

Finance

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All Funds Summary

All Funds	Use of Funds	2022 Actual	2023 Original Budget	* 2023 Amended Budget	2024 Budget	2024 Budget - * 2023 Amended Budget
	General Fund	\$4,998,350	\$5,714,578	\$5,714,578	\$5,947,392	\$232,814
General Fund - CIP	829,058	60,830	60,830	103,510	42,680	
Total	\$5,827,408	\$5,775,408	\$5,775,408	\$6,050,902	\$275,494	
Positions						
General Fund	45.00	45.00	45.00	45.00	0.00	
Total	45.00	45.00	45.00	45.00	0.00	

* 2023 Amended Budget as of 8/31/2023

Significant Changes vs. 2023

- Increase of approximately \$411,000 in the General Fund mainly to fund existing positions, pay for performance, and benefit cost adjustments
- Decrease of \$195,955 in the General Fund due to operating budget reductions
- Increase of approximately \$43,000 in General Fund - CIP for bank/investment fees in the CIP fund

Finance - Overview

The Finance Department is responsible for maintaining a fiscally sound organization that conforms to legal requirements and to generally accepted accounting practices and financial management principles. Services provided include accounting and financial reporting; accounts receivable, accounts payable, and payroll services; grants management, writing, and compliance; sales tax licensing, revenue collection and compliance; financial planning including annual budget preparation, long-range fiscal planning, strategic planning and capital improvement program planning; analytical support to the Mayor, City Council, Chief of Staff and departments; and capital financing.

Accounting and Accounts Receivable

- Provides accounting and financial reporting services for City departments, enterprises, component units, and federal and state grants
- Maintains accounting information for 70 funds and approximately \$901 million in expenditures
- Oversees the City's cash, investment, and debt activities
- Oversees the tracking and receipt of payments to the City

Budget

- Maintains the City's fiscal integrity through efficient allocation of resources and presents information with fiscal transparency to the Mayor, City Council, and the residents of this community
- Manages the annual budget process and prepares the annual budget document
- Provides analytical support to the Mayor, Chief of Staff, City Council, and City departments
- Conducts fiscal review of special districts in the City
- Develops and manages the City's capital improvement program

Grants Administration

- Oversees citywide grant coordination and administration to ensure proper reporting and compliance
- Identifies funding opportunities and supports preparation of proposals to maximize City grant funding
- Coordinates annual and agency specific audits related to grants
- Develops City-wide policies and procedures to guide standardized grant management
- Develops and maintains internal controls to support grant compliance

Payroll, Pensions, and Accounts Payable

- Provides time tracking, payroll, and pension support to all City departments and enterprises
- Administers payroll, new hire and job action processes
- Processes terminations, workers' compensation calculations, benefits processing and remittance to vendors, time administration, and many other payroll related activities
- Processes invoices for payment and manages encumbrances including all contracts, purchase orders and change orders
- Disburses payments for the Pikes Peak Regional Communications Network and invoice tracking/oversight for the Pikes Peak Rural Transportation Authority (PPRTA)

Sales Tax

- Collects sales and use tax from taxpayers
- Registers applicants for new sales and use tax licenses
- Interprets and ensures compliance with the City Code
- Delivers a high level of customer service to taxpayers
- Conducts taxpayer education classes

