



City of Aurora
Office of Budget & Financial Planning
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2006 BUDGET IN BRIEF

Prepared by the
Office of Budget & Financial Planning



2006 Annual Budget Acknowledgements

City Council

Edward J. Tauer Mayor
Ingrid Lindemann Mayor Pro-Tem and Ward III (outgoing)
Sue Sandstrom Mayor Pro-Tem (incoming) and Ward V
Nadine Caldwell Ward I (outgoing)
Deborah Wallace..... Ward I (incoming)
Kathy Green..... Ward II (outgoing)
Renie Peterson Ward II (incoming)
Larry Beer Ward III (incoming)
Molly Markert..... Ward IV
Robert E. Broom Ward VI
Robert FitzGerald At-Large
Ryan Frazier At-Large
Steve Hogan..... At-Large
Brad Pierce..... At-Large

City Manager's Staff

Ronald S. Miller..... City Manager
Nancy Freed..... Deputy City Manager
Frank Ragan..... Deputy City Manager
Katherine Svoboda..... Deputy City Manager (Retired)
John Hilton..... Acting Deputy City Manager

Office of Budget Team

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For more information, please visit the *City Budget* section under *Government* on the City of Aurora website at <http://www.auroragov.org>. For other questions, please call Access Aurora at 303-739-7000.



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, 2005.

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.

In accordance with the City Charter, the budget is formally adopted by December after appropriate public notices 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. Monitoring of the budget occurs throughout the year. The following is a typical calendar.

January – May

- Final revenues and expenditures for the previous year are analyzed;
- First quarter review of current year expenditures and revenues;
- Appropriation amendments are requested and the spring supplemental ordinance is presented;
- Goals and priorities for the next year are defined; and
- City Council members host "Budget Town Meetings."

May – September

- Second quarter review of current year expenditures and revenues;
- Departments and Appointees prepare proposed budgets/adjustments;
- Executive staff evaluates projections and determines budget adjustments;
- Departments present budget adjustments to City Manager;
- Administrative fee changes are reviewed by a Council Committee; and
- The proposed budget is produced and delivered to City Council.

September – December

- City Council reviews the proposed budget and makes budget decisions;
- Administrative fees are approved;
- Budget ordinances are introduced and adopted;
- Third quarter review of current year expenditures and revenues; and
- Appropriation amendments are requested and the fall supplemental ordinance is presented.

INTRODUCTION

The 2006 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 2006 budget as adopted by City Council this past fall.

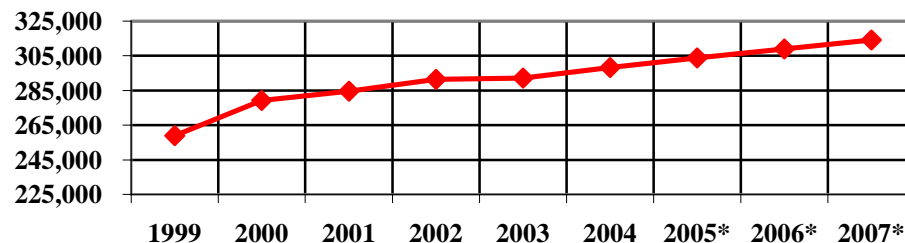
This summary document is divided into nine sections. While reading this document, some key terms to keep in mind are:

<i>Appropriation</i>	Authority to spend budgeted City funds;
<i>Fund</i>	An independent fiscal and accounting entity with a self balancing set of accounts; 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 (2006 est. population 308,949), 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.

