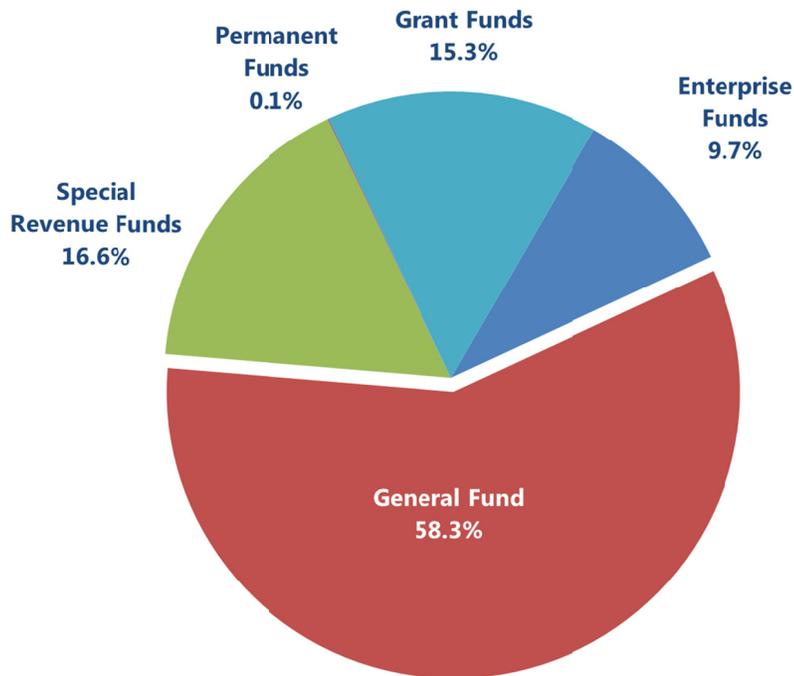


# All Funds Summary

## 2015 All Funds Expenditures

<b>Fund</b>	<b>Amount</b>
General Fund	\$258,695,842
Special Revenue Funds	73,731,951
Enterprise Funds	43,035,800
Airport	20,799,787
Cemeteries	1,382,142
Development Review	1,938,239
Memorial Health System	5,712,112
Parking System	4,642,084
Patty Jewett Golf Course	2,157,589
Pikes Peak – America's Mountain	5,250,616
Valley Hi Golf Course	1,153,231
Permanent Funds	336,500
Grant Funds	67,920,000
<b>All Funds Total</b>	<b>\$443,720,093</b>

Note: The total of the Internal Services Funds is \$47,629,492. A portion of this is allocated in the General Fund and Enterprise Funds.



## Fund Balance Summary

Fund	Est. Funds Available for Appropriation 1/1/14	Revenue 2014 Est.	Expenditures 2014 Est.	Est. Funds Available for Appropriation 1/1/15	Revenue 2015 Budget	Expenditures 2015 Budget	Est. Funds Available for Appropriation 1/1/16
<b>GENERAL FUND</b>	48,751,715	255,215,165	255,396,913	48,569,967	257,195,842	258,695,842	47,069,967
Funds Available for Appropriation 1/1/15 excludes TABOR emergency reserve of \$7,545,241.							
<b>SPECIAL REVENUE FUNDS</b>							
<i><b>Parks</b></i>							
Ballfield CIP	133,306	100,000	100,000	133,306	100,000	100,000	133,306
Briargate SIMD	230,936	838,102	976,652	92,386	840,592	932,455	523
Colorado Avenue Gateway SIMD	10,342	3,011	8,120	5,233	3,064	8,130	167
Conservation Trust (CTF)	907,933	4,662,000	3,820,988	1,748,945	4,420,000	4,768,088	1,400,857
Nor'wood SIMD	495,769	679,436	949,905	225,300	679,775	870,975	34,100
Old Colorado City Maint./Sec. SIMD	71,132	103,362	132,546	41,948	100,588	135,431	7,105
Platte Avenue SIMD	81,560	9,205	40,100	50,665	9,172	45,100	14,737
Public Space & Dev. (PLDO)	4,870,407	800,000	0	5,670,407	1,200,000	6,800,000	70,407
Stetson Hills SIMD	134,804	285,240	329,518	90,526	285,364	327,805	48,085
Street Tree	107,532	2,000	12,000	97,532	2,000	12,000	87,532
Therapeutic Recreation	4,289	300	0	4,589	300	100	4,789
Trails, Open Space & Parks (TOPS)	1,692,302	7,230,000	4,606,660	4,315,642	7,335,000	8,605,864	3,044,778
Woodstone SIMD	105,145	18,837	49,600	74,382	18,834	51,400	41,816
<i><b>Planning and Public Works</b></i>							
Arterial Roadway	1,206,949	250,000	250,000	1,206,949	250,000	250,000	1,206,949
Banning Lewis Ranch (BLR)	1,144,953	231,000	6,625	1,369,328	343,000	10,625	1,701,703
Bicycle Tax	94,419	95,000	95,000	94,419	95,000	97,850	91,569
Subdivision Drainage	2,187,720	2,000,000	2,000,000	2,187,720	4,000,000	4,000,000	2,187,720
<i><b>Public Safety</b></i>							
Public Safety Sales Tax (PSST)	6,202,741	28,601,784	30,782,491	4,022,034	29,652,000	28,537,029	5,137,005
<i><b>Administration</b></i>							
Cable Franchise	288,002	998,000	998,000	288,002	941,000	941,000	288,002
City-funded CIP	294,410	11,007,472	11,007,472	294,410	11,189,257	11,189,257	294,410
Gift Trust	3,605,422	1,900,000	1,900,000	3,605,422	1,900,000	1,900,000	3,605,422
Lodgers & Auto Rental Tax (LART)	31,104	4,000,000	3,953,312	77,792	4,161,000	4,148,842	89,950
<b>ENTERPRISE FUNDS</b>							
Airport	23,269,872	21,771,603	22,379,726	22,661,749	21,477,798	20,799,787	23,339,760
Cemeteries	347,347	1,273,715	1,310,635	310,427	1,390,792	1,382,142	319,077
Development Review	1,332,128	1,611,102	1,604,823	1,338,407	1,759,438	1,938,239	1,159,606
Memorial Health System (MHS)	0	5,792,112	2,140,650	3,651,462	5,712,112	5,712,112	3,651,462
Parking System	5,762,146	4,649,278	3,310,277	7,101,147	4,674,977	4,642,084	7,134,040
Patty Jewett Golf Course	546,381	2,075,118	2,058,516	562,983	2,173,770	2,157,589	579,164
Pikes Peak - America's Mtn	5,846,351	3,695,314	4,395,314	5,146,351	4,750,616	5,250,616	4,646,351
Valley Hi Golf Course	350,379	1,153,596	1,273,471	230,504	1,150,842	1,153,231	228,115
<b>INTERNAL SERVICE FUNDS</b>							
Claims Reserve Self-Insurance *	0	811,500	1,000,000	0	811,500	1,000,000	0
Employee Ben Self-Insurance	0	32,480,995	32,480,995	0	33,980,995	33,980,995	0
Office Services	209,666	1,758,297	1,758,297	209,666	1,758,358	1,758,358	209,666
Radio	619,240	1,884,275	1,884,275	619,240	1,058,726	1,498,726	179,240
Support Services – Fleet	1,891,413	0	500,000	1,391,413	0	1,391,413	0
Workers' Compensation *	0	5,005,814	8,000,000	0	5,058,851	8,000,000	0

In most cases, the 2014 Revenue and Expenditures are equal to the 2014 Budget amount; however, in certain cases, an end-of-year estimate is used to account for revenue adjustments or supplemental appropriations.

\* For some Internal Service Funds and for Permanent and Grant Funds, any amount of fund balance is restricted and therefore not available for appropriation - as such the amount is shown as zero.