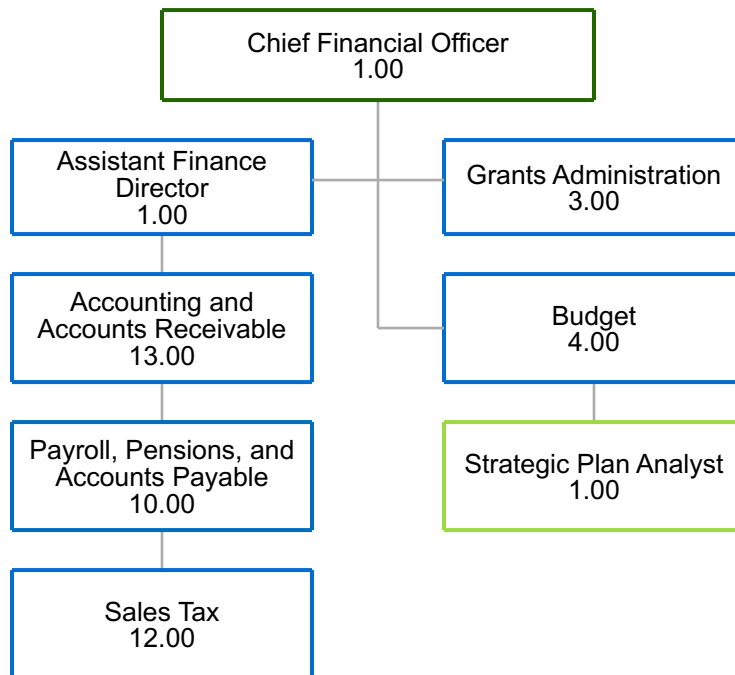
Finance - Functions

The Finance Department's functions supported by the General Fund are the following (these amounts do not include CIP):

Finance Functions	2021 Actual	2022 Actual	2023 Original Budget	* 2023 Amended Budget	2024 Budget
Accounting, Accounts Receivable, and Grant Administration	\$1,952,018	\$2,265,524	\$2,564,932	\$2,564,932	\$2,548,714
Accounts Payable	377,826	413,601	469,695	469,695	494,225
Budget Office	604,859	646,596	763,555	763,555	765,146
Payroll and Pensions	303,447	409,911	485,729	485,729	503,515
Sales Tax	975,205	1,262,718	1,430,667	1,430,667	1,635,792
Total Finance Functions	\$4,213,355	\$4,998,350	\$5,714,578	\$5,714,578	\$5,947,392

* 2023 Amended Budget as of 8/31/2023

Finance - Organizational Chart



Strategic Plan Update



Building Community & Collaborative Relationships

Initiatives			
3.7 Promote a culture of service to ensure that Finance is viewed as a partner and resource.			
Performance Measures	Percentage Completion		
	Actual 2022	Estimated 2023	Projected 2024
3.7.1 Deliver a minimum of two (2) trainings or presentations per year, per division.	100%	100%	100%
3.7.2 Review and update the City Travel Policies and Procedures by the end of 2020.	100%	100%	100%
3.7.3 Initiate partnerships between City departments in order to share resources and increase efficiencies in Sales Tax enforcement by the end of 2022.	100%	100%	100%
3.7.4 Collaborate with City departments/divisions to research and identify grant opportunities related to each of the four strategic plan goals, and related initiatives, by the end of 2020.	100%	100%	100%
3.7.5 Implement new sales tax filing system - MuniRevs, to enable local businesses to file and gain account information online.	100%	Complete	
Notable Achievements			
3.7.1 In 2022, Finance developed 13 training topic areas; delivering 82 trainings directly to or in conjunction with other City departments.			



Excelling In City Services

Initiatives			
4.7 Leverage additional technology to enhance workflow, efficiency and financial controls.			
Performance Measures	Percentage Completion		
	Actual 2022	Estimated 2023	Projected 2024
4.7.1 Utilize the implementation of PeopleSoft modules in order to automate processes and establish electronic workflow across Finance divisions by the end of 2023.	100%	100%	Complete
4.7.2 Make it easier to do business with the City by implementing additional online payment options and web-based services available to citizens and businesses by the end of 2022.	100%	Complete	
Notable Achievements			
4.7.1 In March 2022, the PeopleSoft implementation of Procure-to-Pay went Live. The new functionality within the PeopleSoft Financial Software has enhanced the Procurement and Accounts Payable processes.			
4.7.1 In Q2 2022 the process to update the financial reporting software for PeopleSoft was initiated. The development and training phases commenced during Q3 2022. Expect to issue new expense by department reports by Q4 2023.			
4.7.1 On June 1, 2023, the Grants team kicked off the implementation of PeopleSoft Grants, Contracts and Project Costing and has made significant progress through Q2 and Q3 (to date). We anticipate going live with the new PeopleSoft modules and functionality on April 1, 2024.			
4.7.2 Finance has implemented three online payment options during 2022.			
4.7.2 In collaboration with IT, Finance is updating partnerships to reduce fees paid by the City for processing online credit card payments. Anticipate completion of this process by the end of 2023.			

