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**RECORD OF PROCEEDINGS
SPECIAL WORK SESSION MEETING AGENDA OF
THE TOWN COUNCIL OF THE TOWN OF FRISCO
MONDAY, SEPTEMBER 21, 2020
4:00-7:00PM**

Agenda Item #1: 2021 Budget Work Session with Council and Department Directors: All Funds Staff: Nancy Kerry 1) Mayor opens public hearing 2) Staff report 3) Public comments 4) Mayor closes public hearing 5) Council discussion 6) Motion made 7) Motion seconded 8) Discussion on motion 9) Question called



MEMORANDUM

P.O. Box 4100 ♦ FRISCO, COLORADO 80443

TO: Mayor and Council

FROM: Nancy Kerry, Town Manager
Bonnie Moinet, Finance Director

SUBJECT: 2021 Town Budget

Date: September 21, 2020

INTRODUCTION

It is with pleasure that we present the 2021 Town of Frisco draft budget for discussion at the Town Council budget worksession. This budget presentation is considerably different from previous years in that staff has not included any non-essential expenditures or capital projects into this draft. Instead, those items are listed separately in exhibits for each fund for Council to determine project priorities and relevance to their strategic goals. Staff will present the final budget with any Council additions at the 1st reading of the budget ordinances in October.

Included in this presentation are revenue, expenditure and fund balance summaries of all funds for 2021. Total ending fund balances for all funds equals \$38M. The table below provides a snapshot of fund balances at the end of 2021 for the Town's major funds. The table also shows required fund reserves, amounts available for additional projects not included in this 2021 draft budget and the associated exhibit listing those projects.

Table 1**Snapshot of Major Fund 2021 Ending Fund Balances**

Fund	2021	Required Reserve		2021	Council Discretion Exhibit #
	Ending Fund Balance	# Months	Amount	Projected Balance Available	
General Fund	\$16.7M	7	\$7M	\$9.7M	GF-2
Capital Improvement Fund	\$2.8M	None	None	\$2.8M	CIF-2
Water Fund	\$4.8M	4	\$246,000	\$4.6M	WF-2
SCHA 5A Fund	\$7.4M	None	None	\$7.4M	SCHA-2
Marina Fund	\$5.7M	4	\$332,000	\$5.4M	MF-2
Total Major Funds	\$37.4M		\$7.6M	\$29.9M	

It is important to note that, while this discussion focuses on 2021, a close examination of 2020 and the economic impacts of the COVID-19 pandemic must be taken into consideration.

2020 BUDGET DISCUSSION

As you know, for the past six months, the Town of Frisco, like nearly every other community, has been grappling with the catastrophic impacts of this virus. The virus wreaked havoc on local communities across the country, bringing the U.S. economy to a halt and causing what appeared to be severe losses in revenues for 2020. The Town of Frisco has not been immune to these impacts. Surprisingly, however, declines in Town of Frisco revenue collections are not as severe as originally thought. Additionally and most fortunately, the Town entered 2020 with fund balances of its major funds substantially higher (\$4.6M) than originally budgeted, as illustrated in the chart presented here.

Table 2**Excess 2019 Fund Balance - Major Funds**

General Fund	\$1,559,076
Capital Improvement Fund	\$646,781
Water Fund	\$565,424
SCHA 5A Fund	\$914,748
Marina Fund	\$919,379
Total Excess	\$4,605,408

Town Council took several steps in 2020 to boost our local businesses, staff tightened their budgets, events were cancelled, vacant positions were left unfilled, and all but essential capital projects were deferred. Even though all of these factors positioned the Town to enter 2021 in solid financial condition with a 2020 ending fund balance of \$32M, it is important to note the key factors for this stability are the \$4.7M transfer from the Capital Improvement Fund into the General Fund and the excess fund balances of \$1.6M from 2019. The table below compares major fund 2020 projections to the 2020 budget.

	General Fund		Capital Improvement Fund		Water Fund		SCHA 5A Fund		Marina Fund	
	2020 Budget	2020 Projected	2020 Budget	2020 Projected	2020 Budget	2020 Projected	2020 Budget	2020 Projected	2020 Budget	2020 Projected
Revenues										
Taxes	\$10,679,968	\$10,729,036	\$1,400,000	\$1,400,000			\$1,350,000	\$1,282,500		
Licenses & Permits	653,800	491,550					115,000	50,000		
Intergovernmental	245,000	224,500	168,390	84,195						
Charges for Services	3,546,100	2,390,031			1,534,000	1,263,000			1,432,000	2,193,500
Investment Income	150,000	97,000	90,000	79,000	50,000	25,000	50,000	25,000	70,000	27,000
Rental Income			73,440	73,440			70,320	70,320		
Other Revenues	52,500	157,978	175,000	70,000	95,000	95,500			78,200	90,000
Total Revenues	15,327,368	14,090,095	1,906,830	1,706,635	1,679,000	1,383,500	1,585,320	1,427,820	1,580,200	2,310,500
Expenditures										
Salaries and Benefits	7,052,584	6,205,100			372,854	390,388	72,118	52,542	597,702	558,289
Operating Expenditures	6,474,452	5,168,066			472,000	347,500	112,740	90,740	531,100	437,451
Grants	230,000	735,800								
Capital Projects			7,807,090	2,740,090	1,281,500	874,000	2,790,000	432,500	1,565,500	485,000
Debt Service			503,678	636,178					272,500	272,500
Total Expenditures	13,757,036	12,108,966	8,310,768	3,376,268	*2,126,354	1,611,888	2,974,858	575,782	2,966,802	1,753,240
Other Sources (Uses)										
Transfer in - GF		4,700,000	893,347							
Transfer Out -CIF	893,347			-4,700,000						
Net Change in Fund Balance	676,985	6,681,129	-5,510,591	-6,369,633	-447,354	-228,388	-1,389,538	852,038	-1,386,602	557,260
Fund Balance - January 1	6,581,902	8,140,978	7,493,754	8,140,535	3,447,347	4,012,771	4,374,423	5,289,171	4,011,024	4,930,403
Fund Balance - December 31	\$7,258,887	\$14,822,107	\$1,983,163	\$1,770,902	\$2,999,993	\$3,784,383	\$2,984,885	\$6,141,209	\$2,624,422	\$5,487,663