## Fund Balance Summary

Fund	Est. Funds Available for Appropriation 1/1/14	Revenue 2014 Est.	Expenditures 2014 Est.	Est. Funds Available for Appropriation 1/1/15	Revenue 2015 Budget	Expenditures 2015 Budget	Est. Funds Available for Appropriation 1/1/16
<b>PERMANENT FUNDS *</b>							
C. D. Smith Trust	0	75,000	75,000	0	75,000	75,000	0
Cemetery Endowment	0	250,000	250,000	0	250,000	250,000	0
Trails, Open Space & Prk Mnt.	0	11,500	11,500	0	11,500	11,500	0
<b>GRANT FUNDS *</b>							
Airport Grants	0	16,000,000	16,000,000	0	14,000,000	14,000,000	0
Grants	0	30,000,000	30,000,000	0	50,000,000	50,000,000	0
CDBG	0	2,660,055	2,660,055	0	2,500,000	2,500,000	0
Emergency Shelter Act Grant (ESG)	0	203,084	203,084	0	170,000	170,000	0
Home Investment Partnership	0	1,474,882	1,474,882	0	1,250,000	1,250,000	0
HOPE III	0	240	240	0	0	0	0

In most cases, the 2014 Revenue and Expenditures are equal to the 2014 Budget amount; however, in certain cases, an end-of-year estimate is used to account for revenue adjustments or supplemental appropriations.

\* For some Internal Service Funds and for Permanent and Grant Funds, any amount of fund balance is restricted and therefore not available for appropriation - as such the amount is shown as zero.

## Overview of 2015 Budgets for All Funds

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The overview includes a fund balance summary and description of the City's funds, how funds interact, basis of accounting, and changes to the adopted budget. The fund balance summary indicates the beginning and ending fund balances available for appropriation as well as 2015 budgets by specific fund.

The budget document focuses primarily on the General Fund because it is the largest fund. The 2015 General Fund Budget is \$258,695,842, which is 58.3% of the total funds.

Another significant type of fund is the Special Revenue Funds. The 2015 Special Revenue Funds budgets total \$73,731,951, which is 16.6% of the total funds.

The Grants Funds budget totals \$67,920,000, which is 15.3% of the total funds for 2015.

For 2015, Enterprise Funds budgets total \$43,035,800, which is 9.7% of the total funds. The balance of the total funds is comprised of the 2015 Permanent Funds budgets, which total \$336,500.

The total of all these funds is \$443,720,093.

## City Services Overview

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The City of Colorado Springs is a home-rule city, organized under provisions of the Colorado constitution. For 2012, the City of Colorado Springs changed from a Council-Manager form of government to a Council-Mayor form of government. As a result, a full-time mayor has replaced the City Manager. The City provides a full range of municipal government services to an estimated 2015 population of 451,000 residents. The services include:

- Administrative Services including the Mayor's office
- City Council and Internal Audit
- Fire protection
- Police protection
- Parks, Recreation and Cultural Services
- Planning and Development and Public Works

Also, the City owns and operates enterprise activities including:

- Airport
- Cemeteries
- Development Review
- Memorial Health System
- Patty Jewett Golf Course
- Parking System
- Pikes Peak – America's Mountain
- Valley Hi Golf Course

## Fund Structure

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City revenue is designated and set aside in funds. The funds of the City of Colorado Springs are organized according to Generally Accepted Accounting Principles (GAAP). For revenue and expenditure budgets for each fund, refer to the All Funds Summary table.

## **Basis of Accounting and Accounting Structure**

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### **Basis of Accounting**

The General Fund, Special Revenue Funds, Capital Improvements Program Funds, and certain Trust Funds are maintained on a modified accrual basis, which records revenue when measurable and available. Expenditures are generally recorded when the liability is incurred. Enterprise Funds, Internal Services Funds, and certain Permanent Funds are maintained on an accrual basis, which records revenue at the time earned and expenses when incurred.

### **Basis of Budgeting**

The budget is prepared in a manner consistent with the Colorado Revised Statutes. All funds are included within the budget along with the programs supported. The City's budget is prepared completely on a modified accrual basis, which is the same as the Basis of Accounting for all funds except Enterprise Funds, Internal Services Funds, and certain Permanent Funds.

### **Annual Budget Process and Budget Controls**

In accordance with City Charter, Section 4-40(i), the Mayor presents a balanced budget to City Council on or before the first Monday in October in each year.

In accordance with City Charter, Section 7-30(a), the City Council shall, upon receipt of the budget, adopt the budget with or without amendment. In amending the budget, the Council may add or increase programs or amounts and may delete or decrease any programs or amounts, except amounts required by law or for debt service obligations or for estimated cash deficit.

As part of the annual budget cycle, budgets are adopted for all funds of the City. Budgetary controls are maintained for all funds of the City in conformance with the City Charter and Code to assure fiscally sound management.

After the annual appropriations ordinance is approved, with approval from the Chief Financial Officer, budget can be transferred within an appropriating department; however, transfers between appropriating departments or funds require City Council approval. Also, after the annual appropriations ordinance is approved, the Mayor may propose amendments to the annual appropriations ordinance. Such supplemental appropriation requests are transmitted to City Council for approval.

An encumbrance accounting system is used to assist in accomplishing budgetary control.

## **General Fund**

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The General Fund includes all activities of the City supported by City taxes and other non-dedicated revenue. These other revenue sources include license and permit fees, user charges, intergovernmental revenue, fines, miscellaneous revenue, and transfers from other funds. The General Fund also includes all traditional municipal expenditures such as those for public safety, parks, and transportation. See the General Fund Summary tab.





## STETSON HILLS SPECIAL IMPROVEMENT MAINTENANCE DISTRICT (SIMD)

**2014 Budget:** \$329,518

**2015 Budget:** \$327,805

### **Purpose**

Provide for the maintenance of certain public improvements of general benefit to the residents of the district.

### **Revenue source**

Assessments against the real property in the district.

### **Designated expenditure**

Maintenance expenses of specific improvements as identified by the advisory committee in consultation with the Parks, Recreation and Cultural Services staff. Council approves the budget for the district.

## STREET TREE

**2014 Budget:** \$12,000

**2015 Budget:** \$12,000

### **Purpose**

Assure a regular program of planting and care of new trees in previously underdeveloped lots.

### **Revenue source**

Owner and developer fees collected at the time a building permit is issued along with a City match.

### **Designated expenditure**

Purchase and installation of good quality trees.

## THERAPEUTIC RECREATION

**2014 Budget:** \$0

**2015 Budget:** \$100

### **Purpose**

Provide therapeutic recreation events, program activities, and facilities within the Pikes Peak Region.

### **Revenue source**

Undesignated gifts

### **Designated expenditure**

Therapeutic recreation events, programs, activities and facilities within the Pikes Peak Region.

## TRAILS, OPEN SPACE AND PARKS (TOPS)

### **Mission**

To provide a means of acquiring and preserving new open space and providing parks and trails for recreational purposes on any public sites within the city and areas within the immediate vicinity.

### **Overview**

The Trails, Open Space, and Parks (TOPS) revenue is generated from a 0.1% sales and use tax adopted by voters in April 1997, extended by voters in 2003, and set to expire in 2025. The majority of funds are designated for open space purchases and associated maintenance, development and maintenance of trails, and development of new parks. For 2015, TOPS revenue is projected to be \$7,335,000, of which \$120,000 is estimated interest; however, \$8,605,864 is appropriated for operating and specific projects, resulting in a \$1,270,864 draw from the available fund balance. As allowed in the TOPS ordinance, 3% of TOPS revenue is allocated for program administrative expenses and 6% is allocated for Maintenance Expenses. The remaining funds are allocated 20% for Park Acquisition and Development, 20% for Trails Acquisition, Development and Maintenance, and 60% for Open Space Acquisition. However, based on voter approval at the April 2013 election, the Parks category can now be used for Park Maintenance as well. Starting in 2013, the structure of TOPS changed from Project budgeting to a combination of Operating and Projects. Because positions are paid from this fund, the accounting change was necessary to reflect actual expenditures more accurately.

