



City of Aurora, Colorado

# 2016

BUDGET IN BRIEF

Prepared by the Office of Budget &  
Financial Planning



## 2016 Budget Acknowledgements

### City Council

Stephen D. Hogan..... Mayor  
Renie Peterson Mayor Pro-Tem (2015) and Ward II  
Sally Mounier ..... Ward I  
Marsha Berzins ..... Ward III  
Molly Markert ..... Ward IV (Outgoing)  
Charlie Richardson ..... Ward IV (Incoming)  
Bob Roth ..... Ward V  
Robert (Bob) E. Broom ..... Ward VI (Outgoing)  
Francoise Bergan ..... Ward VI (Incoming)  
Barbara Cleland ..... At-Large  
Debi Hunter Holen..... At-Large (Outgoing)  
Angela Lawson ..... At-Large (Incoming)  
Bob LeGare ..... At-Large  
Brad Pierce ..... At-Large

### City Manager's Staff

George K. Noe ..... City Manager  
Nancy Freed..... Deputy City Manager  
Michelle Wolfe ..... Deputy City Manager  
Jason Batchelor ..... Deputy City Manager  
Janice Napper.... Assistant City Manager/City Clerk  
Roberto Venegas ..... Assistant City Manager

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For more information, please visit the *City Budget* page on the City of Aurora website at [www.auroragov.org/budget](http://www.auroragov.org/budget).

For other questions about the City, please call Access Aurora at (303) 739-7000.

## Introduction

The 2016 Adopted Budget for the City of Aurora is the product of the cooperative process carried out by City staff with the guidance and direction of the Aurora City Council. The purpose of this document is to provide both summary-level and detailed information on the 2016 budget as adopted by City Council in the fall of 2015.

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

**Appropriation.** Authority to spend budgeted City funds;

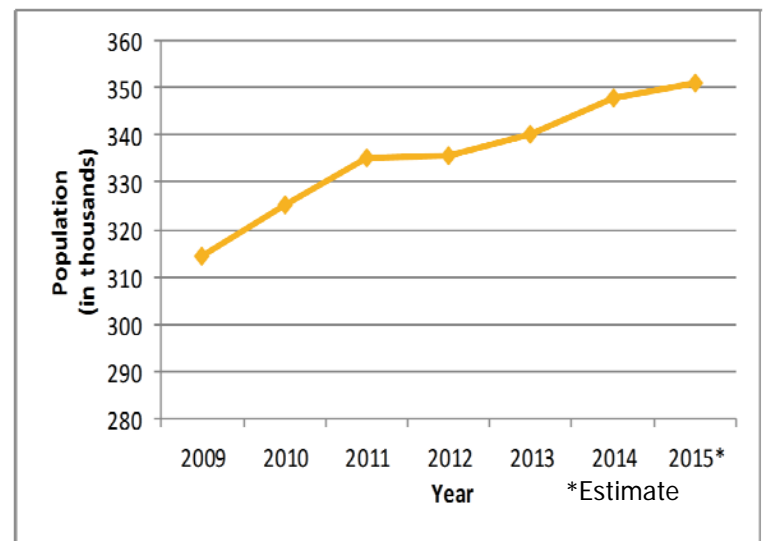
**Fund.** An independent fiscal and accounting entity with a self balancing set of accounts;

**Revenue.** Income received by the City, including all types of taxes, fees, gifts, grants, reimbursements, intergovernmental revenues, and interest earnings.

## 1. Profile of Aurora

Aurora is the third largest city in Colorado (2015 est. population 351,200) and is one of the most dynamic cities in the Denver-Aurora metropolitan area.

The City is structured on a council/manager form of government. This system combines the political leadership of elected officials with the managerial expertise of an appointed, professionally trained manager. Aurora operates as a "home rule" city, allowing the City to draft and amend its own charter.



The Aurora City Council is composed of 10 members and the Mayor. Of the 10 members, six represent each of the six wards in the City. The remaining four Council members are elected at-large, like the Mayor, and represent the entire City.

## 2. City Vision and Goals

The 2016 budget provides funding for services, programs, and projects that support Aurora City Council's established goals. The updated goals and objectives adopted by the City Council in 2012, collectively outline the City's vision for the future.

In addition to these high-level goals, the City Council has set out three sets of priorities including 13 priority projects. The priority projects include:

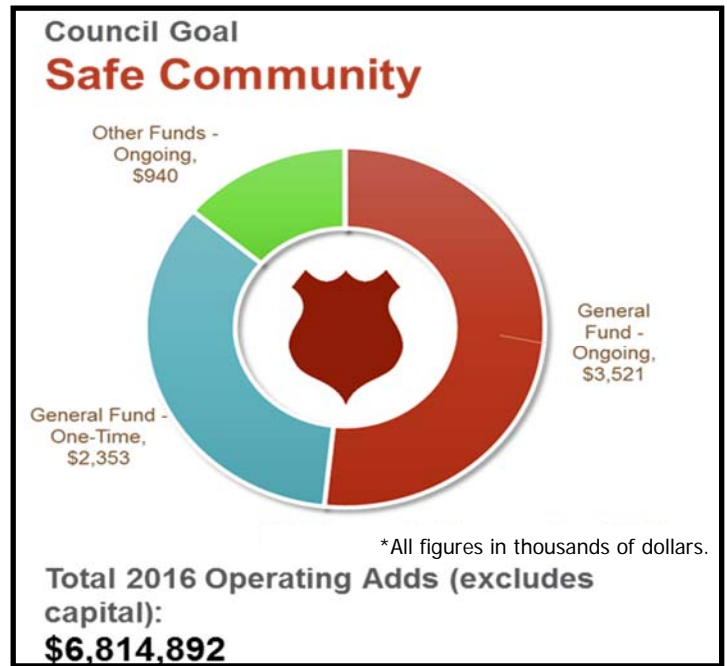
<i>Havana corridor including Fan-fare</i>	<i>Westerly Creek corridor completion</i>
<i>Structural budget deficit plan (outgoing)</i>	<i>Employee pay and benefits (outgoing)</i>
<i>Commercial development plan for I-70 North</i>	<i>City and county of Aurora (outgoing)</i>
<i>Water Resources – Regional Water Supplier (incoming)</i>	<i>Sister Cities (outgoing)/ International</i>
<i>Fitzsimons area development</i>	<i>Homeless items</i>
<i>6th Avenue extension</i>	<i>Colfax corridor</i>
<i>Transportation Improvements (incoming)</i>	<i>Transit-oriented development (TOD)</i>
<i>Class A office space (incoming)</i>	<i>2/1000 (incoming)</i>
<i>Construction defects (litigation)</i>	