2021 BUDGET DISCUSSION

Turning to the 2021 budget, the pandemic has led us to take a different approach to this budget presentation. Regarding revenues, this budget reflects staff's focus and commitment to work diligently to predict revenues, adhering to a conservative fiscal policy to meet service expectations and to support the desires of our community. Staff closely monitors economic indicators throughout the year and has always budgeted revenues conservatively; it seems wise to continue that philosophy during this time of uncertainty. Expenditures are presented as a "bare bones" budget, meaning that only essential expenditures are requested. Requests that have been excluded from this presentation are illustrated, by fund, in the attached exhibits for Council's consideration in the event Council wishes to add any of those items to the 2021 budget. Staff will be on hand for detailed information about the requests to provide clarification as needed.

A brief analysis of each fund is illustrated below.

GENERAL FUND

Revenues:

Major revenues in this fund are sales taxes, at 64% of total revenues. This revenue source is totally dependent upon the success of Frisco's businesses and staff dedicates a considerable amount of time analyzing these revenues. However, with the current uncertainty surrounding the future of our economy, staff realizes our projections could be less than reliable and that an amendment to the 2021 budget is highly likely. The 2021 sales tax revenue projections presented today reflect slight decreases from 2019 and 2020, based on the unexpected successes our businesses have experienced throughout this pandemic and the expectation that these successes will continue and perhaps increase in 2021.

Another major source of revenues comes from tubing hill operations at the Frisco Adventure Park, 13% of total revenues. While significant losses were experienced at the beginning of 2020, it is not anticipated 2021 will see those losses; demand for recreation activities other than skiing are expected to increase and the tubing hill may see an increase in usage. However, revenues may come in flat.

All other revenues sources were thoroughly analyzed and the following table illustrates revenue changes by category. Overall, total 2021 revenues are \$246,616 higher than 2020 projected.

	2021	% Change	% Change	% Change
		from 2020	from 2020	from 2019
<u>Revenues</u>	<u>Budget</u>	<u>Projected</u>	<u>Budget</u>	<u>Actual</u>
Taxes	\$10,299,011	-3.98%	-3.57%	-7.66%
Licenses & Permits	475,100	-3.35%	-27.33%	-27.57%
Intergovernmental	207,500	-6.87%	-15.31%	-20.81%
Charges for Services	3,189,600	33.45%	-10.05%	-12.56%
Investment Income	32,000	-67.01%	-78.67%	-85.45%
Other Revenues	133,500	-35.81%	154.29%	40.17%
Total Revenues	\$14,336,711	1.42%	-6.46%	-10.59%

Expenditures:

Overall, 2021 expenditures are \$384,624 higher than 2020 projected. As mentioned earlier, only essential operational expenditures are currently reflected in this draft budget. Salary merit increases, vacant positions filled, grant requests, and many other expenditures are not included. Exhibit GF-2 depicts those items which remain for Council's discretion. The table below compares 2021 expenditures by category.

	2021	% Change	% Change	% Change
		from 2020	from 2020	from 2019
<u>Expenditures</u>	<u>Budget</u>	<u>Projected</u>	<u>Budget</u>	<u>Actual</u>
General Government	\$3,841,248	-23.16%	-11.20%	-5.95%
Public Safety	1,631,491	16.02%	-11.63%	11.93%
Community Development	1,403,409	12.16%	-1.03%	13.01%
Public Works	2,149,550	7.89%	-7.60%	8.04%
Culture and Recreation	3,467,892	40.96%	-9.71%	11.58%
Total Expenditures	\$12,493,590	3.18%	-9.18%	5.15%

Fund Balance:

General Fund 2020 ending fund balance is required to equal 7 months of operating expenditures or approximately \$7M. Even with a decrease in 2020 revenues of \$1.2M and additional expenditures related to COVID-19 of \$800,000, reductions in expenditures, the unanticipated excess 2020 beginning fund balance, the elimination of the transfer to the Capital Improvement Fund and the transfer in from the Capital Improvement Fund resulted in the 2020 ending fund balance exceeding that requirement.