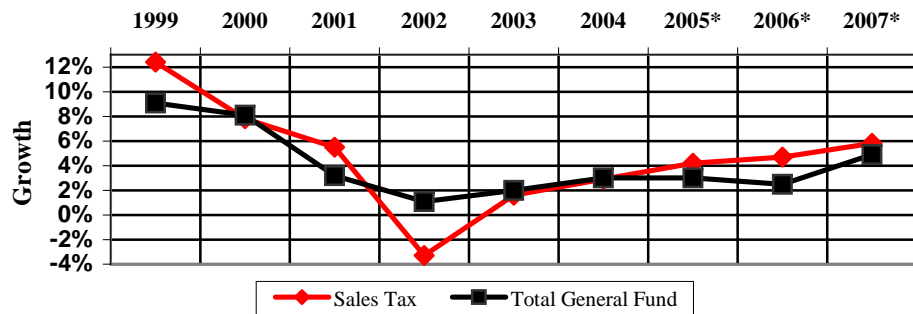
Exhibit 1.1
City of Aurora Population (* estimated)



2. AURORA'S ECONOMIC AND REVENUE OUTLOOK

This is the fifth 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. Note that sales tax revenue and total revenues are expected to experience slower growth throughout the next few years.

Exhibit 2.1
Revenue Growth (* estimated)



The following anticipated trends affected the revenue forecast during the budget creation process:

Economic Outlook

- Personal income growth in Colorado and Aurora is expected to remain strong, although national *personal income growth* is expected to moderate after 2005.
- Aurora's *employment* levels are expected to show positive growth after four years of declines and should follow positive trends at national and state levels through 2010.
- Metro area *inflation* reported a minimal 0.1 percent increase in 2004, well under national levels. Inflation is expected to increase to a range of 2.0 to 3.0 percent in 2005 and beyond.
- After three years of recessionary sales levels, *retail trade sales* are expected to experience relatively strong growth from 2005 through 2010.
- *Housing construction* is projected to remain strong through the remainder of 2005, after which a slowdown is expected.

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. 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 (CHCD), and the Citizens' Utility Advisory Committee (CUAC).

City Staff Involvement and the Basis of Budgeting

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 is 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 (a "cut") 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 and appointees 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 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.

8. CITY VISION AND GOALS

The 2006 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 2005 collectively outline the City's vision for the future. This vision encompasses nine major areas of focus:

1. Economic vitality: make Aurora the best city in which to locate, expand, and operate a business;
2. Aurora will be a fiscally strong and financially well-managed city;
3. Implement a vision for growth and the effective delivery of services to stakeholders;
4. Serve as leaders to shape policy that benefits the Aurora community;
5. Ensure a safe community for people;
6. Develop an effective transportation system for moving people and goods;
7. Provide an excellent water management and utility system;
8. Support effective efforts to integrate/orient an increasingly diverse community; and
9. Enhance Aurora's identity and raise awareness of the City's qualities.

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 Ward Council member early in the budget development 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.

Revenue Outlook

- Overall, the Aurora economy remains active as new retail centers and other businesses continue to locate and expand in Aurora. After three years of lackluster growth and declines, *sales tax* is expected to see moderate but healthy growth through 2010 resulting from a recovering economy and new retail openings throughout the City.
- Aurora's property valuations will be reassessed in 2005, translating into somewhat stronger *property tax* growth in 2006. Increased numbers of housing permits and new businesses will contribute to this growth.
- *Building materials use tax* and *other (equipment and consumables) use tax*, which are transferred to the Capital Projects Fund, are expected to show positive growth in 2005. Building materials use tax is expected to decline in 2006 related to the forecasted construction slowdown, but other use tax is expected to remain strong resulting from increased business investments.

In 2004, total City revenues and other sources of funds, including planned use of reserves, stood at \$524.9 million. In 2005, this total will increase to \$712.8 million, with a subsequent rise to \$777.7 million in 2006. The primary reason for the large fluctuations in revenue is the issuance of utility revenue bonds to fund new water-related capital projects.

Because of these factors, Aurora's overall revenue outlook for 2006 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 2002-2004. Consequently, as the City strives to maintain services for existing residents and extend services to newly developed areas, the primary challenge for 2006 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 2.5 percent in 2006 and are projected at \$220.5 million. Retail sales remain the backbone of Aurora's General Fund revenue. As Exhibit 2.2 notes, sales tax revenues are projected to grow by 4.7 percent (\$5.2 million) in 2006 as retail activity continues to expand and the economic recovery takes hold.