References to the Council goals and to activities supporting these goals are included below:

### City Council Goal: “Assure a Safe Community for People”

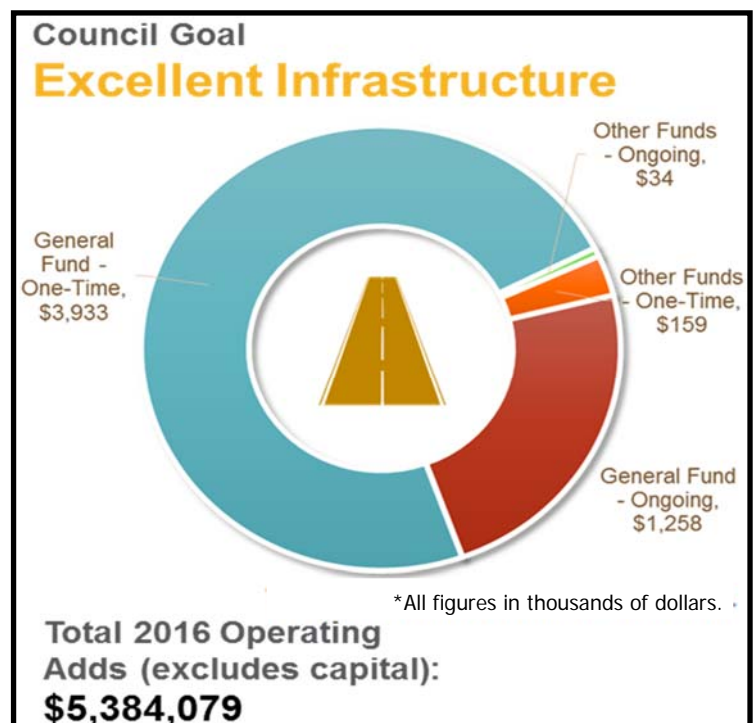
Aurora citizens expect to live in safe neighborhoods and a safe community as a whole. Reducing crime rates and developing strong neighborhood and community relationships is vital to enhance the perception of safety. The City's rapid response to police, fire and medical emergencies is enhanced with a state-of-the-art Public Safety Communication Center. The Municipal Court and Detention Center provide due process for all parties while administering sentences that ensure the safety and well-being of all persons in custody.

- General Fund significant amendments include: additional 7.00 FTE Medical Services Unit (MSU) fire medics (total cost: \$437,900), and hire 9.00 FTE Firefighters and 5.00 FTE Police Officers (total cost: \$860,473).



- Other significant amendments include: 800 MHz radio replacement project, a full-time third channel for public safety communications and public safety fiber funded in the E-911 Fund by a 50 cent surcharge increase.
- Capital Project Fund significant amendments include: debt service for financing the construction of three fire stations—#5, #15 and a new station in the northern extreme of the City (total cost over five-year Capital Improvement Plan: \$8.5 million).
- FTE increase of 45.00 (General Fund 33.10 /Other Funds 11.90)

### City Council Goal: “Ensure Excellent Infrastructure that is Well Maintained and Operated”

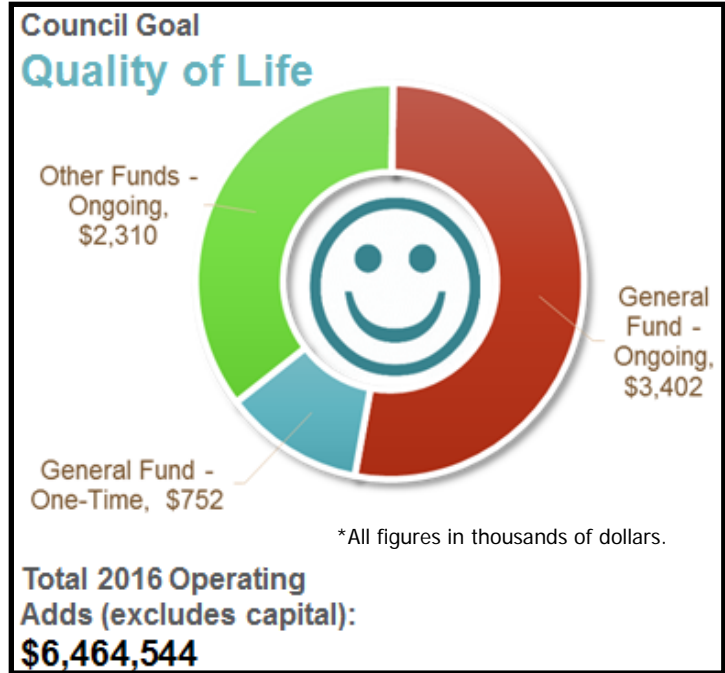




A transportation system that reduces travel time and congestion while expanding the multimodal mobility choices is essential to connect citizens and businesses. Maintaining and replacing key infrastructure is a critical expectation of citizens. The City's water utility will maintain a reliable water system-while also maximizing efficiency-minimizing cost and providing value for rate payers.

