESTMENT PARTNERSHIP GRANT FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|----------------------------------------------|--------------------|--------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of Year | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SOURCES OF FUNDS: | | | | | | | | |
| Federal Grant Revenue Received | \$1,313,735 | | | | | | | |
| Current Year Federal Grant | | \$797,648 | \$821,577 | \$846,225 | \$846,225 | \$846,225 | \$871,612 | \$871,612 |
| Available Prior Years Grant Balances | | \$689,958 | | | | | | |
| Third Party Reimbursements | \$2,677 | | | | | | | |
| TOTAL SOURCES OF FUNDS | \$1,316,412 | \$1,487,606 | \$821,577 | \$846,225 | \$846,225 | \$846,225 | \$871,612 | \$871,612 |
| USES OF FUNDS: | | | | | | | | |
| Operating: | | | | | | | | |
| Program Management | \$68,400 | \$76,165 | \$78,695 | \$81,056 | \$80,949 | \$80,838 | \$83,264 | \$83,147 |
| Total Operating Uses of Funds | \$68,400 | \$76,165 | \$78,695 | \$81,056 | \$80,949 | \$80,838 | \$83,264 | \$83,147 |
| Transfers to Other Funds | | | | | | | | |
| Cost Allocation | \$7,975 | \$3,600 | \$3,463 | \$3,567 | \$3,674 | \$3,784 | \$3,898 | \$4,015 |
| Total Transfers to Other Funds | \$7,975 | \$3,600 | \$3,463 | \$3,567 | \$3,674 | \$3,784 | \$3,898 | \$4,015 |
| HOME Program: | | | | | | | | |
| Housing Activities | \$1,240,037 | \$717,883 | \$739,420 | \$761,602 | \$761,602 | \$761,602 | \$784,450 | \$784,450 |
| Total HOME Program | \$1,240,037 | \$717,883 | \$739,420 | \$761,602 | \$761,602 | \$761,602 | \$784,450 | \$784,450 |
| Program Carryovers & Encumbrances | | \$689,958 | | | | | | |
| TOTAL USES OF FUNDS | \$1,316,412 | \$1,487,606 | \$821,577 | \$846,225 | \$846,225 | \$846,225 | \$871,612 | \$871,612 |
| UNRESTRICTED FUND BALANCE | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| DESIGNATIONS: | | | | | | | | |
| Designated Reserve | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Sick/Vacation/Bonus Liability | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Reserve* | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SURPLUS/(DEFICIT) vs. RESERVE GOAL | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

* This fund cannot have designated reserves because expenses are funded only on a reimbursable basis by the Department of Housing and Urban Development.

**CITY OF BOULDER
2006 FUND FINANCIAL**

PERMANENT PARKS & RECREATION FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|-------------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of the Year | 3,223,265 | 3,848,943 | 686,024 | 693,809 | 859,243 | 1,058,639 | 845,771 | 870,336 |
| SOURCES OF FUNDS | | | | | | | | |
| Property Tax | 1,383,446 | 1,424,949 | 1,467,698 | 1,511,729 | 1,557,081 | 1,603,793 | 1,651,907 | 1,701,464 |
| Interest | 78,548 | 102,112 | 118,246 | 120,611 | 123,023 | 125,483 | 127,993 | 130,553 |
| Parks & Recreation Development Fee | 398,286 | 144,566 | 141,675 | 138,841 | 136,065 | 150,000 | 150,000 | 150,000 |
| Golf Expansion Fees | - | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| Other Revenues | 4,058 | 14,235 | 14,235 | 14,235 | 14,235 | 14,235 | 14,235 | 14,235 |
| TOTAL SOURCES OF FUNDS | 1,864,338 | 1,745,862 | 1,801,854 | 1,845,415 | 1,890,403 | 1,953,511 | 2,004,135 | 2,056,252 |
| USES OF FUNDS | | | | | | | | |
| Operating & Maintenance | 420,990 | 360,923 | 397,501 | 409,426 | 421,708 | 434,360 | 447,391 | 460,812 |
| Capital Refurbishment | 51,812 | 958,302 | 428,675 | 450,841 | 448,065 | 412,000 | 412,000 | 412,000 |
| Total Operating Uses of Funds | 472,802 | 1,319,225 | 826,176 | 860,267 | 869,773 | 846,360 | 859,391 | 872,812 |
| Transfers To Other Funds | | | | | | | | |
| Cost Allocation | 38,882 | 54,729 | 52,651 | 54,730 | 56,098 | 54,731 | 54,732 | 54,732 |
| Employee Benefit Insurance Fund | - | - | - | - | - | - | - | - |
| Excise Tax Collection | 4,607 | 4,699 | 4,840 | 4,985 | 5,135 | 5,289 | 5,448 | 5,611 |
| | 43,489 | 59,428 | 57,491 | 59,715 | 61,233 | 60,020 | 60,180 | 60,343 |
| Debt Service | | | | | | | | |
| Total Debt Service | 50,402 | 50,402 | 50,402 | - | - | - | - | - |
| Capital Improvement Program | | | | | | | | |
| Capital Projects | 671,967 | 3,479,726 | 860,000 | 760,000 | 760,000 | 1,260,000 | 1,060,000 | 1,160,000 |
| TOTAL USES OF FUNDS | 1,238,660 | 4,908,781 | 1,794,069 | 1,679,982 | 1,691,007 | 2,166,380 | 1,979,570 | 2,093,155 |
| FUND BALANCE - END OF YEAR | 3,848,943 | 686,024 | 693,809 | 859,243 | 1,058,639 | 845,771 | 870,336 | 833,432 |
| Designations: | | | | | | | | |
| Sick & Vacation Liability Reserve | (82,308) | (48,813) | (50,277) | (51,786) | (53,339) | (54,939) | (56,588) | (58,285) |
| Total Designations | (82,308) | (48,813) | (50,277) | (51,786) | (53,339) | (54,939) | (56,588) | (58,285) |
| SURPLUS/(DEFICIT) vs. RESERVE GOAL | 3,766,635 | 637,211 | 643,532 | 807,457 | 1,005,300 | 790,832 | 813,748 | 775,147 |

**CITY OF BOULDER
2006 FUND FINANCIAL**

WATER UTILITY FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|----------------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of Year | \$37,621,177 | \$32,763,067 | \$23,090,134 | \$15,879,556 | \$13,706,116 | \$12,708,241 | \$19,437,399 | \$15,898,374 |
| SOURCES OF FUNDS | | | | | | | | |
| Operating-- | | | | | | | | |
| Sale of Water to General Cust | \$16,370,808 | \$17,176,452 | \$17,727,022 | \$18,295,243 | \$19,248,319 | \$21,601,126 | \$23,808,654 | \$25,764,666 |
| Projected Rate Increase | \$0 | \$515,294 | \$531,811 | \$914,762 | \$2,309,798 | \$2,160,113 | \$1,904,692 | \$1,030,587 |
| Bulk/Irrigation Water Sales | \$65,347 | \$73,000 | \$73,000 | \$73,000 | \$73,000 | \$73,000 | \$73,000 | \$73,000 |
| Hydroelectric Revenue | \$1,677,482 | \$1,760,000 | \$1,760,000 | \$1,765,000 | \$1,765,000 | \$1,750,000 | \$1,765,000 | \$1,765,000 |
| Public Fire Protection | \$0 | \$15,000 | \$15,000 | \$15,000 | \$15,000 | \$15,000 | \$15,000 | \$15,000 |
| Miscellaneous Operating Revenues | \$39,503 | \$32,500 | \$32,500 | \$32,500 | \$32,500 | \$32,500 | \$32,500 | \$32,500 |
| TOTAL OPERATING SOURCES OF FUNDS | \$18,153,140 | \$19,572,246 | \$20,139,333 | \$21,095,506 | \$23,443,617 | \$25,631,739 | \$27,598,846 | \$28,680,753 |
| Non-Operating-- | | | | | | | | |
| Plant Investment Fees | \$3,580,653 | \$2,975,000 | \$2,250,000 | \$2,250,000 | \$2,250,000 | \$2,250,000 | \$2,250,000 | \$2,250,000 |
| Connection Charges | \$160,637 | \$150,000 | \$150,000 | \$150,000 | \$150,000 | \$150,000 | \$150,000 | \$150,000 |
| Special Assessments | \$23,239 | \$10,000 | \$10,000 | \$5,000 | \$5,000 | \$5,000 | \$5,000 | \$5,000 |
| State & Federal Grants | \$1,028 | \$31,972 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Interest on Investments | \$1,136,074 | \$900,000 | \$437,926 | \$476,387 | \$411,183 | \$508,330 | \$777,496 | \$794,919 |
| Miscellaneous Non-Operating | \$29,509 | \$26,500 | \$16,500 | \$16,500 | \$16,500 | \$16,500 | \$17,500 | \$17,500 |
| Sale of Real Estate | \$9,265,188 | \$0 | \$250,000 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Transfers from Other Funds | \$404,550 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Projected Bond Proceeds | \$0 | \$7,900,070 | \$0 | \$0 | \$0 | \$34,380,000 | \$0 | \$0 |
| TOTAL NON-OPERATING SOURCES OF FUNDS | \$14,600,878 | \$11,993,542 | \$3,114,426 | \$2,897,887 | \$2,832,683 | \$37,309,830 | \$3,199,996 | \$3,217,419 |
| TOTAL SOURCES OF FUNDS | \$32,754,018 | \$31,565,788 | \$23,253,759 | \$23,993,392 | \$26,276,300 | \$62,941,568 | \$30,798,842 | \$31,898,171 |
| USES OF FUNDS | | | | | | | | |
| Operating-- | | | | | | | | |
| Operating Expenditures | \$9,038,813 | \$9,955,590 | \$10,022,390 | \$10,323,062 | \$10,632,754 | \$10,951,736 | \$11,280,288 | \$11,618,697 |
| Budget Addition | \$0 | \$0 | \$0 | \$235,000 | \$242,050 | \$249,312 | \$256,791 | \$264,495 |
| Windy Gap Payment | \$2,331,532 | \$2,079,657 | \$2,102,375 | \$2,108,314 | \$2,091,779 | \$2,117,567 | \$2,144,532 | \$2,173,539 |
| Emergency Reserve | \$0 | \$300,000 | \$305,000 | \$314,150 | \$323,575 | \$333,282 | \$343,280 | \$353,579 |
| Sick/Vacation Accrual | (\$14,313) | \$100,000 | \$100,000 | \$103,000 | \$106,090 | \$109,273 | \$112,551 | \$115,927 |
| TOTAL OPERATING USES OF FUNDS | \$11,356,032 | \$12,435,247 | \$12,529,765 | \$13,083,526 | \$13,396,247 | \$13,761,169 | \$14,137,442 | \$14,526,236 |
| Debt-- | | | | | | | | |
| Betasso Hydroelectric GO Bond | \$367,403 | \$365,653 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| BRWTP 1996 Revenue Bond | \$910,477 | \$912,794 | \$850,713 | \$851,520 | \$845,302 | \$843,810 | \$844,505 | \$848,752 |
| Silver Lake 1999 Revenue Bond | \$1,240,082 | \$1,239,974 | \$1,238,110 | \$1,240,095 | \$1,235,139 | \$1,240,134 | \$1,237,927 | \$1,238,631 |
| Barker/ AMR/ Caribou 2000 Revenue Bond | \$2,255,586 | \$2,271,458 | \$2,273,436 | \$2,272,002 | \$2,271,988 | \$2,266,540 | \$2,265,277 | \$1,519,971 |
| Lakewood Pipeline 2001 Revenue Bond | \$2,181,152 | \$2,179,419 | \$2,181,069 | \$2,180,919 | \$2,178,969 | \$2,180,202 | \$2,174,452 | \$2,171,885 |
| Projected Bond-WTP Imp; Barker Dam: BFC Line | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,106,275 | \$3,106,275 | \$3,106,275 |
| TOTAL DEBT SERVICE | \$6,954,700 | \$6,969,298 | \$6,543,328 | \$6,544,536 | \$6,531,398 | \$9,636,961 | \$9,628,436 | \$8,885,514 |
| Transfers Out-- | | | | | | | | |
| Cost Allocation | \$1,157,712 | \$1,084,626 | \$1,043,443 | \$1,147,787 | \$1,262,566 | \$1,388,823 | \$1,527,705 | \$1,680,475 |