This Strategic Plan update identifies each department's initiatives, performance measures, and a sampling of notable achievements. The Percentage Completion section represents quantitative progress made on each performance measure. The term 'Complete' indicates that all activities of a performance measure have been fully achieved. If '-' is shown, activity has not started on the performance measure. '100%' reflects performance measure activity is satisfied and is ongoing for the life of the Strategic Plan. For the full description of each initiative and performance measure, reference the bolded ID numbers in the City's Strategic Plan beginning on Page 19 of this document.

The sections below provide a summary of the Budget, authorized positions, changes that occurred after the budget was implemented for 2023, and changes occurring as part of the 2024 Budget for each fund including General Fund and Capital Improvements Program (CIP).

Finance - General Fund: Summary

General Fund	Use of Funds	2021 Actual	2022 Actual	2023 Original Budget	* 2023 Amended Budget	2024 Budget	2024 Budget - * 2023 Amended Budget
	Salary/Benefits/Pensions	\$3,825,611	\$4,488,083	\$5,291,899	\$5,291,899	\$5,573,583	\$281,684
Operating	387,744	505,734	418,942	418,942	370,072	(48,870)	
Capital Outlay	0	4,533	3,737	3,737	3,737	0	
Total	\$4,213,355	\$4,998,350	\$5,714,578	\$5,714,578	\$5,947,392	\$232,814	
CIP	\$3,213,471	\$829,058	\$60,830	\$60,830	\$103,510	\$42,680	
Grand Total	\$7,426,826	\$5,827,408	\$5,775,408	\$5,775,408	\$6,050,902	\$275,494	

* 2023 Amended Budget as of 8/31/2023

Finance - General Fund: Positions

	Position Title	2022	2023	* 2023	2024	2024 Budget -
		Actual	Original Budget	Amended Budget	Budget	* 2023 Amended Budget
General Fund Positions	A/P & A/R Supervisor	2.00	2.00	2.00	2.00	0.00
	Accountant I	2.00	2.00	0.00	0.00	0.00
	Accountant II	1.00	1.00	2.00	2.00	0.00
	Accounting Supervisor	1.00	1.00	1.00	1.00	0.00
	Accounting Technician II	1.00	1.00	0.00	0.00	0.00
	Analyst I	1.00	1.00	0.00	0.00	0.00
	Analyst II	2.00	2.00	5.00	5.00	0.00
	Assistant Finance Director	1.00	1.00	1.00	1.00	0.00
	Central Finance Technician I	7.00	7.00	3.00	3.00	0.00
	Central Finance Technician II	2.00	2.00	6.00	6.00	0.00
	Chief Financial Officer	1.00	1.00	1.00	1.00	0.00
	City Accounting Manager	1.00	1.00	1.00	1.00	0.00
	City Budget Manager	1.00	1.00	1.00	1.00	0.00
	City Budget Supervisor	1.00	1.00	1.00	1.00	0.00
	City Grants Manager	1.00	1.00	1.00	1.00	0.00
	Finance Lead	1.00	1.00	1.00	1.00	0.00
	Grant Writer	1.00	1.00	1.00	1.00	0.00
	Grants Analyst	1.00	1.00	1.00	1.00	0.00
	Payroll & Pension Administrator	1.00	1.00	1.00	1.00	0.00
	Sales Tax Auditor II	2.00	2.00	1.00	1.00	0.00
	Sales Tax Investigator	1.00	1.00	1.00	1.00	0.00
	Sales Tax Manager	1.00	1.00	1.00	1.00	0.00
	Sales Tax Supervisor	2.00	2.00	2.00	2.00	0.00
	Senior Accountant	4.00	4.00	4.00	4.00	0.00
	Senior Analyst	1.00	1.00	1.00	1.00	0.00
	Senior Central Finance Technician	2.00	2.00	3.00	3.00	0.00
	Senior Sales Tax Investigator	1.00	1.00	1.00	1.00	0.00
	Staff Assistant	1.00	1.00	1.00	1.00	0.00
Strategic Plan Analyst	1.00	1.00	1.00	1.00	0.00	
Total Positions	45.00	45.00	45.00	45.00	0.00	