Construction-related revenues (building materials use tax and construction permits) are likely to decline after setting a record in 2005, as construction should cool due to higher interest rates. Some increases in other revenues contribute to a projected 3.1 percent (\$6.5 million) rise in total GF revenues, before transfers. Including transfers, General Fund revenues will increase by only 2.5 percent.

Exhibit 2.2
Key General Fund Revenues

Revenue Source	Percent Distribution 2006 Budget	Percent Change 2005 Estimate to 2006 Budget
Sales Tax	52.0%	4.7%
Construction-Related Revenue	6.0%	-7.1%
Other Taxes and Audit Revenue	12.0%	3.3%
Motor Vehicle Revenue	7.0%	3.5%
Intergovernmental Revenue	5.0%	3.0%
Property Tax	10.0%	4.0%
Transfers *	1.0%	-28.0%
Other Revenue (including interest)	7.0%	-0.9%
Total General Fund	100.0%	2.5%

(*) Due to one-time transfers that occurred in 2005, but are not expected to occur in 2006.

3. BUDGET OVERVIEW

For 2006, a total of \$771.4 million in appropriations are approved for all funds, including enterprise and capital funds. This compares with a 2005 estimate of \$597.8 million. The difference between 2005 and 2006 is primarily due to changes in the Water and Wastewater funds. The 2006 adopted budget includes a substantial planned use of reserves set aside for the Aurora Water capital improvement program. The 2006 adopted budget is balanced for the General Fund and all other funds. Exhibit 3.1 below summarizes total appropriations for the City's major funds.

Exhibit 3.1
Appropriations Summary by Fund

Fund	2004 Actual	2005 Projection	2006 Adopted
General Fund	\$212,378,850	\$216,528,419	\$220,477,595
Capital Projects Fund	33,972,386	41,004,214	21,181,086
Golf Courses Fund	8,961,242	9,353,635	9,939,909
Recreation/Cultural Fund	11,259,340	11,428,923	12,200,068
Water Fund	81,537,608	172,434,826	353,689,239
Wastewater Fund	42,409,847	62,315,725	77,326,268
Other Funds	61,716,942	84,748,694	76,631,754
Total Budget	\$452,236,215	\$597,814,436	\$771,445,919

The City is working on addressing a growing list of unfunded capital needs. With the completion of most projects from the City's first facilities master plan, the City is well underway with the next phase of its ongoing master planning efforts. As a result of work on Phase II of the Facilities and Services Master Plan (FMP II), the City has identified a total of 39 priority projects for completion between 2006 and 2010, with a total capital cost in excess of \$340.0 million.

Capital Projects Fund

The Capital Projects Fund (CPF) provides support for general government capital projects. Appropriations from the CPF will be \$21.2 million in 2006, while a grand total of \$118.6 million in capital projects is planned between 2006 and 2010. With completion of most of the City's major facilities projects in recent years, the remaining funding in the Capital Projects Fund is primarily dedicated to ongoing street maintenance, reconstruction, and other Public Works projects.

The CPF receives most of its revenue as a transfer 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 and Consumables) Use Tax revenues, and 4.0 percent of all other unrestricted General Fund revenues. In 2006, the budget includes a provision to reduce the General Fund transfer to the Capital Projects Fund by approximately \$5.9 million. As part of the 2006 General Fund balancing plan, the resulting transfer from the General Fund will be approximately 1.0 percent (on average) unrestricted General Fund revenues and 100 percent of building material and equipment use tax revenue.

Exhibit 7.3 below shows the 2006 allocation of the Capital Projects Fund by department.