**CITY OF BOULDER
2006 FUND FINANCIAL**

WATER UTILITY FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|-------------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Planning & Development Services | \$168,468 | \$162,912 | \$167,800 | \$172,834 | \$178,019 | \$183,360 | \$188,860 | \$194,526 |
| Other Transfers | \$10,000 | \$10,000 | \$10,000 | \$10,300 | \$10,609 | \$10,927 | \$11,255 | \$11,593 |
| TOTAL TRANSFERS OUT | \$1,336,180 | \$1,257,538 | \$1,221,243 | \$1,330,921 | \$1,451,194 | \$1,583,109 | \$1,727,820 | \$1,886,594 |
| Capital Improvements Program-- | | | | | | | | |
| TOTAL CAPITAL USES OF FUNDS | \$11,993,704 | \$6,800,000 | \$10,575,000 | \$5,625,000 | \$6,325,000 | \$5,400,000 | \$4,300,000 | \$3,550,000 |
| LAKEWOOD PIPELINE - BOND | \$5,957,199 | \$54,361 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| PROJECTED BOND - WTP IMP; BARKER DAM | \$0 | \$0 | \$0 | \$0 | \$0 | \$6,000,000 | \$5,000,000 | \$0 |
| PROJECTED BOND - BOULDER FEEDER CANAL | \$0 | \$0 | \$0 | \$0 | \$0 | \$20,000,000 | \$0 | \$0 |
| PROJECTED BOND - ISSUANCE COSTS | \$0 | \$0 | \$0 | \$0 | \$0 | \$273,725 | \$0 | \$0 |
| ENCUMBRANCES, CARRYOVERS & MID-YR ATB's | \$0 | \$14,122,277 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL USES OF FUNDS | \$37,597,815 | \$41,638,721 | \$30,869,336 | \$26,583,983 | \$27,703,839 | \$56,654,965 | \$34,793,699 | \$28,848,345 |
| Emergency Reserve Adjustment | \$0 | \$300,000 | \$305,000 | \$314,150 | \$323,575 | \$333,282 | \$343,280 | \$353,579 |
| Sick/Vacation Accrual Adjustment | (\$14,313) | \$100,000 | \$100,000 | \$103,000 | \$106,090 | \$109,273 | \$112,551 | \$115,927 |
| FUND BALANCE - END OF YEAR | \$32,763,067 | \$23,090,134 | \$15,879,556 | \$13,706,116 | \$12,708,241 | \$19,437,399 | \$15,898,374 | \$19,417,707 |
| Designated Reserves - | | | | | | | | |
| Bond Reserves | \$6,322,941 | \$6,322,941 | \$6,322,941 | \$6,322,941 | \$6,322,941 | \$9,429,216 | \$9,429,216 | \$9,429,216 |
| Lakewood/USFS Damage Claims Reserve | \$100,000 | \$100,000 | \$100,000 | \$100,000 | \$100,000 | \$100,000 | \$100,000 | \$100,000 |
| Vacation/Sick/Bonus Liability | \$612,926 | \$631,314 | \$650,253 | \$669,761 | \$689,854 | \$710,549 | \$731,866 | \$753,822 |
| TOTAL RESERVES | \$7,035,867 | \$7,054,255 | \$7,073,194 | \$7,092,702 | \$7,112,795 | \$10,239,765 | \$10,261,082 | \$10,283,038 |
| SURPLUS/(DEFICIT) vs. RESERVE GOAL | \$25,727,200 | \$16,035,879 | \$8,806,362 | \$6,613,414 | \$5,595,447 | \$9,197,634 | \$5,637,293 | \$9,134,669 |
| OPERATING RESERVE (GOAL: 20-25%) | 247.97% | 143.01% | 78.32% | 55.63% | 45.40% | 71.95% | 42.50% | 66.34% |

**CITY OF BOULDER
2006 FUND FINANCIAL**

WASTEWATER FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|---------------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of Year | \$11,667,986 | \$11,762,107 | \$8,255,835 | \$7,347,971 | \$7,288,077 | \$7,155,704 | \$6,156,157 | \$6,067,137 |
| SOURCES OF FUNDS | | | | | | | | |
| Operating-- | | | | | | | | |
| Sewer Charges to General Customers | \$8,262,558 | \$8,144,521 | \$9,792,972 | \$11,775,070 | \$13,214,454 | \$14,035,336 | \$14,485,309 | \$14,949,708 |
| Projected Rate Increase | \$0 | 6% \$1,628,904 | 20% \$1,958,594 | 20% \$1,413,008 | 12% \$792,867 | 6% \$421,060 | 3% \$434,559 | 3% \$448,491 |
| Surcharge/ Pretreatment Fees | \$119,564 | \$120,500 | \$120,500 | \$120,500 | \$120,500 | \$120,500 | \$120,500 | \$120,500 |
| Cogeneration Revenues | \$80,370 | \$80,000 | \$80,000 | \$80,000 | \$80,000 | \$80,000 | \$80,000 | \$80,000 |
| TOTAL OPERATING SOURCES OF FUNDS | \$8,462,492 | \$9,973,925 | \$11,952,066 | \$13,388,578 | \$14,207,821 | \$14,656,896 | \$15,120,368 | \$15,598,699 |
| Non-Operating-- | | | | | | | | |
| Plant Investment Fees | \$642,581 | \$570,000 | \$420,000 | \$420,000 | \$420,000 | \$420,000 | \$420,000 | \$420,000 |
| Connection Charges | \$5,163 | \$11,500 | \$11,500 | \$11,500 | \$11,500 | \$11,500 | \$11,500 | \$11,500 |
| Special Assessments | \$9,728 | \$20,000 | \$20,000 | \$20,000 | \$20,000 | \$20,000 | \$20,000 | \$20,000 |
| Interest on Investments | \$266,465 | \$250,000 | \$150,000 | \$220,439 | \$218,642 | \$286,228 | \$246,246 | \$303,357 |
| Miscellaneous Non-Operating | \$29,525 | \$25,000 | \$26,250 | \$27,500 | \$1,500 | \$1,500 | \$1,500 | \$1,500 |
| Sale of Real Estate | \$0 | \$0 | \$125,000 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2005 Bond Refunding | \$0 | \$1,110,099 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2005 Bond - WWTP Improvements | \$0 | \$46,392,378 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Projected Bond - WWTP Biosolids Digester | \$0 | \$0 | \$0 | \$9,510,000 | \$0 | \$0 | \$0 | \$0 |
| Projected Bond - WWTP Improvements | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$11,170,000 | \$0 |
| TOTAL NON-OPERATING SOURCES OF FUNDS | \$953,462 | \$48,378,977 | \$752,750 | \$10,209,439 | \$671,642 | \$739,228 | \$11,869,246 | \$756,357 |
| TOTAL SOURCES OF FUNDS | \$9,415,954 | \$58,352,902 | \$12,704,816 | \$23,598,017 | \$14,879,464 | \$15,396,124 | \$26,989,614 | \$16,355,056 |
| USES OF FUNDS | | | | | | | | |
| Operating-- | | | | | | | | |
| Operating Expenditures | \$6,202,816 | \$6,788,750 | \$6,910,167 | \$7,117,472 | \$7,330,996 | \$7,550,926 | \$7,777,454 | \$8,010,777 |
| Budget Additions | \$0 | \$0 | \$0 | \$66,000 | \$67,980 | \$70,019 | \$72,120 | \$74,284 |
| Budget Addition - WWTP Improvements | \$0 | \$0 | \$0 | \$732,000 | \$1,073,260 | \$1,105,458 | \$1,138,622 | \$1,172,780 |
| Budget Addition - WWTP Biosolids Digester | \$0 | \$0 | \$0 | \$55,000 | \$113,300 | \$116,699 | \$120,200 | \$123,806 |
| Emergency Reserve | \$0 | \$210,000 | \$210,000 | \$216,300 | \$222,789 | \$229,473 | \$236,357 | \$243,448 |
| Sick/Vacation Accrual | (\$43,505) | \$75,000 | \$75,000 | \$77,250 | \$79,568 | \$81,955 | \$84,413 | \$86,946 |
| TOTAL OPERATING USES OF FUNDS | \$6,159,311 | \$7,073,750 | \$7,195,167 | \$8,264,022 | \$8,887,893 | \$9,154,529 | \$9,429,165 | \$9,712,040 |
| Debt-- | | | | | | | | |
| Projected Bond - WWTP Biosolids Digester | \$0 | \$0 | \$0 | \$861,150 | \$861,150 | \$861,150 | \$861,150 | \$861,150 |
| Projected Bond - WWTP Improvements | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,012,665 | \$1,012,665 |
| WWTP Improvements 2005 Revenue Bond * | \$0 | \$0 | \$3,504,467 | \$3,574,833 | \$3,565,944 | \$3,557,523 | \$3,556,583 | \$3,550,367 |
| Marshall Landfill 1992 Revenue Bond | \$183,908 | \$187,746 | \$168,713 | \$169,621 | \$170,057 | \$170,331 | \$165,456 | \$165,568 |
| TOTAL DEBT SERVICE | \$183,908 | \$187,746 | \$3,673,180 | \$4,605,604 | \$4,597,151 | \$4,589,004 | \$5,595,854 | \$5,589,750 |

