



City of Aurora Budget in Brief 2005

Prepared by the Office of Budget & Financial Planning

City Council

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INTRODUCTION

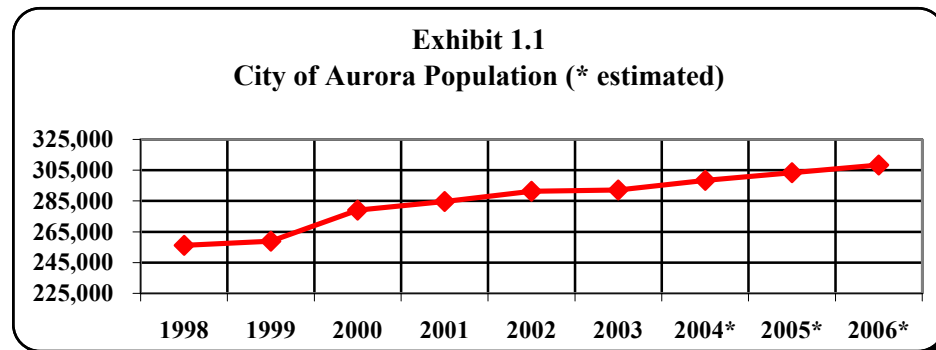
The 2005 adopted budget for the City of Aurora is the product of a well-established cooperative process carried out by City staff with the guidance and direction of City Council. The purpose of this document is to provide both summary-level and detailed information on the 2005 budget as adopted by City Council this past fall.

This summary document is divided into nine sections. While reading this document, some key terms to keep in mind are:

<i>Appropriation</i>	Authority to spend budgeted City funds;
<i>Fund</i>	A legal accounting classification used to define, record, and manage specific revenues and expenditures; and
<i>Revenue</i>	Income received by the City including all types of taxes, fees, gifts, grants, reimbursements, intergovernmental revenues, and interest earnings.

1. PROFILE OF AURORA

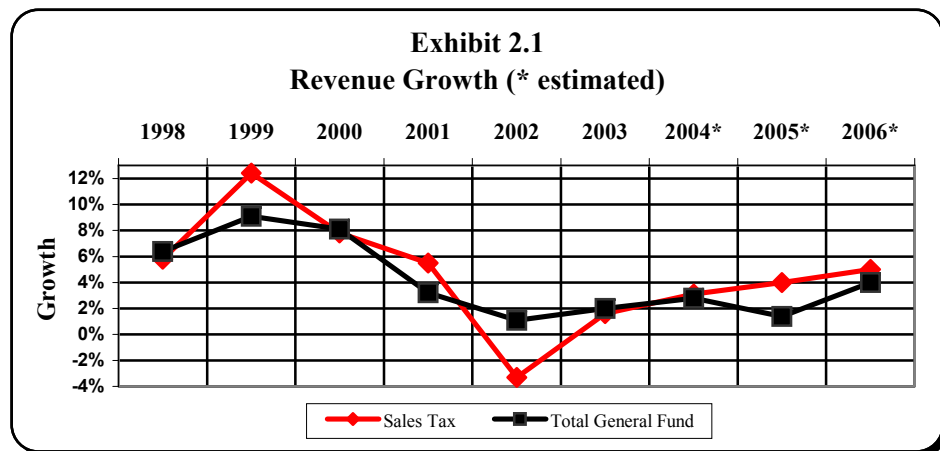
Aurora, Colorado, the state's third largest city (2005 est. population 303,325), is one of the most dynamic cities in the Denver/Aurora metropolitan area. A council/manager form of government governs the City of Aurora. This system combines the political leadership of elected officials with the managerial expertise of an appointed, professionally trained, local government manager. Aurora also operates as a "home rule" government, which allows the City to draft or amend its own charter. The Aurora City Council is composed of ten members and the Mayor. Of the ten members, six are ward Council members, each representing one of the six wards in the City. The remaining four Council members are elected at-large, like the Mayor, to represent the entire City.



2. AURORA'S ECONOMIC AND REVENUE OUTLOOK

This is the fourth consecutive budget affected by the economic downturn that began in 2001. This downturn is longer and deeper than generally anticipated. Coming on the heels of several years of higher than average growth, the downturn presents the City with a substantially weakened revenue outlook. This downturn is evident in Exhibit 2.1, which compares past revenue growth to recent history and future projections.