Exhibit 7.3
Capital Project Fund Uses

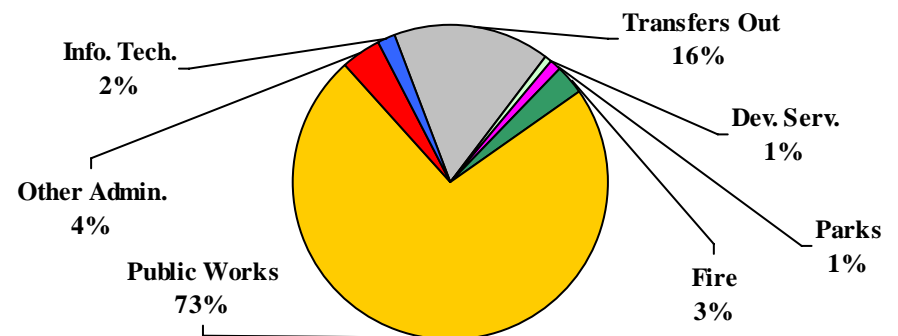


Exhibit 7.2
Selected Major Capital Projects 2006-2010 (All Funds)

Project	Total Cost
Parks, Open Space, and Recreation Projects:	
Construction - Parks	\$12,972,500
Infrastructure - Parks	6,464,000
Infrastructure - Trails	2,600,000
Beck Recreation Center Remodel	2,466,745
Del Mar Pool Bathhouse and Family Aquatics Center	1,130,871
Park and Open Space Acquisitions	900,000
Aurora Water Projects:	
Raw Water - Water Operations	326,277,893
Treatment - Water Operations / Development	274,640,000
Water Rights - Water Development	133,187,500
Raw Water - Water Development	125,044,107
Distribution - Water Operations / Development	103,668,000
Land Acquisition - Water Operations / Development	94,700,000
Collection - Sewer Development	\$49,444,000
CIP Division Operations - Water Operations / Development	43,228,000
Collection - Sewer Operations	30,300,000
Collection - Storm Drainage Operations	29,350,000
Program Management - Water Operations / Development	24,884,000
Facilities - Water Operations	13,721,000
Planning - Storm Drainage Development	10,177,500
Transportation and Other:	
Street Maintenance, Reconstruction & Improvements	\$59,308,501
Building Repair (Transfer to Building Repair Fund)	9,294,000
Transportation Improvement Program (TIP)	8,910,000
800 Mhz radio system debt service (transfer to E-911 Fund)	7,886,140
Traffic Signals - New	6,941,000
South Maintenance Facility	5,244,000
Traffic Signal Replacement	2,100,000
Systems and Network Replacement	1,660,000
Alley Construction - NW Aurora	1,548,000
Fire Station Remodels	1,500,000
Service Line Undergrounding	1,250,000

Exhibit 3.2 below provides a breakout of the City's total appropriations for 2006. The General Fund accounts for approximately 29 percent of total appropriations, while another 44 percent of the budget is dedicated to capital projects. This figure is substantially higher in 2006 than in previous years because of the inclusion of \$162.0 million for the initial phases of a major water development, storage, treatment, and distribution project. The graph indicates, approximately 27 percent the City's total budget is for operating costs that are not included in the General Fund. Over half of this amount (17 percent of the total budget) represents operating costs for Aurora Water.