### Administrative and Maintenance Costs

Provisions of the ordinance allocate 3% for administrative costs and 6% for maintenance of trails, open space and parks.

### Open Space Acquisition

Funding for open space acquisition and preservation will receive a minimum of 60% of revenue collected over the lifetime of the tax. The revenue may be used to acquire real property in El Paso and neighboring counties and associated leases, development rights, water and water storage rights, mineral and fuel resource rights, and right-of-way and easements and to protect ecosystems, natural resources and landmarks, and visual geological and biological surface features, etc. Once acquired, properties may not be sold. Funding may also be used to manage, patrol, improve, and maintain acquired areas.

### Trails Land Acquisition, Development and Maintenance

Funding for trails land acquisition, development, and maintenance will receive a maximum of 20% of revenue collected over the lifetime of the tax.

### Parkland Acquisition, Development, and Maintenance

Funding for new parkland acquisition and development will receive a maximum of 20% of revenue collected over the lifetime of the tax. Based on voter approval at the April 2013 election, this category can now be used for maintenance as well as acquisition and development.

<b>Budget Summary</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>2014 Budget</b>	<b>2015 Budget</b>
Operating	\$2,359,842	\$916,359	\$660,133	\$1,401,400
Projects	1,396,973	6,574,641	3,946,527	7,204,464
<b>Total</b>	<b>\$3,756,815</b>	<b>\$7,491,000</b>	<b>\$4,606,660</b>	<b>\$8,605,864</b>

## WOODSTONE SPECIAL IMPROVEMENT MAINTENANCE DISTRICT (SIMD)

**2014 Budget:** \$49,600

**2015 Budget:** \$51,400

### Purpose

Provide for the maintenance of certain public improvements of general benefit to the residents of the district.

### Revenue source

Assessments against the real property in the district.

### Designated expenditure

Maintenance expenses of specific improvements as identified by the advisory committee in consultation with the Parks, Recreation and Cultural Services staff. Council approves the budget for the district.

## Special Revenue Funds – overseen by the Planning and Public Works Department

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### ARTERIAL ROADWAY

**2014 Budget:** \$250,000

**2015 Budget:** \$250,000

### Purpose

Fund the cost of constructing/expanding freeway, expressway, and major or minor arterial roadway bridges.

### Revenue source

Fees from landowners.

### Designated expenditure

Capital construction costs or reimbursements to developers for arterial roadway bridges.

## BANNING LEWIS RANCH

**2014 Budget:** \$6,625

**2015 Budget:** \$10,625

**Purpose**

Collect impact fees and manage reimbursements in a manner that allows the obligations under the BLR Annexation Agreement to be equitably and proportionally shared.

**Revenue source**

General Annexor Obligation Fee, BLR Parkway, or Interchange Fees.

**Designated expenditure**

Reimburse those annexors who construct shared infrastructure or who fulfill Annexation Agreement obligations identified as reimbursable shared obligations within the BLR Annexor Shared Infrastructure Study.

## BICYCLE TAX

**2014 Budget:** \$95,000

**2015 Budget:** \$97,850

**Purpose**

Provide a funding source for bikeway improvements throughout the city.

**Revenue source**

A sales tax on the purchase of all new and used bicycles purchased in the city.

**Designated expenditure**

Maintenance repair and expansion of the city's bikeway system.

## SUBDIVISION DRAINAGE

**2014 Budget:** \$2,000,000

**2015 Budget:** \$4,000,000

**Purpose**

Provide storm sewers and other facilities for the drainage and flood control of surface water.

**Revenue source**

Fees charged to subdivision developers.

**Designated expenditure**

Construction of storm sewer facilities or reimbursements to developers for construction of storm sewer facilities in the designated subdivision drainage basin.

# Special Revenue Funds - overseen by Public Safety

## PUBLIC SAFETY SALES TAX (PSST)

### Mission

Provide a dedicated source of revenue to fund public safety operating and capital improvement needs.

### Overview

In November 2001, City voters approved ballot question B4 which authorized a City Sales and Use Tax rate increase of 0.4% to fund public safety operating and capital improvement needs. As approved by voters, all revenue from the 0.4% tax is placed in a dedicated fund (Public Safety Sales Tax Fund) and is not used to replace any local funds already budgeted for public safety operations. In conjunction with the approval of the 2002 Public Safety Sales Tax Fund (PSST) budget, Council also adopted a ten-year plan for the fund that presented multiyear projections to achieve the purpose and intent of ballot question B4.

<b>Budget Summary</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>2014 Budget</b>	<b>2015 Budget</b>
<b>Uses of Funds</b>				
Salaries/Benefits	\$21,004,887	\$22,913,620	\$24,255,051	\$25,271,061
Operating	2,196,873	2,659,367	2,616,402	2,746,515
Capital Outlay	630,921	745,709	1,361,038	519,453
CIP	637,416	2,989,035	2,550,000	0
<b>Total</b>	<b>\$24,470,097</b>	<b>\$29,307,731</b>	<b>\$30,782,491</b>	<b>\$28,537,029</b>
<b>Personnel</b>				
Uniformed FTE	148.00	148.00	158.00	170.00
Civilian FTE	69.00	54.50	58.50	58.50
<b>Total Positions</b>	<b>217.00</b>	<b>202.50</b>	<b>216.50</b>	<b>228.50</b>

### Expenditure Overview

For 2015, \$29.65 million in PSST revenue is projected. Given the volatility of sales and use tax revenue, and to help protect against any revenue shortfalls and unforeseen fiscal events, a fund balance target of at least 16.67% is maintained. For 2015, a contribution to the fund balance of \$1.1 million is included, building the available fund balance to 17.3% of revenue. Overall, there is \$28.5 million available for appropriation in 2015.

For 2015, PSST funding for the Fire Department totals \$13.6 million. The funding is used for uniformed and civilian staffing, operating, and equipment expenses, including 12 additional Fire Fighters added for 2015.

For 2015, PSST funding for the Police Department totals \$15.0 million. All of the funding is used for uniformed and civilian staffing, operating, and equipment expenses. This includes projects and equipment, and other ongoing expenditures and one-time capital outlay.

In 2013, all PSST funds associated with other City departments (10.00 positions in Information Technology, and 5.50 total positions in Human Resources, Finance, Procurement and Fleet) were moved to the General Fund and Fleet Fund, and the PSST funds now go toward specific Fire and Police Department needs.