**CITY OF BOULDER
2006 FUND FINANCIAL**

WASTEWATER FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|-----------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Transfers Out-- | | | | | | | | |
| Cost Allocation | \$639,446 | \$765,073 | \$736,024 | \$809,626 | \$890,589 | \$979,648 | \$1,077,613 | \$1,185,374 |
| Planning & Development Services | \$168,954 | \$163,408 | \$168,310 | \$173,359 | \$178,560 | \$183,917 | \$189,435 | \$195,118 |
| Boulder Reservoir Plant Improvements | \$404,550 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL TRANSFERS OUT | \$1,212,950 | \$928,481 | \$904,334 | \$982,985 | \$1,069,149 | \$1,163,565 | \$1,267,048 | \$1,380,492 |
| Capital Improvements Program-- | | | | | | | | |
| TOTAL CAPITAL USES OF FUNDS | \$1,722,159 | \$2,460,000 | \$2,125,000 | \$1,450,000 | \$760,000 | \$1,800,000 | \$950,000 | \$950,000 |
| BOND-WWTP IMPROVEMENTS | \$0 | \$46,212,169 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| PROJECTED BOND-BIOSOLIDS DIGESTER | \$0 | \$0 | \$0 | \$8,500,000 | \$0 | \$0 | \$0 | \$0 |
| PROJECTED BOND-WWTP IMPROVEMENTS | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$10,000,000 | \$0 |
| BOND - ISSUANCE COSTS | \$0 | \$180,209 | \$0 | \$148,850 | \$0 | \$0 | \$157,337 | \$0 |
| CARRYOVERS, ENCUMBRANCES & MID-YR ATB: | \$0 | \$5,101,819 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL USES OF FUNDS | \$9,278,328 | \$62,144,174 | \$13,897,681 | \$23,951,461 | \$15,314,193 | \$16,707,098 | \$27,399,404 | \$17,632,282 |
| Emergency Reserve Adjustment | \$0 | \$210,000 | \$210,000 | \$216,300 | \$222,789 | \$229,473 | \$236,357 | \$243,448 |
| Sick/Vacation Accrual Adjustment | (\$43,505) | \$75,000 | \$75,000 | \$77,250 | \$79,568 | \$81,955 | \$84,413 | \$86,946 |
| FUND BALANCE - END OF YEAR | \$11,762,107 | \$8,255,835 | \$7,347,971 | \$7,288,077 | \$7,155,704 | \$6,156,157 | \$6,067,137 | \$5,120,304 |
| Designated Reserves - | | | | | | | | |
| Bond Reserves | \$187,586 | \$187,586 | \$187,586 | \$1,048,736 | \$1,048,736 | \$1,048,736 | \$2,061,401 | \$2,061,401 |
| Sick/Vacation/Bonus Liability | \$512,688 | \$528,069 | \$543,911 | \$560,228 | \$577,035 | \$594,346 | \$612,176 | \$630,542 |
| TOTAL RESERVES | \$700,274 | \$715,655 | \$731,497 | \$1,608,964 | \$1,625,771 | \$1,643,082 | \$2,673,577 | \$2,691,943 |
| SURPLUS/(DEFICIT) vs. RESERVE | \$11,061,833 | \$7,540,181 | \$6,616,474 | \$5,679,113 | \$5,529,933 | \$4,513,075 | \$3,393,560 | \$2,428,361 |
| OPERATING RESERVE (GOAL: 20-25%) | 149.17% | 97.71% | 84.67% | 63.43% | 57.28% | 45.10% | 32.71% | 22.56% |

* 2006 debt service for the 2005 bonds will be formally appropriated during the 1st budget supplemental of 2006

**CITY OF BOULDER
2006 FUND FINANCIAL**

STORM WATER AND FLOOD MANAGEMENT UTILITY FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|---------------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of Year | \$7,937,543 | \$9,097,595 | \$5,302,135 | \$4,362,458 | \$4,301,490 | \$4,366,363 | \$4,119,822 | \$3,602,772 |
| SOURCES OF FUNDS | | | | | | | | |
| Operating-- | | | | | | | | |
| Service Charge Fees | \$4,304,289 | \$4,241,944 | \$4,377,940 | \$4,518,297 | \$4,753,700 | \$5,001,368 | \$5,161,712 | \$5,327,197 |
| Projected Rate Increases | \$0 | 6% \$127,258 | 3% \$131,338 | 3% \$225,915 | 5% \$237,685 | 5% \$150,041 | 3% \$154,851 | 3% \$159,816 |
| TOTAL OPERATING SOURCES OF FUNDS | \$4,304,289 | \$4,369,202 | \$4,509,279 | \$4,744,212 | \$4,991,385 | \$5,151,409 | \$5,316,563 | \$5,487,013 |
| Non-Operating-- | | | | | | | | |
| Plant Investment Fees | \$717,488 | \$500,000 | \$500,000 | \$500,000 | \$500,000 | \$500,000 | \$500,000 | \$500,000 |
| Urban Drainage District Funds | \$337,273 | \$937,000 | \$340,000 | \$485,000 | \$400,000 | \$400,000 | \$400,000 | \$400,000 |
| State & Federal Grants | \$50,420 | \$33,450 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Interest on Investments | \$184,445 | \$101,207 | \$106,043 | \$130,874 | \$129,045 | \$174,655 | \$164,793 | \$180,139 |
| Intergovernmental Transfers | \$267,138 | \$102,981 | \$106,070 | \$109,253 | \$112,530 | \$115,906 | \$119,383 | \$122,965 |
| Miscellaneous Non-Operating | (\$80,718) | \$28,500 | \$17,000 | \$17,500 | \$18,500 | \$19,500 | \$20,000 | \$1,000 |
| Sale of Real Estate | \$1,294,168 | \$0 | \$125,000 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Projected Bond - South Boulder Creek | \$0 | \$0 | \$0 | \$0 | \$3,268,500 | \$0 | \$0 | \$0 |
| TOTAL NON-OPERATING SOURCES OF FUNDS | \$2,770,214 | \$1,703,138 | \$1,194,113 | \$1,242,626 | \$4,428,575 | \$1,210,061 | \$1,204,176 | \$1,204,103 |
| TOTAL SOURCES OF FUNDS | \$7,074,503 | \$6,072,340 | \$5,703,392 | \$5,986,838 | \$9,419,960 | \$6,361,470 | \$6,520,740 | \$6,691,116 |
| USES OF FUNDS | | | | | | | | |
| Operating-- | | | | | | | | |
| Operating Expenditures | \$2,021,224 | \$2,881,429 | \$2,670,148 | \$2,750,252 | \$2,832,760 | \$2,917,743 | \$3,005,275 | \$3,095,433 |
| Budget Addition | \$0 | \$0 | \$0 | \$54,000 | \$55,620 | \$57,289 | \$59,007 | \$60,777 |
| Emergency Reserve | \$0 | \$80,000 | \$80,000 | \$82,400 | \$84,872 | \$87,418 | \$90,041 | \$92,742 |
| Sick/Vacation Accrual | \$62,282 | \$30,000 | \$30,000 | \$30,900 | \$31,827 | \$32,782 | \$33,765 | \$34,778 |
| TOTAL OPERATING USES OF FUNDS | \$2,083,506 | \$2,991,429 | \$2,780,148 | \$2,917,552 | \$3,005,079 | \$3,095,231 | \$3,188,088 | \$3,283,731 |
| Debt-- | | | | | | | | |
| Goose Creek/BVRC 1998 Revenue Bond | \$809,967 | \$808,038 | \$805,158 | \$806,309 | \$806,273 | \$810,029 | \$1,126,036 | \$493,531 |
| Projected Bond - South Boulder Creek | \$0 | \$0 | \$0 | \$0 | \$292,500 | \$292,500 | \$292,500 | \$292,500 |
| Crawford Property Acquisition | \$115,108 | \$114,832 | \$114,539 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Arbitrage Payment | \$111,139 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL DEBT SERVICE | \$1,036,214 | \$922,870 | \$919,697 | \$806,309 | \$1,098,773 | \$1,102,529 | \$1,418,536 | \$786,031 |
| Transfers Out-- | | | | | | | | |
| Cost Allocation | \$209,232 | \$162,964 | \$156,776 | \$172,454 | \$189,699 | \$208,669 | \$229,536 | \$252,489 |
| Planning & Development Services | \$96,562 | \$98,493 | \$101,448 | \$104,491 | \$107,626 | \$110,855 | \$114,180 | \$117,606 |
| Other Transfers | \$10,000 | \$10,000 | \$10,000 | \$10,300 | \$10,609 | \$10,927 | \$11,255 | \$11,593 |
| TOTAL TRANSFERS OUT | \$315,794 | \$271,457 | \$268,224 | \$287,245 | \$307,934 | \$330,451 | \$354,971 | \$381,688 |
| Capital Improvements Program-- | | | | | | | | |
| TOTAL CAPITAL USES OF FUNDS | \$2,541,219 | \$1,935,000 | \$2,785,000 | \$2,150,000 | \$2,060,000 | \$2,200,000 | \$2,200,000 | \$2,400,000 |

**CITY OF BOULDER
2006 FUND FINANCIAL**

STORM WATER AND FLOOD MANAGEMENT UTILITY FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|-----------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| PROJECTED BOND - SOUTH BOULDER CREEK | \$0 | \$0 | \$0 | \$0 | \$3,000,000 | \$0 | \$0 | \$0 |
| ENCUMBRANCES, CARRYOVERS & MID-YR ATBS | \$0 | \$3,857,044 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL USES OF FUNDS | \$5,976,733 | \$9,977,800 | \$6,753,069 | \$6,161,106 | \$9,471,786 | \$6,728,211 | \$7,161,596 | \$6,851,450 |
| Emergency Reserve Adjustment | \$0 | \$80,000 | \$80,000 | \$82,400 | \$84,872 | \$87,418 | \$90,041 | \$92,742 |
| Sick/Vacation Accrual Adjustment | \$62,282 | \$30,000 | \$30,000 | \$30,900 | \$31,827 | \$32,782 | \$33,765 | \$34,778 |
| FUND BALANCE - END OF YEAR | \$9,097,595 | \$5,302,135 | \$4,362,458 | \$4,301,490 | \$4,366,363 | \$4,119,822 | \$3,602,772 | \$3,569,958 |
| Designated Reserves - | | | | | | | | |
| Bond Reserves | \$824,715 | \$824,715 | \$824,715 | \$824,715 | \$1,117,215 | \$1,117,215 | \$1,117,215 | \$1,117,215 |
| Post Flood Property Acquisition | \$1,050,000 | \$1,050,000 | \$1,050,000 | \$1,050,000 | \$1,050,000 | \$1,050,000 | \$1,050,000 | \$1,050,000 |
| Sick/Vacation/Bonus Liability | \$137,292 | \$141,411 | \$145,653 | \$150,023 | \$154,523 | \$159,159 | \$163,934 | \$168,852 |
| TOTAL RESERVES | \$2,012,007 | \$2,016,126 | \$2,020,368 | \$2,024,738 | \$2,321,738 | \$2,326,374 | \$2,331,149 | \$2,336,067 |
| SURPLUS/(DEFICIT) vs. RESERVES | \$7,085,588 | \$3,286,009 | \$2,342,090 | \$2,276,752 | \$2,044,625 | \$1,793,448 | \$1,271,623 | \$1,233,891 |
| OPERATING RESERVE (GOAL: 20-25%) | 303.19% | 104.22% | 79.71% | 73.65% | 63.97% | 54.26% | 37.19% | 34.88% |