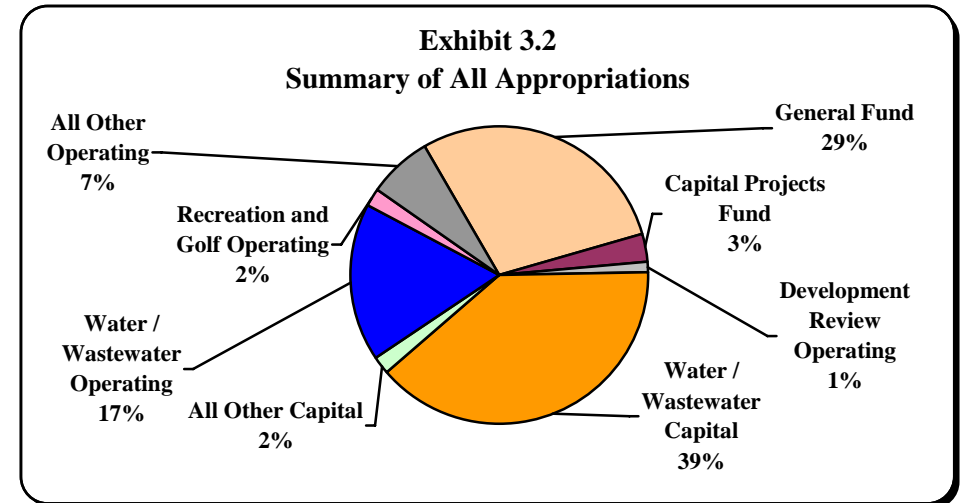


Exhibit 3.3 below details 2006 operating budget appropriations by category. A *category* is a high-level classification of expenditures.

Exhibit 3.3
Operating Appropriations by Category

Category	2004 Actual	2005 Projection	2006 Adopted
Salaries & Benefits	\$177,126,140	\$187,320,467	\$198,007,226
Supplies & Services	92,511,459	118,796,628	117,953,851
Interfund Charges	10,622,352	11,873,910	11,984,129
Debt Related	29,581,456	46,839,146	57,847,432
Capital Related	3,852,931	6,484,239	7,813,548
Operating Transfers, including Capital Funding	45,918,270	46,024,736	41,748,387
Total Operating Expenses	\$359,612,608	\$417,339,126	\$435,354,573

Base Budget Adjustments

The baseline budget represents the continuation of the current service level, including adjustments for personnel costs, various mandated cost items, and other technical adjustments. These adjustments reflect changes in the “base budget”. Significant items incorporated into the 2006 base budget include:

- A 1.6 percent pay increase for all career service (non-union) employees increasing costs by \$1.4 million, with \$0.9 million in the General Fund.
- A 1.75 percent pay increase for all civil service (fire and police) employees plus enhancements in the value of step increases that make the incremental value of this package effectively equal to a 2 percent increase in salaries, excluding existing step increases. This package costs \$1.5 million, all of which is from the General Fund.
- A 7.0 percent average increase in planned City contributions for employee health insurance costs – the total increase in funding is \$0.9 million, of which \$0.7 million is from the General Fund.
- Other provisions in the fire and police salary / benefit contracts that add a net total of approximately \$1.5 million to the General Fund budget.
- An increase of \$6.4 million in the budgeted transfer to the Capital Projects Fund based on current ordinance requirements; the transfer is significantly reduced by several cuts discussed elsewhere in this document.
- Increases for other “mandated items”, including natural gas, electricity, and water rate increases. The total amount included for these increases is \$1.0 million, including a \$0.8 million increase in the General Fund.

The budget also contains baseline adjustments to reflect funding for increased costs related to ongoing maintenance contracts and other non-discretionary funding needs. The net cost of these additional adjustments is \$1.5 million, with \$1.1 million 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. General Fund appropriations for 2006 total \$220.8 million, including increases in reserves. As Exhibit 4.1 on the next page illustrates, Public Safety functions, including Fire, Dispatch, Police, and the Courts, account for 51 percent of total General Fund appropriations. The next largest share of total General Fund appropriations is for transfers to other funds.

- Technology improvements and infrastructure;
- 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 \$336.1 million in 2006. Nearly \$1.4 billion in capital projects is budgeted or planned between 2006 and 2010.

Exhibit 7.1 below summarizes the CIP by fund.