**City of Colorado Springs  
Public Safety Sales Tax Fund  
Ten-Year Plan 2015 - 2024**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Budget	Projected								
FTE Employees										
Sworn	170.00	170.00	170.00	170.00	170.00	170.00	169.00	169.00	168.00	168.00
Civilian	58.50	58.50	58.50	58.50	58.50	58.50	58.50	56.50	56.50	54.50
<b>Total FTE Employees</b>	<b>228.50</b>	<b>228.50</b>	<b>228.50</b>	<b>228.50</b>	<b>228.50</b>	<b>228.50</b>	<b>227.50</b>	<b>225.50</b>	<b>224.50</b>	<b>222.50</b>
<b>Beginning Fund Balance</b>	<b>\$4,022,034</b>	<b>\$5,137,005</b>	<b>\$6,384,787</b>	<b>\$7,249,846</b>	<b>\$8,130,157</b>	<b>\$9,028,064</b>	<b>\$9,943,928</b>	<b>\$10,878,110</b>	<b>\$11,830,976</b>	<b>\$12,802,898</b>
<b>Revenue</b>										
Sales & Use Tax	\$29,577,000	\$30,168,540	\$30,771,911	\$31,387,349	\$32,015,096	\$32,655,398	\$33,308,506	\$33,974,676	\$34,654,170	\$35,347,253
Interest	75,000	137,231	152,286	155,394	158,502	161,672	164,906	168,204	171,568	174,999
<b>Total Fund Revenue</b>	<b>\$29,652,000</b>	<b>\$30,305,771</b>	<b>\$30,924,197</b>	<b>\$31,542,743</b>	<b>\$32,173,598</b>	<b>\$32,817,070</b>	<b>\$33,473,412</b>	<b>\$34,142,880</b>	<b>\$34,825,737</b>	<b>\$35,522,252</b>
<b>Expenditures</b>										
Fire										
Salaries and Benefits	\$11,806,686	\$12,054,142	\$12,494,720	\$12,745,617	\$13,000,529	\$13,260,540	\$13,525,751	\$13,796,266	\$14,072,191	\$14,353,635
Operating Expenses	1,510,450	1,510,450	1,540,659	1,571,472	1,602,907	1,634,965	1,667,664	1,701,017	1,735,038	1,769,738
Capital Outlay	237,953	237,953	242,712	247,566	252,518	257,568	262,719	267,974	273,333	278,800
Public Safety CIP	0	0	0	0	0	0	0	0	0	0
<b>Fire total</b>	<b>\$13,555,089</b>	<b>\$13,802,545</b>	<b>\$14,278,091</b>	<b>\$14,564,655</b>	<b>\$14,855,954</b>	<b>\$15,153,073</b>	<b>\$15,456,134</b>	<b>\$15,765,257</b>	<b>\$16,080,562</b>	<b>\$16,402,173</b>
Sworn FTE	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00
Civilian FTE	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50
Police										
Salaries and Benefits	\$13,464,375	\$13,872,014	\$14,288,175	\$14,716,820	\$15,158,325	\$15,515,668	\$15,882,819	\$16,224,480	\$16,608,290	\$16,963,755
Operating Expenses	1,236,065	1,232,465	1,232,465	1,232,465	1,261,413	1,232,465	1,200,277	1,200,277	1,164,963	1,164,963
Capital Outlay	281,500	150,965	260,408	148,492	0	0	0	0	0	0
Support Services CIP	0	0	0	0	0	0	0	0	0	0
<b>Police total</b>	<b>\$14,981,940</b>	<b>\$15,255,444</b>	<b>\$15,781,048</b>	<b>\$16,097,777</b>	<b>\$16,419,738</b>	<b>\$16,748,133</b>	<b>\$17,083,096</b>	<b>\$17,424,757</b>	<b>\$17,773,253</b>	<b>\$18,128,718</b>
Sworn FTE	85.00	85.00	85.00	85.00	85.00	85.00	84.00	84.00	83.00	83.00
Civilian FTE	42.00	42.00	42.00	42.00	42.00	42.00	42.00	40.00	40.00	38.00
<b>Total Fund Expenditures</b>	<b>\$28,537,029</b>	<b>\$29,057,989</b>	<b>\$30,059,138</b>	<b>\$30,662,432</b>	<b>\$31,275,691</b>	<b>\$31,901,206</b>	<b>\$32,539,230</b>	<b>\$33,190,014</b>	<b>\$33,853,815</b>	<b>\$34,530,892</b>
<b>Fund Balance Contribution (Draw)</b>	<b>\$1,114,971</b>	<b>\$1,247,782</b>	<b>\$865,059</b>	<b>\$880,311</b>	<b>\$897,907</b>	<b>\$915,864</b>	<b>\$934,182</b>	<b>\$952,866</b>	<b>\$971,923</b>	<b>\$991,361</b>
<b>Ending Fund Balance</b>	<b>\$5,137,005</b>	<b>\$6,384,787</b>	<b>\$7,249,846</b>	<b>\$8,130,157</b>	<b>\$9,028,064</b>	<b>\$9,943,928</b>	<b>\$10,878,110</b>	<b>\$11,830,976</b>	<b>\$12,802,898</b>	<b>\$13,794,259</b>
<b>Fund Balance % of Revenue</b>	<b>17.32%</b>	<b>21.07%</b>	<b>23.44%</b>	<b>25.78%</b>	<b>28.06%</b>	<b>30.30%</b>	<b>32.50%</b>	<b>34.65%</b>	<b>36.76%</b>	<b>38.83%</b>

# Special Revenue Funds - overseen by the Administration Department

## CABLE FRANCHISE

### Mission

To provide support for the City and the Southern Colorado Educational Television Consortium (SCETC) with educational and governmental programming services, operations, facilities and equipment, and expenditures for telecommunications and information technology, operations, facilities, and equipment.

### Overview

In July of 2000, City Council approved Ordinances 00-118 and 00-119 establishing the terms, fees, compensation, conditions, and other matters of franchise between the City and Adelpia Communications and WideOpen West. On November 7, 2000, Colorado Springs voters approved Measures 2A and 2B to grant nonexclusive franchise agreements to Adelpia Communications and WideOpen West (WideOpen West's financial circumstances precluded the company from initiating the infrastructure required to offer cable service in Colorado Springs). As of August 1, 2006, control of the Adelpia cable system serving Colorado Springs was finalized when Adelpia was transitioned to Comcast. According to the terms of the franchise agreement, Comcast assumed the obligations of the franchise and the franchise remains unmodified and in full force and effect. In November 2006, Colorado Springs voters approved Measure 2A to grant a nonexclusive franchise agreement to Falcon Broadband; and in April 2007, voters approved Measure E to grant a nonexclusive franchise agreement to Porchlight Communications. However, effective July 15, 2009, Porchlight is no longer a cable provider. In accordance with the Comcast franchise agreement, the SCETC will receive 20% of the funds; and the City will apply its share towards information technology and communication needs. The SCETC will receive 10% of the funds from Falcon.

2014 Cable Franchise Grant		
<b>Revenue</b>		
Subscriber revenue		\$ 941,000
	<b>Total Revenue</b>	<b>\$941,000</b>
<b>Expenditures</b>		
City information technology strategic needs		\$ 381,087
Southern Colorado Educational Television Consortium(SCETC)		185,473
SpringsTV implementation equipment and staffing		374,440
	<b>Total Expenditures</b>	<b>\$941,000</b>

### Revenue Overview

Subscriber rate is \$1.20 per month for Comcast and \$1.53 for Falcon.

### Expenditure Overview

#### City Information Technology Strategic Needs **\$381,087**

Support of the City's information technology strategic needs. These funds service existing lease payments related to the acquisition and implementation of systems, contribute to server upgrades, annual software maintenance fees, enhanced functionality, and other strategic projects.

#### Southern Colorado Educational Television Consortium Share **\$185,473**

Provided for the SCETC to continue operating the network and production truck to cable cast from remote sites for increased learning/educational opportunities.

#### SpringsTV **\$374,440**

Five positions are funded along with operational costs to allow SpringsTV to meet programming and equipment requirements in addition to the resources required for live broadcasting and department program requests.



For 2015, the largest award is to the Colorado Springs Convention & Visitors Bureau (CVB), which is equivalent to 2/3 of the LART revenue. According to the contract with the CVB, in the event total annual revenue to the LART fund during the year, including any amounts carried forward from prior years, are less than the appropriated amount, the CVB will pay the City back a percentage, equal to the percentage originally appropriated, of the difference between the budgeted amount and the actual collections. In the event total revenue to the LART fund are more than the appropriated amount, the City will pay the CVB, in addition to the allocated amount, a percentage, equal to the percentage originally appropriated, of the difference between the budgeted amount and the actual collection.