**CITY OF BOULDER
2006 FUND FINANCIAL**

CAGID FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|--------------------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of the Year | \$ 6,212,610 | \$ 1,943,018 | \$ 609,172 | \$ 609,483 | \$ 541,843 | \$ 2,617,564 | \$ 4,769,539 | \$ 7,083,275 |
| SOURCES OF FUNDS | | | | | | | | |
| Property/Owner. Tax | \$ 847,102 | \$ 843,688 | \$ 869,390 | \$ 893,705 | \$ 918,749 | \$ 944,545 | \$ 971,115 | \$ 998,482 |
| Short Term Fees | 1,040,916 | 1,298,708 | 1,233,625 | 1,254,550 | 1,477,438 | 1,511,319 | 1,545,200 | 1,579,081 |
| Long Term Fees | 1,580,660 | 1,709,000 | 1,967,749 | 1,967,749 | 2,066,400 | 2,066,400 | 2,169,996 | 2,169,996 |
| Meterhood & Tokens | 142,399 | 112,500 | 117,500 | 117,500 | 130,189 | 131,208 | 131,208 | 131,208 |
| Interest | 35,154 | 23,862 | 19,798 | 19,808 | 17,610 | 85,071 | 155,010 | 230,206 |
| Rental Income | 263,692 | 382,558 | 421,523 | 434,078 | 447,010 | 460,330 | 474,050 | 488,182 |
| Mobility Center Grant | 18,720 | - | - | - | - | - | - | - |
| Miscellaneous | 26,547 | 18,236 | 17,360 | 17,485 | 17,612 | 17,742 | 17,873 | 9,006 |
| Transfers In | 1,217,193 | 1,280,000 | 1,292,800 | 1,305,728 | 1,602,484 | 1,602,484 | 1,602,484 | 1,602,484 |
| 10th/Walnut Bond Proceeds | 21,557 | - | - | - | - | - | - | - |
| 10th/Walnut - Property, Sales and Accommodations | - | 292,516 | 1,038,048 | 1,069,189 | 1,101,265 | 1,134,303 | 1,168,332 | 1,203,382 |
| Tax TIF | - | 55,825 | 72,116 | 73,197 | 74,295 | 75,410 | 76,541 | 77,689 |
| 10th/Walnut- other Revenue | - | 68,225 | - | - | - | - | - | - |
| 10th/Walnut - TIF Guaranty | - | - | - | - | - | - | - | - |
| TOTAL SOURCES OF FUNDS | \$ 5,193,940 | \$ 6,085,118 | \$ 7,049,909 | \$ 7,152,989 | \$ 7,853,053 | \$ 8,028,812 | \$ 8,311,809 | \$ 8,489,716 |
| USES OF FUNDS | | | | | | | | |
| Parking Operations | \$ 823,160 | \$ 847,701 | \$ 839,617 | \$ 850,969 | \$ 862,479 | \$ 874,149 | \$ 885,981 | \$ 897,978 |
| Major Maintenance - Parking | - | - | 25,000 | 25,000 | 70,000 | 70,000 | 70,000 | 70,000 |
| Downtown & University Hill Management Division | 785,462 | 855,798 | 881,751 | 892,864 | 904,123 | 915,529 | 927,085 | 938,793 |
| 10th and Walnut Parking Expense | - | 370,799 | 412,902 | 425,289 | 438,048 | 451,189 | 464,725 | 476,667 |
| Eco-Pass Program | 451,092 | 514,200 | 541,865 | 346,018 | 349,478 | 352,973 | 356,503 | 360,068 |
| Major Maintenance - Mall | (7,253) | - | - | - | - | - | - | - |
| Sick/Vacation Accrual | 572 | 6,368 | 6,368 | 6,368 | 6,368 | 6,368 | 6,368 | 6,368 |
| Capital Replacement Reserve | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 |
| TOTAL OPERATING USES OF FUNDS | 2,065,133 | 2,606,966 | 2,719,603 | 2,558,608 | 2,642,596 | 2,682,308 | 2,722,762 | 2,761,974 |
| DEBT SERVICE | | | | | | | | |
| Series 1998 | 1,073,280 | 1,073,440 | 1,075,771 | 1,070,591 | 1,069,024 | 1,073,043 | 1,076,895 | 1,076,895 |
| Series 2002 Refunding | 1,278,347 | 1,605,129 | 1,524,251 | 1,636,089 | - | - | - | - |
| Series 2003 (10th and Walnut) | 462,578 | 933,091 | 936,075 | 938,683 | 936,005 | 924,722 | 916,844 | 920,118 |
| TOTAL DEBT SERVICE | 2,814,205 | 3,611,660 | 3,536,097 | 3,645,363 | 2,005,029 | 1,997,765 | 1,993,739 | 1,997,013 |

**CITY OF BOULDER
2006 FUND FINANCIAL**

CAGID FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|--------------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| TRANSFERS TO OTHER FUNDS | | | | | | | | |
| Cost Allocation | 108,327 | 134,320 | 129,220 | 131,158 | 133,125 | 135,122 | 137,149 | 139,206 |
| Mall Improvements - Payback to GF | 384,000 | 392,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| TOTAL TRANSFERS TO OTHER FUNDS | 492,327 | 526,320 | 629,220 | 631,158 | 633,125 | 635,122 | 637,149 | 639,206 |
| Carryover & Encumbrances | - | 680,386 | - | - | - | - | - | - |
| CAPITAL IMPROVEMENTS PROGRAM | | | | | | | | |
| 10th and Walnut Parking Structure | 4,091,295 | - | - | - | - | - | - | - |
| Less: Excess TIF to City of Boulder | | | 171,046 | 391,868 | 502,950 | 568,010 | 650,792 | 702,508 |
| TOTAL USES OF FUNDS | \$ 9,462,960 | \$ 7,425,332 | \$ 7,055,966 | \$ 7,226,997 | \$ 5,783,700 | \$ 5,883,205 | \$ 6,004,442 | \$ 6,100,701 |
| Less: Sick/Vacation Accrual Adjustment | 572 | (6,368) | (6,368) | (6,368) | (6,368) | (6,368) | (6,368) | (6,368) |
| UNAPPROPRIATED FUND BALANCE | \$ 1,943,018 | \$ 609,172 | \$ 609,483 | \$ 541,843 | \$ 2,617,564 | \$ 4,769,539 | \$ 7,083,275 | \$ 9,478,658 |
| Designations: | | | | | | | | |
| Designated Reserve | 206,513 | 260,697 | 271,960 | 255,861 | 264,260 | 268,231 | 272,276 | 276,197 |
| Natural Disaster Reserve | 119,302 | 144,154 | 172,713 | 175,418 | 187,517 | 192,790 | 201,280 | 206,617 |
| Sick and Vacation Liability Reserve | 81,990 | 88,358 | 94,726 | 101,094 | 107,462 | 113,830 | 120,198 | 126,566 |
| SURPLUS/(DEFICIT) vs RESERVE GOAL | \$ 1,535,212 | \$ 115,964 | \$ 70,083 | \$ 9,470 | \$ 2,058,325 | \$ 4,194,689 | \$ 6,489,521 | \$ 8,869,278 |

**CITY OF BOULDER
2006 FUND FINANCIAL**

UHGD FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|---------------------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of the Year | \$ 582,772 | \$ 593,904 | \$ 615,558 | \$ 675,038 | \$ 732,937 | \$ 842,778 | \$ 952,601 | \$ 1,064,115 |
| SOURCES OF FUNDS | | | | | | | | |
| Property/Owner. Tax | 26,505 | 26,011 | 26,733 | 27,476 | 28,242 | 29,031 | 29,843 | 30,680 |
| Lot Revenues | 153,164 | 156,408 | 159,696 | 159,696 | 186,981 | 186,981 | 188,728 | 190,563 |
| Meterhood & Tokens | 7,141 | 4,000 | 4,000 | 4,000 | 4,075 | 4,075 | 4,075 | 4,075 |
| Interest | 13,349 | 10,955 | 20,006 | 21,939 | 23,821 | 27,391 | 30,960 | 34,584 |
| Blue Light/ Other Miscellaneous Revenue/Hill Race | 7,225 | - | - | - | - | - | - | - |
| Transfers from General Fund | 165,000 | 188,240 | 175,000 | 175,000 | 201,250 | 201,250 | 201,250 | 201,250 |
| TOTAL SOURCES OF FUNDS | \$ 372,384 | \$ 385,614 | \$ 385,435 | \$ 388,111 | \$ 444,369 | \$ 448,728 | \$ 454,856 | \$ 461,152 |
| USES OF FUNDS | | | | | | | | |
| Operating | | | | | | | | |
| Parking Services Operations | \$ 170,911 | \$ 171,193 | \$ 165,866 | \$ 168,041 | \$ 170,247 | \$ 172,482 | \$ 174,747 | \$ 177,044 |
| Downtown & University Hill Management Division | 154,903 | 108,843 | 113,203 | 114,720 | 116,258 | 117,817 | 119,398 | 121,001 |
| Eco-Pass Program | - | 636 | 636 | 642 | 648 | 654 | 661 | 668 |
| Requested Adjustments to Base | - | 13,240 | - | - | - | - | - | - |
| Hill Race | 7,225 | | | | | | | |
| Sick/Vacation Accrual | 501 | 501 | 501 | 506 | 506 | 506 | 506 | 506 |
| Capital Replacement Reserve | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 |
| TOTAL OPERATING USES OF FUNDS | \$ 342,540 | \$ 303,413 | \$ 289,206 | \$ 292,909 | \$ 296,659 | \$ 300,459 | \$ 304,312 | \$ 308,219 |
| TRANSFERS TO OTHER FUNDS | | | | | | | | |
| Cost Allocation | 19,212 | 38,720 | 37,250 | 37,809 | 38,376 | 38,952 | 39,536 | 40,129 |
| Carryovers & Encumbrances | 0 | 22,328 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL USES OF FUNDS | \$ 361,752 | \$ 364,461 | \$ 326,456 | \$ 330,718 | \$ 335,035 | \$ 339,411 | \$ 343,848 | \$ 348,348 |
| Sick/Vacation Accrual Adjustment | (501) | (501) | (501) | (506) | (506) | (506) | (506) | (506) |
| UNRESTRICTED FUND BALANCE | \$ 593,904 | \$ 615,558 | \$ 675,038 | \$ 732,937 | \$ 842,778 | \$ 952,601 | \$ 1,064,115 | \$ 1,177,425 |
| Designations: | | | | | | | | |
| Designated Reserve | 90,438 | 82,223 | 81,614 | 82,680 | 83,759 | 84,853 | 85,962 | 87,087 |
| Natural Disaster Reserve | 6,222 | 5,916 | 6,313 | 6,393 | 7,294 | 7,424 | 7,608 | 7,797 |
| Sick and Vacation Liability Reserve | 12,867 | 13,368 | 13,869 | 14,375 | 14,881 | 15,387 | 15,893 | 16,399 |
| SURPLUS/(DEFICIT) vs RESERVE GOAL | \$ 484,378 | \$ 514,051 | \$ 573,242 | \$ 629,490 | \$ 736,844 | \$ 844,937 | \$ 954,652 | \$ 1,066,142 |

