

City of Colorado Springs 2016 Budget in Brief

A Citizen's Guide to the Budget



City Leadership

In 2015, the citizens of the City of Colorado Springs voted for its second strong mayor, John Suthers, in the new Council–Mayor form of government.



Mayor's Office

John Suthers, Mayor

Jeff Greene, Chief of Staff

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City Council



Colorado Springs City Council

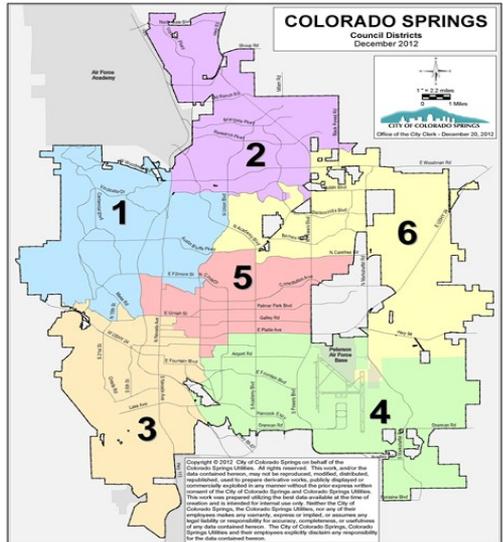
Front Row (from left to right):

- Council Member Bill Murray, At-Large
- Council Member Helen Collins, District 4
- Council Member Andy Pico, District 6
- Council Member Merv Bennett, At Large

Back Row (from left to right):

- Council Member Larry Bagley, District 2
- Council Member Tom Strand, At-Large
- Council President Pro-Tem Jill Gaebler, District 5
- Council President Keith King, District 3
- Council Member Don Knight, District 1