In 2003, total City revenues and other sources of funds stood at \$539.2 million. In 2004, this total will decrease to \$495.0 million, with a subsequent rise to \$567.5 million in 2005, of which \$524.3 million is for budgeted appropriations and the remainder is for future uses. The primary reason for the large fluctuations in revenue is the issuance of utility revenue bonds to fund new water-related capital projects. Taxes and other general revenues will increase by no more than four percent annually from 2003 to 2005. Sales tax revenue (see Exhibit 2.1 below) and total revenues are expected to experience slower growth throughout the next few years.



Overall, the Aurora economy remains active as new retail centers and other businesses continue to locate in Aurora. In addition, revenue from construction activity remains near record-setting levels. With continued strength in construction-related revenue and improvement in sales and use tax revenues, 2005 should mark a return to moderate, but stable general revenue growth. In addition, the City expects to receive additional revenues to support population growth and to “harden” the City’s water supply to protect against drought conditions.

Because of these factors, Aurora’s overall revenue outlook for 2005 is positive, although growth will continue at a much slower pace than in the years before 2001. Unfortunately, slower revenue growth means that the City will not “re-capture” lost revenues from 2002-2003. Consequently, as the City strives to maintain services for existing residents and extend services to newly developed areas, the primary challenge for 2005 and beyond is to maintain balanced budgets in the face of increasing demands for City services.

General Fund Revenues

Budgeted revenues for the General Fund (including transfers) will increase 1.4 percent in 2005 and are projected at \$211.5 million. As Exhibit 2.2 notes, sales tax revenue is expected to grow by 4.0 percent (\$4.3 million) in 2005 if a modest economic turnaround and new retail activity continue to take hold. Construction related revenues (building materials use tax and construction permit revenue) are likely to decline after a spike in 2004 as residential construction cools due to higher interest rates. Small increases in other revenue sources contribute to a projected 2.8 percent (\$5.6 million) increase in total General Fund revenues, before transfers.

Exhibit 2.2 Key General Fund Revenues		
Revenue Source	Percent Distribution 2005 Budget	Percent Change 2004 Estimate to 2005 Budget
Sales Tax	52.0%	4.0%
Construction-Related Revenue	5.0%	-13.8%
Other Taxes and Audit Revenue	12.0%	4.0%
Motor Vehicle Revenue	7.0%	5.0%
Intergovernmental Revenue	5.0%	3.2%
Property Tax	10.0%	2.5%
Transfers *	2.0%	-24.4%
Other Revenue (including interest)	7.0%	4.7%
Total General Fund	100.0%	1.4%

(*) Due to one-time transfers that occurred in 2004, but are not expected to occur in 2005.

3. BUDGET OVERVIEW

The 2005 adopted budget totals \$524.3 million for all funds, including enterprise and capital funds. This compares with a 2004 projected budget of \$459.8 million for all funds. The difference between 2004 and 2005 is primarily due to increases in the Wastewater and Water funds. The 2005 budget is balanced for the General Fund and all other funds.

The economic downturn that began in 2001 has also affected this year's budget. As Aurora responds to economic events, adjustments to the City's operating and capital budgets were required in each of the past several years. For 2005, after consultation with City Council, staff finalized a budget-balancing plan that represents an approach that emphasizes careful prioritization of City services.

Exhibit 3.1 below summarizes total appropriations for the City's major funds.

Exhibit 3.1 Appropriations Summary by Fund			
Fund	2003 Actual	2004 Projection	2005 Adopted
General Fund	\$213,472,115	\$216,233,927	\$213,971,637
Capital Projects Fund	39,551,209	33,533,692	30,688,563
Golf Courses Fund	9,937,195	8,844,890	10,338,907
Recreation/Cultural Fund	10,889,169	11,183,350	11,933,904
Water Fund	187,331,030	84,458,011	132,259,848
Wastewater Fund	31,863,039	42,939,185	57,335,862
Other Funds	62,663,306	62,566,466	67,723,385
Total Budget	\$555,707,063	\$459,759,521	\$524,252,106

Exhibit 3.2 on the next page provides a breakout of the City's total appropriations for 2005. The General Fund accounts for approximately 41 percent of total appropriations, while another 27 percent of the budget is dedicated to capital projects. As the graph indicates, 30 percent of the City's total budget is for operating costs that are not included in the General Fund. Over half of this amount represents operating costs for the City's Utilities Department.