Table 6**Adjusted General Fund 2020 Ending Fund Balance**

Budgeted 2020 Ending Fund Balance	\$7,258,887
Projected Decreases to Fund Balance:	
Revenue shortfalls	-\$1,347,063
Business Assistance Grants/COVID 19 Expenditures	-\$800,402
Added Projects-Parklets/W. Main Conduit	-\$65,000
Total Decreases to Fund Balance	-\$2,212,465
Projected Increases to Fund Balance:	
Transfer in from CIF	\$4,700,000
2019 YE Close Out	\$1,559,076
Eliminate CIP Transfer	\$893,347
Increase in other revenue	\$155,478
Salaries and Benefits	\$838,401
Operating Expenditures	\$1,560,071
Total Increases to Fund Balance	\$9,706,373
Projected 2020 Ending Fund Balance	\$14,752,795

In light of the uncertain economic conditions that may be encountered in 2021, staff is recommending that Council authorize a temporary budget stabilization reserve for the General Fund, which would only be used if and when specific circumstances arise that Council designates for this reserve. Even with the current requirement of \$7M and a possible \$2M reserve for budget stabilization, there is still a balance of nearly \$6M for Council to allocate for 2021 expenditures.

For an overall view of this fund, please refer to Exhibit GF-1.

CAPITAL IMPROVEMENT FUND

Revenues:

Other than a transfer of the excess of the required fund balance in the General Fund, revenues for this fund comes primarily from real estate investment fees (REIF) collected on properties sold within the Town of Frisco. While early projections indicated there would be losses in this source, our analyses are leading us to believe these revenues will meet or exceed original 2020 budget of \$1.4M. Our real estate community is reporting record sales in our region as opportunities for remote learning and working allow families to relocate to areas less populated and deemed more desirable. Therefore, 2021 projected revenues from REIF have been budgeted the same as 2020.

Expenditures:

Aside from required debt service, no capital projects are currently reflected in this draft budget. Staff has provided a \$3M project list (Exhibit CIF-2) for Council's possible inclusion in the 2021 budget.

Fund Balance:

There is no required reserve for this fund. We anticipate the ending 2020 fund balance to total \$1.77M as shown in the table below. Without any capital projects currently approved in this draft budget, the 2021 ending fund balance is projected to be \$2.8M. Should Council elect to include all or some of the \$3M projects, a transfer from the General Fund would be necessary.

Table 7

Adjusted Capital Improvement Fund 2020 Ending Fund Balance	
Budgeted 2020 Ending Fund Balance	\$1,983,163
Projected Decreases to Fund Balance:	
Transfer to General Fund	-\$4,700,000
Eliminate General Fund transfer to Capital Improvement Fund	-\$893,347
Revenue Shortfalls	-\$200,195
Total Decreases to Fund Balance	-\$5,793,542
Projected Increases to Fund Balance:	
Deferral of Capital Projects	\$4,934,500
2019 YE Close Out	\$646,781
Total Increases to Fund Balance	\$5,581,281
Projected 2020 Ending Fund Balance	\$1,770,902

For an overall view of this fund, please refer to Exhibit CIF-1.

WATER FUND

2020 revenues in this fund are projected to be less than budgeted by approximately \$200,000; however, deferral of capital projects amounting to \$400,000 and expenditure reductions of \$107,000 more than offset revenue losses. Additionally, the 2020 beginning fund balance in this fund was \$565,000 higher than projected, resulting in an ending fund balance of \$4M to start 2021, which is substantially higher than the 4 month reserve required for the Water Fund.

Revenues for 2021 have been projected similar to 2020 expectations. Like the other funds presented here, only essential operational expenditures are reflected and there is an associated list of capital projects (Exhibit WF-2) for Council to consider adding to the 2021 budget. For an overall view of this fund, please refer to Exhibit WF-1.

SCHA 5A FUND

2020 revenues in this fund are projected to be less than budgeted by approximately \$158,000. Expenditures are anticipated to be significantly less than budget, primarily as a result of a major property purchase that did not take place and less than anticipated participation in housing support projects. Like other funds, the 2020 beginning fund balance was higher than projected by \$915,000. Both of these factors result in a fund balance of \$6.1M to start 2021. There is no required reserve for this fund.

Revenues for 2021 are projected the same as 2020 and, again, a list of housing capital projects and programs is included in Exhibit SCHA-2 for Council consideration. For an overall view of this fund, please refer to Exhibit SCHA-1.

MARINA FUND

2020 revenues in the Marina Fund are expected to exceed budget by \$730,000 due to usage and visitation no one could have anticipated. Expenditures were reduced by \$133,000, capital projects totaling \$1M were deferred and the beginning fund balance for 2020 was higher than anticipated by \$919,000, resulting in a fund balance of \$5.5M to begin 2021. There is a four month reserve required for this fund and the 2020 ending balance far surpasses that requirement.

2021 revenues are projected similar to 2019 and 2020 and no capital projects are reflected in this presentation. Exhibit MF-2 lists potential capital projects for Council consideration. For an overall view of this fund, please refer to Exhibit MF-1.

NON-MAJOR FUNDS**Lodging Tax Fund**

While this fund is one of the Town's smallest funds, it is important because it funds the operations of the Visitor Information Center, many recreation events, landscaping and marketing and internet expenditures. The main source of revenue for this fund is lodging tax. There were early projections for losses in this fund but recent projections indicate that unforeseen visitation to our community and increased short-term rental compliance have significantly boosted revenues. The 2021 beginning balance is \$704,509 and there is no reserve required for this fund. 2021 revenues and expenditures are projected similarly to 2020.