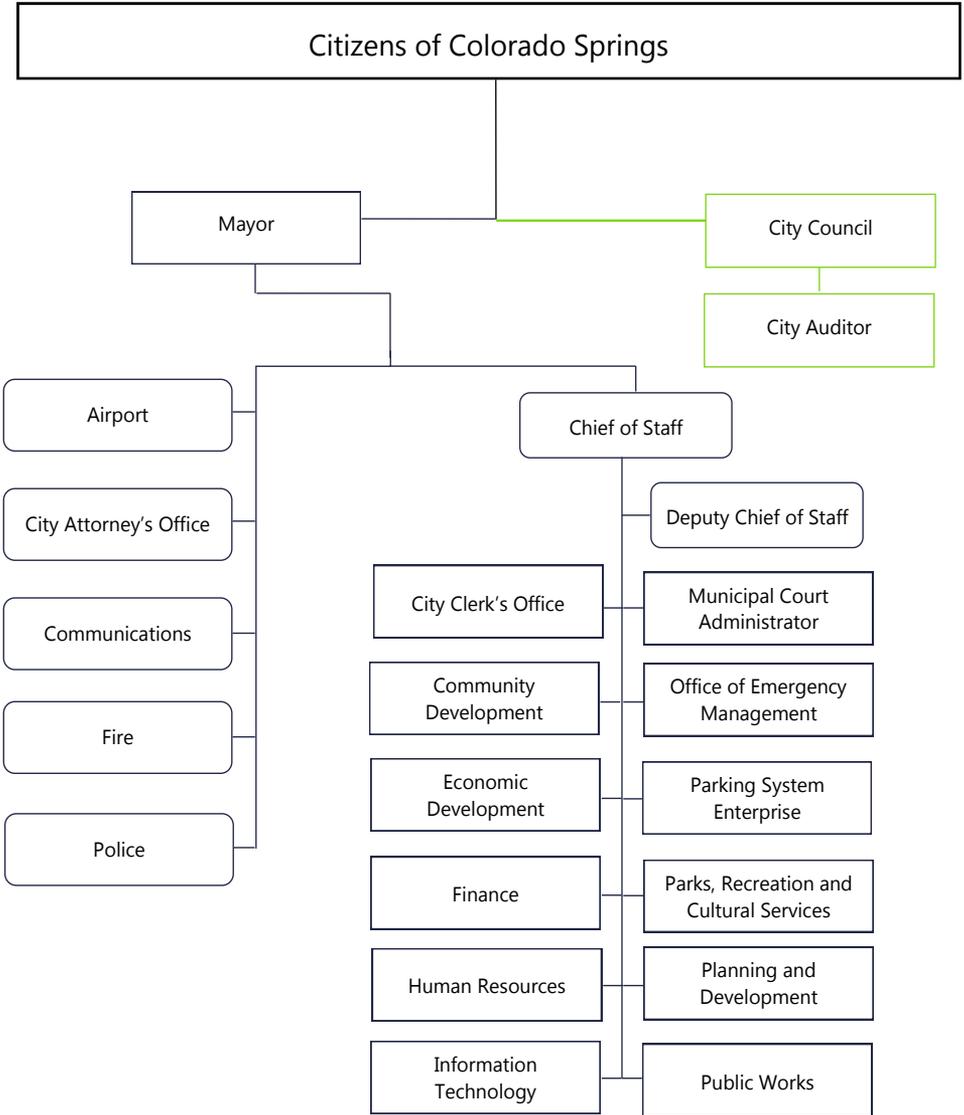
Council District Map



City Council's Direct Reports

- Denny Nester, City Auditor
- Jerry Forte, Utilities Chief Executive Officer

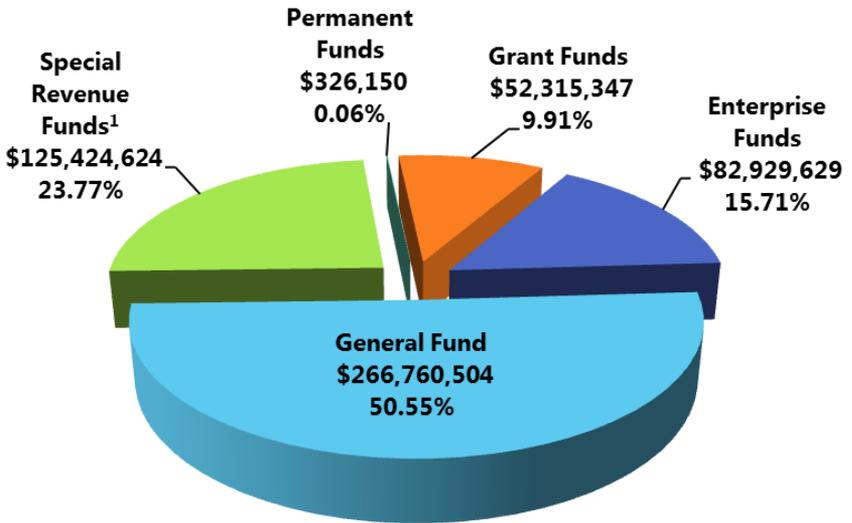
City Organizational Chart



Organizational structure as of August 31, 2015

All Funds Summary

\$527,756,254



¹Includes \$50,000,000 for 2C-Road Repair, Maintenance and Improvement
Internal Service Funds total \$40,663,420, allocated to the General Fund and the Enterprise Funds.

The General Fund is only one piece of the City's total budget. The General Fund supports traditional services:

- Fire
- Police
- Parks, Recreation and Cultural Services
- Planning & Community Development
- Public Works