## LODGERS AND AUTOMOBILE RENTAL TAX (LART)

**Total Anticipated Revenues from LART: \$4,161,000**

Event Name	Total LART Expenditures	Cash	In-Kind	For Profit/Nonprofit
City Sponsored Events by Resolution				
Colorado Springs Balloon Classic	\$45,000	\$13,000	\$32,000	For Profit
Bicycle Week - Starlight Spectacular	2,000		2,000	Nonprofit
Folk Art Festival	2,000		2,000	For Profit
Pikes Peak Hill Climb Fan Fest	6,000		6,000	Nonprofit
Pikes Peak Hill Climb	100,000	100,000		Nonprofit
Pikes Peak or Bust Rodeo Parade	5,500		5,500	Nonprofit
Rocky Mountain State Games 2015	33,000	25,000	8,000	Nonprofit
Sertoma Street Breakfast	2,050		2,050	Nonprofit
Downtown Cultural Festival	1,000		1,000	Nonprofit
Festival of Lights Parade	11,450	7,000	4,450	Nonprofit
Fallen Firefighter Memorial	6,300		6,300	Nonprofit
Veterans Day Parade	11,150	6,000	5,150	Nonprofit
Colorado Springs Philharmonic Summer Symphony Series	122,000	104,000	18,000	Nonprofit
10% Contingency	34,745			
<b>Subtotal for City Sponsored by Resolution</b>	<b>\$382,195</b>	<b>\$255,000</b>	<b>\$92,450</b>	
Tourism				
Pikes Peak Triple Crown of Running	\$1,950		\$1,950	Nonprofit
Pikes Peak Cycling USA Pro Cycling Challenge	145,000	120,000	25,000	Nonprofit
Spree Racing (CS Half Marathon & 5K)	21,000		21,000	For Profit
Colorado International Tattoo	50,000	50,000		Nonprofit
Rocky Mountain Women's Film Institute	8,000	8,000		Nonprofit
Adrenaline Lacrosse Showcase and Shootout	24,000	24,000		Nonprofit
Sk-8 Strong	10,500	8,000	2,500	Nonprofit
COPPeR (Cultural Office of Pikes Peak Region)	40,000	40,000		Nonprofit
Pikes Peak Airstrip Attack	8,000	8,000		For Profit
Fine Arts Center	60,000	60,000		Nonprofit
Community Ventures	15,200	15,200		Nonprofit
Community/Heritage Events				
Pikes Peak Celtic Festival	\$8,000	\$8,000		Nonprofit
Colorado Springs Saint Patrick's Day Parade	4,000		4,000	Nonprofit
Pikes Peak or Bust Rodeo	20,000	20,000		Nonprofit
Acacia Park Ice Rink	24,000	24,000		Nonprofit
What If...Festival of Innovation and Imagination	8,000	8,000		Nonprofit
Territory Days	7,500		7,500	Nonprofit
KRCC Blues Under the Bridge	4,000	4,000		Nonprofit
Pikes Peak Art Festival	2,500		2,500	Nonprofit
Friends of Pikes Peak Pickleball	10,920	10,585	335	Nonprofit
10% Contingency	46,165			
<b>Subtotal for Tourism/Community/Heritage Events</b>	<b>\$518,735</b>	<b>\$407,785</b>	<b>\$64,785</b>	
<b>Total of All LART Events (Resolution/Tourism)</b>	<b>\$900,930</b>	<b>\$662,785</b>	<b>\$157,235</b>	
Economic Development/Capital Improvement				
Convention and Visitors Bureau (2/3 of total revenue)	\$2,773,332	\$2,773,332		Nonprofit
Small Business Development Center	55,000	55,000		Nonprofit
Pikes Peak, Summit House	150,000	150,000		Nonprofit
<b>Total for LART Economic Development /Capital Improvement</b>	<b>\$2,978,332</b>	<b>\$2,978,332</b>	<b>\$0</b>	
Transfer to General Fund for 50% in-kind nonprofit discount	\$269,580			
<b>Total LART Expenditures</b>	<b>\$4,148,842</b>	<b>\$3,641,117</b>	<b>\$157,235</b>	
<b>2015 Amount Available to be Appropriated</b>	<b>\$12,158</b>			



## TRAILS, OPEN SPACE AND PARKS MAINTENANCE

**2014 Budget:** \$11,500

**2015 Budget:** \$11,500

**Purpose:**

Maintain parks, trails, medians, athletic fields, open space areas, and recreational facilities for the citizens of and visitors to Colorado Springs.

**Revenue source:**

Income from endowments and interest earnings.

**Designated expenditure:**

Parks, Recreation and Cultural Services for maintenance.

## Grant Funds

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### AIRPORT GRANTS FUND

**2014 Budget:** \$16,000,000

**2015 Budget:** \$14,000,000

**Purpose:**

All anticipated grant revenue and interest earnings are budgeted, which streamlines the process for accepting grants. A resolution from City Council is still required to accept all grants, but a separate appropriation is not necessary.

**Revenue source:**

Airport Improvement Program (AIP) and Colorado Discretionary Aviation Grant funds, as well as any anticipated interest earnings.

**Designated expenditure:**

Grant activities as approved by City Council or Mayor, as required per the granting agency, plus interest earnings for those grants eligible to earn and spend interest income.

### GRANTS FUND

**2014 Budget:** \$30,000,000

**2015 Budget:** \$50,000,000

**Purpose:**

All anticipated grant revenue and interest earnings are budgeted, which streamlines the process for accepting grants. A resolution from City Council is still required to accept all grants, but a separate appropriation is not necessary.

**Revenue source:**

Various grants as well as any anticipated interest earnings. Includes SAFETEA-LU and FTA grant funds, among others.

**Designated expenditure:**

Grant activities as approved by City Council or Mayor, as required per the granting agency, plus interest earnings for those grants eligible to earn and spend interest income.

### COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

**Mission** – To ensure decent affordable housing, to provide services to the most vulnerable in our communities, and to create jobs through the expansion and retention of businesses.

Each activity must meet one of the following national objectives for the program: benefit low- and moderate-income persons, prevention or elimination of slums or blight, or address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community for which other funding is not available.

*(See the Economic Vitality narrative for details of this fund.)*

## **EMERGENCY SHELTER ACT GRANT**

ESG funds can be used for five program components: street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, and data collection through the Homeless Management Information System or HMIS.

*(See the Economic Vitality narrative for details of this fund.)*

## **HOME INVESTMENT PARTNERSHIP (HOME)**

Awarded annually as formula grants to participating jurisdictions, the program allows States and local governments to use funds for grants, direct loans, loan guarantees or other forms of credit enhancements, or rental assistance or security deposits.

*(See the Economic Vitality narrative for details of this fund.)*

## **HOPE III**

Provides HOPE planning grants and implementation grants to provide homeownership opportunities through the transfer of ownership, and rehabilitation, if necessary, of publicly-held properties in Federal, State, and local inventories to low-income, first-time homebuyers.

*(See the Economic Vitality narrative for details of this fund.)*

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# Debt Overview

The City has long term financial obligations in the form of several instruments such as Bonds, Certificates of Participation (COP) and Leases. While Bonds are considered a multi-year obligation, the other instruments are subject to annual appropriations and, therefore, not considered debt per the Tax Payer's Bill of Rights (TABOR).

## Bond Ratings

To attain the lowest possible interest rates, the City obtains a credit rating from the major rating services. A strong rating provides for a lower interest rate which results in a lower cost to city taxpayers. The three major rating services are Moody's, Standard & Poor's, and Fitch. The following table presents a comparison of their respective ratings and their meaning:

Description	Moody's Rating	Standard & Poor's Rating	Fitch Rating
Best quality, extremely strong capacity to pay principal and interest	Aaa	AAA	AAA
High quality, very strong capacity to pay principal and interest	Aa	AA	AA
Upper medium quality, strong capacity to pay principal and interest	A	A	A
Medium grade quality, adequate capacity to pay principal and interest	Bbb	BBB to A-	BBB to A-
Speculative quality, low capacity to pay principal and interest	Ba and lower	BB and lower	BB and lower

**Note:** Within groups, Moody's designates those bonds with strongest attributes with a 1, for instance A1 or Aa1 would be of slightly higher quality than A2 or Aa2. Standard & Poor's and Fitch attach a "+" or a "-" to indicate slight variation within the rating groups. Examples would be AA- or A+ to indicate a credit better than an "A" but less than "AA."