**CITY OF BOULDER
2006 FUND FINANCIAL**

PROPERTY AND CASUALTY INSURANCE FUND

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|-----------------------------------------------|---------------|----------------|-----------------|------------------|------------------|------------------|------------------|------------------|
| | ACTUAL | REVISED | APPROVED | PROJECTED | PROJECTED | PROJECTED | PROJECTED | PROJECTED |
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of Year | \$ 2,430,037 | \$ 2,595,255 | \$ 2,748,800 | \$ 2,892,736 | \$ 3,132,840 | \$ 3,394,793 | \$ 3,583,227 | \$ 3,661,562 |
| SOURCES OF FUNDS | | | | | | | | |
| Charges to Departments | \$ 1,241,000 | \$ 1,539,000 | \$ 1,609,000 | \$ 1,767,000 | \$ 1,885,000 | \$ 1,885,000 | \$ 1,885,000 | \$ 1,885,000 |
| Interest on Investments | 38,678 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| Payment from Excess Insurance | 16,852 | - | - | - | - | - | - | - |
| Risk Purchasing Group Profit Sharing | 60,090 | - | - | - | - | - | - | - |
| TOTAL SOURCES OF FUNDS | \$ 1,356,621 | \$ 1,599,000 | \$ 1,669,000 | \$ 1,827,000 | \$ 1,945,000 | \$ 1,945,000 | \$ 1,945,000 | \$ 1,945,000 |
| USES OF FUNDS | | | | | | | | |
| Insurance Premiums: | | | | | | | | |
| Airport | \$ 9,422 | \$ 9,756 | \$ 10,243 | \$ 10,756 | \$ 11,293 | \$ 11,858 | \$ 12,451 | \$ 13,074 |
| Public Safety Bldg | 5,031 | 5,772 | 5,829 | 5,888 | 5,946 | 6,006 | 6,066 | 6,127 |
| Liability | 230,554 | 238,719 | 250,655 | 263,188 | 276,348 | 290,165 | 304,673 | 319,907 |
| Crime | 7,133 | 7,531 | 7,531 | 7,757 | 7,990 | 8,229 | 8,476 | 8,730 |
| Boiler | 24,221 | 24,221 | 24,221 | 24,221 | 24,221 | 24,221 | 24,221 | 24,221 |
| Property | 278,685 | 272,849 | 272,849 | 272,849 | 272,849 | 272,849 | 272,849 | 272,849 |
| Difference in Conditions | 80,402 | 80,402 | 80,402 | 80,402 | 80,402 | 80,402 | 80,402 | 80,402 |
| AJG Broker Fee | 42,500 | 44,625 | 46,856 | 49,199 | 51,659 | 54,242 | 56,954 | 59,802 |
| Gallagher Bassett Fee | 12,811 | 13,452 | 14,124 | 14,830 | 15,572 | 16,350 | 17,168 | 18,026 |
| Information Resources and Permits | 134 | 473 | 520 | 572 | 630 | 693 | 762 | 838 |
| Dues/Memberships/Training | 6,202 | 6,050 | 6,655 | 7,321 | 8,053 | 8,858 | 9,744 | 10,718 |
| Insurance Claims | 427,000 | 668,179 | 720,525 | 777,155 | 838,430 | 905,504 | 977,945 | 977,945 |
| Actuarial Valuation Expense and Consulting | 9,364 | - | 14,013 | - | 14,714 | - | 15,450 | - |
| Cost Allocation | 57,944 | 73,427 | 70,639 | 72,758 | 74,941 | 77,189 | 79,505 | 81,890 |
| TOTAL USES OF FUNDS | \$ 1,191,402 | \$ 1,445,455 | \$ 1,525,064 | \$ 1,586,896 | \$ 1,683,047 | \$ 1,756,566 | \$ 1,866,665 | \$ 1,874,529 |
| ENDING FUND BALANCE | \$ 2,595,255 | \$ 2,748,800 | \$ 2,892,736 | \$ 3,132,840 | \$ 3,394,793 | \$ 3,583,227 | \$ 3,661,562 | \$ 3,732,033 |
| Designations: | | | | | | | | |
| Actuarially Calculated Reserve | 910,796 | 910,796 | 910,796 | 910,796 | 910,796 | 910,796 | 910,796 | 910,796 |
| City Reserve Policy | 537,500 | 537,500 | 537,500 | 537,500 | 537,500 | 537,500 | 537,500 | 537,500 |
| Total Required Reserve | 1,448,296 | 1,448,296 | 1,448,296 | 1,448,296 | 1,448,296 | 1,448,296 | 1,448,296 | 1,448,296 |
| SURPLUS/(DEFICIT) vs. Required Reserve | \$ 1,146,959 | \$ 1,300,504 | \$ 1,444,440 | \$ 1,684,544 | \$ 1,946,497 | \$ 2,134,931 | \$ 2,213,266 | \$ 2,283,737 |

**CITY OF BOULDER
2006 FUND FINANCIAL**

WORKERS' COMPENSATION FUND

| | Inflation Projection 3.00% | | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|----------------------------------------------------------|-------------------------------|-------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | | | ACTUAL | REVISED | APPROVED | PROJECTED | PROJECTED | PROJECTED | PROJECTED | PROJECTED |
| Total Working Capital | | | 4,042,801 | 3,953,157 | 3,641,619 | 3,373,145 | 4,017,084 | 4,563,422 | 5,025,677 | 5,394,703 |
| GSI Salary Increase | 1.50% | 1.50% | | | | | | | | |
| Revenues | | | | | | | | | | |
| Collections/Charges (Projected @ 3%) | | | 1,194,086 | 1,330,836 | 1,350,799 | 1,371,061 | 1,391,626 | 1,412,501 | 1,433,688 | 1,455,194 |
| Interest on Investments (Projected @ 5% of Fund Balance) | | | 90,963 | 88,946 | 85,273 | 83,497 | 90,384 | 102,677 | 113,078 | 121,381 |
| Other Revenues * | | | | | | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| Total Revenues | | | 1,285,049 | 1,419,782 | 1,436,071 | 2,454,558 | 2,482,011 | 2,515,178 | 2,546,766 | 2,576,574 |
| Expenditures | | | | | | | | | | |
| Claims Related | | | | | | | | | | |
| Claims Paid | | | 745,272 | 1,087,434 | 948,519 | 1,032,421 | 1,127,640 | 1,221,368 | 1,321,958 | 1,428,810 |
| Excess Insurance Premiums | | | 113,116 | 147,051 | 151,462 | 156,006 | 160,686 | 165,507 | 170,472 | 175,586 |
| Permit Holder Annual Fee | | | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Self-Insurance Bond + Brokerage Fee | | | 22,042 | 22,703 | 23,384 | 24,086 | 24,808 | 25,553 | 26,319 | 27,109 |
| Self-Insurance Taxes | | | 45,132 | 46,486 | 47,881 | 49,317 | 50,796 | 52,320 | 53,890 | 55,507 |
| Claims Deposit | | | - | - | - | - | - | - | - | - |
| Medical Consultants - CCMSI + midyear Adj. | | | 49,082 | 50,554 | 52,071 | 53,633 | 55,242 | 56,899 | 58,606 | 60,365 |
| Consultant Services - Med Case Mgt / 2nd Med Opn | | | 12,335 | 12,705 | 13,086 | 13,479 | 13,883 | 14,300 | 14,729 | 15,171 |
| Consultant Services - Claims Audit | | | 25,000 | 15,000 | 15,000 | 15,000 | 22,000 | 22,001 | 22,001 | 22,001 |
| Consultant Services - Data Processing | | | - | - | - | - | - | - | - | - |
| Consultant Services - Legal | | | 2,060 | 2,122 | 2,185 | 2,251 | 2,319 | 2,388 | 2,460 | 2,534 |
| Consultant Services - Other | | | 2,229 | 2,296 | 2,365 | 2,436 | 2,509 | 2,584 | 2,661 | 2,741 |
| Wellness Program | | | 117,155 | 120,670 | 196,267 | 202,154 | 208,219 | 214,466 | 220,900 | 227,527 |
| Loss Prevention = Screenings/Equipment/Return to Work | | | 53,642 | 55,252 | 56,909 | 58,616 | 60,375 | 62,186 | 64,052 | 65,973 |
| Sub-Total | | | 1,189,066 | 1,564,273 | 1,511,130 | 1,611,400 | 1,730,478 | 1,841,572 | 1,960,049 | 2,085,323 |
| Administration Related | | | | | | | | | | |
| Cost Allocation | | | 61,824 | 15,365 | 14,782 | 15,225 | 15,682 | 16,153 | 16,637 | 17,136 |
| Temporary Personnel Services | | | - | - | - | - | - | - | - | - |
| Information Resources / Memberships | | | 1,953 | 2,012 | 2,072 | 2,134 | 2,198 | 2,264 | 2,332 | 2,402 |
| Telephone Administration / Confidential Fax / Cell Phone | | | 883 | 910 | 910 | 937 | 965 | 994 | 1,024 | 1,055 |
| Equipment Non-Capital | | | - | - | - | - | - | - | - | - |
| Training + ARM 1k | | | 2,345 | 2,415 | 2,488 | 2,562 | 2,639 | 2,718 | 2,800 | 2,884 |
| Salaries & Benefits | | | 103,446 | 130,715 | 157,064 | 161,776 | 166,629 | 171,628 | 176,777 | 182,080 |
| Other Materials/Supplies | | | 15,117 | 15,570 | 16,037 | 16,518 | 17,014 | 17,524 | 18,050 | 18,592 |
| Reproduction | | | 59 | 61 | 63 | 64 | 66 | 68 | 70 | 73 |
| Audio/Visual | | | - | - | - | - | - | - | - | - |
| Sub-Total | | | 185,627 | 167,048 | 193,416 | 199,218 | 205,195 | 211,350 | 217,691 | 224,222 |
| Total Expenditures | | | 1,374,693 | 1,731,321 | 1,704,545 | 1,810,618 | 1,935,673 | 2,052,923 | 2,177,740 | 2,309,545 |
| Excess/(deficit)revenues/expenditures | | | - 89,644 | - 311,539 | - 268,474 | 643,939 | 546,338 | 462,255 | 369,026 | 267,029 |
| UNRESTRICTED ENDING FUND BALANCE | | | 3,953,157 | 3,641,619 | 3,373,145 | 4,017,084 | 4,563,422 | 5,025,677 | 5,394,703 | 5,661,733 |
| RESTRICTIONS | | | | | | | | | | |
| 100% of Case Loss Reserves @ 50% Confidence | | | 1,161,319 | 1,377,444 | 1,561,042 | 1,746,722 | 1,929,536 | 2,118,377 | 2,313,982 | 2,518,404 |
| City Reserve Policy | | | 2,400,000 | 2,400,000 | 2,400,000 | 2,475,000 | 2,550,000 | 2,625,000 | 2,700,000 | 2,800,000 |
| Estimated Losses by Claim Year | | | 1,000,048 | 1,045,246 | 1,125,056 | 1,210,960 | 1,303,423 | 1,402,945 | 1,510,067 | 1,625,368 |
| BALANCE TO COMPLY WITH CITY RESERVE POLICY | | | 3,561,319 | 3,777,444 | 3,961,042 | 4,221,722 | 4,479,536 | 4,743,377 | 5,013,982 | 5,318,404 |
| SURPLUS/(DEFICIT) OF RESERVE POLICY | | | 391,838 | - 135,825 | - 587,897 | 204,638 | 83,886 | 282,300 | 380,721 | 343,329 |