Other non-major funds

Smaller funds of the Town's budget are the Conservation Trust Fund, the Historic Preservation Fund, the Insurance Reserve Fund and the Open Space Fund with beginning 2021 fund balances of \$37,877, \$1,013, \$212,178 and \$12,528 respectively, for a combined total of \$263,596.

FINANCIAL IMPACT:

The financial impacts resulting from COVID-19 are not yet fully known. The analysis in this report, along with options for Council's consideration, are objectively considered, recognizing this is a fluid situation. Overall, the Town's fund reserves demonstrate the Town is prepared to weather the current economic crisis. However, the Town should maintain a fiercely conservative and strategic perspective in its spending for the foreseeable future.

STAFF RECOMMENDATIONS AND SUMMARY:

The Town continues to face many challenges as a result of the COVID-19 global pandemic and its economic repercussions. The 2021 budget reflects this uncertainty by proposing a conservative approach, recognizing the need to take advantage of opportunities for development and maintenance of the Town's assets and trying to preserve quality of life for our citizens. Council direction is needed for the following items:

- Does Council wish to temporarily increase the required reserve in the General Fund to establish a budget stabilization reserve, which would only be used according to the parameters set in such resolution?
- Does Council wish to include any of the items listed on the major fund discretionary lists, Exhibits GF-2, CIF-2, WF-2, SCHA-2, MF-2?

Staff will be available for discussion and clarification at the budget worksessions.

We would like to express our appreciation to the Town Council for their work in planning for the future of Frisco and to Town staff for their dedication to providing efficient and cost-effective services to the citizens of our community.

GENERAL FUND
Summary of Revenues and Expenditures
 Budget Worksession, September 21, 2020

	2018 Actual	2019 Actual	2020 Budget	2020 Projected	2021 Budget
Revenues					
Taxes	\$10,498,855	\$11,153,119	\$10,679,968	\$10,726,413	\$10,296,511
Licenses & Permits	627,894	655,948	653,800	491,550	475,100
Intergovernmental	273,797	262,018	245,000	222,811	206,000
Charges for Services	3,521,017	3,647,956	3,546,100	2,390,031	3,188,600
Investment Income	126,495	219,958	150,000	97,000	32,000
Other Revenues	56,673	95,240	52,500	207,978	133,500
Total Revenues	15,104,731	16,034,239	15,327,368	14,135,783	14,331,711
Expenditures					
General Government	3,715,707	4,084,286	4,325,706	4,998,899	3,841,248
Public Safety	1,404,537	1,457,574	1,846,276	1,406,190	1,631,491
Community Development	1,522,306	1,241,803	1,417,946	1,251,260	1,403,409
Public Works	1,891,301	1,989,535	2,326,288	2,107,413	2,149,550
Culture and Recreation	2,749,110	3,108,105	3,840,820	2,460,204	3,467,892
Total Expenditures	11,282,961	11,881,303	13,757,036	12,223,966	12,493,590
Other Sources (Uses)					
Transfer in - Capital Improvement Fund				4,700,000	
Transfers Out-Capital Improvement Fund	2,191,510	3,304,674	893,347		
Net Change in Fund Balance	1,629,960	848,262	676,985	6,611,817	1,838,121
Fund Balance - January 1	5,662,756	7,292,716	6,581,902	8,140,978	14,752,795
Fund Balance - December 31	\$7,292,716	\$8,140,978	\$7,258,887	\$14,752,795	\$16,590,916

Revisions to 2020 Budget:**Decreases to Fund Balance**

Taxes and Charges for Services - Decrease in revenue		-\$1,109,624			
Licenses & Permits - Decrease in revenue		-\$162,250			
Investment Income - Decrease in revenue		-\$53,000			
Intergovernmental - Decrease in revenue		-\$22,189			
Business Assistance/COVID Related-Increase in expenditures		-\$800,402			
CDOT Grant - Parklets (Town Portion)		-\$5,000			
W. Main Conduit		-\$60,000			
Total decreases to fund balance			-\$2,212,465		

Increases to Fund Balance

Transfer in from CIF			\$4,700,000		
2019 YE Closeout			\$1,559,076		
Eliminate transfer to CIF			\$893,347		
Increase in other revenue			\$155,478		
Savings in Salaries and Benefits			\$838,401		
Operating expenditures savings:					
BBQ & Events & Rec Programs		\$821,821			
Legal Fees/Consultants		\$116,250			
Advertising/Promotions		\$94,400			
Snow removal		\$81,500			
Travel and education		\$67,300			
Supplies		\$63,400			
Equipment repair and maintenance		\$54,000			
Roads		\$40,000			
Detox		\$31,500			
Sponsorships		\$30,000			
Parking enforcement		\$25,000			
Retail		\$21,000			
Brochurs/Printing		\$17,400			
Museum exhibits		\$14,000			
Uniforms		\$13,100			
Furniture		\$11,600			
Gas/oil		\$11,400			
Utilities		\$11,000			
Other		\$35,400			
Subtotal operating expenditure savings			\$1,560,071		
Total increases to fund balance			\$9,706,373		

Projected 2020 Ending Fund Balance**\$14,752,795**7 month required reserve (approximate)
Proposing budget stabilization reserve\$7,000,000
\$2,000,000**Estimated balance for Council discretion for 2021****\$5,752,795**