Exhibit 7.1			
CIP Summary Expenditures by Fund			
Source	2004 Actual	2005 Projection	2006 Adopted
Building Repair Fund	\$1,966,500	\$1,856,500	\$2,132,316
Capital Projects Fund	33,972,386	41,004,214	21,181,086
Conservation Trust Fund	3,281,750	2,382,000	2,440,194
E- 911 Fund	1,710,000	2,288,981	3,643,105
Golf Fund	(72,591)	198,874	345,000
Parks Development Fund	594,235	627,772	405,000
Wastewater Fund	17,826,739	34,374,212	28,669,000
Water Fund	30,214,974	95,162,290	272,947,000
Other Funds	3,129,614	2,580,467	4,328,645
Total CIP	\$92,623,607	\$180,475,310	\$336,091,346

The five-year CIP presented in the 2006 budget continues to build on the foundation provided by the Facilities Master Plan (FMP) phases I and II processes. Exhibit 7.2 on the following page shows some major capital projects included in the Capital Improvement Plan.

6. STAFFING

The City of Aurora's operating budget for 2006 includes 2,683.9 full-time equivalent (FTE) staff positions (excluding temporary positions), up 8.6 from the 2005 projection. In 2006, the budget contains a reduction of 34.4 FTE citywide (both vacant and filled positions). These reductions are generally offset by the addition of a total of 43.0 FTE in several City funds, primarily from 24.0 General Fund FTE in the Police Department for additional mandated police staffing and 16.0 FTE in the Water and Wastewater Funds for system growth and drought response. Exhibit 6.1 below shows a summary of staffing by function.

**Exhibit 6.1
Staffing Summary by Function**

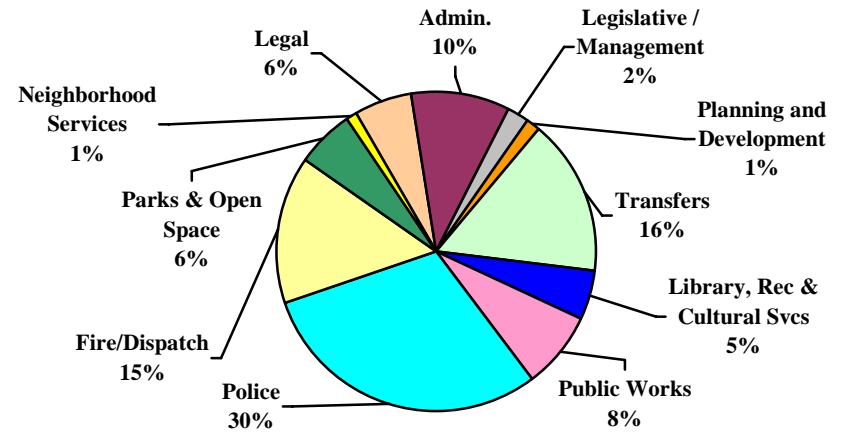
Function	2004 Actual	2005 Projection	2006 Adopted
Administrative Services	224.5	221.5	213.0
General Management	44.8	39.8	39.8
Community Services	1,396.4	1,388.6	1,396.5
Council / Appointees	196.0	195.0	196.0
Development Services	75.0	78.0	78.0
Non-Departmental (Transfers)	-	-	-
Operations	732.4	752.4	760.6
Total FTE	2,669.1	2,675.3	2,683.9

7. CAPITAL IMPROVEMENT PROGRAM

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 construction, remodeling, and renovation;
- Street overlay and reconstruction;
- Major water and wastewater infrastructure projects;
- Park land acquisition, development, and improvements;
- Major facilities repair and enhancement;

**Exhibit 4.1
General Fund Appropriations**



As noted previously, 2006 marked the fifth consecutive budget affected by the economic downturn that began in 2001. As Aurora adapts to modest revenue growth, adjustments to the City's operating and capital budgets are required. Past adjustments included reductions in staffing and services, hiring freezes, salary freezes, furloughs, delays and deferrals of projects and other one-time expenditures, and use of short-term reserves. The total General Fund adjustments for each year are listed below.