**Exhibit 3.2
Summary of All 2005 Appropriations**

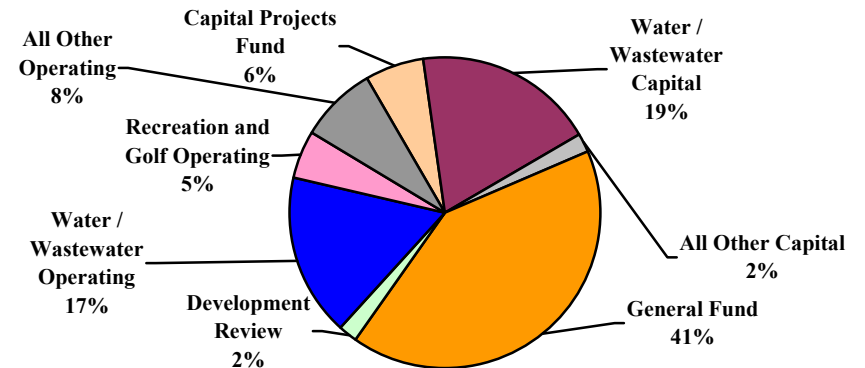


Exhibit 3.3 below details operating budget appropriations by category. A *category* is a high-level classification of expenditures. The \$11.1 million increase in operating appropriations in 2005 is primarily due to a \$10.2 increase in personal services. The 2005 increase is slightly offset by a \$5.6 million decrease related to operating transfers.

Exhibit 3.3 Operating Appropriations by Category			
Category	2003 Actual	2004 Projection	2005 Adopted
Personal Services	\$169,315,143	\$179,513,232	\$189,698,688
Supplies & Services	89,262,482	103,879,811	106,024,767
Interfund Charges	10,021,070	10,671,709	11,376,899
Debt Related	90,223,863	27,774,415	30,466,232
Capital Related	4,544,090	5,501,920	6,504,171
Operating Transfers, including Capital Funding	52,004,669	44,828,042	39,228,849
Total Operating Expenses	\$415,371,317	\$372,169,129	\$383,299,606

Base Budget Adjustments

The 2005 budget incorporates changes in ongoing personal services and operating costs. These changes include cost increases that apply citywide as well as other non-discretionary increases. Collectively, these adjustments reflect changes in the "base budget".

The most significant items incorporated into the 2005 base budget include:

- No increase in pay for career service and civil service employees;
- A 3.3 percent increase in planned City contributions for anticipated employee health insurance costs – the total increase in funding is \$474,000, of which \$274,000 is from the General Fund;
- A change in dental insurance premiums to equalize City payments for supervisory and non-supervisory employees – this change saves the City \$156,000 of which \$108,000 is savings to the General Fund;
- Other provisions of fire and police salary and benefit contracts that add a net total of approximately \$300,000 to the General Fund budget;
- A 6.9 percent increase in anticipated vehicle maintenance costs – primarily as a result of continued high gasoline costs; the total amount included for this increase is \$332,000, with a \$321,000 increase in the General Fund; and
- A 7.9 percent increase in anticipated electricity costs - the total increase in funding is \$734,000, with \$290,000 coming from the General Fund.

The budget also contains baseline adjustments to reflect necessary funding for increased costs related to ongoing maintenance contracts and other non-discretionary funding needs. The total cost of these additional adjustments is \$1.6 million, with \$615,000 in the General Fund. The City also incorporates technical adjustments, such as elimination of one-time costs, into the base budget.

4. GENERAL FUND

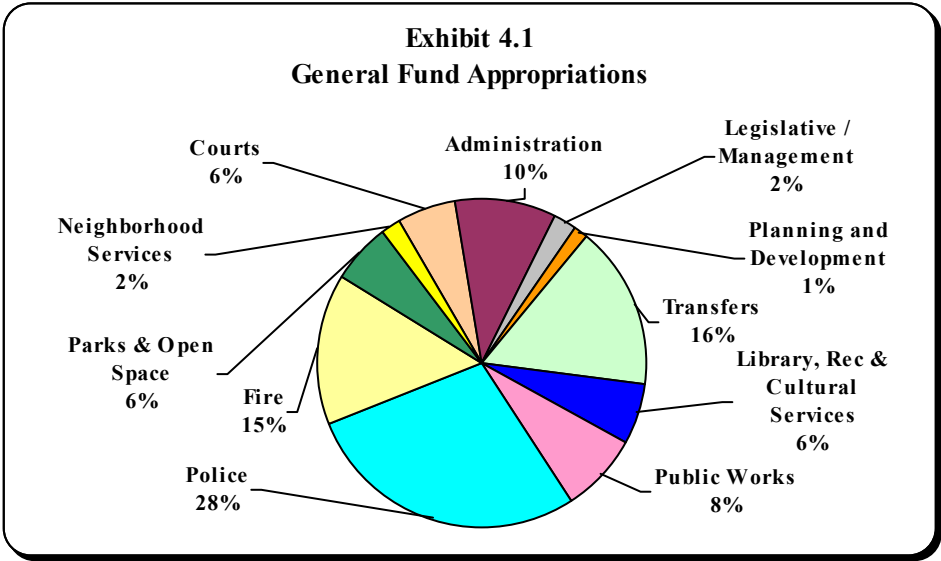
The General Fund is the primary source of funding for most City operations. Funding for operating costs related to public safety, public works, parks, libraries, and other City services comes primarily from the General Fund. In addition, annual transfers from the General Fund to the Capital Projects Fund provide monies for many of the City’s capital needs.