General Fund Expenditures

Discretionary Projects for Council Consideration to 2021 Budget

Budget Worksession, September 21, 2020

Account Number	Category	Total Amount	Strategic Goal	Comments
Environmental				
1116-4621	Energy Smart (HC3)	\$21,250	SE	
1116-4621	Resource Wise (HC3)	\$15,500	SE	
1110-4277	Solarize Summit Rebate Program (HC3)	\$15,000	SE	
1110-4277	Implementation of Climate Action Plan (HC3)	\$25,000	SE	
1110-4603	Reusable Bottle Strategy	\$25,000	SE	
1110-4277	Membership in CC4CA	\$7,500	SE	
1110-4606	Membership in Colorado Compact of Communities	\$1,200	SE	
1110-4277	Green Team Projects	\$12,600	SE	
	Total Environmental	\$123,050		
Memberships and Miscellaneous Other Expenditures				
1110-4605	Annual Membership-NWCOG	\$4,300	TE	Memberships retained: CAST
1110-4705	Membership I70 Coalition	\$2,000	TE	CML
1110-4250	Appraisals	\$2,000	QCS	
1110-4250	CPR training	\$3,250	QCS	
1110-4250	Training	\$7,000	QCS	
1110-4650	All staff food and supplies	\$1,700	QCS	
1121-4228	Police Academy sponsorships	\$20,000	QCS	
1125-4250	Collection Assessment for Preservation Program (Museum)	\$7,000	VR	Can be delayed until 2022
1125-4207	Installation of smoke/fire alarms for Woods and Niemoth (Museum)	\$3,000	QCS	Can be delayed until 2022
1125-4233	Update Historic Park Utility Map (Museum)	\$2,500	QCS	2021 Priority
1110-4276	Community Outreach/Meeting meals	\$3,000	IC	
	Total Other	\$55,750		
Salaries and Benefits				
Various	Merit increase-5% maximum-based on anniversary date	\$190,000	QCS	
Various	Unfilled vacant positions			
	HR PT	\$22,000		
	Detective	\$55,882		
	PD Admin	\$39,000		
	VIC Seasonal	\$22,000		
	3 10- month positions-Rec	\$34,320		
1110-4010	Wellness reimbursements/rewards	\$51,500	QCS	
1110-4010	Reduce Town contribution health savings account	\$29,150	QCS	
1110-4650	Employee appreciation	\$19,000	QCS	
Various	End of season bonuses/ski passes-seasonal employees	\$24,700	QCS	
	Total Salaries and Benefits	\$487,552		
Discretionary Grants-Not Health and Welfare				
1116-4620	Non-profit Grants-Not Health and Welfare	\$61,100	TE	
1116-4621	Summit County Preschool	\$65,000	TE	
		\$126,100		
	Total All Categories			\$792,452

Strategic Goal Abbreviations:

TE - Thriving Economy
 IC - Inclusive Community
 SE - Sustainable Environment
 QCS - Quality Core Services
 VR - Vibrant Recreation

NICOTINE TAX			
		YEAR	
		2020	2021
Anticipated Revenue		\$480,000	\$480,000
Expenditures			
1116-4620	Non-profit Grants - Health and Welfare	\$18,900	\$40,000
1116-4621	Building Hope Foundation	\$10,000	\$10,000
1116-4621	Community Care Clinic	\$25,000	\$25,000
1116-4621	Child Advocacy Center	\$5,000	\$5,000
1116-4621	Marijuana Initiative	\$9,000	\$9,000
	Total Expenditures	\$67,900	\$89,000
	Balance - Nicotine Tax	\$412,100	\$391,000

CAPITAL IMPROVEMENT FUND
Summary of Revenues and Expenditures
 Budget Worksession, September 21, 2020

	2018	2019	2020	2020	2021
Revenues	Actual	Actual	Budget	Projected	Budget
Real Estate Transfer Fees	\$1,415,715	\$1,542,417	\$1,400,000	\$1,400,000	\$1,400,000
Intergovernmental Grants	0	391,974	168,390	84,195	84,195
Investment Income	116,072	136,049	90,000	79,000	30,000
Other Revenues	0	7,796	0	0	0
Total Revenues	1,531,787	2,078,236	1,658,390	1,563,195	1,514,195
Expenditures					
Capital Outlay	5,400,413	2,745,945	7,807,090	2,740,090	
Debt Service	420,082	423,993	406,678	539,178	535,807
Agent Fees	1,500	1,500	2,000	2,000	2,000
Total Expenditures	5,821,995	3,171,438	8,215,768	3,281,268	537,807
Other Sources (Uses)					
Capital Interest Subsidy	0	0	0	0	0
Loan Proceeds	0	0	0	0	0
Repayment of Loan from Water Fund	0	0	-95,000	-95,000	-95,000
Sale of Assets	769,292	69,527	175,000	70,000	70,000
Miscellaneous/Rental Income	0	0	73,440	73,440	73,440
Transfer Out - General Fund				-4,700,000	
Transfers In-General Fund	2,191,510	3,304,674	893,347	0	0
Net Change in Fund Balance	-1,329,406	2,280,999	-5,510,591	-6,369,633	1,024,828
Fund Balance - January 1	7,188,942	5,859,536	7,493,754	8,140,535	1,770,902
Fund Balance - December 31	\$5,859,536	\$8,140,535	\$1,983,163	\$1,770,902	\$2,795,730