* 2023 Amended Budget as of 8/31/2023

Finance - General Fund: Summary, Funding, and Position Changes

Funding Changes	During 2023	* 2023 Amended - 2023 Original Budget
	None	\$0
	Total During 2023	\$0
	For 2024	2024 Budget - * 2023 Amended Budget
	Salaries/Benefits/Pensions	
	Net change to fund existing positions	\$231,274
	Increase to fund pay for performance and pay progression	153,737
	Increase to fund medical cost adjustments	26,128
	Decrease due to operating budget reductions	(129,455)
	Total Salaries/Benefits/Pensions	\$281,684
	Operating	
	Decrease due to transfer of software subscription costs to Information Technology	(\$11,370)
	Increase to fund Sales Tax Audit Contract	29,000
	Decrease due to operating budget reductions	(66,500)
	Total Operating	(\$48,870)
	Capital Outlay	
	None	\$0
	Total Capital Outlay	\$0
	CIP	
	Increase in 2024 CIP fund investment fees	\$42,680
Total CIP	\$42,680	
Total For 2024	\$275,494	

Position Changes	During 2023	* 2023 Amended - 2023 Original Budget
	None	0.00
	Total During 2023	0.00
	For 2024	2024 Budget - * 2023 Amended Budget
	None	0.00
	Total For 2024	0.00

* 2023 Amended Budget as of 8/31/2023

Finance - CIP Program

CIP Program*	Project	General Fund	Total Allocation
	Investment Fees for the CIP Fund**	103,510	103,510
	Total 2024 CIP	\$103,510	\$103,510

* The funding of the CIP projects is for the current budget year and may not reflect the total project cost. For a citywide comprehensive list of CIP projects, refer to the CIP section of the Budget.

** The investment fees listed represent fees for the entire CIP Fund, and are not displayed in the CIP chapter as a project.