The City's latest bond and certificate ratings are as follows:

Description	Moody's Rating	Standard & Poor's Rating	Fitch Rating
<b>Bond / COP Issue Type</b>			
Sales & Use Tax Revenue Bonds			
Series 2007 – SCIP	Aa3	AA+	N/A
Series 2009 – SCIP	Aa3	AA+	N/A
Certificates of Participation			
Series 2009 – USOC	Aa3	AA-	N/A
Series 2011 – Old City Hall, Red Rock Canyon, Skyview	Aa3	AA-	N/A
Parking Revenue Bonds	not rated	not rated	not rated
Airport Revenue Bonds	Baa1	BBB+	BBB+

## General Obligation Debt

General Obligation bonds are direct obligations that pledge the full faith and credit of the City for the repayment of principal and interest. The City's total general obligation debt limit per the City Charter is 10% of the assessed valuation, which is \$467.6 million for 2015. The total general obligation bonded indebtedness in 2015 is \$0. This leaves an available debt margin of \$467.6 million or 100% of the City's debt limit remains available.

## Sales Tax Revenue Bonds

Sales Tax Revenue bonds are issued to finance the construction of various capital improvements. Sales Tax Revenues are used to repay the principal and interest of the bonds.

In May 1999, the City issued \$87,975,000 in Sales Tax Revenue Bonds. The bonds were issued for various capital improvement projects recommended by the Springs Community Improvements Program (SCIP) citizen committees. While these bonds do not count against the City's debt limit, they commit sales tax revenue to pay them. During 2007, the City refinanced approximately \$10.4 million of these bonds; in 2009, the City refinanced the remaining \$34.5 million. The 2015 payment totals \$7,838,750, which is paid from a General Fund – General Cost account.

The following table reflects the future debt service requirements for all sales tax revenue bonds to maturity.

### Springs Community Improvements Program (SCIP) – Combined Series 2007, Series 2009

Interest Rates on Outstanding Debt: 3.00% – 5.00%

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	7,340,000	498,750	7,838,750
2016	<u>2,635,000</u>	<u>131,750</u>	<u>2,766,750</u>
<b>Total</b>	<b>\$9,975,000</b>	<b>\$630,500</b>	<b>\$10,605,500</b>



*In 2009, the G.O. debt was paid off and, therefore, the G.O. debt per capita is \$0. For 2015, Sales Tax debt per capita is \$6.*

## Airport Revenue Bonds

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### 2014 Airport System Revenue (previously 2002 Terminal Project)

In 2014 the Series 2002 Terminal Project (previously 1992A) was refinanced with a principal value of \$11,185,000 at an interest rate of 5.00%.

Coupon Interest Rate on Outstanding Debt: 5.00% (True Interest Cost 3.29%)

The 2015 payment totals \$1,459,500 and is paid through the Airport Enterprise Fund.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	940,000	519,500	1,459,500
2016	990,000	472,500	1,462,500
2017	1,040,000	423,000	1,463,000
2018	1,090,000	371,000	1,461,000
2019	1,145,000	316,500	1,461,500
2020	1,205,000	259,250	1,464,250
2021	1,265,000	199,000	1,464,000
2022	1,325,000	135,750	1,460,750
2023	<u>1,390,000</u>	<u>69,500</u>	<u>1,459,500</u>
<b>Total</b>	<b>\$10,390,000</b>	<b>\$2,766,000</b>	<b>\$13,156,000</b>

### 2007A Airport System Revenue

Interest Rates on Outstanding Debt: 4.00% – 4.25% (True Interest Cost 4.14%)

The 2015 payment totals \$348,387 and is paid through the Airport Enterprise Fund.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	270,000	78,387	348,387
2016	280,000	67,587	347,587
2017	295,000	56,388	351,388
2018	305,000	44,588	349,588
2019	315,000	32,388	347,388
2020	330,000	19,788	349,788
2021	<u>155,000</u>	<u>6,588</u>	<u>161,588</u>
<b>Total</b>	<b>\$1,950,000</b>	<b>\$305,714</b>	<b>\$2,255,714</b>

### 2007B Airport System Revenue

Interest Rates on Outstanding Debt: 4.00% – 4.375% (True Interest Cost 4.49%)

The 2015 payment totals \$619,562 and is paid through the Airport Enterprise Fund.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	355,000	264,562	619,562
2016	480,000	250,363	730,363
2017	585,000	231,163	816,163
2018	610,000	207,762	817,762
2019	635,000	182,600	817,600
2020	660,000	155,613	815,613
2021	850,000	127,562	977,562
2022	1,050,000	91,438	1,141,438
2023	<u>1,040,000</u>	<u>45,500</u>	<u>1,085,500</u>
<b>Total</b>	<b>\$6,265,000</b>	<b>\$1,556,563</b>	<b>\$7,821,563</b>

## Parking System Revenue Bonds

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### 1999 Parking System Revenue

Interest Rates on Outstanding Debt: 4.625% – 4.75%

The 2015 payment totals \$715,544 and is paid through the Parking System Enterprise Fund.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	595,000	120,544	715,544
2016	625,000	93,025	718,025
2017	655,000	63,650	718,650
2018	<u>685,000</u>	<u>32,537</u>	<u>717,537</u>
<b>Total</b>	<b>\$2,560,000</b>	<b>\$309,756</b>	<b>\$2,869,756</b>

### 2006 Parking System Revenue

Interest Rates on Outstanding Debt: 3.875% – 4.40%

The 2015 payment totals \$350,783 and is paid through the Parking System Enterprise Fund.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	35,000	315,783	350,783
2016	35,000	314,426	349,426
2017	35,000	313,070	348,070
2018	35,000	311,670	346,670
2019	715,000	310,270	1,025,270
2020	740,000	281,670	1,021,670
2021	770,000	251,330	1,021,330
2022	805,000	219,568	1,024,568
2023	830,000	186,160	1,016,160
2024	865,000	150,885	1,015,885
2025	905,000	114,122	1,019,122
2026	945,000	75,207	1,020,207
2027	<u>775,000</u>	<u>34,100</u>	<u>809,100</u>
<b>Total</b>	<b>\$7,490,000</b>	<b>\$2,878,261</b>	<b>\$10,368,261</b>

## Certificates of Participation (COP)

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Certificates of Participation are issued for particular projects and are repaid from lease payments made by the City for use of the acquired property.

In October 2009, the City entered into a lease-purchase agreement with the City of Colorado Springs Public Facilities Authority to issue COP's for the United States Olympic Committee (USOC) facilities project in the amount of \$31,470,000. The project includes office space for the USOC Headquarters in downtown Colorado Springs and certain improvements at the USOC Olympic Training Center. The 2015 payment totals \$1,739,650 which is paid from a General Fund – General Cost account.

### USOC Project Series 2009

Interest Rates on Outstanding Debt: 2.75%– 5.00%

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	270,000	1,469,650	1,739,650
2016	320,000	1,462,225	1,782,225
2017	370,000	1,452,625	1,822,625
2018	425,000	1,440,600	1,865,600
2019	480,000	1,425,725	1,905,725
2020	540,000	1,408,925	1,948,925
2021	615,000	1,381,925	1,996,925
2022	690,000	1,351,175	2,041,175
2023	770,000	1,316,675	2,086,675
2024	850,000	1,278,175	2,128,175
2025	935,000	1,244,175	2,179,175
2026	1,025,000	1,206,775	2,231,775
2027	1,115,000	1,164,494	2,279,494
2028	1,210,000	1,118,500	2,328,500
2029	1,325,000	1,058,000	2,383,000
2030	1,445,000	991,750	2,436,750
2031	1,570,000	919,500	2,489,500
2032	1,710,000	841,000	2,551,000
2033	1,855,000	755,500	2,610,500
2034	1,950,000	662,750	2,612,750
2035	2,045,000	565,250	2,610,250
2036	2,150,000	463,000	2,613,000
2037	2,255,000	355,500	2,610,500
2038	2,370,000	242,750	2,612,750
2039	<u>2,485,000</u>	<u>124,250</u>	<u>2,609,250</u>
<b>Total</b>	<b>\$30,775,000</b>	<b>\$25,700,894</b>	<b>\$56,475,894</b>

## Certificates of Participation (COP)

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In May 2011, the City and the City of Colorado Springs Public Facilities Authority refinanced the 1999 Series Skyview Softball Complex, Series 2000 Old City Hall Project and the Series 2003 Red Rock Canyon Project COPs. Although this is part of a combined refinancing, the payments are separated as a result of multiple funding sources.