Revisions to 2020 Budget:**Decreases to Fund Balance**

Eliminate CIP Transfer from General Fund	-\$893,347	
Transfer to General Fund	-\$4,700,000	
Trails grant-1/2 2020; 1/2 2021	-\$84,195	
Interest Income - 50% reduction	-\$11,000	
Reduction in proceeds from sale of assets	-\$105,000	
Total decrease in fund balance		-\$5,793,542

Increases to Fund Balance

Defer capital projects	\$4,934,500	
2019 YE Close Out	\$646,781	
Total increase to fund balance		\$5,581,281

Projected 2020 Ending Fund Balance**\$1,770,902**

Capital Improvement Fund
Discretionary Projects for Council Consideration to 2021 Budget
 Budget Worksession, September 21, 2020

Department:		PUBLIC WORKS		
Account Number	Project Description	Amount	Strategic Goal	Comments
2000-4101	Replace equipment trailer	\$14,000	QCS	2021 Priority
2000-4567	Facility Capital Repair	\$200,000	QCS	2021 Priority
2000-4965	Curb Replacement	\$40,000	QCS	2021 Priority
2000-4992	Summit Boulevard Masonry Work	\$150,000	QCS	GAP Project/could wait until project completion in 2022
2000-4995	Asphalt Overlay/Resurface Road	\$200,000	QCS	2021 Priority
2000-5065	First & Main Building Maintenance	\$5,000	QCS	2021 Priority
2000-5071	Historic Park Deck/Stair Replacement	\$20,000	QCS	Reduced from \$35,000
2000-5075	Crack fill streets/bike paths	\$50,000	QCS	2021 Priority
2000-5091	Storm System Repairs	\$100,000	QCS	Not 2021 priority but should be in 5 yr plan
2000-5093	Playground/site improvements	\$350,000	VR	Reduced from \$750,000; smaller scope
	Fiber infrastructure	\$200,000	QCS	2021 Priority
		<u>\$1,329,000</u>		

Department:		RECREATION AND CULTURE		
Account Number	Project Description	Amount	Strategic Goal	Comments
2000-5066	Trails Construction/Enhancements	\$139,195	VR	2021 Priority
2000-5024	PRA Administration Building Design	\$200,000	VR	2021 Priority
2000-5024	Wedding Venue	\$10,000	TE	2021 Priority
2000-4101	Replace 2011 Chevy 2500	\$35,000	QCS	Can be delayed until 2022
2000-4101	Fuel Trailer	\$10,000	QCS	2021 Priority-split with Marina
2000-4101	Snowmaking Compressor	\$25,000	QCS	2021 Priority-would not need until 10/2021
2000-4101	Snowguns	\$40,000	QCS	Can be delayed until 2022
2000-4101	New Snowcat for Nordic Center	\$230,000	QCS	Financing options available; can be delayed until 2022
		<u>\$689,195</u>		

Department:		COMMUNITY DEVELOPMENT		
Account Number	Project Description	Amount	Strategic Goal	Comments
2000-5017	Environmental Sustainability	\$100,000	SE	
2000-5079	Update Planning Documents	\$20,000	QCS	
2000-5094	Town Hall Dumpster Enclosure	\$50,000	QCS	
2000-5095	Town Hall Atrium Design	\$40,000	QCS	
2000-5079	Unified Development Code amendments	\$10,000	QCS	
2000-5079	Central Core and Gateway Plan	\$150,000	QCS	
2000-5079	Streets Policy, Plans and standards	\$40,000	QCS	
2000-5089	Excelsior House building relocation costs and reuse	\$100,000	QCS	
	Main Street Promenade	\$50,000	TE	
	Total Community Development Projects	<u>\$560,000</u>		

Department:		POLICE DEPARTMENT		
Account Number	Project Description	Amount	Strategic Goal	Comments
	SB217 requirements/body & car cams	\$126,000	QCS	
	Non-lethal restraints	\$21,000	QCS	
	Training	\$30,000	QCS	
	Total Police Projects	<u>\$177,000</u>		

Department:		IT		
Account Number	Project Description	Amount	Strategic Goal	Comments
2000-4102	IT Purchases	\$80,000	QCS	Network infrastructure component replacement project
2000-4102	IT Purchases	\$40,000	QCS	No longer supported in 2022
	Total IT projects	<u>\$120,000</u>		CO-VID 19 provisioning for 2021

Department:		ADMINISTRATIVE		
Account Number	Project Description	Amount	Strategic Goal	Comments
2000-5096	Public Art	\$50,000	VR	
	Total Administrative Projects	<u>\$50,000</u>		

TOTAL ALL PROJECTS-CAPITAL IMPROVEMENT FUND **\$2,925,195**

Strategic Goal Abbreviations:

TE - Thriving Economy
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 VR - Vibrant Recreation

WATER FUND**Summary of Revenues and Expenditures**
Budget Worksession, September 21, 2020