City of Colorado Springs Budget Detail Report

001 - GENERAL FUND
Finance

Acct # - Description	2021 Actual	2022 Actual	2023 Original Budget	* 2023 Amended Budget	2024 Budget	* 2024 Budget - * 2023 Amended Budget
Salaries/Benefits/Pensions						
51003 - REDUCTION IN SALARIES BENEFITS	0	0	0	0	(129,455)	(129,455)
51205 - CIVILIAN SALARIES	2,894,994	3,430,254	3,988,744	3,988,744	4,305,045	316,301
51210 - OVERTIME	9,198	6,132	9,850	9,850	9,850	0
51220 - SEASONAL TEMPORARY	0	0	15,100	15,100	15,100	0
51230 - SHIFT DIFFERENTIAL	50	3	0	0	0	0
51245 - RETIREMENT TERM VACATION	9,263	12,959	0	0	0	0
51260 - VACATION BUY PAY OUT	16,952	15,258	0	0	0	0
51299 - SALARIES REIMBURSEMENTS	(23,153)	(25,808)	0	0	0	0
51610 - PERA	399,603	486,913	591,629	591,629	638,516	46,887
51615 - WORKERS COMPENSATION	7,012	8,268	5,955	5,955	4,574	(1,381)
51620 - EQUITABLE LIFE INSURANCE	6,885	7,960	14,761	14,761	13,436	(1,325)
51640 - DENTAL INSURANCE	17,285	16,816	19,920	19,920	19,620	(300)
51670 - PARKING FOR EMPLOYEES	16,992	22,770	21,840	21,840	21,840	0
51690 - MEDICARE	40,579	48,341	58,121	58,121	62,643	4,522
51695 - CITY EPO MEDICAL PLAN	54,158	38,065	44,744	44,744	53,058	8,314
51696 - ADVANTAGE HD MED PLAN	356,563	399,058	497,735	497,735	535,606	37,871
51697 - HRA BENEFIT TO ADV MED PLAN	19,230	21,094	23,500	23,500	23,750	250
Salaries/Benefits/Pensions Total	3,825,611	4,488,083	5,291,899	5,291,899	5,573,583	281,684
Operating						
52003 - REDUCTION IN OPERATING	0	0	0	0	(66,500)	(66,500)
52105 - MISCELLANEOUS OPERATING	4,464	466	0	0	0	0
52110 - OFFICE SUPPLIES	5,433	5,639	7,150	7,150	7,150	0
52111 - PAPER SUPPLIES	144	589	650	650	650	0
52120 - SOFTWARE SUBSCRIPTION/LICENSE	1,147	44,006	26,050	26,050	14,680	(11,370)
52125 - GENERAL SUPPLIES	1,821	2,690	50	50	50	0
52135 - POSTAGE	27,191	11,743	30,000	30,000	30,000	0
52165 - LICENSES AND TAGS	16	65	0	0	0	0
52190 - JANITORIAL SUPPLIES	0	738	0	0	0	0
52220 - MAINT OFFICE MACHINES	0	0	600	600	600	0
52418 - COMPUTER SERVICES	0	0	800	800	800	0
52560 - PARKING SERVICES	0	42	100	100	100	0
52568 - BANK AND INVESTMENT FEES	59,253	60,653	57,198	57,198	57,198	0
52573 - CREDIT CARD FEES	897	809	550	550	550	0
52575 - SERVICES	29,649	37,057	38,097	38,097	38,097	0
52576 - AUDIT SERVICES	200,249	250,625	175,000	175,000	204,000	29,000
52590 - TEMPORARY EMPLOYMENT	15,271	38,327	17,000	17,000	17,000	0
52607 - CELL PHONE ALLOWANCE	1,109	1,080	600	600	600	0
52615 - DUES AND MEMBERSHIP	3,687	7,507	5,400	5,400	5,400	0
52625 - MEETING EXPENSES IN TOWN	544	477	2,700	2,700	2,700	0
52630 - TRAINING	6,581	10,626	14,297	14,297	14,297	0
52645 - SUBSCRIPTIONS	427	442	300	300	300	0
52655 - TRAVEL OUT OF TOWN	307	2,309	10,500	10,500	10,500	0
52706 - WIRELESS COMMUNICATION	(28)	0	500	500	500	0
52736 - CELL PHONE AIRTIME	3,386	3,195	0	0	0	0
52738 - CELL PHONE BASE CHARGES	(28)	0	4,000	4,000	4,000	0
52775 - MINOR EQUIPMENT	3,362	3,103	500	500	500	0
52776 - PRINTER CONSOLIDATION COST	12,098	13,295	12,700	12,700	12,700	0

City of Colorado Springs Budget Detail Report

001 - GENERAL FUND
Finance

Acct # - Description	2021 Actual	2022 Actual	2023 Original Budget	* 2023 Amended Budget	2024 Budget	* 2024 Budget - * 2023 Amended Budget
52874 - OFFICE SERVICES PRINTING	10,764	10,251	14,200	14,200	14,200	0
Operating Total	387,744	505,734	418,942	418,942	370,072	(48,870)
Capital Outlay						
53020 - COMPUTERS NETWORKS	0	4,533	0	0	0	0
53030 - FURNITURE AND FIXTURES	0	0	3,737	3,737	3,737	0
Capital Outlay Total	0	4,533	3,737	3,737	3,737	0
Expense Total	4,213,355	4,998,350	5,714,578	5,714,578	5,947,392	232,814
CIP Total	3,213,471	829,058	60,830	60,830	103,510	42,680
Grand Total	7,426,826	5,827,408	5,775,408	5,775,408	6,050,902	275,494

* 2023 Amended Budget as of 8/31/2023

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General Costs

Overview

The General Cost section of the budget provides a funding source for general expenses of City government, which are the responsibility of or benefit the organization as a whole.