*In order to comply with the increase to the reserve policy, Workers' Compensation rates increased accordingly. Will see compliance in 2007.

**CITY OF BOULDER
2006 FUND FINANCIAL**

FLEET OPERATIONS FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|-----------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of Year | (\$62,802) | \$160,622 | \$439,340 | \$951,279 | \$1,134,933 | \$1,219,855 | \$1,208,143 | \$1,078,746 |
| SOURCES OF FUNDS | | | | | | | | |
| Vehicle Charges | \$2,243,797 | \$2,306,182 | \$2,498,730 | \$2,523,717 | \$2,548,954 | \$2,574,444 | \$2,600,188 | \$2,626,190 |
| Vehicle Acquisition Charges | \$545,164 | \$400,000 | \$400,000 | \$400,000 | \$400,000 | \$400,000 | \$400,000 | \$400,000 |
| Interest Earnings | (\$6,980) | \$4,493 | \$14,454 | \$31,297 | \$37,339 | \$40,133 | \$39,748 | \$35,491 |
| Other | \$380,606 | \$250,000 | \$250,000 | \$3,000 | \$3,000 | \$3,000 | \$3,000 | \$3,000 |
| TOTAL SOURCES OF FUNDS | \$3,162,587 | \$2,960,675 | \$3,163,184 | \$2,958,014 | \$2,989,293 | \$3,017,577 | \$3,042,936 | \$3,064,681 |
| USES OF FUNDS | | | | | | | | |
| Operating: | | | | | | | | |
| Operating Expenditures | \$2,674,814 | \$2,343,067 | \$2,346,358 | \$2,463,676 | \$2,586,859 | \$2,716,202 | \$2,852,013 | \$2,994,613 |
| PW Administration | \$4,974 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Emergencies | \$0 | \$24,329 | \$24,303 | \$24,637 | \$25,869 | \$27,162 | \$28,520 | \$29,946 |
| Building Replacement | \$0 | \$57,261 | \$57,261 | \$57,261 | \$57,261 | \$45,809 | \$45,809 | \$45,809 |
| Sick/Vacation Accrual | \$5,863 | \$11,994 | \$12,174 | \$12,357 | \$12,542 | \$12,730 | \$12,921 | \$13,115 |
| Total Operating Uses of Funds | \$2,685,651 | \$2,436,652 | \$2,440,096 | \$2,557,931 | \$2,682,531 | \$2,801,903 | \$2,939,263 | \$3,083,483 |
| Transfers to Other Funds | | | | | | | | |
| Cost Allocation | \$253,513 | \$245,305 | \$211,150 | \$216,429 | \$221,840 | \$227,386 | \$233,070 | \$238,897 |
| Total Transfers to Other Funds | \$253,513 | \$245,305 | \$211,150 | \$216,429 | \$221,840 | \$227,386 | \$233,070 | \$238,897 |
| Carryovers & Encumbrances | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL USES OF FUNDS | \$2,939,163 | \$2,681,957 | \$2,651,246 | \$2,774,360 | \$2,904,371 | \$3,029,289 | \$3,172,333 | \$3,322,380 |
| FUND BALANCE - END OF YEAR | \$160,622 | \$439,340 | \$951,279 | \$1,134,933 | \$1,219,855 | \$1,208,143 | \$1,078,746 | \$821,047 |
| DESIGNATED RESERVES | | | | | | | | |
| Sick/Vac/Bon Liability Reserve | \$111,755 | \$123,749 | \$135,923 | \$148,280 | \$160,822 | \$173,552 | \$186,473 | \$199,588 |
| Emergency Operating Reserve (Goal = 2%) | \$0 | \$48,607 | \$96,923 | \$146,196 | \$197,934 | \$252,258 | \$309,298 | \$369,190 |
| Total Reserves | \$111,755 | \$172,356 | \$232,846 | \$294,476 | \$358,755 | \$425,809 | \$495,771 | \$568,778 |
| SURPLUS(DEFICIT) vs RESERVES | \$48,867 | \$266,984 | \$718,433 | \$840,457 | \$861,100 | \$782,334 | \$582,975 | \$252,269 |

**CITY OF BOULDER
2006 FUND BALANCE**

FLEET REPLACEMENT FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of Year | \$4,432,629 | \$3,349,413 | \$3,318,142 | \$3,475,307 | \$3,620,977 | \$3,241,197 | \$3,157,168 | \$3,199,973 |
| SOURCES OF FUNDS | | | | | | | | |
| Equipment Replacement Charges | \$2,392,732 | \$3,317,874 | \$3,360,415 | \$3,414,071 | \$3,442,501 | \$3,473,723 | \$3,497,374 | \$3,549,788 |
| Sale of Assets | \$236,239 | \$168,811 | \$166,000 | \$172,874 | \$205,255 | \$188,992 | \$182,679 | \$176,832 |
| Interest Earnings | \$91,003 | \$72,828 | \$109,167 | \$114,338 | \$119,130 | \$106,635 | \$103,871 | \$105,279 |
| TOTAL SOURCES OF FUNDS | \$2,719,974 | \$3,559,513 | \$3,635,582 | \$3,701,283 | \$3,766,886 | \$3,769,350 | \$3,783,924 | \$3,831,899 |
| USES OF FUNDS | | | | | | | | |
| Operating: | | | | | | | | |
| Equipment Purchases | \$3,769,559 | \$3,069,288 | \$3,418,179 | \$3,493,166 | \$4,081,913 | \$3,786,218 | \$3,671,440 | \$3,565,126 |
| Administration | \$25,790 | \$21,642 | \$22,978 | \$23,323 | \$23,672 | \$24,028 | \$24,388 | \$24,754 |
| Total Operating Uses of Funds | \$3,795,349 | \$3,090,929 | \$3,441,156 | \$3,516,488 | \$4,105,584 | \$3,810,245 | \$3,695,827 | \$3,589,879 |
| Transfers to Other Funds | | | | | | | | |
| Cost Allocation | \$7,841 | \$12,911 | \$37,262 | \$39,125 | \$41,081 | \$43,135 | \$45,292 | \$47,557 |
| Total Transfers to Other Funds | \$7,841 | \$12,911 | \$37,262 | \$39,125 | \$41,081 | \$43,135 | \$45,292 | \$47,557 |
| Carryovers & Encumbrances | \$0 | \$486,943 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL USES OF FUNDS | \$3,803,190 | \$3,590,783 | \$3,478,418 | \$3,555,613 | \$4,146,666 | \$3,853,380 | \$3,741,119 | \$3,637,435 |
| RESTRICTED FUND BALANCE | \$3,349,413 | \$3,318,142 | \$3,475,307 | \$3,620,977 | \$3,241,197 | \$3,157,168 | \$3,199,973 | \$3,394,437 |