As we developed the General Fund budget for 2005, we identified a projected deficit of \$11.0 million. The deficit is largely attributable to a continued weakness in revenue along with increases in mandated costs such as the Police 2/1000 program, the “Old Hire” pension plans, maintenance costs, and gasoline, electricity and natural gas charges.

The adopted budget corrects the deficit by incorporating numerous adjustments. The major adjustments include:

1. Use of \$3.7 million from short-term reserves in the General Fund and the Risk Management Fund;
2. \$3.2 million in savings from eliminating or reassigning 44.6 FTE and associated costs from the General Fund;
3. A net reduction of \$1.1 million from various programmatic cuts, such as reductions in human resources, recreation, and cultural programs;
4. \$860,000 in changes to the allocation of revenues and expenditures between the General Fund and the Capital Projects Fund.
5. \$540,000 in one-time transfers from other City funds;
6. \$500,000 from anticipated increases in fines and forfeiture revenue;
7. \$400,000 from increased employee contributions for health and dental plans;
8. \$400,000 from a one-time transfer of costs for economic development agencies to the Development Review Fund; and
9. \$300,000 from reductions in funding for outside agencies and events.

Exhibit 4.1 below shows the distribution of appropriations to 2005 City departments within the General Fund.



The 2005 budget continues most budget reductions adopted in prior years and includes additional reductions as needed to offset increased costs for critical City priorities. In addition, the City will continue to draw down operating reserves in 2005.

Additions to the budget total \$2.3 million. In order to maintain a balanced budget and fund necessary increases, the adopted budget also includes reductions totaling \$6.3 million. The decrease in appropriations for 2005 is the result of several factors described elsewhere in this budget in brief.

Exhibit 4.2 Significant Additions and Reductions to the General Fund		
Department	Item	Amount
Adds:		
Internal Services	New facilities maintenance net GF cost	\$12,955
Police	Add 14.0 police officer FTE for 2/1,000	876,622
Police	Additional academy costs	813,000
Police	Equipment for new staff	115,600
Public Works	Public lighting growth and maintenance	483,290
Public Works	Signal maintenance costs	47,500
Total Adds		\$ 2,348,967
Reductions:		
City Attorney	Cut travel and training	\$(51,722)
City Council	Cut vacant staff, reduce travel and dues payments	(71,286)
Court Administration	Vacancy savings and overtime reductions	(136,133)
Development Services	Move AEDC and Adams EDC to other funding source	(365,974)
Finance	Move lock box in-house, transfer capital FTE to CPF	(130,910)
Fire	Cut Fire Education, Quartermaster, & vacant FTE	(834,922)
General Management	Cut vacant TV FTE and use PEG funds for other staff, cut vacant PIO, Internal Audit staff, and receptionist	(476,789)
Human Resources	Cut citywide celebration and vacant training FTE	(99,850)
Info. Technology	Cut vacant reception and webmaster positions	(119,040)
Internal Services	Reduce fleet, transfer Purchasing staff to CPF	(909,027)
Library, Rec & Cultural Services	Reduce library hours, cut vacant staff and bookstock, increase some recreation fees, reduce cultural/recreation subsidy, use Arapahoe Library District funds	(878,490)
Neighborhood Services	Cut mini-grants & animal care FTE, NABA to other source	(166,356)
Non-Departmental	Cut VPAB transfer for 1 yr, reduce CPF, use auction funds	(715,207)
Parks & Open Space	Reduced maintenance & planting, reassign staff	(698,895)
Planning	Reduced staffing, supplies, and consulting	(158,387)
Police	Consolidate front desk service, cut property supervisor	(279,452)
Public Defender	Realign staffing	(29,657)
Public Works	Cut fence program staff & general maintenance	(189,404)
All Others	Civil Service, Judicial, Public Safety Communications	(5,136)
Total Reductions		\$(6,316,637)

5. OTHER FUNDS

The City's other funds include the Water and Wastewater funds; the Golf Fund; the Print Shop Fund; the Development Review Fund; and various internal service and governmental funds. Appropriations from these funds provide for operating, debt service, and capital costs. Since many of these funds operate as enterprise or internal service funds, the appropriation adjustments often reflect the need to raise or lower spending in response to changes in the level of demand for various services (such as increased use of development review services). Exhibit 5.1 below lists the significant changes in the City's other funds in 2005.