General Costs - General Fund: Summary

	2021 Actual	2022 Actual	2023 Budget	2024 Budget
Retired Employees Insurance	1,296,030	1,278,889	1,250,000	1,250,000
Unemployment Insurance	150,522	0	100,000	100,000
Other Salaries and Benefits	(17,938)	(380,293)	0	0
Special Events - Overtime	148,732	291,197	420,000	420,000
Total Salaries and Benefits	1,577,346	1,189,793	1,770,000	1,770,000
Allocations/Internal Service Charges				
Barricading	60,306	43,388	56,776	56,776
Environmental Protection Program	60,408	60,408	60,408	60,408
Machine/Weld Shop	16,972	39,611	23,623	23,623
Office Services	768,282	768,282	799,076	299,076
Radio Communications	1,142,543	1,142,543	1,050,568	620,568
Animal Control Contract	1,792,167	2,422,020	2,907,511	3,066,259
Annual Financial Audit	129,548	130,550	170,000	170,000
Capital Lease Purchase - Non-fleet	(72,714)	0	0	5,088,307
CARES Act and ARPA Operating Reimbursement	(3,005,214)	0	0	0
City Admin Building (CAB) - Lease-Purchase Payment	601,343	606,105	605,575	604,850
City Building Security Contract Management	461,327	1,202,916	1,155,996	1,181,179
Claims Reserve Self-Insurance Fund	1,550,000	1,000,000	1,000,000	1,000,000
Economic Development				
Chamber & EDC	75,000	102,000	130,000	130,000
Economic Development Agreements	440,340	0	500,000	375,000
Small Business Development Center (SBDC)	115,000	115,000	115,000	115,000
USOC COP Payment	1,756,047	1,799,661	1,844,800	1,890,800
Election Expenses	605,711	292,404	750,000	350,000
Employee Awards Program	74,906	94,479	76,000	76,000
Energy Efficiency Retrofit	99,259	99,260	0	0
Fire Station/Radio Shop, Police Firing Range, Sertich Ice Center Chiller COP Payment	169,475	169,538	169,413	169,100
Fleet Capital Lease Purchase	4,153,322	7,208,385	7,853,887	3,500,000
Fleet Lease Purchase Payments	4,459,376	5,459,376	5,809,376	5,116,447
Fleet - Mobile Fueling	123,120	143,059	132,300	132,300
Fleet - Rental of Property	0	0	0	414,840

General Costs - General Fund: Summary

	2021 Actual	2022 Actual	2023 Budget	2024 Budget
Fleet Services and Fuel Contracts	9,832,793	10,914,809	12,864,900	6,672,556
Fleet - Vehicle Additions	563,158	280,845	558,000	0
Fleet - Vehicle Replacement	2,547,548	2,882,704	2,300,128	2,300,128
Health Programs	107,452	114,420	150,000	150,000
Insurance premiums	3,614,053	5,304,825	10,105,034	11,171,499
Legal Defense Reserve	9,576	59,633	250,000	250,000
Legal Defense Reserve - City Council	2,990	0	50,000	50,000
Legal Settlement Costs	394,130	9,130	0	0
Membership Dues	393,020	409,176	397,843	397,843
Pikes Peak Regional Building Development Rent and Common Area Maintenance (CAM) charges	129,747	129,940	129,956	59,425
Retirement Awards	18,166	13,975	15,000	15,000
Sand Creek Substation - Lease-Purchase Payment	1,497,619	1,495,587	1,498,231	1,495,470
Services	2,198,399	2,355,712	2,336,465	2,066,795
Special Events - operating	960	6,852	0	0
Stormwater Fee	519,104	656,909	450,000	650,000
TABOR Refund	0	14,618,840	0	0
TABOR Retention - to Wildfire Mitigation Fund	0	20,000,000	0	0
Utilities - consolidated program				
Utilities Electric	1,984,821	2,155,002	1,811,454	2,062,140
Utilities Gas	641,182	877,545	499,202	682,202
Utilities Sewer	131,948	142,018	147,708	191,708
Utilities Streetlight Program	4,075,198	4,075,196	4,360,000	4,753,000
Utilities Traffic Signals	304,336	318,257	284,820	284,820
Utilities Water	201,334	196,555	344,092	344,092
Utilities Water - Parks, Rec and Cultural Services	4,322,656	4,588,167	6,262,956	5,262,956
Total Operating Expenses	49,066,714	94,505,082	70,026,098	63,300,167
General Fund contribution to CIP Fund	10,391,339	16,715,970	8,688,936	6,449,460
General Fund - Projects and CIP	12,323,103	8,160,487	1,223,857	1,423,857
Total CIP	22,714,442	24,876,457	9,912,793	7,873,317
Organization Total	\$73,358,502	\$120,571,332	\$81,708,891	\$72,943,484