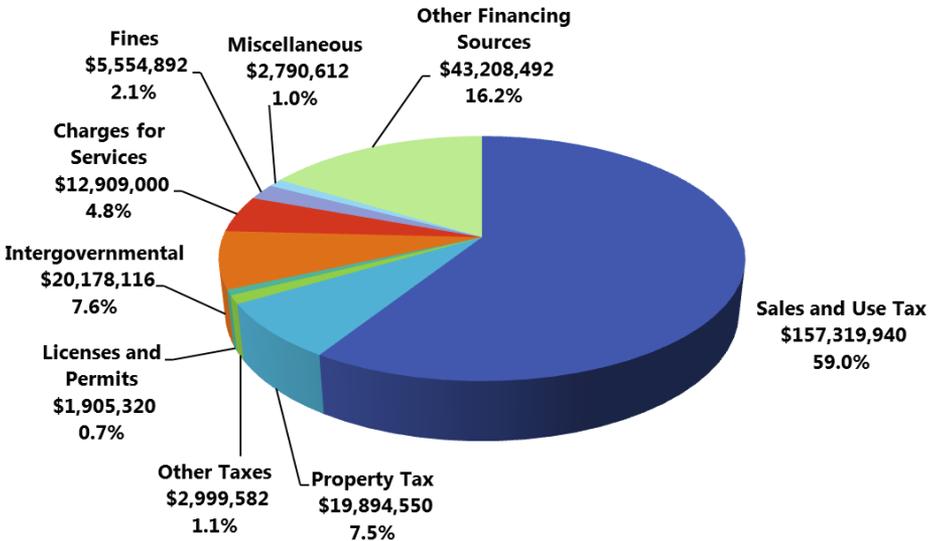
The City also owns and operates self-supporting enterprise activities that include:

- Airport
- Cemeteries (Fairview and Evergreen)
- Development Review Enterprise
- Parking System (downtown and Old Colorado City)
- Golf Courses (Patty Jewett and Valley Hi)
- Memorial Health System
- Pikes Peak - America's Mountain

General Fund Revenue

\$266,760,504

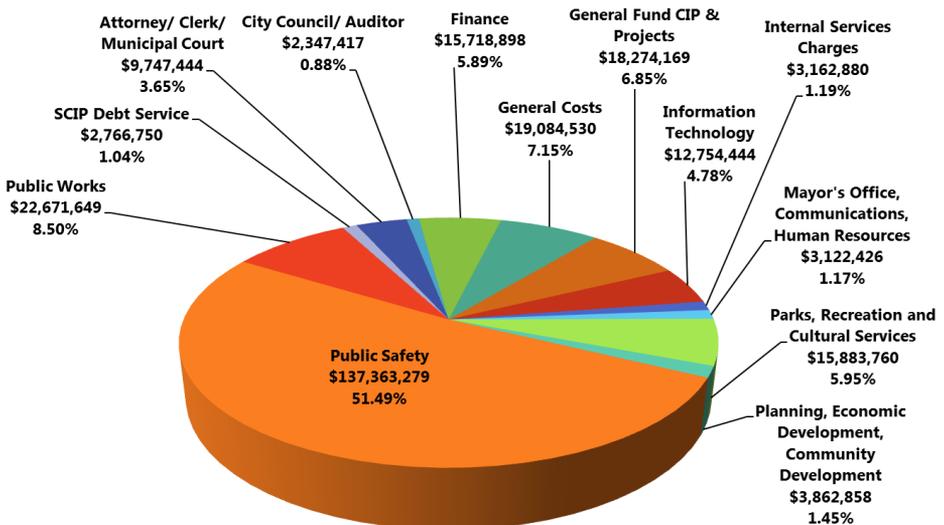
Revenue Source	2014 Actual	2015 Budget	2015 EOY Estimate	2016 Budget
Sales and Use Tax	\$142,100,000	\$147,855,000	\$148,269,936	\$157,319,940
Property Tax	19,682,000	19,811,225	19,491,558	19,894,550
Other Taxes	2,643,278	3,047,406	3,005,385	2,999,582
Licenses and Permits	1,030,260	1,236,762	2,112,769	1,905,320
Intergovernmental	19,856,832	20,887,930	21,341,195	20,178,116
Charges for Services	17,744,843	14,860,190	13,444,136	12,909,000
Fines	4,364,103	4,956,073	5,104,132	5,554,892
Miscellaneous	2,828,906	2,974,242	3,542,008	2,790,612
Other Financing Sources	37,280,834	41,567,014	41,499,999	43,208,492
Draw from Fund Balance	1,760,000	1,500,000	1,490,000	0
Total	\$249,291,056	\$258,695,842	\$259,301,118	\$266,760,504