- General Fund significant amendments include: additional 2.00 FTE Facilities Maintenance Technicians and other operational costs related to the opening of several new City facilities (total cost: \$402,600).
- Capital Project Fund significant amendments include: major street improvements (total cost over five-year Capital Improvement Plan: \$18.5 million), and Transportation Improvement Program (TIP) grant matches including the Quincy Avenue and Gun Club Road intersection improvement and TIP matches for several bike/ped projects (total cost over five-year Capital Improvement Plan: \$9.3 million)
- FTE increase of 10.75 (General Fund 8.75 /Other Funds 2.00)

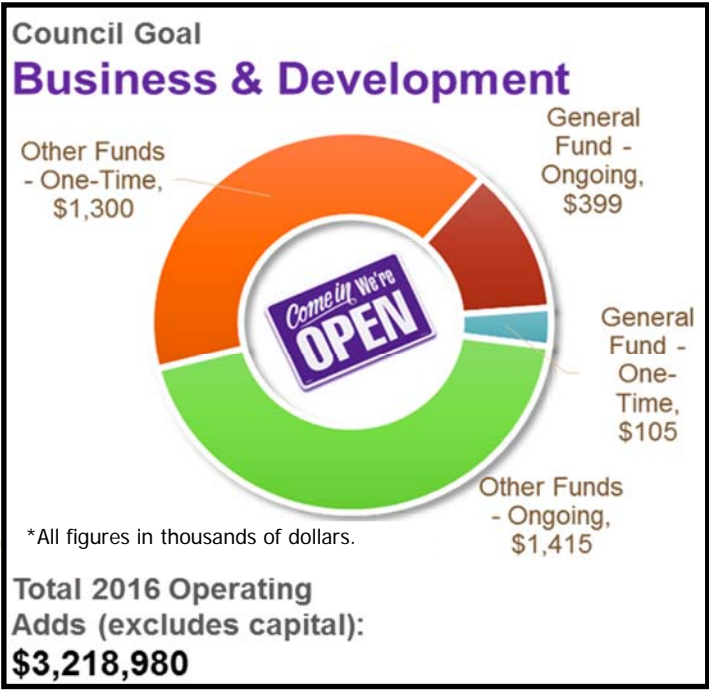
**City Council Goal: "Create a Superior Quality of Life for Residents, Making the City a Desirable Place to Live and Visit"**



Vibrant and diverse neighborhoods are the bedrocks of a high-quality city. Aurora will develop and maintain high quality parks, recreation center, libraries, nature areas, trails and open space. The City will communicate Aurora's vision and quality of life and economic development successes while being responsive to citizens' concerns and questions.

- General Fund significant amendments include: opening of a computer center in Ward IV near Havana Street and Iliff Avenue intersection (total cost: \$231,700)
- Capital Project Fund significant amendments include: appropriation in the Capital Projects Fund to complete street median improvements throughout the City (total cost over five-year Capital Improvement Plan: \$4.3 million), and construction of Portland Loo restrooms at the Peoria-Smith light rail station (total cost over five-year Capital Improvement Plan: \$750,000).
- FTE increase of 12.50 (General Fund 16.00 /Other Funds -3.50)

**City Council Goal: "Be a Great Place to Locate, Expand and Operate a Business and provide for Well-Planned Growth and Development"**



A supportive business environment produces diverse and well-balanced economic opportunities. The City will support a balance between small business opportunities and aggressive retail retention and expansion. The City will work proactively with the private sector to attract jobs to the City and promote education and workforce development through partnerships with local education institutions. The City's land use development policies will direct development and redevelopment to strategic areas within key economic locations and provide for a balance of housing stock.

- General Fund significant amendments include: replenishment of the Colfax Economic Enrichment Program (CEEP). CEEP supports a variety of efforts

to redevelop the Aurora Cultural Arts District (total cost: \$275,000).

- Other significant amendments include: additional 26.25 FTE in the Development Review Fund to respond to sharp increase in demand for services (total cost: \$1.2 million), and an update of the City's Comprehensive Plan (total cost: \$550,000).
- Capital Project Fund significant amendments include: improvements in the community surrounding Colfax Avenue in northwest Aurora including renovating existing structures to encourage the opening of restaurants (total cost over five-year Capital Improvement Plan: \$2.5 million).
- FTE increase of 26.25 (Other Funds 26.25)

**City Council Goal: "Provide a Well-Managed and Financially Strong City"**



A well-managed city provides high-quality services to residents that are effective, timely and customer focused. Wise stewardship of financial resources is expected from City leaders and management to support efficient and effective long-term provision of services. The City will maintain superior financial reporting, financial controls, appropriate reserves, a high financial credit (bond) rating, and a high level of transparency.

- General Fund significant amendments include: update to the City's workflow management system (total cost: \$2.5 million), and funding for market compensation adjustments for FTE and contingent employees in all funds (total cost: \$1.3 million).
- Other significant amendments include: revenue from marijuana will be transferred to Designated Revenue

Fund to build a reserve for the Nexus program (total cost: \$680,000).

- Capital Project Fund significant amendments include: transportation project and engineering support costs including new employees added to Public Works to address major new projects (total cost over five-year Capital Improvement Plan: \$1.2 million).
- FTE increase of 11.25 (General Fund 10.50/Other Funds 0.75)

### 3. Budget Overview - All Funds

The City's budgeted funds include the General Fund, the Capital Projects Fund, the Water and Wastewater funds, the Recreation and Golf funds, the Development Review Fund, and various other internal service, special revenue, and debt service funds. Appropriations for these funds provide for operating, debt service, and capital costs. Different funds are used to manage money intended for particular purposes or to demonstrate compliance with finance-related legal requirements as well as to aid fiscal management by separating out transactions related to certain functions.

The 2016 Adopted Budget includes a total of \$700,199,703 in appropriations for all funds. This compares with the 2015 Original Budget of \$626,491,225 and the 2015 expenditure projection of \$642,797,727. Total expenditures in the 2016 Adopted Budget will increase \$73.7 million over the 2015 Original Budget, comprised of \$43.5 million in increased operating expenditures and \$30.2 million in capital expenditures. The majority of \$43.5 million operating variance is a result of the \$17.6 million increase in personnel-related costs.