Expenditure Detail

SALARY AND BENEFITS EXPENDITURES

Retired Employees Insurance - The City's contribution to health and life insurance plans for retired employees.

Unemployment Insurance - Unemployment benefits to separated employees awarded payments by an administrative or judicial process related to the condition of the employee's termination.

Special Events - Overtime - Services provided by City department personnel for special events.

OPERATING EXPENDITURES

Allocations/Internal Service Charges - The City has a number of Internal Services that are accounted for in separate funds or programs. These programs/funds include Barricading, Environmental Protection, Machine/Weld Shop, Office Services, and Radio Communications. The 2024 budgeted allocation to Office Services will be reduced to allow for a draw from fund balance. The 2023 allocation to the Radio Fund was slightly reduced to allow for a draw from fund balance. The 2024 budgeted allocation to the Radio Fund will be further reduced to allow for a draw from fund balance.

Animal Control Contract - The City's cost for the Humane Society of the Pikes Peak Region (HSPPR) animal control services contract. For 2024, the contract amount is \$3,066,259.

Annual Financial Audit - Annually, the City contracts with a private firm to provide a comprehensive financial audit.

Capital Lease Purchase - Non-fleet - The financial transaction for a bank lease-purchase involves receiving the total value of the lease purchase proceeds from the financing source, which are recognized as revenue to the City; incurring an expenditure equal to the total value of the lease purchase; and making yearly installment payments to the bank. This expenditure is completely offset by revenue in General Costs. The annual payments will be made out of the CIP Fund. 2021 Actual shows a negative amount for a credit related to an IT lease of equipment. For 2024, the \$5,088,307 budget consists of \$1,088,307 for the bulk purchase of ruggedized laptops for public safety and other field workers, along with \$4,000,000 for the transaction to upgrade our City's IT Data Center and a secondary Disaster Recovery site.

CARES Act and ARPA Operating Reimbursement - In 2021, the reimbursement is largely related to the federal American Rescue Plan Act (ARPA) funding received by the City, though there is a small portion from CARES Act funding. See Grants Overview for more information.

City Administration Building (CAB) - Lease-Purchase Payment - During 2003, the City entered into a lease-purchase agreement with Colorado Springs Utilities to acquire the CAB. In 2007, the City refinanced the remaining portion of the agreement with a bank lease-purchase and in 2013, the lease-purchase was refinanced to take advantage of lower interest rates. In 2019, City Council approved a bank lease-purchase agreement in the amount of \$4.5 million to refinance the 2013 bank lease-purchase. The total payment for 2024 is \$604,850 and is made from the General Fund - General Cost account.

City Building Security Contract Management - Beginning in 2020, the City has centralized General Fund budgets from most departments and divisions into General Costs for oversight of the city-wide security contract. For the 2024 Budget, there is an overall contract increase of almost \$210,000, less approximately \$180,000 that will be transferred to the Transit Division in Public Works, as Transit now has their own separate contract.

Claims Reserve Self-Insurance Fund - The Claims Reserve Self-Insurance Fund was established in 1986 to provide a mechanism for claims adjustment, investigation, settlement, and defense of general and auto liability claims filed against the City, its officials, and employees. Expenditures in the claims reserve fund are payments of claims and related expenses pursuant to the Colorado Governmental Immunity Act and claims against the City arising under Federal Law. For 2024, the transfer from the General Fund to the Claims Reserve Self-Insurance Fund for expected 2024 claims is \$1,000,000.