Revenues	2018	2019	2020	2020	2021
	Actual	Actual	Budget	Projected	Budget
User Charges	\$964,017	\$980,287	\$1,355,000	\$1,250,000	\$1,250,000
Water Meter Sales	23,841	19,502	5,000	20,000	20,000
Plant Investment Fees	169,244	225,910	170,000	50,000	100,000
Sale of Assets	6,775	0	4,000	0	0
Investment Income	79,896	113,387	50,000	25,000	21,000
Grant Revenue	12,531	0	0	0	0
Other Revenues	1,684	1,404	0	500	0
Total Revenues	1,257,988	1,340,490	1,584,000	1,345,500	1,391,000
Expenditures					
Salaries and Benefits	353,367	404,393	372,854	390,388	395,994
Administrative Fees	42,500	42,500	42,500	42,500	42,500
Professional Fees	80,095	72,757	90,000	70,000	70,000
Supplies and Chemicals	20,515	20,199	52,000	25,000	40,000
Utilities	55,823	63,427	70,000	65,000	60,000
Repair and Maintenance	51,058	48,416	90,000	49,000	66,000
General Expenses	83,660	78,206	77,500	56,000	60,000
Capital Outlay	889,329	60,199	1,281,500	874,000	
Water Meter Replacements	14,830	37,400	50,000	40,000	40,000
Total Expenditures	1,591,177	827,497	2,126,354	1,611,888	774,494
Other Sources (Uses)					
Loan Repayment from Marina Fund	0	0	0	0	0
Loan Repayment from Capital Improvement Fund	0	0	95,000	95,000	95,000
Contributed to Capital	0	0	0	0	0
Transfers In	0	0	0	0	0
Transfers Out	0	0	0	0	0
Net Change in Fund Balance	-333,189	512,993	-447,354	-171,388	711,506
Fund Balance - January 1	3,832,967	3,499,778	3,447,347	4,012,771	3,841,383
Fund Balance - December 31	\$3,499,778	\$4,012,771	\$2,999,993	\$3,841,383	\$4,552,889

Revisions to 2020 Budget:

Decreases to fund balance				
Increase in current personnel		-\$17,534		
No sale of assets		-\$4,000		
Reduction plant investment fees		-\$120,000		
User Charges -8% reduction		-\$105,000		
Interest income - 50% reduction		-\$25,000		
Unbudgeted other revenues		\$500		
Total decrease to fund balance			-\$271,034	
Increases to fund balance				
2019 YE Close Out		\$565,424		
Reduction in capital projects		\$407,500		
Increase in water meter sales		\$15,000		
Decrease in professional fees/consulting		\$20,000		
Decrease in supplies and chemicals		\$27,000		
Decrease in utilities		\$5,000		
Decrease in repairs and maintenance		\$41,000		
Decrease in general expenses		\$21,500		
Decrease in water meter replacements		\$10,000		
Total Increase to fund balance			\$1,112,424	
Projected 2020 Ending Fund Balance			\$3,841,383	

Water Fund

Discretionary Projects for Council Consideration to 2021 Budget

Budget Worksession, September 21, 2020

Department:		PUBLIC WORKS		
<u>Account Number</u>	<u>Project Description</u>	<u>Amount</u>	<u>Strategic Goal</u>	<u>Comments</u>
4000-4444	Replace filter modules skid A	\$175,000	QCS	Critical need to water treatment plan operation
4000-4444	WTP tank erosion mitigation	\$150,000	QCS	Critical need to water treatment plan operation
4000-4444	Construct headworks project	\$800,000	QCS	Critical need to water treatment plan operation
4000-4444	Lead & Copper treatment system construction	\$400,000	QCS	Some rollover from 2020/in design now req'd. CDPHE
4000-4444	Town wide leak survey	\$40,000	QCS	Ongoing infrastructure need to prevent waste of water
	TOTAL PROJECTS-WATER FUND	<u>\$1,565,000</u>		

Strategic Goal Abbreviations:

TE- Thriving Economy
 IC - Inclusive Community
 SE - Sustainable Environment
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 VR - Vibrant Recreation

SCHA 5A FUND
Summary of Revenues and Expenditures
Budget Worksession, September 21, 2020

	2018	2019	2020	2020	2021
	Actual	Actual	Budget	Projected	Budget
Revenues					
Sales Tax	\$1,393,760	\$1,618,610	\$1,350,000	\$1,282,500	\$1,282,500
Building Permits/Development Impact Fees	118,316	124,399	115,000	50,000	50,000
Investment Income	33,324	94,819	50,000	25,000	24,000
Other Income	6,938	88,776	70,320	70,320	70,320
Total Revenues	1,552,338	1,926,604	1,585,320	1,427,820	1,426,820
Expenditures					
Salaries and Benefits	0	0	72,118	52,542	73,852
Administration Fees	45,463	46,467	82,740	82,740	85,000
Projects	1,842,836	-1,240	2,400,000	287,500	0
Rental Expenses	0	1,975	20,000	3,000	5,000
Buy-Down Program	0	0	300,000	100,000	0
Business Housing Support Fund	0	0	90,000	45,000	0
Community Outreach	84	2,584	10,000	5,000	3,500
Total Expenditures	1,888,383	49,786	2,974,858	575,782	167,352
Other Sources (Uses)					
Sale of Assets	1,358,385	0	0	0	0
Transfers In	0	0	0	0	0
Transfers Out	0	0	0	0	0
Net Change in Fund Balance	1,022,340	1,876,818	-1,389,538	852,038	1,259,468
Fund Balance - January 1	2,390,013	3,412,353	4,374,423	5,289,171	6,141,209
Fund Balance - December 31	\$3,412,353	\$5,289,171	\$2,984,885	\$6,141,209	\$7,400,677

Revisions to 2020 Budget:**Decreases to fund balance**

Reduction in sales taxes - 20%	-\$67,500	
Reduction in Development Impact Fees	-\$65,000	
Reduction in investment incomg - 50%	-\$25,000	
Total decrease to fund balance	-\$157,500	