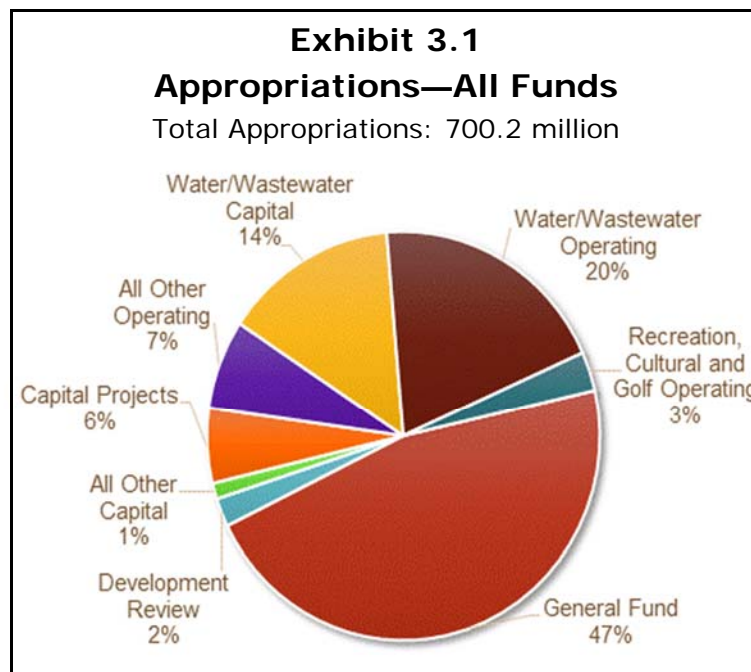


Exhibit 3.2 Expenditure and Budget Summary All Funds			
Fund	2014 Actual	2015 Projection	2016 Adopted
General Fund	\$274,036,603	\$300,586,181	\$324,400,706
Capital Projects Fund	\$44,959,595	\$41,834,393	\$41,803,857
Community Development	\$5,496,318	\$4,482,368	\$4,211,028
Debt Services	\$7,010,552	\$2,715,012	\$8,352,147
Development Review	\$8,882,208	\$10,777,150	\$15,820,343
Fleet Management	\$8,998,369	\$9,759,395	\$9,178,531
Golf Courses	\$8,311,253	\$8,440,278	\$8,654,747
Recreation; Cultural	\$11,940,923	\$12,751,006	\$13,367,281
Risk Management	\$9,159,466	\$8,550,220	\$9,216,379
Wastewater	\$75,517,955	\$56,110,013	\$83,710,175
Fund	\$159,268,320	\$150,961,286	\$154,218,935
Water Fund	\$27,539,800	\$35,830,425	\$27,265,574
Others			
<b>Total Budget</b>	<b>\$641,121,362</b>	<b>\$642,797,727</b>	<b>\$700,199,703</b>

Exhibit 3.3 Operating Appropriations by Category All Funds			
Category	2014 Actual	2015 Projection	2016 Adopted
Salaries and Benefits	\$242,348,667	\$260,329,198	\$277,612,046
Supplies and Services	\$120,818,645	\$133,330,175	\$144,476,081
Interfund Charges	\$15,837,320	\$17,150,491	\$17,418,755
Debt Related	\$63,988,655	\$63,083,902	\$32,214,151
Capital Related	\$8,540,272	\$8,126,126	\$9,030,713
Operating Transfers*	\$52,084,591	\$56,223,360	\$68,461,626
<b>Total Budget</b>	<b>\$503,618,150</b>	<b>\$538,243,252</b>	<b>\$549,213,372</b>

\*Includes capital-related funding

## 4. General Fund

The General Fund is the primary source of funding for most City operations, including public safety, transportation, parks, libraries, and other services. In addition, annual transfers from the General Fund to the Capital Projects Fund pay for many of the City's infrastructure projects.

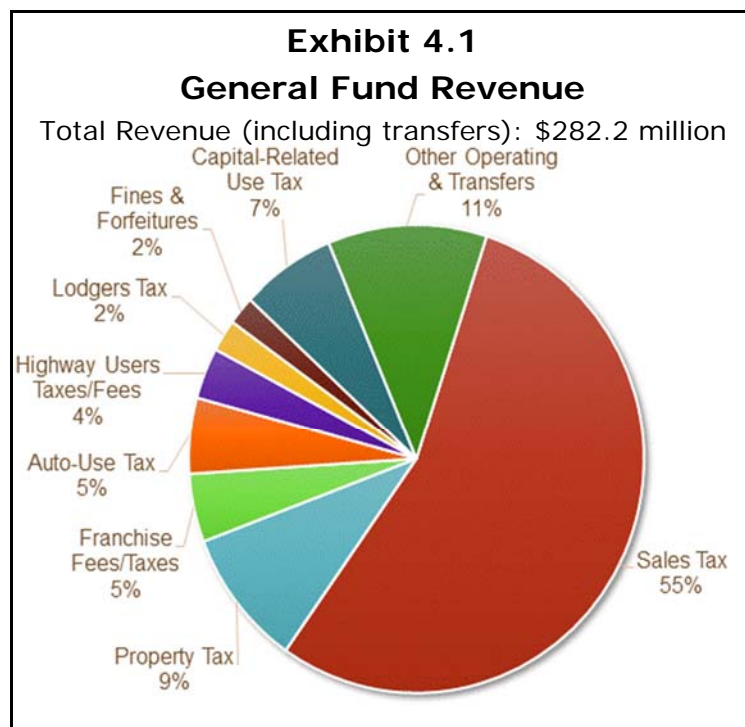
### General Fund Revenues

Exhibit 4.1 illustrates the sources of revenue within the General Fund. Sales tax remains the backbone of Aurora's General Fund, accounting for 55.0 percent of total revenue. Use tax is a companion tax to sales tax and is associated with purchases of commodities and equipment. Over two-thirds of all General Fund revenue is dependent on purchases when use tax revenues (e.g. building materials use tax, automobile use tax, and equipment use tax) are included.