General Fund Expenditures

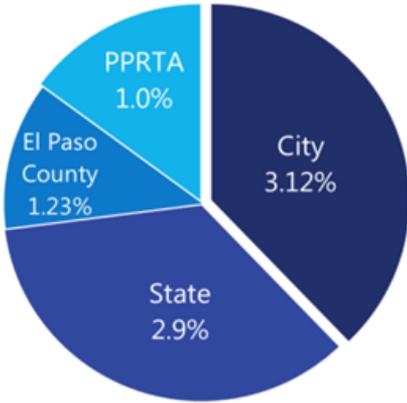
\$266,760,504

Department/Division	2016 Budget
City Attorney/ Clerk/ Municipal Court	\$9,747,444
City Council/City Auditor	\$2,347,417
Finance	\$15,718,898
General Costs	\$19,084,530
General Fund CIP & Projects	\$18,274,169
Information Technology	\$12,754,444
Internal Services Charges	\$3,162,880
Mayor's Office, Communications, Human Resources	\$3,122,426
Parks, Recreation and Cultural Services	\$15,883,760
Planning, Economic Development, Community Development	\$3,862,858
Public Safety	\$137,363,279
Public Works	\$22,671,649
SCIP Debt Service	\$2,766,750



Sales & Use Tax Revenue

The Total Sales Tax Rate is **8.25%**



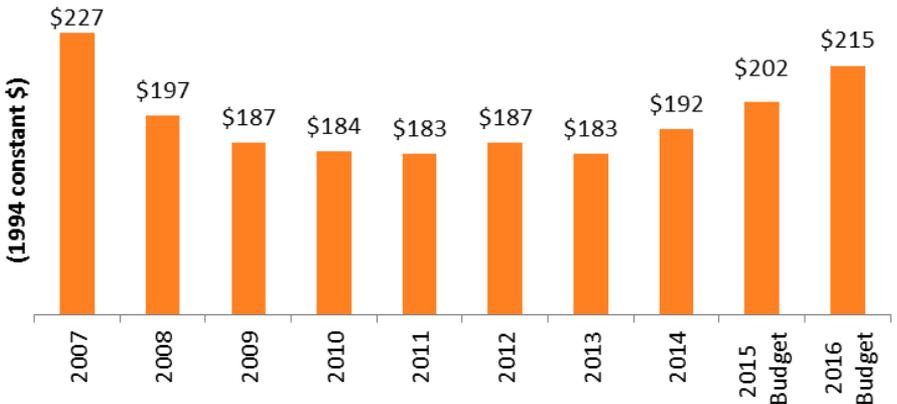
CITY'S PORTION OF THE SALES TAX

General Fund	2.00%
<i>Restricted Use</i>	
TOPS	0.10%
PSST	0.40%
2C-Road Repair, Maintenance and Improvement	0.62%

Total City portion 3.12%

58.6% The percentage of total City revenue received from Sales Tax

Inflation Adjusted Sales Tax Revenue per Capita

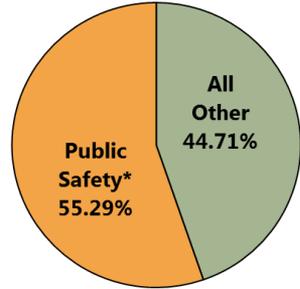


Sales & Use Tax Revenue

Public Safety Sales Tax (PSST)

The Public Safety Sales Tax (PSST) requires General Fund Public Safety budget allocations, including the Police and Fire Departments, the Office of Emergency Management, as well as the Police and Fire functions of Fleet, IT and Radio be at least 47.65% of General Fund; in 2016 it is 55.29%. The 2016 Budget exceeds the Level of Effort by 7.64%, or \$20.4 million.