Exhibit 5.1 Significant Changes to Other Funds		
Fund	Item	Amount
ArCo	New fund for Arapahoe County Open Space - amount is for expected operating costs in 2005	\$631,074
Cultural Services	Net change due to all budget adjustments	29,189
Designated Revenue	Includes TV service funding, Smoky Hill bridge repayment, Arapahoe Library District funding, and funding for economic development agencies	1,758,256
Development Review	Additional staff costs and transfer to Designated Revenue Fund for economic development agencies	866,409
E-911	Reverse E-911 and global positioning services	165,682
Fleet Maintenance	Gasoline and maintenance costs	248,303
Golf	Primarily debt service	134,390
Policy Reserve	Transfer excess interest to the General Fund	97,000
Print Shop	Transfer to the General Fund (net of other changes)	129,955
Recreation	Net cut due to staffing reductions	(45,374)
Risk	Transfer to the General Fund (net of other changes)	999,024
S&D	For debt service	30,000
Wastewater	Primarily Metro Wastewater contract and added staff	2,477,779
Water	Primarily for short-term water leases, SE Colorado Water Conservancy District payments and added staff	6,715,247
All Other	Community Development, Conservation Trust, Gifts/Grants	15,198
Total Increase – All Other Funds		\$14,252,132

In 2005, many of the reductions in the Cultural Services Fund, the Print Shop Fund, and the Recreation Fund reflect changes that are made to help balance the General Fund budget. In those cases, the City either transferred savings in each fund to the General Fund or used the savings to reduce the General Fund subsidy for various programs.

6. STAFFING

The City of Aurora's operating budget for 2005 includes 2,672.3 full-time equivalent (FTE) staff positions (excluding temporary positions). In 2005, the budget contains a reduction of 49.1 vacant FTE citywide, including a transfer of 9.0 FTE from the General Fund to other funds.

The reductions noted above are generally offset by the addition or transfer of 51.3 FTE in several City funds, including 14.0 General Fund FTE in the Police Department for the 2/1000 program and 27.5 FTE in the Water and Wastewater funds (Utilities Department) for system growth, a major expansion of the capital program, and drought response. In addition, the Designated Revenue and Development Review funds will absorb the costs of 9.0 FTE previously paid from the General Fund. Exhibit 6.1 below shows a summary of staffing by function.

Exhibit 6.1 Staffing Summary by Function			
Function	2003 Actual	2004 Projection	2005 Adopted
Administrative Services	228.5	224.5	220.5
City Manager's Office	40.5	45.8	40.8
Community Services	1,422.4	1,396.4	1,388.6
Council / Appointees	195.0	196.0	195.0
Development Services	90.0	75.0	75.0
Non-Departmental (Transfers)	0	0	0
Operations	726.4	732.4	752.4
Total FTE	2,702.8	2,670.1	2,672.3

7. CAPITAL PROJECTS AND FACILITIES MASTER PLAN

The Capital Improvement Program (CIP) provides funding over a five-year period for projects of \$25,000 or more that help the City to provide for its facility and infrastructure needs. All such projects must have a long-term benefit of five years or more. The CIP budget continues the funding of programs for:

- Public facilities;
- Street overlay and reconstruction;
- Park development and improvements;
- Major maintenance of facilities;
- Technology advances;
- Traffic signal installation;
- Sidewalk and ADA improvements; and
- Major equipment purchases.

The CIP includes appropriations to support approved capital projects for the current budget year and reflects the input received from citizens and staff. It also contains requested appropriations for new projects, additional appropriations for previously approved projects, and any requests to revise prior year appropriations. Capital budget appropriations are multi-year and continue until the project is completed, changed by City Council, or until three fiscal years have elapsed without any expenditure or encumbrance of project funds.

The Capital Improvement Program is balanced, i.e., the budget identifies funding sources for all recommended projects for all five years of the plan. Annual capital appropriations for all City funds will reach \$141.0 million in 2005. Nearly \$1.0 billion in capital projects is budgeted or planned between 2005 and 2009.

Exhibit 7.1 below summarizes the CIP by fund.