General Fund revenue, excluding transfers, is estimated to grow at a rate of 5.4 percent or \$16.1 million in 2016. The major component of revenue growth in 2016 comes from an \$8.4 million budgeted increase in sales tax over the 2015 projection. An additional \$4.8 million will be generated by an increase in property tax and a net \$1.8 million will be generated by increases in other taxes (\$1.0 million) and external charges for service (\$1.0 million). Moderate but sustained growth in franchise fees and taxes and auto use tax are also expected in 2016.

### General Fund Expenditures

General Fund appropriations for 2016 total \$324,400,706, an 11.3 percent increase from the \$291,514,209 million original expenditure budget for 2015. The primary increase is a result of increased transfers out, primarily associated with the annual transfer to the Capital Projects Fund—housed in Non-Departmental. The change in personal services is abnormally low due to the movement of 63.00 FTE Public Safety Communications Dispatchers into the Enhanced E-911 Fund, offset with an increased transfer of the same amount. Maintaining public safety is a high priority, as





### Exhibit 4.2

#### Key General Fund Revenues (Projected)

Percent Change, 2014-2015 and 2015-2016

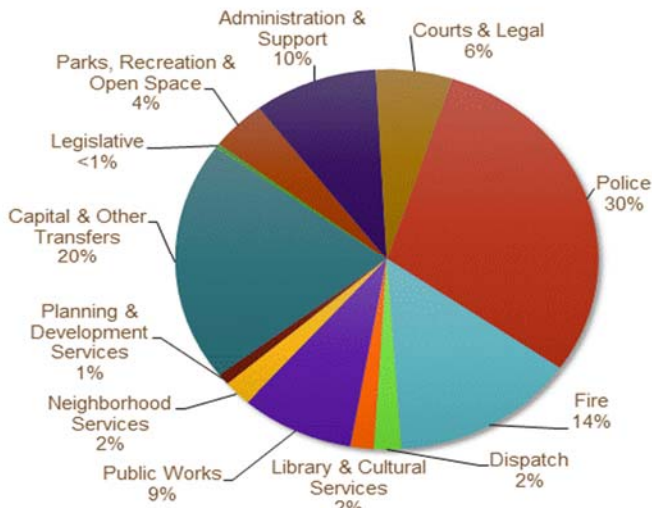
Revenue Source	2014-2015 Percent Change	2015-2016 Percent Change
Sales Tax	7.4%	5.1%
Property Tax	0.0%	19.0%
Franchise Fee/Taxes	0.0%	1.9%
Auto Use Tax	11.2%	0.0%
Highway User's Tax	3.0%	1.2%
Fines & Forfeitures	2.0%	50.0%
Capital-Related	7.6%	2.0%
Other Operating	8.6%	5.7%
<b>Subtotal</b>	<b>6.5%</b>	<b>5.4%</b>
Transfers and Re-serves	-1.0%	41.0%
<b>Total w/ Transfers, Reserves</b>	<b>7.2%</b>	<b>5.5%</b>

reflected in the fact that it makes up the largest share of the General Fund budget. As Exhibit 4.3 illustrates, public safety functions, including Fire, Dispatch, Police and the Courts and Legal account for 52.0 percent of total General Fund appropriations.

### Exhibit 4.3

#### General Fund Appropriations

Total Appropriation: \$324.4 million



## 5. Other Funds

The City's other funds include the Water and Wastewater Funds; the Golf Fund; the Development Review Fund; and various other internal service, special revenue and debt service funds. Since many of these funds operate as enterprise or internal service funds, the appropriation adjustments often reflect the need to increase or

decrease spending in response to changes in the level of demand for various services. Exhibit 5.1 lists the amendments in the City's other funds in 2016.

### Exhibit 5.1

#### Significant Amendments in Other Operating funds

Fund	Description	Amount*
Abatement	Move Abatement Fund operations into the GF, offset by increased transfer of remaining funds available to GF	(151,890)
Community Development	Appropriation for anticipated CDBG, HOME, and NSP-funded programs; move 1.0 FTE Code Enforcement Officer from CDBG to GF	2,429,716
Conservation Trust	Market salary compensation adjustments; transfer 10.05 FTE from Conservation Trust Fund (CTF) to the Open Space Fund	(723,645)
Designated Revenues	Wellness Court; market salary compensation adjustments; add 2.0 FTE Victim Advocates; move in professional services from expiring AGRIP grant program; transfer in 0.50 FTE Youth Program Manager from GF; transfer in 1.0 FTE Patrol Officer to Photo Red Light program; transfer of marijuana funds for NEXUS reserve	(176,637)
Development Review	Budget authority for 15.0 FTE in the Development Review Fund; market salary compensation adjustments; update workflow system; Comprehensive Plan update; add 2.0 FTE Planners; convert contingent employees compensation to additional 4.0 FTE Planners; add two contingent Planners; add 2.0 FTE Project Engineers; add 1.0 FTE Engineer for light rail related projects; add two contingent Engineers; add 2.0 FTE Building Inspectors; add four contingent Permit Counter call center staff; roof inspection contract; technical FTE adjustment to transfer in 0.25 FTE from GF; new and replacement vehicles	5,296,531
Enhanced E-911	Text-to-911 answering system; add 1.0 FTE Priority Dispatch Program Coordinator; add 9.0 FTE Telecommunicator I position to staff District 3 dispatch channel; transfer in Public Safety Communications staffing and associated costs from GF	640,606
Gifts & Grants	Transfer out three 0.20 FTE to GF; transfer 1.0 FTE Sergeant to GF	(184,991)
Open Space	Market salary compensation adjustments; transfer in 10.05 FTE from CTF	756,292
Wastewater	Technical adjustment to adjust FTE and operating allocations between funds; purchase new vehicles; purchase excavator-mounted Slashbuster brush cutter attachment; market salary compensation adjustments	237,705
Water	Add 1.0 FTE Assistant City Attorney II (Water) offset by a reduction in outside legal services; technical adjustment to adjust FTE and operation allocations between fund; purchase new vehicles; convert one Water Conservation Specialist to 1.0 FTE; build Spinney Mountain operations storage building; market salary compensation adjustments	141,606
<b>Total Net Amendments</b>		<b>\$8,265,293</b>
*Expenditure Appropriation Net of Revenue from Budget Amendments		