Public Safety Level of Effort



* Public Safety includes Police, Fire and OEM

PSST Budget	2014 Actual	2015 Budget	2016 Budget
Total Expenditures	\$ 28,036,072	\$ 28,537,029	\$ 31,086,460
Total FTE Positions	216.50	228.50	229.50

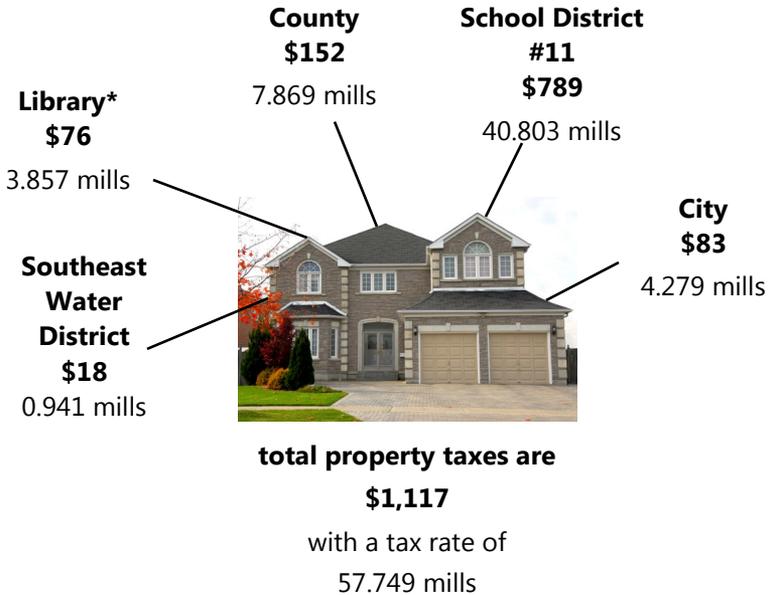
Trails, Open Space and Parks (TOPS)

The Trails, Open Space, and Parks (TOPS) revenue is generated from a 0.1% Sales and Use Tax adopted by voters in April 1997, extended by voters in 2003, and set to expire in 2025. The majority of funds are designated for open space purchases and associated maintenance, development and maintenance of trails, and development of new parks. The budget is based on planned projects and scheduled payments, which can vary from year to year.

TOPS Budget	2014 Actual	2015 Budget	2016 Budget
Total Expenditures	\$ 4,605,864	\$ 8,605,864	\$ 6,329,722

Calculating Your Annual Property Tax

<i>market value</i>	x	<i>assessment ratio</i>	=	<i>assessed value</i>	x	<i>total mill levy</i>	=	<i>taxes</i>
243,000	x	7.96%	=	\$19,343	x	0.05775	=	\$1,117



**Temporary Tax Rate Reduction*

Note: This example is for taxes payable in 2016 and assumes a home with market value of \$243,000 in School District #11 and assumes no Special District mill levy. Other school districts have different mill levies.

7%

The percentage of your property tax bill that is designated for the City

Property Tax Revenue

\$19,894,550

The amount of property tax revenue the City expects to receive in 2016



“How is my property tax determined?”

Taxing authorities, such as Cities, Counties, School Districts and Special Districts set tax rates and levy the tax on property.

“What is property tax?”

As defined by Merriam-Webster.com, property tax is a tax levied on real or personal property.

For residents, the levy is applied to real property, which is your house.

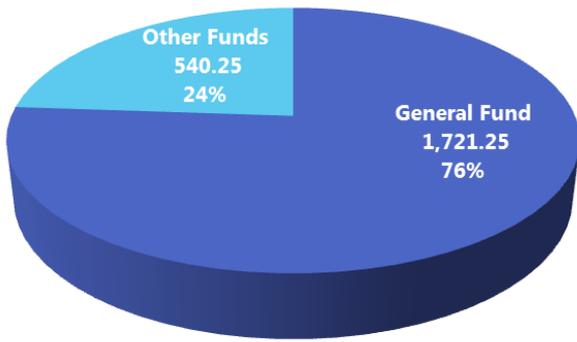
Personal property taxes are primarily applied to commercial properties.

“What does my property tax money fund?”