### Skyview Softball Complex Series 2011 (1999 portion of combined 2011 series)

Interest Rates on Outstanding Debt: 3.0% – 5.0%

In September 1999, the City entered into a lease-purchase agreement with the City of Colorado Springs Public Facilities Authority to issue Certificates of Participation (COP's) for the Skyview Softball Complex in the amount of \$4,205,000. The project includes an adult sports complex consisting of six lighted softball fields and two lighted concrete fields designed for wheelchair sports.

The 2015 payment totals \$273,300 and is made from the Conservation Trust Fund and the Ballfield Capital Improvements Fund.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	225,000	48,300	273,300
2016	235,000	39,300	274,300
2017	240,000	29,900	269,900
2018	250,000	20,300	270,300
2019	<u>240,000</u>	<u>7,800</u>	<u>247,800</u>
<b>Total</b>	<b>\$1,190,000</b>	<b>\$145,600</b>	<b>\$1,335,600</b>

### Old City Hall Project Series 2011 (2000 portion of combined 2011 series)

Interest Rates on Outstanding Debt: 3.0% – 5.0%

In July 2000, the City entered into a lease-purchase agreement with the City of Colorado Springs Public Facilities Authority to issue COP's for the Old City Hall project in the amount of \$7,265,000. The project included a major renovation of Old City Hall and acquisition of the Police Training Academy and Impound Lot.

The 2015 payment totals \$523,925 and is made from the General Fund – General Costs and Police Department accounts.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	425,000	98,925	523,925
2016	440,000	81,925	521,925
2017	460,000	64,325	524,325
2018	475,000	45,925	520,925
2019	300,000	22,175	322,175
2020	<u>205,000</u>	<u>7,175</u>	<u>212,175</u>
<b>Total</b>	<b>\$2,305,000</b>	<b>\$320,450</b>	<b>\$2,625,450</b>

**Red Rock Canyon Project Series 2011 (2003 portion of combined 2011 series)**

Interest Rates on Outstanding Debt: 3.0% – 5.0%

In November 2003, the City entered into a lease-purchase agreement with the City of Colorado Springs Public Facilities Authority to issue COP's for the Red Rock Canyon project in the amount of \$15,070,000. The project included the acquisition of approximately 732 acres on the City's west side.

The 2015 payment totals \$1,117,575 and is made from the Conservation Trust Fund and the Trails, Open Space and Parks Fund.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	955,000	162,575	1,117,575
2016	995,000	127,375	1,122,375
2017	1,030,000	93,825	1,123,825
2018	<u>1,075,000</u>	<u>53,750</u>	<u>1,128,750</u>
<b>Total</b>	<b>\$4,055,000</b>	<b>\$437,525</b>	<b>\$4,492,525</b>

**Lease Financing**

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In August 2013, City Council approved a bank lease-purchase agreement in the amount of \$7.4 million to refinance the 2007 bank lease-purchase agreement for the purchase of the City Administration Building. At the end of the term, the City will have the option to purchase the building for \$4,066,212. The total payment for 2015 is \$626,759 and is made from the General Fund – General Costs account.

**City Administration Building – 2007\***

Interest Rate on Outstanding Debt: 2.49%

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	461,666	165,093	626,759
2016	473,294	153,465	626,759
2017	485,214	141,545	626,759
2018	497,435	129,324	626,759
2019	509,963	116,796	626,759
2020	<u>390,884</u>	<u>79,185</u>	<u>470,069</u>
<b>Total</b>	<b>\$2,818,456</b>	<b>\$785,408</b>	<b>\$3,603,864</b>

## Lease Financing

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State Statue 29-1-103 (3) requires that all local governments set forth in the budget document all amounts for lease-purchase agreement obligations which involve funding commitments beyond the forthcoming fiscal year.

<b>Description</b>	<b>1-1-15 Balance**</b>	<b>2015 Payment</b>	<b>12-31-15 Remaining</b>
General Fund Lease-Purchase Obligations*	\$916,178	\$294,410	\$621,768

<b>Description</b>	<b>1-1-15 Balance**</b>	<b>2015 Payment</b>	<b>12-31-15 Remaining</b>
Other Fund Lease-Purchase Obligations	\$323,264	\$301,322	\$21,942

\* The General Fund Lease Purchase Obligations shown above do not include the Lease Financing of the City Administration Building (CAB). The total Lease Purchase obligations including the CAB are \$1,177,359.

\*\* The balance is defined as all remaining financial obligations for principal from January 1, 2015, through the retirement of all lease-purchase agreement obligations represented in the figures shown above.

# Grants Overview

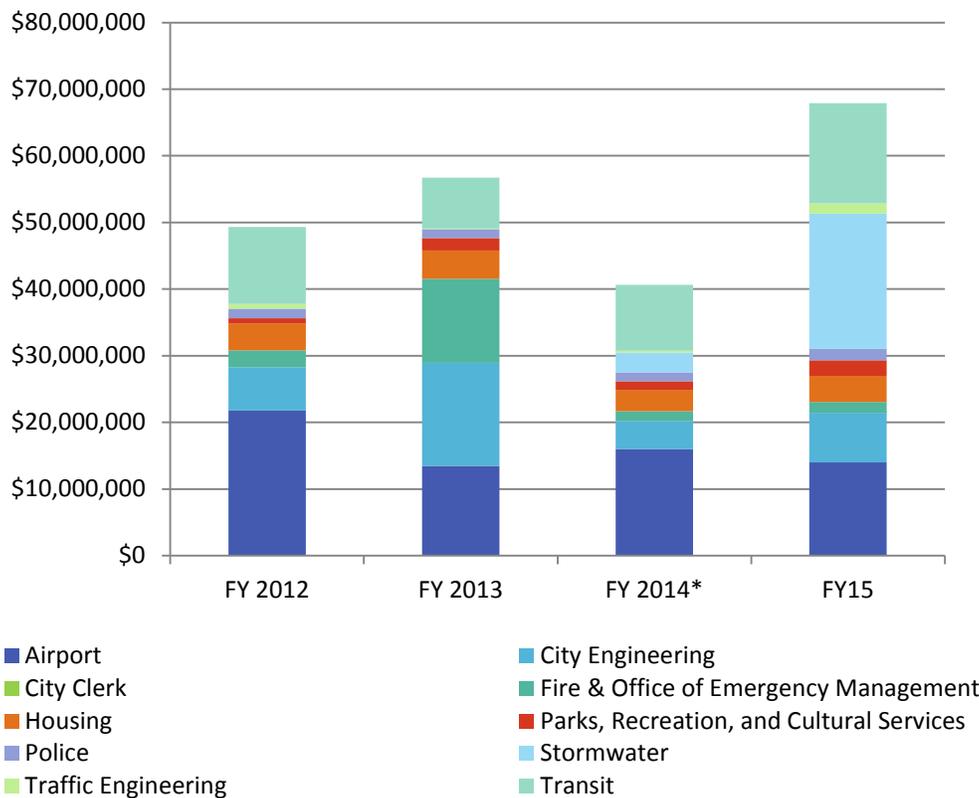
## Grants Appropriation

**\$67,920,000**

Each year, the City of Colorado Springs appropriates an amount in the Budget to streamline the grant acceptance process. Under this model, anticipated grants need only be accepted by City Council resolution. Grants received outside the Grant Appropriation require supplemental appropriations throughout the year.