## 6. Staffing

The 2016 Adopted Budget includes an additional net 114.25 FTE, with a net of 105.75 FTE added in all funds as part of the 2016 budget process and another 8.5 FTE added as part of mid-year adjustments. Exhibit 6.1 outlines the staffing changes for all funds.

The total General Fund increases by a net of 7.85 FTE. This is a result of 63.00 FTE being added for the first time in 2016 as well as 2.50 FTE being added as part of mid-year adjustments. These increases are offset by net

Exhibit 6.1 Staffing Summary by Fund In Full-Time Equivalents (FTEs)			
Fund	2014 Actual	2015 Projection	2016 Adopted
Abatement	3.50	3.50	-
Community Development	22.20	23.20	22.20
Conservation Trust	21.77	21.77	11.72
Cultural Services	17.00	18.00	17.00
Designated Revenue	32.11	32.11	35.61
Development Review	74.75	82.75	109.00
Enhanced E-911	5.00	5.00	78.00
Fleet Management	44.00	44.00	44.75
General	1,946.60	1,992.00	1,998.35
Gifts & Grants	7.50	8.00	6.40
Golf Courses	38.00	38.00	38.00
Open Space	22.43	22.43	32.48
Parks Development	0.75	0.75	0.75
Recreation	75.80	75.80	77.80
Risk Management	9.00	10.00	10.00
Wastewater	143.77	143.02	143.81
Water	280.23	285.98	287.19
<b>Total FTE</b>	<b>2,744.41</b>	<b>2,806.31</b>	<b>2,913.06</b>

57.65 FTE transfer out to other funds, primarily associated with the movement of Public Safety Communications Dispatchers being moved from the General Fund to the E-911 Fund to satisfy a PUC requirement concerning the City’s E-911 surcharge revenue.

Exhibit 6.2 shows the details of the staffing level by fund over time. The total number of FTE in the General Fund declined 2.4 percent (48.85 FTE) over the last 13 years. This decrease is offset by growth in other funds of 210.11 FTE, mostly Water and Wastewater, up 51.2 percent for the same period. The ratio of civil FTE (police officers and firefighters) to General Fund career FTE has changed significantly from 2003 to 2016. Police Civil Service has grown 16.1 percent (93.45 FTE) while Career Service FTE has dropped 15.3 percent (177.80 FTE).

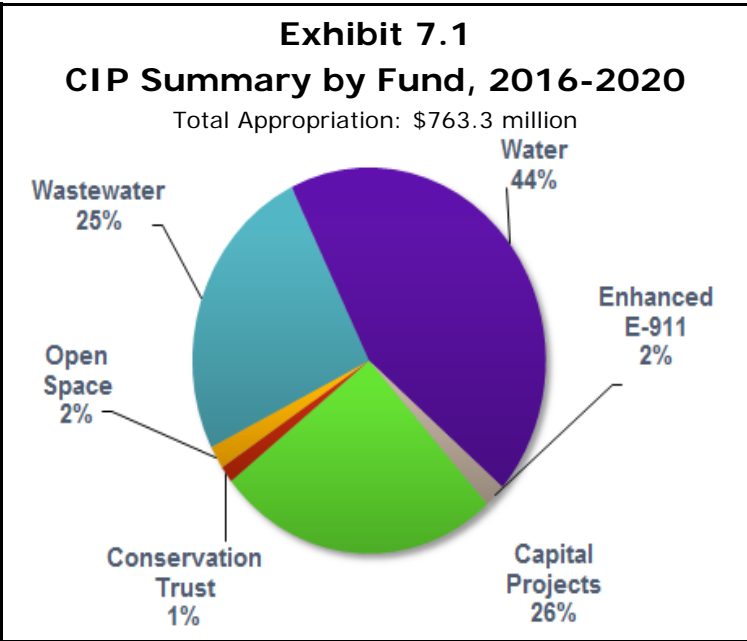
Exhibit 6.2 Historical staffing Changes 2003-2016 (All Funds)					
	2003	2007	2009	2013	2016*
Police, Civil	580.00	635.00	640.00	660.85	673.45
Fire, Civil Ser-	302.50	311.00	306.00	311.00	338.00
Career Service	1,164.70	1,091.53	1,066.53	949.48	986.90
<b>Sub-total, General Fund</b>	<b>2,047.20</b>	<b>2,037.53</b>	<b>2,012.53</b>	<b>1,921.33</b>	<b>1,998.35</b>
Non-General Funds					
Police/Fire	2.50	2.00	2.00	11.50	8.55
Wastewater/	285.00	403.00	426.00	422.00	431.00
Development	111.95	119.25	86.20	74.75	109.00
Golf Courses	57.00	52.00	52.00	40.00	38.00
Recreation & Cultural Svcs Fund	90.80	86.00	85.75	71.20	94.80
All other FTE	108.50	137.89	139.89	143.47	233.36
<b>Sub-total, Non-General Funds</b>	<b>655.75</b>	<b>800.14</b>	<b>791.84</b>	<b>762.92</b>	<b>914.71</b>
<b>Total</b>	<b>2,702.95</b>	<b>2,837.67</b>	<b>2,804.37</b>	<b>2,684.25</b>	<b>2,913.06</b>