Property tax revenue supports public schools, county governments, municipal governments, libraries and special districts. All of the revenue generated by property taxes stays within your county.

Total Employees

2,261.50 FTE



The General Fund accounts for the largest number of City employees. Of the 1,721 General Fund employees, approximately 72% are Public Safety employees.

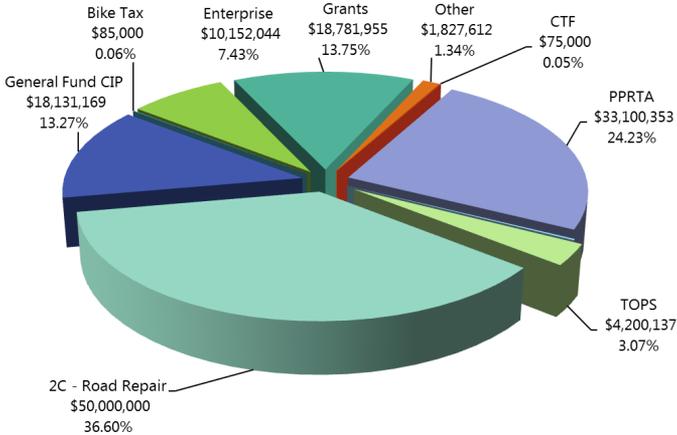
Fund	2015 Budget	2016 Budget
General Fund	1,708.25	1,721.25
Internal Services Funds	30.25	29.75
Enterprise Funds	150.00	151.00
Public Safety Sales Tax Fund	228.50	229.50
Cable Franchise Grant	5.00	6.00
Conservation Trust (Lottery) Fund	38.50	41.50
Gift Trust/Endowment/Grants	0.00	0.00
SIMD Funds	11.00	11.00
Trails, Open Space and Parks Fund	10.00	9.50
Grant Funds	41.00	62.00
All Funds Total	2,222.50	2,261.50

Capital Improvements Program

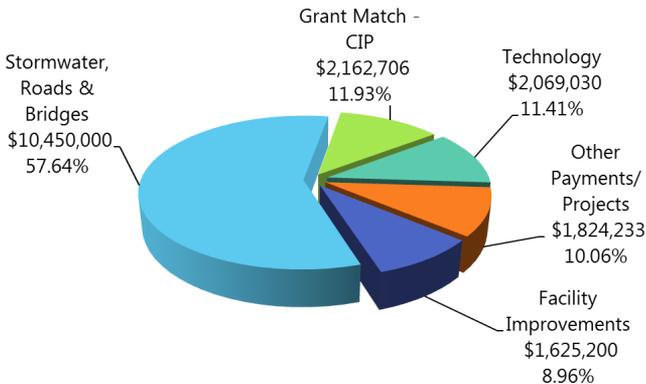
The 2016 CIP Budget is primarily funded by restricted funds (approximately 86%), and funds the construction of a number of major capital improvements throughout the City, including various transportation improvements, facility improvements, park projects and IT infrastructure.

The City has a five-year All Funds CIP Plan for \$136.6 million in high priority projects. The five-year plan includes projects such as building renovations, road and bridge replacements, multiple stormwater system improvements, and park system maintenance.

2016 Capital Improvement Program - \$136,602,357



2016 General Fund CIP - \$18,131,169



Ballot Issue 2C – Road Repair and Maintenance Sales & Use Tax

In November 2015, City voters approved Ballot Question 2C, authorizing the City to temporarily increase its sales and use tax by 0.62% (6.2 pennies on a \$10 purchase) for five years to fund only road repairs and improvements, and be permitted to retain all such revenues generated and to expend the same only for road repairs and improvements, exempt from spending and revenue limitations. As approved, the existing sales and use tax rate of 2.5% established by the City Code is increased by 0.62% dedicated to road repairs and improvements to make an effective City tax rate of 3.12% as of January 1, 2016. This tax will sunset (expire) exactly five (5) years from the date of its implementation and will not affect or apply to purchases of food for domestic home consumption, prescriptions, residential utility bills or other items exempt from City sales and use tax under the City Code. This temporary increase in sales and use tax revenue will be placed in a dedicated fund to be used only for funding the cost to repair roads and streets throughout all areas of the City, including cost of road reconstruction where severe deterioration does not allow repair. None of the additional sales and use tax revenue will be used to hire additional City employees or purchase additional equipment for City road projects. The repair work will be contracted out to the private sector.