Exhibit 7.1 CIP Summary Expenditures by Fund			
Source	2003 Actual	2004 Projection	2005 Adopted
Building Repair Fund	\$2,038,118	\$1,716,500	\$2,246,500
Capital Projects Fund	39,551,209	33,533,692	30,688,563
Conservation Trust Fund	2,328,000	3,281,750	2,213,750
E- 911 Fund	1,290,000	1,250,000	2,288,981
Golf Fund	1,415,000	38,756	237,000
Parks Development Fund	420,000	933,422	591,600
Wastewater Fund	9,197,114	17,736,739	29,319,774
Water Fund	84,123,305	28,099,533	69,299,332
Other Funds	(27,000)	1,000,000	4,067,000
Total CIP	\$140,335,746	\$87,590,392	\$140,952,500

The five-year CIP presented in the 2005 budget continues to build on the foundation provided by the Facilities Master Plan (FMP).

Exhibit 7.2 on the following page shows some major capital projects included in the Capital Improvement Plan.

Exhibit 7.2
Selected Major Capital Projects

Project	Total Cost	Anticipated Completion
Parks, Open Space, and Recreation Projects:		
Construction - Parks	\$7,322,000	Ongoing
Park and Open Space Acquisitions	6,925,000	Ongoing
Infrastructure - Parks	5,134,000	Ongoing
Infrastructure - Trails	1,385,000	Ongoing
Beck Recreation Center Remodel	2,225,000	2007
Del Mar Pool Bathhouse and Family Aquatics Center	1,200,000	2009
Utilities Projects:		
E-470 Corridor Regional Drainage Improvements, Phase I	\$12,000,000	2011
First Creek Lift Station & Force Main	5,700,000	2013
Fitzsimons Drainage Improvements	4,000,000	2010
SE Sewer Agreement at Aurora Reservoir	6,000,000	2013
Tollgate Creek Paralleling	14,140,000	2008
Aurora Reservoir Water Purification Facility	135,000,000	2011
East Reservoir	40,000,000	2025
Homestake & Headwater Source Acquisition, Phase I	10,000,000	2010
Lower South Platte Water Rights Acquisition	50,000,000	2020
Rampart Delivery System Improvements	25,000,000	2016
South Platte Planning/Engineering	366,500,000	2011
Water Acquisition	17,500,000	Ongoing
Water Pipeline Replacement	9,500,000	Ongoing
Transportation and Other:		
Street Maintenance, Reconstruction & Improvements	\$65,680,000	Ongoing
Traffic Signals – New	9,259,000	Ongoing
Transfer to Building Repair Fund	9,294,000	Ongoing
800 Mhz radio system debt service (transfer to E-911 Fund)	7,222,280	Ongoing
Transportation Improvement Program (TIP)	9,100,000	Varies
Maintenance Facilities	9,230,558	Varies
6 th Ave. Widening Airport to Tower Rd.	6,517,000	2008
Fire Station #1 Reconstruction	1,963,055	2006

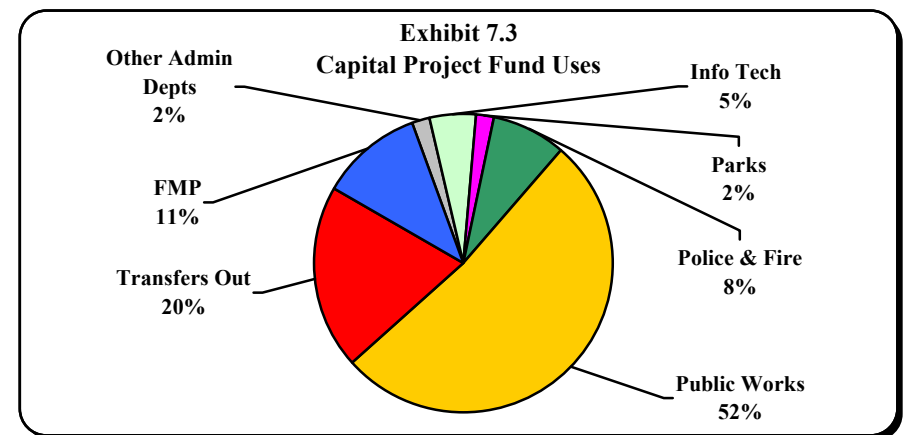
With the completion of most FMP Phase I projects, the City is preparing to embark on the next phase of its ongoing services and facilities master planning efforts. Phase II of the Facilities and Services Master Plan is currently underway. A comprehensive inventory of current and planned City facilities is now complete and we have begun developing preliminary cost estimates for future facility and service needs. We expect completion of Phase II in 2005.