Increases to fund balance

2019 YE Fund Balance Closeout	\$914,748	
Full time position not hired until 2nd Q 2020	\$19,576	
No capital project; reallocate funds to residential assistance	\$2,112,500	
Reduction rental expenses	\$17,000	
Less participation buy down program	\$200,000	
Less participation business housing support	\$45,000	
Reduction Community Outreach	\$5,000	
Total increase to fund balance	\$3,313,824	

Projected 2020 Ending Fund Balance**\$6,141,209**

SCHA 5A Fund

Discretionary Projects for Council Consideration to 2021 Budget

Budget Worksession, September 21, 2020

Department:		COMMUNITY DEVELOPMENT		
Account	Project Description	Amount	Strategic Goal	Comments
5500-4262	Workforce Housing	\$4,800,000	IC	\$3.3M-Granite; \$1.5M CDOT
5500-4266	Buy-down Program	\$100,000	IC	
5500-4267	Business Housing Support Fund	\$45,000	IC	
TOTAL PROJECTS-SCHA 5A FUND		<u>\$4,945,000</u>		

Strategic Goal Abbreviations:

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MARINA FUND
Summary of Revenues and Expenditures
 Budget Worksession, September 21, 2020

	2018	2019	2020	2020	2021
<u>Revenues</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Projected</u>	<u>Budget</u>
User Charges	\$1,565,693	\$1,579,425	\$1,432,000	\$2,193,500	\$1,683,550
Total Revenues	1,565,693	1,579,425	1,432,000	2,193,500	1,683,550
<u>Expenditures</u>					
Salaries and Benefits	542,550	612,797	597,702	558,289	645,411
Administrative Fees	20,000	20,000	20,000	20,000	20,000
Professional Fees	22,467	26,447	25,000	20,000	25,000
Supplies	75,307	64,240	124,000	83,200	124,000
Utilities	17,983	20,003	30,000	22,000	22,000
Repair and Maintenance	29,592	36,824	58,000	34,000	111,000
General Expenses	271,791	237,272	274,100	258,251	310,100
Capital Outlay	540,227	3,939,170	1,565,500	485,000	0
Total Expenditures	1,519,917	4,956,753	2,694,302	1,480,740	1,257,511
<u>Other Sources (Uses)</u>					
Reimbursements from Denver Water (ZM)	27,570	34,830	32,000	45,000	45,000
Water Agreement Settlement	466,057	0	0	0	0
Investment Income	20,868	104,238	70,000	27,000	10,000
Sale of Assets	18,147	5,400	46,200	45,000	63,500
Cost of Issuance	0	-109,195	0	0	0
Loan Repayment to Water Fund	0	-228,690	0	0	0
Bond Repayment	0	0	-272,500	-272,500	-347,500
Loan Proceeds	0	5,450,000	0	0	0
Revenue Bond Premium	0	63,173	0	0	0
Transfers In	0	0	0	0	0
Transfers Out	0	0	0	0	0
Net Change in Fund Balance	578,418	1,942,428	-1,386,602	557,260	197,039
Fund Balance - January 1	2,409,557	2,987,975	4,011,024	4,930,403	5,487,663
Fund Balance - December 31	\$2,987,975	\$4,930,403	\$2,624,422	\$5,487,663	\$5,684,702

Revisions to 2020 Budget:**Decreases to fund balance**

Investment income	-\$43,000	
Sale of assets	-\$1,200	
Total decreases to fund balance		-\$44,200

Increases to fund balance

Capital projects deferred		\$1,080,500
User Charges-higher than anticipated		\$761,500
2019 Year end closeout		\$919,379
Decreases to operating expenditures		
Salaries and benefits	\$39,413	
Professional fees	\$5,000	
Supplies	\$40,800	
Utilities	\$8,000	
Repairs and Maintenance	\$24,000	
General expenses	\$15,849	\$133,062
Reimbursement from Denver Water		\$13,000
Total increases to fund balance		\$2,907,441

Projected 2020 Ending Fund Balance **\$5,487,663**

\$133,062

\$14,015,830

Marina Fund

Discretionary Projects for Council Consideration to 2021 Budget

Budget Worksession, September 21, 2020

Department:		RECREATION AND CULTURE		
<u>Account Number</u>	<u>Project Description</u>	<u>Amount</u>	<u>Strategic Goal</u>	<u>Comments</u>
9000-4460	Fuel Trailer	\$10,000	QCS	2021 Priority-split with PRA (Capital Improvement Fund)
9000-4444	New office/guest service building	\$1,500,000	QCS	2021 Priority
9000-4444	Lift Station Construction	\$464,000	QCS	2021 Priority
9000-4444	Fuel System	\$500,000	QCS	2021 Priority
9000-4444	Xcel Transformer	\$200,000	QCS	2021 Priority
9000-4444	Extension sewer/water lines	\$100,000	QCS	2021 Priority
9000-4444	Site work: building and turnaround area	\$874,000	QCS	2021 Priority
9000-4444	Parking and circulation improvements	\$100,000	QCS	2021 Priority
9000-4460	Replace Paddle Sports	\$16,000	VR	2021 Priority
9000-4460	Replace Pontoon Fleet	\$195,000	VR	2021 Priority
9000-4460	Bollards	\$25,000	QCS	2021 Priority
		<u>\$3,984,000</u>		

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