**CITY OF BOULDER
2006 FUND FINANCIAL**

COMPENSATED ABSENCES FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|-----------------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of Year | \$ 3,628,095 | \$ 3,303,462 | \$ 2,737,021 | \$ 2,720,359 | \$ 2,691,983 | \$ 2,662,719 | \$ 2,632,542 | \$ 2,601,426 |
| SOURCES OF FUNDS | | | | | | | | |
| Transfer In | \$ 281,000 | \$ 311,240 | \$ 311,240 | \$ 311,240 | \$ 311,240 | \$ 311,240 | \$ 311,240 | \$ 311,240 |
| Interest on Investments | 76,623 | 66,069 | 65,810 | 54,407 | 53,840 | 53,254 | 52,651 | 52,029 |
| TOTAL SOURCES OF FUNDS | \$ 357,623 | \$ 377,309 | \$ 377,050 | \$ 365,647 | \$ 365,080 | \$ 364,494 | \$ 363,891 | \$ 363,269 |
| USES OF FUNDS | | | | | | | | |
| Retirement/Termination Payout | \$ 672,044 | \$ 930,786 | \$ 381,240 | \$ 381,240 | \$ 381,240 | \$ 381,240 | \$ 381,240 | \$ 381,240 |
| TOTAL OPERATING USES OF FUNDS | \$ 672,044 | \$ 930,786 | \$ 381,240 | \$ 381,240 | \$ 381,240 | \$ 381,240 | \$ 381,240 | \$ 381,240 |
| TRANSFERS TO OTHER FUNDS | | | | | | | | |
| Cost Allocation | \$ 10,212 | \$ 12,964 | \$ 12,472 | \$ 12,784 | \$ 13,103 | \$ 13,431 | \$ 13,767 | \$ 14,111 |
| TOTAL TRANSFERS TO OTHER FUNDS | \$ 10,212 | \$ 12,964 | \$ 12,472 | \$ 12,784 | \$ 13,103 | \$ 13,431 | \$ 13,767 | \$ 14,111 |
| TOTAL USES OF FUNDS | \$ 682,256 | \$ 943,750 | \$ 393,712 | \$ 394,024 | \$ 394,343 | \$ 394,671 | \$ 395,007 | \$ 395,351 |
| ENDING FUND BALANCE | \$ 3,303,462 | \$ 2,737,021 | \$ 2,720,359 | \$ 2,691,983 | \$ 2,662,719 | \$ 2,632,542 | \$ 2,601,426 | \$ 2,569,344 |
| Designations: | | | | | | | | |
| Required Reserve: | | | | | | | | |
| Beginning Reserve Requirement | \$ 3,168,930 | \$ 2,935,808 | \$ 2,719,181 | \$ 2,719,181 | \$ 2,719,181 | \$ 2,719,181 | \$ 2,719,181 | \$ 2,719,181 |
| Annual Increase to Required Reserve | (233,122) | (216,627) | - | - | - | - | - | - |
| Total Required Reserve | \$ 2,935,808 | \$ 2,719,181 | \$ 2,719,181 | \$ 2,719,181 | \$ 2,719,181 | \$ 2,719,181 | \$ 2,719,181 | \$ 2,719,181 |
| SURPLUS/(DEFICIT) vs. Required Reserve | \$ 367,654 | \$ 17,840 | \$ 1,178 | \$ (27,198) | \$ (56,462) | \$ (86,639) | \$ (117,755) | \$ (149,837) |

**CITY OF BOULDER
2006 FUND BALANCE**

COMPUTER REPLACEMENT FUND

| | 2004 ACTUAL | 2005 REVISED | 2006 APPROVED | 2007 PROJECTED | 2008 PROJECTED | 2009 PROJECTED | 2010 PROJECTED | 2011 PROJECTED |
|-----------------------------------------------|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| UNAPPROPRIATED FUND BALANCE | | | | | | | | |
| Beginning of Year | 2,021,664 | 2,765,134 | 2,787,923 | 2,820,670 | 3,034,098 | 2,756,388 | 2,200,424 | 2,152,294 |
| SOURCES OF FUNDS | | | | | | | | |
| Transfer In - General Fund/Subsidy | 581,250 | 581,250 | 590,000 | 601,800 | 613,836 | 626,113 | 638,635 | 651,408 |
| Transfer In - Dept Contributions | 993,948 | | | | | | | |
| Transfer In - General Fund/Departments | | 187,200 | 187,200 | 190,944 | 194,763 | 198,658 | 202,631 | 206,684 |
| Transfer In - Restricted Funds | | 706,768 | 605,956 | 618,075 | 630,437 | 643,045 | 655,906 | 669,024 |
| Other Dept Contributions (Amt over Standard) | | | | | | | | |
| Chrgs to External entities | 557 | | | | | | | |
| Revenue booked to CRF in Error | | | | | | | | |
| Misc Used Equipment Sales | 74 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest on Investments | 22,678 | 57,415 | 90,973 | 91,723 | 92,800 | 99,822 | 90,685 | 72,394 |
| TOTAL SOURCES OF FUNDS | 1,598,507 | 1,532,633 | 1,474,129 | 1,502,542 | 1,531,836 | 1,567,638 | 1,587,858 | 1,599,510 |
| USES OF FUNDS | | | | | | | | |
| Transfer to General Fund | | | | | | | | |
| Amount Over Standard | | | | | | | | |
| Equipment Disposal Expense | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Computer Replacements | 841,565 | 1,493,585 | 1,425,740 | 1,273,159 | 1,793,272 | 2,107,003 | 1,619,056 | 1,695,538 |
| TOTAL OPERATING USES OF FUNDS | 841,565.00 | 1,493,584.99 | 1,425,739.67 | 1,273,158.91 | 1,793,271.88 | 2,107,002.64 | 1,619,056.22 | 1,695,537.93 |
| Transfers to Other Funds: | | | | | | | | |
| Cost Allocation | 13,472 | 16,259 | 15,642 | 15,955 | 16,274 | 16,599 | 16,931 | 17,270 |
| Total Transfers to Other Funds | 13,472 | 16,259 | 15,642 | 15,955 | 16,274 | 16,599 | 16,931 | 17,270 |
| TOTAL USES OF FUNDS | 855,037 | 1,509,844 | 1,441,382 | 1,289,114 | 1,809,546 | 2,123,602 | 1,635,988 | 1,712,808 |
| ENDING FUND BALANCE | 2,765,134 | 2,787,923 | 2,820,670 | 3,034,098 | 2,756,388 | 2,200,424 | 2,152,294 | 2,038,996 |
| Desinations: | | | | | | | | |
| Required Reserve: | | | | | | | | |
| Beginning Reserve Requirement - | | 843,090.31 | 944,132.93 | 1,114,287.91 | 1,430,639.00 | 1,190,309.50 | 1,081,663.14 | 1,145,121.19 |
| Annual Increase to Required Reserve | | 526,743.38 | 538,858.48 | 551,252.22 | 563,931.02 | 576,901.44 | 590,170.17 | 603,744.08 |
| Decrease for Replacement Purchases | 0.00 | (425,700.75) | (368,703.50) | (234,901.13) | (804,260.53) | (685,547.79) | (526,712.12) | (536,838.61) |
| Total Required Reserve | 843,090 | 944,133 | 1,114,288 | 1,430,639 | 1,190,309 | 1,081,663 | 1,145,121 | 1,212,027 |
| SURPLUS/(DEFICIT) vs. Required Reserve | 1,922,044 | 1,843,790 | 1,706,382 | 1,603,459 | 1,566,079 | 1,118,761 | 1,007,173 | 826,969 |

UTILITY RATES

Overview

The city owns and operates three utilities: water, wastewater, and storm water/ flood management. Each utility assesses a variety of rates, fees, and charges to ensure that revenues are sufficient to meet operating and maintenance costs and to maintain the financial integrity of each utility. The Public Works Department annually reviews the financial and operation performance of each utility and, as appropriate, makes recommendations to City Council regarding adjustments to user charges and other related fees. The recommendations are reviewed and approved by City Council as part of the annual budget process.

The recommended rate and financial plan is designed to fund programs and projects, maintain required reserves and satisfy debt service coverage requirements. Reserves are established for bond issuances, employee compensation liability and post-flood property acquisition. In addition, each utility maintains a 20%-25% operating reserve over a six-year planning period. Water revenues especially can be significantly lower during either a wet or drought year and it is financially prudent to have reserves available in years where there may be a revenue shortfall. The level of operating reserve is also related to the capital-intensive nature of the utility. It is industry-standard to keep three months of operating expenditures in reserves. A higher level of operating reserve can more readily fund an emergency or unanticipated capital expenditure should they occur. In addition, bond rating agencies favor higher levels of operating reserves.

Each utility is also required to generate net revenues (total revenues minus operating expenditures) before debt service, equal to 1.25 times its annual debt payment requirements on an annual basis. These debt service coverage requirements are established as part of the utility's indenture or bond covenants.

Monthly User Fees

Rate increases for all three utilities are needed for 2006 to meet the utility's financial requirements and to fund operation and maintenance costs. The following percentage increases in revenues are recommended: (the 2005 percentage increases are currently in effect):

| <u>Year</u> | <u>Water</u> | <u>Wastewater</u> | <u>Storm Water/ Flood Management</u> |
|-------------|--------------|-------------------|--------------------------------------|
| 2005 | 3% | 20% | 3% |
| 2006 | 3% | 20% | 3% |
| 2007 | 5% | 12% | 5% |
| 2008 | 12% | 6% | 5% |
| 2009 | 10% | 3% | 3% |

The rate increases in the water and storm water/flood management funds are primarily needed to cover inflationary increases for personnel and nonpersonnel items.

The rate increase in the wastewater utility will fund general inflationary increases and debt payments

for bonds issued to fund major capital improvements at the Wastewater Treatment Plant. These improvements are primarily mandated by the Colorado Department of Public Health and Environment and are required due to more restrictive regulatory limits in the city's new discharge permit for the facility. The projects include treatment and capacity improvements to the Wastewater Treatment Plant and construction of a Biosolids Handling and Dewatering Facility (new centrifuges). The primary long-term impact of these projects will be improved water quality for Boulder Creek and downstream water ways and increased treatment capacity at the facility.

The rate adjustments for 2006 will increase the annual utility bill for an average residential customer (annual consumption of 120,000 gallons) from \$671.60 to \$721.55. This is an increase of approximately \$4.15 per month. The following table is a comparison of annual bills under existing and recommended rates for the city's three utilities.

| TYPICAL RESIDENTIAL CUSTOMER COMPARISON OF CURRENT AND PROPOSED ANNUAL UTILITY BILL | | | |
|----------------------------------------------------------------------------------------------------|-----------------|-----------------|-------------------|
| Utility | 2005 | 2006 | Difference |
| Water | \$424.64 | \$437.39 | \$12.75 |
| Wastewater | 170.76 | 205.56 | 34.80 |
| Storm Water/ Flood Management | 76.20 | 78.60 | 2.40 |
| TOTAL | \$671.60 | \$721.55 | \$49.95 |

Programs and Projects with Potential Rate Impacts

The development of the Utilities budget has been undertaken in a comprehensive manner. Some of the larger projects and programs that have a budgetary impact include:

Water Utility

- Betasso Water Treatment Plant Improvements (\$5.0 million included in 2006 CIP, \$5.0 million included in the 2010 CIP)
- Boulder Reservoir Water Treatment Plant Improvements (\$3.0 million included in the 2009 CIP)
- Proposed Boulder Feeder Canal Pipeline (\$20.0 million included in the 2009 CIP)
- Barker Reservoir Dam Outlet Improvements (\$3.0 million included in the 2009 CIP)

Wastewater Utility

- Wastewater Treatment Plant Improvements (\$45.0 million included in 2005 CIP, plus increase in operating budget). These improvements are to meet regulatory requirements and construct a Biosolids Handling and Dewatering Facility (new centrifuges).
- Wastewater Treatment Plant Improvements – new Digesters (\$8.5 million included in 2007 CIP, plus increase in operating budget)

- Wastewater Treatment Plant Improvements (\$10.0 million included in the 2010 CIP). This is for possible additional improvements, depending upon regulatory limits in the 2008 discharge permit.