Capital Projects Fund

The Capital Projects Fund (CPF) provides support for general government capital projects, including all projects funded by general obligation bonds. Appropriations from the CPF will be \$30.7 million in 2005, while a grand total of \$143.3 million in capital projects is planned between 2005 and 2009. With the completion of most of the FMP projects, the remaining funding in the Capital Projects Fund is primarily dedicated to ongoing street maintenance, reconstruction, and other Public Works projects.

In order to finance capital expenditures, various City funds transfer revenue to the Capital Projects Fund. The CPF receives most of its revenue from the General Fund, according to a formula specified by ordinance. The dedicated revenue consists of all unrestricted Building Materials Use Tax and Other (Equipment) Use Tax revenues, and 4.0 percent of all other unrestricted General Fund revenues. In 2005, the budget includes a provision to reduce the General Fund transfer to the Capital Projects Fund by approximately \$4.0 million. As part of the 2005 General Fund balancing plan, the resulting transfer from the General Fund will be approximately 1.8 percent unrestricted General Fund revenues and 100 percent of building material and equipment use tax revenue.

Exhibit 7.3 below shows the 2005 allocation of the Capital Projects Fund by department.



8. CITY VISION AND GOALS

The 2005 budget provides funding for services, programs, and projects that support City Council's established goals. The updated Goals and Objectives adopted by the City Council in 2004 collectively outline the City's vision for the future. This vision encompasses nine major areas of focus:

1. Economic vitality – expanding jobs and tax base;
2. A fiscally responsible and customer oriented City;
3. Identifying funding enhancements for public safety;
4. Evaluate the geography of growth and service delivery;
5. Well-planned, quality development: green community;
6. Serve as leaders regionally and statewide;
7. Ensure a safe community for people;
8. Effective transportation system for moving people and goods; and
9. Water management/utility systems.

This budget is, in effect, a work plan to implement City Council's Goals and Objectives.

9. BUDGET PROCESS AND FINANCIAL PLANNING

The budget process for the City involves teamwork and cooperation among many groups and individuals within the City, including citizens, elected officials, other government entities, neighborhood associations, Council-appointed boards and commissions, and City staff. The process provides opportunities for the public to gain information and understanding about the City's budget and operations. In addition, citizens are given a forum to provide input regarding how the City allocates its resources.

Citizen Involvement

Budget town meetings are conducted by each Council member early in the process. At that time, citizens receive information about the budget and are given the opportunity to inform City Council about their issues and priorities. Citizens are encouraged to express their opinions about the budget and members of the public can make requests of City Council.

In addition, two public hearings are scheduled during City Council's formal weekly meetings. One hearing is held in the spring before budget preparation begins and the other is scheduled in the fall just prior to Council meeting(s) to consider the proposed budget.

The Citizens' Advisory Budget Committee (CABC) meets monthly to become familiar with City operations, priorities, and budget needs. The CABC meets prior to the proposed budget submission to form its own recommendations to present to Council. The other commissions directly involved in making budget recommendations to the City Council are the Human Relations Commission (HRC), the Citizens' Advisory Committee on Housing and Community Development (CHD), and the Citizens' Advisory Utility Budget Committee (CAUBC).

City Staff Involvement and the Creation of the Budget

Each year, the Office of Budget and Financial Planning projects revenues (income) for the next five years. The first year of the five-year projection is used as the basis for the annual operating budget. The annual operating budget balances operating expenditures with operating revenues.

The initial baseline for 2006 will be the 2005 adopted budget. The baseline budget represents continuation of the current service level, including adjustments for personnel costs, various mandated cost items, and other technical adjustments. This amount is allocated among various programs and accounts.

Any amount for which a department identifies a need that is over this baseline must be requested and specifically justified within a budget amendment request (an "add"). This process applies to requests to fund expanded or additional services. Similarly, departments submit budget reductions when lower revenue projections necessitate such items. Each Council-appointee and department director submits the budget for his or her department. Working with their program managers and budget coordinators, department directors compile and submit their budget. This information is submitted to the Office of Budget and Financial Planning in June. The budget submission includes line-item allocations.

The Office of Budget and Financial Planning consolidates prior year actuals, the current year budget, projections, and department budget submissions into the proposed budget after significant review of the entire budget by the Deputy City Managers, the City Manager, and other Council appointees. These items are presented to City Council for their consideration and approval. The City Council convenes a public workshop in the fall to discuss the proposed budget. At this time, the City Council makes any desired adjustments to the proposal and forwards it to a formal meeting for a vote.