\*Budgeted

## 7. Capital Improvement Program

The City of Aurora’s five-year Capital Improvement Program (CIP) identifies the capital needs of the City and allocates existing funds and projected revenues for projects of \$25,000 or more. All projects must have a long-term benefit of at least five years. The CIP is the funding program 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;
- Technology improvements and infrastructure;
- Traffic signal installation;
- Major equipment purchases; and
- Art in Public Places

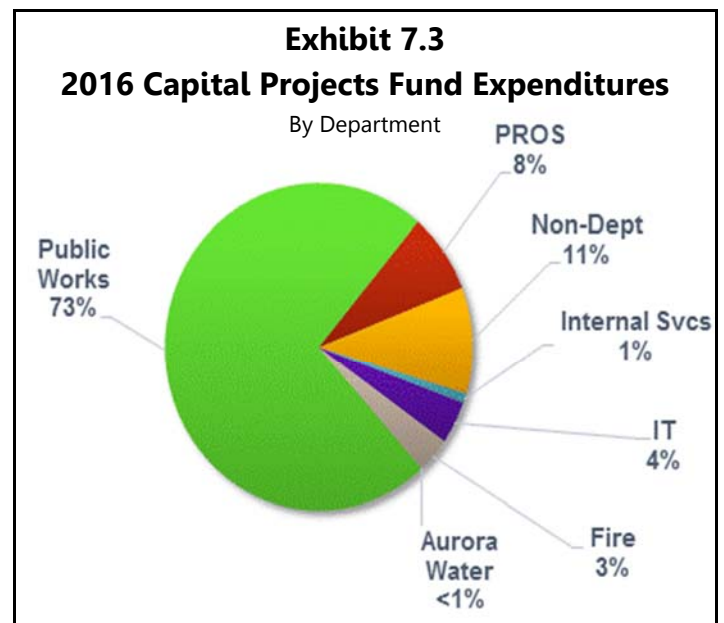
The CIP functions as a capital-spending plan for all five years. The CIP is updated annually as part of the budget process. It includes appropriations to support approved capital projects for the current budget year and reflects the input received from citizens and staff. It also contains appropriations for new projects and any requests to revise prior year appropriations. Unlike the operating budget, which authorizes expenditures for only one fiscal year, capital budget appropriations are multi-year and continue until the project is completed or changed by Aurora City Council, or until three fiscal years have elapsed without any expenditure or encumbrance of project funds.

There are multiple funds in the City that include at least some expenditure within the CIP. The adopted \$763.3 million, five-year capital improvement program draws from a total of nine separate funds. The Capital Projects Fund provides for general government infrastructure and facilities, including streets, parks, information systems, and facilities. The Parks, Recreation, and Open Space Department's capital plan receives the majority of its funding from dedicated revenue funds, including the Open Space Fund and Conservation Trust Fund. The Water and Wastewater Funds include planned five-year capital spending totals \$524.1 million. Exhibit 7.1 illustrates the distribution of the CIP appropriations by fund for 2016-2020.

### Capital Projects Fund

The Capital Projects Fund (CPF) provides support for general government capital projects. Historically, the CPF received a transfer equal to 100 percent of all Building Materials and Equipment Use Taxes plus 4.0 percent of all other General Fund revenues, less revenue from the 0.25 percent sales and use tax dedicated to the police officer staffing program. Subsequent City Council decisions reduced the transfer by about \$6 million each year. This equates to a transfer of approximately one percent. As part of the 2013 Budget process, Council requested that staff begin to return the transfer back to the 4.0 percent mandate. Because of this, the 2016 transfer is set at 3.0 percent. This transfer will increase each subsequent year by one-half of a percent until the entire 4.0 percent amount is transferred in 2018.

<b>Exhibit 7.2 Summary of Capital Project Fund Projects, 2016-2020</b>		
<b>Project</b>	<b>Total Cost (in millions)</b>	<b>Percent of Total</b>
Street maintenance, reconstruction & improvements	\$90.00	45.6%
TIP, Major Traffic Improvements	31.6	16.0%
Building repair projects	18.3	9.3%
Fire Station Debt Service / Remodel	9.5	4.8%
Direct costs – Public Works design & engineering / transportation Project and Engineering Support	7.4	3.7%
Public safety debt service	7.5	3.8%
Traffic signal component replacement	6.5	3.3%
PROS Z-Zone Medians	4.3	2.2%
Police District 2 office space	4.1	2.1%
Colfax Improvements	2.5	1.3%
All other projects	2.3	1.2%
Aurora Hills Pump Station	2.1	1.1%
Direct costs – Purchasing Services	2.1	1.1%
IT System, Network, Telephone Projects	2.1	1.1%
Bike/Ped Improvements	2.0	1.0%
Art in public places	1.4	0.7%
TOD Development Support	1.4	0.7%
800 MHz radio system debt / infrastructure upgrade	1.3	0.7%
PROS Parks projects	1.1	0.6%
<b>Total</b>	<b>\$197.50</b>	



The 2016-2020 five-year plan totals \$197.5 million. As Exhibit 7.2 shows, the funding in the Capital Projects Fund is primarily dedicated to ongoing street maintenance, reconstruction, improvements, and other capital maintenance projects.

The net change in the CPF five-year plan is an increase in expenditures of \$40.1 million, a 25.5 percent increase. Most of the increase went to street maintenance projects in Public Works.

## 8. Budget Process and Financial Planning

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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; City 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.

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 Citizens' Advisory Committee on Housing and Community Development (CHCD) and the Citizens' Water Advisory Committee (CWAC).

### City Staff Involvement and the Basis of Budgeting

Each year, the Office of Budget and Financial Planning projects revenues 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.

For expenditures, the baseline for the development of the 2016 budget is the projected amount approved by City Council when it adopted the 2015 budget less one-time items and various adjustments. These changes may include: items approved in the 2015 Spring Supplemental ordinance; utility, water, and fuel rate adjustments; risk management adjustments; and fleet service adjustments. Personal services costs are calculated by the Office of Budget and Financial Planning to reflect current staffing levels and cost factors. These amounts are provided to the departments on a line-item basis.