- 2002: \$15.0 million
- 2003: \$20.0 million
- 2004: \$15.4 million
- 2005: \$11.0 million

As the City developed the General Fund budget for 2006, a deficit of \$10.7 million was identified. The deficit is largely attributable to modest revenue growth along with significant increases in mandated costs, such as the Police 2 per 1,000 staffing requirement; health insurance; maintenance costs; and gasoline, electricity, and natural gas charges. The adopted budget eliminates the deficit by incorporating numerous adjustments, which include:

1. \$3.4 million from reductions in funding for capital projects;
2. \$2.0 million from reductions in capital maintenance for streets;
3. \$0.7 million from reductions in Library, Recreation, & Cultural programs;
4. \$0.5 million from elimination of the Aid to Agencies program;
5. \$0.5 million from reductions in Parks capital and operations;

6. \$0.3 million from reductions in public safety support costs;
7. \$1.3 million from program reductions in all other departments;
8. \$0.2 million from transfers of costs to the Development Review Fund;
9. \$0.4 million from transfers of eligible Parks costs to other funds;
10. \$0.4 million from transfers of eligible Library costs to other funds;
11. \$0.8 million from transfers of other eligible costs to other City funds; and
12. \$0.2 million from adjustments to the planned salary increase for career service staff.

Additions to the General Fund not related to the base budget total \$4.2 million, and are primarily comprised of:

1. \$1.4 million for fleet replacement and increased building maintenance costs;
2. \$2.1 million for Police additions, including 12 new 2/1000 officers and equipment, 12 new overhire officers and equipment, Juvenile Accountability Block Grant, and increased vehicle maintenance;
3. \$0.2 million water for new parks and street trees;
4. \$0.2 million street lighting electricity growth; and
5. \$0.3 million in remaining additions.

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).

In 2006, 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.

Exhibit 5.1 below lists the significant changes in the City's other funds in 2006.

Exhibit 5.1 Significant Changes to Other Funds		
Fund	Item	Amount
Arapahoe County Open Space	Certificate of Participation debt service for payments to ACLC	\$1,199,665
	Funding for two park rangers, two parks workers, and design staff	\$202,951
Community Development	Full appropriation to match the approved federal spending plan	5,948,402
Cultural Services	Spend down Art in Public Places fund balance	405,000
Designated Revenue	Re-appropriate funds for Fitzsimons Private Redevelopment Area	2,483,650
	Transfer of: Araphoe Library District Funds, Channel 8, Parks staff, Fitzsimons Private Redevelopment, Debt Management staff	1,056,925
	Various incentive adjustments	(1,053,587)
Development Review	Additional code inspectors	207,422
	Economic Development Funding Transfer Removal	(762,000)
	Transfer Planning staff from General Fund	181,153
Enhanced E-911	Maintenance FTE from General Fund net of maintenance reductions	103,238
Fleet Maintenance	Wholesale fuel purchase price increases	457,461
	Cut two positions, increase funding for parts & equip.	160,213
Gifts & Grants	Anticipated Fire grants, cut unfunded Police position	469,901
	Spending Federal Grant for renovation of former Army Optical Laboratory	273,378
Golf	Budget reductions to match actual expenditures, eliminate four positions	(580,979)
Print Shop	Reduce two positions to part time	(41,329)
Recreation	Close Parklane Pool, eliminate Senior Transportation Program, cut recreation staff	(221,742)
Risk Mgt. Fund	Removal of One-time transfer of fund balance to General Fund	(1,000,000)
	Increase for average claim costs and estimated incurred, but not reported (IBNR) adjustment	814,900
SID Debt Service	Dam West and Ptarmigan Special Improvement District debt service	288,500
Wastewater	Debt service, equipment, maintenance, expansion, new staff, Metro Wastewater service charges	20,350,871
Water	Debt service, equipment, maintenance, new staff, water leases, storage improvements	15,913,678
	Additional intergovernmental agreements and debt service, partially offset by removal of Southeastern Colorado Water Conservancy District payments	1,428,663

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