Storm Water/ Flood Management Utility

- Initial improvements related to South Boulder Creek (\$3.0 million included in 2008 CIP)

Plant Investment Fees

Utility Plant Investment Fees (PIFs) will increase by an inflationary amount (3.8%) for 2006. This amount is based on the percent change in the construction cost index. PIFs are a one-time fee collected when a property is annexed, developed, or redeveloped and requires access (capacity) into the existing water, wastewater, or storm water/ flood management systems. PIFs were recalculated, based on the replacement value of the utility assets, as part of the 2001 Utility Rate and Plant Investment Fee Review conducted by Integrated Utilities Group, Inc. and became effective January 2002. Prior to 2002, PIFs were last revised in 1996, so the increase in 2002 was relatively large. Beginning in 2003 PIFs are increased annually by a small percentage amount to offset any potential larger increases resulting from the periodic comprehensive rate reviews.

The current and proposed PIFs for an average-size, detached, single family residence are:

| | <u>2005 PIF</u> | <u>2006 PIF</u> |
|-------------------------------|-----------------|-----------------|
| Water | \$9,180 | \$9,530 |
| Wastewater | \$1,755 | \$1,820 |
| Storm Water/ Flood Management | \$1,720 | \$1,785 |

PIF assessments for other types of customers (i.e. small, large) are also being revised using the base amounts listed above. All adjustments for 2006 are reflected in the update to Section 4-20 Fines and Fees of the Boulder Revised Code (B.R.C).

The Utilities also assess fees for specific utility related services. These are reviewed annually as part of the budget process and any changes are submitted as part of the update to section 4-20 Fines and Fees of the B.R.C. These fees are designed to fully recover the direct costs of providing services and most indirect overhead costs.

Public Process

Public process and information disbursement regarding utility rate adjustments include: submittal to and recommendation from the Water Resources Advisory Board, notification on customers utility bill, inclusion of related materials on the Public Works web page, Planning and Development Services' Schedule of Fees and public hearings during Council consideration of the annual budget.

All approved adjustments to the Utility rates will become effective January 1, 2006. In January, an

insert is included in customer's utility bills detailing the rate changes for monthly users.



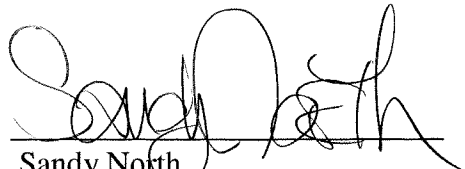
City
of
Boulder
Office of the City Clerk

CERTIFICATE OF AUTHENTICITY

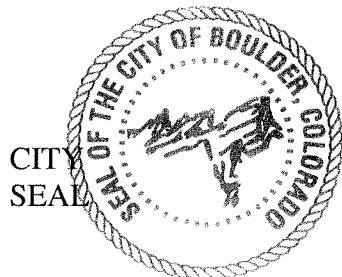
STATE OF COLORADO)
)
CITY OF BOULDER) SS:
)
COUNTY OF BOULDER)

I, Sandy North, Deputy City Clerk, in and for said City of Boulder, in the County of Boulder, in the State aforesaid, do hereby certify that the attached is a true and correct copy of Ordinance Number 7438, passed and adopted by the City Council of Boulder on the 25th day of November, 2005.

In witness whereof, I have hereunto set my hand and the seal of the City of Boulder, this 23rd day of December, 2005.



Sandy North
Deputy City Clerk



ORDINANCE NO. 7438

AN ORDINANCE APPROPRIATING MONEY TO DEFRAY EXPENSES AND LIABILITIES OF THE CITY OF BOULDER, COLORADO, FOR THE 2006 FISCAL YEAR OF THE CITY OF BOULDER, COMMENCING ON THE FIRST DAY OF JANUARY 2006, AND ENDING ON THE LAST DAY OF DECEMBER 2006, AND SETTING FORTH DETAILS IN RELATION THERETO.

WHEREAS, the City Council has approved a motion to adopt the budget for 2006; and,

WHEREAS, the City Council has by ordinance made the property tax levy in mills upon each dollar of the total assessed valuation of all taxable property within the City, such levy representing the amount of taxes for City purposes necessary to provide for payment in part during the City's said fiscal year of the properly authorized demands upon the Treasury; and,

WHEREAS, the City Council is now desirous of making appropriations for the ensuing fiscal year as required by Section 95 of the Charter of the City of Boulder;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BOULDER, COLORADO, that;

Section 1. The following appropriations are hereby made for the City of Boulder's fiscal year commencing at 12:00 Midnight at the end of December 31, 2005 and ending at 12:00 Midnight at the end of December 31, 2006, for payment of 2006 City operating expenses, capital improvements, and general obligation and interest payments:

| | |
|--------------------------------------|--------------|
| General Operating Fund | \$79,785,224 |
| Capital Development Fund | 109,057 |
| Lottery Fund | 900,000 |
| Planning & Development Services Fund | 7,689,530 |
| Affordable Housing Fund | 2,600,577 |

| | |
|----------------------------------------|--------------|
| Community Housing Assistance Fund | \$1,729,555 |
| .15 Cent Sales Tax Fund | 2,277,000 |
| .25 Cent Sales Tax Fund | 5,800,662 |
| Library Fund | 5,976,844 |
| Recreation Activity Fund | 8,745,505 |
| Open Space Fund | 22,528,386 |
| Airport Fund | 394,635 |
| Transportation Fund | 17,824,718 |
| Transportation Development Fund | 1,057,363 |
| Community Development Block Grant Fund | 2,208,558 |
| HOME Fund | 821,577 |
| Permanent Parks and Recreation Fund | 1,794,069 |
| General Obligation Debt Service Fund | 25,000 |
| .15 Cent Debt Service Fund | 960,370 |
| Water Utility Fund: | |
| Operating Expenses | 13,751,008 |
| Debt Service | 6,543,328 |
| Acquisition of Equipment and Capital | 10,575,000 |
| Total Water Utility Fund | \$30,869,336 |

Wastewater Utility Fund:

| | |
|--------------------------------------|--------------|
| Operating Expenses | 8,099,503 |
| Debt Service | 168,713 |
| Acquisition of Equipment and Capital | 2,125,000 |
| Total Wastewater Utility Fund | \$10,393,216 |

Stormwater/Flood Management Utility Fund:

| | |
|--------------------------------------|-------------|
| Operating Expenses | 3,048,372 |
| Debt Service | 919,697 |
| Acquisition of Equipment and Capital | 2,785,000 |
| Total Flood Control Utility Fund | \$6,753,069 |

Police Pension Fund 15,699

Fire Pension Fund 15,533

Less: Interfund Transfers 17,899,203

TOTAL (including Debt Service) \$193,376,280

Section 2. The following appropriations are hereby made for the City of Boulder's fiscal year commencing January 1, 2006 and ending December 31, 2006 for estimated carryover expenditures:

| | |
|--------------------------------------|------------|
| Lottery Fund | \$ 425,000 |
| Planning & Development Services Fund | 90,000 |
| Affordable Housing Fund | 1,855,932 |
| CHAP Fund | 2,618,393 |
| Capital Development Fund | 3,076,660 |
| Permanent Parks and Recreation Fund | 3,100,000 |
| Open Space Fund | 1,100,000 |
| Transportation Fund | 8,500,000 |

| | |
|------------------------------------------|--------------|
| Transportation Development Fund | \$6,900,000 |
| Community Development Block Grant Fund | 1,429,991 |
| HOME Fund | 1,003,609 |
| .25 Cent Sales Tax Fund | 1,900,000 |
| Water Utility Fund | 5,550,000 |
| Wastewater Utility Fund | 2,239,000 |
| Stormwater/Flood Management Utility Fund | 3,174,000 |
| TOTAL | \$42,962,585 |

Section 3. The following appropriations are hereby made for the City of Boulder's fiscal year commencing January 1, 2006, and ending December 31, 2006, for Fund Balances:

| | |
|-------------------------------------------|--------------|
| General Operating Fund | \$10,275,422 |
| Community Housing Assistance Program Fund | 39,066 |
| Capital Development Fund | 1,576,424 |
| Lottery Fund | 424,658 |
| Planning & Development Services Fund | 1,654,137 |
| .25 Cent Sales Tax Fund | 825,793 |
| Library Fund | 176,281 |
| Recreation Activity Fund | 61,202 |
| Open Space Fund | 7,521,442 |
| Airport Fund | 611,805 |
| Transportation Fund | 4,542,481 |
| Transportation Development Fund | 1,544,752 |
| Permanent Parks and Recreation Fund | 693,809 |
| Water Utility Fund | 14,683,689 |
| Wastewater Utility Fund | 9,476,739 |

| | |
|------------------------------------------|--------------|
| Stormwater/Flood Management Utility Fund | \$ 4,364,175 |
| Fleet Operations Fund | 861,474 |
| Fleet Replacement Fund | 3,475,476 |
| TOTAL FUND BALANCES | \$62,808,825 |

Section 4. The City Council hereby appropriates as revenues all 2005 year end cash balances not previously reserved for insurance or bond purposes for all purposes not designated as "emergencies", including without limitation subsequent years' expenditures, capital improvements, adverse economic conditions and revenue shortfalls, pursuant to Article X, Section 20 to the Colorado Constitution, approved by the electorate on November 3, 1992; and

Section 5. The sums of money as appropriated for the purposes defined in this ordinance shall not be over expended, and that transfers between the various appropriations defined in this ordinance shall not be made except upon supplemental appropriations by ordinance authorizing such transfer duly adopted by City Council of the City of Boulder, Colorado. It is expressly provided hereby that at any time after the passage of this ordinance and after at least one week's public notice, the Council may transfer unused balances appropriated for one purpose to another purpose, and may appropriate available revenues not included in the annual budget and appropriations ordinance.

Section 6. The City Council is of the opinion that the provisions of the within ordinance are necessary for the protection of the public peace, property, and welfare of the residents of the city, and covers matters of local concern.

Section 7. Pursuant to Section 95 of the Boulder City Charter, the annual appropriation ordinance must be adopted by December 1 and to Section 18 of the Charter, this ordinance shall take effect immediately upon publication after final passage.


INTRODUCED, READ ON FIRST READING, AMENDED AND ORDERED

PUBLISHED BY TITLE ONLY this 18th day of October, 2005.



Mayor

Attest:



City Clerk on behalf of the
Director of Finance and Record


READ ON SECOND READING, PASSED, AND ORDERED PUBLISHED BY TITLE

ONLY this 8th day of November, 2005.



Mayor

Attest:



City Clerk on behalf of the
Director of Finance and Record