Per the City Charter, the budget is formally adopted by December after the appropriate public notice and readings. After the budget is adopted, City Council may adjust the budget by way of one or more supplemental appropriation ordinances during the year. These are normally considered in the spring and fall.

Budget Document

The Office of Budget and Financial Planning annually prepares two formal documents. First, the *proposed budget* is a recommended budget using the current year budget with adjustments as proposed by the City Manager. Second, the *adopted budget* is formally adopted by the City Council in the annual budget ordinance. It is the result of refinements made to the proposed budget by Council after analysis of overall City needs, priorities, and available resources.

Budget Calendar Summary

The City's fiscal year is January 1 through December 31. The budget is developed and considered from February through November. The following is a typical calendar.

January – April

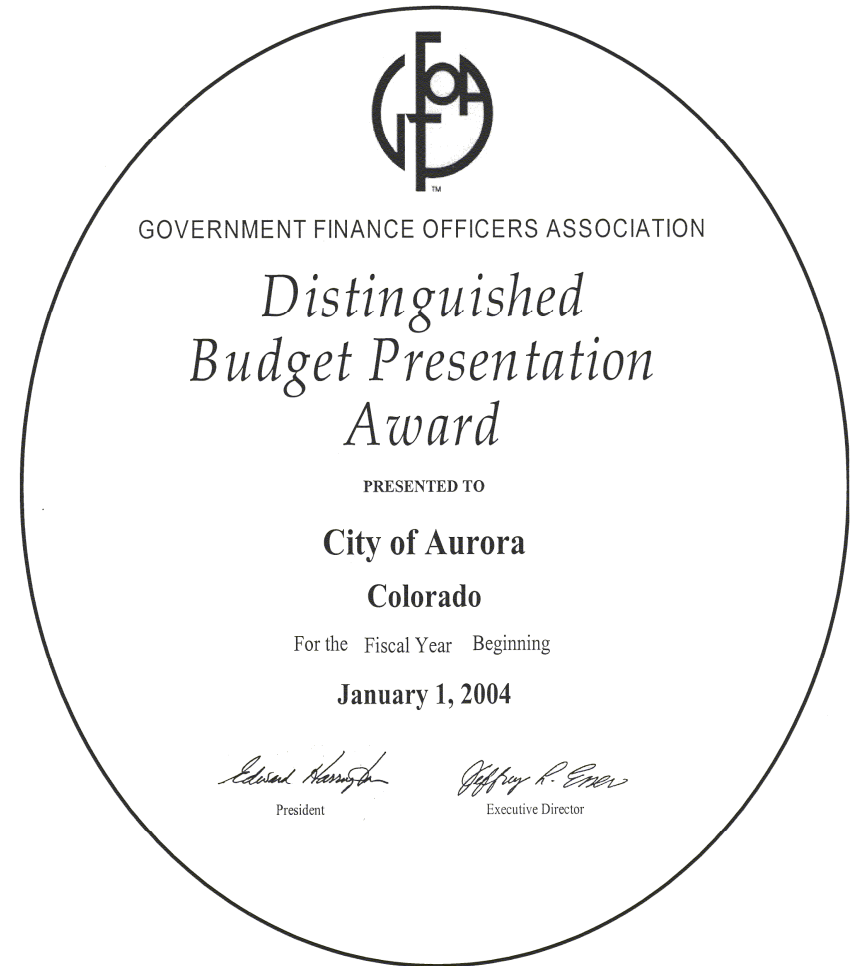
- Final revenues and expenditures for the previous year are reported and analyzed;
- Three-month review of current year expenditures and revenues;
- Appropriation amendments are requested;
- Goals and priorities for the next year are defined; and
- City Council members host "Budget Town Meetings."

May – September

- Departments prepare proposed budgets/adjustments;
- Administrative fees are reviewed;
- Executive staff evaluates projections and determines budget adjustments;
- Six-month review of current year expenditures and revenues; and
- The proposed budget is produced and delivered to City Council.

September – December

- City Council reviews the proposed budget and makes budget decisions;
- Budget ordinances are introduced and adopted;
- Nine-month review of current year expenditures and revenues;
- Appropriation amendments are requested; and
- Administrative fees receive final approval.



The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Presentation to Aurora, Colorado for its annual budget for the fiscal year 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 communications device.

The award is valid for a period of one year only. We believe that our current budget continues to conform to, and in many cases exceed, program requirements, and we are submitting it to GFOA to determine its eligibility for another award.