The City of Colorado Springs anticipates an increase in the amount of grants awarded in Fiscal Year 2015. The prior year amounts shown below include the total amount of grant funding awarded to the City during that fiscal year. The total for fiscal year 2015 includes potential grants for which departments intend to apply, including highly competitive grants that are not guaranteed. These amounts may not correspond to section narratives, which include only those grants that have already been awarded or those that have a high probability of award in 2015.

**Grant Funding and Appropriation, Fiscal Year 2012-2015**



\*FY14 activity includes grants awarded through August 31, 2014 as well as grants projected to be awarded from September 1, 2014 through fiscal year end.

## Types of Grants

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Grants facilitate operational capacity and capital investment that would otherwise be impossible for the City to accomplish due to financial restrictions. Grant funding supports local government operations and local capital improvement projects, but these funds are designated specifically to projects and improvements in line with the intent of the grantor. Grant funding, therefore, is temporary assistance to accomplish policy or infrastructure goals on behalf of the grantor.

**Operating grants** fund projects undertaken by the City to provide services such as DUI enforcement checkpoints, Office of Emergency Management efforts, and therapeutic recreation projects. Grant funding awarded for operations is listed in each section of the Budget.

**Capital Improvement grants** fund projects involving infrastructure improvement projects, purchases of equipment or property, and renovation of City facilities creating a fixed asset and having a long life. Capital Improvement Grants are discussed in the Capital Improvement Section, starting on page 30-1.

## Matching Funds

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Certain grants require matching funds as the recipient's demonstration of financial commitment to the grant-funded project. Matching funds can be contributed by the General Fund through the Budget process, cash or in-kind third party contributions.

Matching funds leverage City dollars to accomplish projects that otherwise could not be undertaken due to lack of financial resources. The return on the City's investment varies depending on the structure of the grant. Grantors may require differing levels of matching funds, some of which are required by federal, state, or other grantor statute. When possible, matching funds are sought from other entities.

## Formula vs. Discretionary Grants

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Formula grants are awarded according to the grantor's determination of equitable distribution of grant funds to the City of Colorado Springs. These include the Community Development Block Grant, and Transit Section 5307, among others.

Discretionary grants are generally competitive grants for which the City of Colorado Springs develops an application and the grantor determines the recipient. Discretionary grants award funds based on the viability of the proposed project, evidence of support from stakeholders, and quality of the application materials.

## Non-Supplanting & Retention Requirements

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Certain grants require the City to support or maintain grant funded activities for a specified timeframe. These requirements are in place to ensure that grant funds are being used to supplement, not supplant the use of local dollars. By accepting grants with such requirements, the City accepts the responsibility of supporting the activity in the manner required by the grantor.

An example of a grant with such a requirement is the Staffing for Adequate Fire & Emergency Response Program (SAFER) funded by the Federal Emergency Management Agency. Under this program, the City hired 15 firefighters for a two-year period, subsequently extended to April 17, 2015. During this period, Fire is required to maintain the 15 grant employees, as well as the number of declared employees that support the NFPA 1710 standard. If at any time during the award period the number of grant employees or declared employees drops below the authorized number, the City has six months to replace the personnel or risk losing funding. The City has met this standard throughout the grant period.

SAFER is currently the only active grant with a retention requirement. The City has however applied for a grant through the U.S. Department of Justice requiring continuation of a grant funded position. The proposed grant would provide \$250,000 in funding for two school resource officers for 36 months. The retention requirement specifies that the grant-funded position be retained with City dollars for an additional 12 months after the grant expiration date. Based on the proposed grant period, the retention period would be in effect from mid FY 2017 through mid FY 2018.

## Grant Appropriation Detail

Type of Funding/Recipient	Anticipated Grant Funding	Budgeted Grant Match	2015 Grants Appropriation
<b>Capital Improvement Grants</b>			
Airport	\$10,493,500	\$593,500	\$11,087,000
City Engineering	2,651,323	589,134	3,240,457
Housing	488,000	0	488,000
Parks, Recreation, and Cultural Services	2,170,973	597,570	2,768,543
Stormwater	18,031,019	1,700,493	19,731,512
Traffic Engineering	5,306,085	189,021	5,495,106
Transit	1,046,334	250,134	1,296,468
<b>Total Capital Improvement Grants</b>	<b>\$40,187,234</b>	<b>\$3,919,852</b>	<b>\$44,107,086</b>
<b>Operating Grants</b>			
Airport	\$226,000	\$0	\$226,000
City Clerk	2,500	2,500	5,000
Fire	940,000	11,500	951,500
Housing	2,907,000	0	2,907,000
Office of Emergency Management	536,000	0	536,000
Parks, Recreation, and Cultural Services	1,000,000	0	1,000,000
Police	1,573,000	0	1,573,000
Transit	10,097,894	2,444,635	12,542,529
<b>Total Operating Grants</b>	<b>\$17,282,394</b>	<b>\$2,458,635</b>	<b>\$19,741,029</b>
<b>Fiscal Year 2014 Carry Forward</b>			
City Engineering	\$2,982,139	\$619,913	\$3,602,052
Traffic Engineering	347,006	122,827	469,833
<b>Total Carry Forward</b>	<b>\$3,329,145</b>	<b>\$742,740</b>	<b>\$4,071,885</b>
<b>Total Grants Appropriation</b>	<b>\$60,798,773</b>	<b>\$7,121,227</b>	<b>\$67,920,000</b>

### Capital Improvement Grants:

Capital Improvement grant funding and contributed match, is included within the Capital Improvement Program All Funds Detail, starting on page 30-7. Match identified above is a component of the non-grant CIP funding sources, but may not make up the non-grant funded sources in their entirety.

### Operating Grants:

Grant funding awarded for operations is listed in each section of the Budget. The City's match contribution related to operating grants comes from a variety of sources, most commonly in-kind or third party contributions. Because in-kind contributions relate to expenses the City incurs regardless of receiving grant funding, contributed match is contained within each section of the budget and not identified separately. These contributions are reviewed prior to the submission of a grant application.

**Fiscal Year 2014 Carry Forward:**

The portion of the annual grant appropriation that has not been allocated to specific grant awards does not carry forward. If a grant was anticipated to be received in the current year and the funding is delayed, the appropriation required is included in the following year's grant appropriation amount. The amounts listed as Fiscal Year 2014 Carry Forward were included in the FY 2014 grants appropriation but were not awarded in FY 2014. The amounts are being included in the FY 2015 grants appropriation in anticipation of receiving the grant. Any match related to these grants budgeted within the Capital Improvement Program in FY 2014 carries forward within that project.

**Featured Grant Summary**

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Many grants are funded on an annual basis however some may go three years or longer. Several currently active grants are summarized here for high-level understanding.

**Police:**

The Victim Assistance and Law Enforcement (VALE) and Victims of Crime Act (VOCA) grants fund three victim advocates in the Police Department. These advocates provide supportive services to victims of violent crime in Colorado Springs, including immediate crisis intervention, information regarding victim rights under the law, support during police interviews and other investigative steps, and community referrals. The Police Victim Assistance Unit has been supported by VALE funding since 2002 and by VOCA funding since 2008.

**Housing:**

The Community Development Block Grant (CDBG) is an annual Federal grant and remains the largest source of funding for the Housing Division. The CDBG funds local community development functions such as affordable housing and anti-poverty programs. This formula grant is awarded to the City on a yearly basis, synchronized with the Federal fiscal year.

**Office of Emergency Management:**

The Homeland Security Grant Program (HSGP) plays an important role in the implementation of the National Preparedness System by supporting the building, sustainment, and delivery of core capabilities essential to achieving the National Preparedness Goal of a secure and resilient nation. The HSGP supports five mission areas of Prevention, Protection, Mitigation, Response, and Recovery. The program funds a range of preparedness activities including planning, organization, equipment purchase, training, exercises, management, and administration. The 2013 State Homeland Security Program grant of \$344,121, as part of the HSGP, was awarded in October 2013 and will close May 2015.