Any new funding request that is not tied to the items noted above 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.

After in-depth review of additions and reductions by the deputy city managers, the city manager, and other council appointees, the Office of Budget and Financial Planning consolidates prior year actual expenditures, the current year budget projections, and department budget submissions into the City Manager's Proposed Budget document. Items in the proposed budget are presented to Aurora City Council, both in one-on-one settings and formal presentations, for its 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.

In accordance with the City Charter, the budget is 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 ordinances are normally considered in the spring and fall.

### Budget Document

The Office of Budget and Financial Planning prepares two formal documents annually:

- The Proposed Budget is a recommended budget using the current year budget with adjustments as approved by the city manager.
- The Adopted Budget is formally adopted by the Aurora 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 reported and analyzed;
- First quarter review of current year expenditures and revenues;
- Appropriation amendments are requested and the spring supplemental ordinance is presented;
- Departments meet with Council for discussions about department issues;
- Goals and priorities for the next year are defined; and
- City Council members host "Budget Town Meetings."

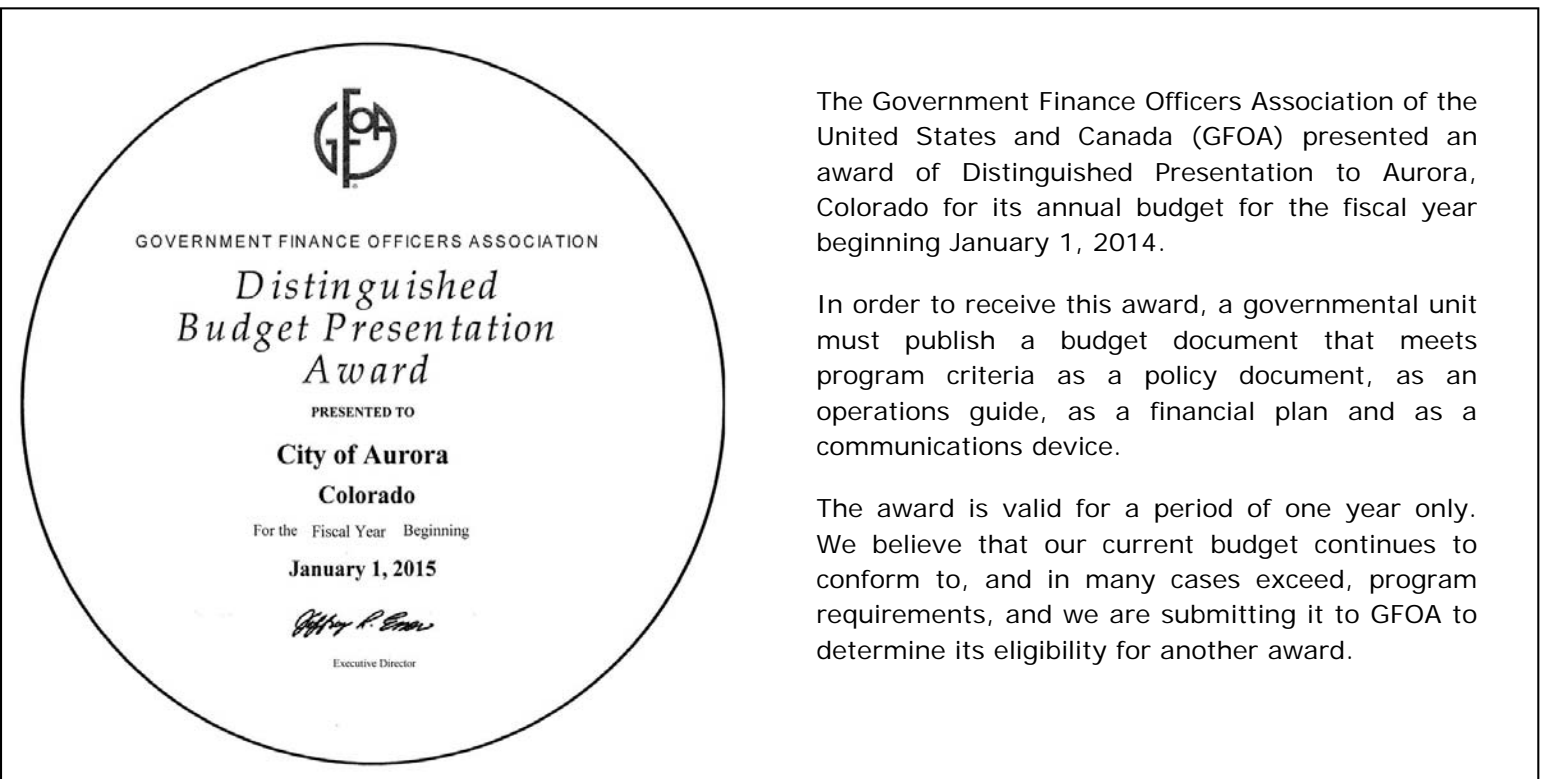
#### *May – September*

- Second quarter review of current year expenditures and revenues;

- Departments and Council Appointees prepare proposed budgets/adjustments;
- Executive staff evaluate projections and determine budget adjustments;
- Departments present budget adjustments to City Manager;
- Administrative fee changes are reviewed by the Management and Finance Committee;
- The Citizens' Advisory Budget Committee reviews and comments upon the City's budget proposals; and
- The proposed budget is produced and delivered to City Council.

#### *September – December*

- Aurora Water, the Citizens' Water Advisory Committee and the Citizens' Advisory Committee on Housing and Community Development present their budgets to Council;
- City Manager presents proposed budget to Council;
- 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.



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, 2014.

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.





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# City of Aurora

## Office of Budget and Financial Planning

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