The Operations and Maintenance division of Public Works has outlined a number of roads throughout the City to be completed with the new funding. All information on 2C and the progress of paving can be found on the Operations and Maintenance website at www.coloradosprings.gov/streets.

Colorado Springs at a Glance

FORM OF GOVERNMENT

Council-Mayor:

Nine-member Council (three Council members elected at-large, and six elected by district) and a popularly elected Mayor as the City's chief executive.

DEMOGRAPHIC

Population: 457,715 (2016 est.)

College Population¹: 39,172 (2014)

Median Age²: 34.9

Median Household Income¹: \$53,962 (2013)

Unemployment Rate³: 4.9% (July 2015)

Ethnicity²:

- White (80.1%)
- Hispanic American/Latino (16.6%)
- Black/African American (6.2%)
- American Indian/Alaska Native (0.7%)
- Asian (2.8%)
- Native Hawaiian/Pacific Islander (0.3%)
- Other (4.8%)
- Two or more races (5.1%)

Average # of Days of Sunshine¹: 300

Average Annual Precipitation⁴: 16.2 inches

Serious Crimes per Thousand Population:

43.4 per 1,000 (Year 2014) compared to 2014 national average of 47 for cities with a population of 250,000-499,999; crimes include murder, sexual assault, robbery, aggravated assault, burglary, larceny, and auto theft

LAND USE

Area in Square Miles: 195 (2015)

Street Lane Miles: 5,661 (2015)

Parkland Acres⁵: 17,266 (2015)

Elevation: 6,035 feet

ECONOMICS

Sales Tax Rate:

City (3.12%); County (1.23%); State (2.9%)
Pikes Peak Rural Transport. Authority (1.0%)

City Property Tax Rate:

4.279 mills (2015 mill rate levied for taxes payable in 2016)

Median Sale Price of an Existing Home⁶:

\$243,000 (Aug. 2015)

Property Taxes Paid on a \$225,000 House in School District 11:

\$1,117 total, City share is \$83 (For taxes payable in 2015)

Major Industries¹:

- Aerospace / Defense / Homeland Security
- Clean Technology
- Customer Support / Financial Services / Back Office
- Data Storage, Software IT
- Healthcare
- Higher Education
- Manufacturing
- Medical Innovation & Technology
- National Nonprofits
- Sports & Sports Related Organizations

COMMUNITY

Major Attractions:

- Cave of the Winds
- Cheyenne Mountain Zoo
- Garden of the Gods
- Pikes Peak – America's Mountain
- Pro Rodeo Hall of Fame & American Cowboy Museum
- Sky Sox Minor League Baseball
- United States Air Force Academy

Sources:

1 Colorado Springs Regional Business Alliance Just the Facts (www.coloradospringsbusinessalliance.com)

2 American FactFinder (2010). Hispanics may be of any race, so also are included in applicable race categories

3 United States Department of Labor Bureau of Labor Statistics

5 Climate-Zone.com/[climate/united-states/colorado/colorado-springs/](http://climate-zone.com/climate/united-states/colorado/colorado-springs/)

6 This includes the combined number of parks, open spaces, trails, cemeteries, golf courses, SIMDs, ROWs, and median acreage the City owns and/or manages.

7 Pikes Peak Association of REALTORS (www.ppar.com/statisticssummary)

BUDGET OFFICE

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Budget in Brief is produced each year by the City of Colorado Springs Budget Office. This booklet gives citizens a general overview of the City's 2016 Budget.

The entire City's Budget is on the Internet at

ColoradoSprings.gov/2016Budget. For specific questions or comments, please contact the Budget Office.