Expenditure Detail (cont'd)

Economic Development - For 2024, this category includes \$130,000 in support of the Colorado Springs Chamber & EDC, \$375,000 in Economic Development Agreement payments (described more fully in the Economic Overview section), \$115,000 to support the Small Business Development Center (SBDC), and \$1,890,800 for the COP payment related to the United States Olympic Committee (USOC) Economic Development agreement.

Election Expenses - For 2024, funding of \$350,000 is included for the 2024 elections.

Employee Awards Program - As part of employee total compensation, the City has two primary employee awards programs, Service Awards (\$36,000) and Employee Recognition Awards (\$40,000).

Energy Efficiency Retrofit - For building improvements to City facilities including the City Administration Building (CAB) and Sertich Ice Center. The final payment was made in 2022.

Fire Station/Radio Shop, Police Firing Range, and Sertich Ice Center Chiller COP Payment - In September 2019, the City Council approved the City to enter into a lease-purchase agreement to issue COPs in the amount of \$9.075 million for the construction of various capital improvements, including the construction and equipping of a new fire station and radio shop at the Lester L. Williams Fire Department Complex, various equipment at Sertich Ice Center, and the construction and equipping of a new police firing range. The 2024 General Fund portion of the COP payment is \$169,100. Funding for the remainder of the COP payment is in the Public Safety Sales Tax (PSST) budgets of the Fire and Police Departments for the fire station and police firing range facility, and in the Conservation Trust Fund (CTF) budget of the Parks, Recreation and Cultural Services Department for the Sertich Ice Center chiller replacement.

Fleet Capital Lease Purchase - As part of the Fleet Replacement Strategy that was implemented in 2018, the budget includes the lease purchase of vehicles and equipment. The financial transaction for the lease involves receiving the total value of the lease purchase proceeds from the bank, which are recognized as revenue to the City; incurring an expenditure equal to the total value of the lease purchase; and making yearly installment payments to the bank. This expenditure is completely offset by revenue in General Costs. The annual payments will be made using the Fleet Lease Purchase Payments budget in General Costs.

Fleet Lease Purchase Payments - For 2024, the lease purchase payments total \$5,116,447.

Fleet - Mobile Fueling - Mobile Fueling relates to refueling city equipment and apparatus in the field.

Fleet - Rental of Property - Due to the insourcing of Fleet maintenance in 2024, there will now be a cost for rental of property.

Fleet Services and Fuel Contracts - For 2024, the City has a combined budget of \$6,672,556 for fuel, parts, and the telematics contract, all managed by the Fleet Division in Support Services. The reduction for 2024 is due to fleet maintenance insourcing, and the previously budgeted maintenance contract amount will be transferred to the Fleet Division in Support Services for salary, benefits and operating costs.

Fleet - Vehicle Additions - Police Department vehicles for new sworn officers.

Fleet - Vehicle Replacement - Includes \$2,300,128 budgeted for the Police Department fleet replacement strategy implemented in 2018.

Health Programs - Costs associated with drug-free workplace training and drug testing.

Insurance Premiums - The City's comprehensive risk management program includes various property and liability policies that provide either primary or excess coverage to protect the City from large and uncertain losses. In 2019, Colorado was declared a catastrophic hail state, resulting in large premium increases. There have been large premium increases in 2022 and again in 2023 related to coverage for law enforcement and cybersecurity. Additional increases will occur for the 2024 budget related to property, law enforcement and cybersecurity coverage.

Expenditure Detail (cont'd)

Legal Defense Reserve - This is an amount for costs not covered by self-insurance for specialized legal services and expenses associated with legal actions against the City.

Legal Defense Reserve - City Council - Legal Defense Reserve funding identified for City Council legal services.

Legal Settlement Costs - The City does not specifically budget for legal settlement costs, but does charge actual expenses to this line for tracking purposes as they occur.

Membership Dues - This includes membership dues for Sister Cities and Alliance for Innovation, Pikes Peak Area Council of Governments (PPACG), Colorado Municipal League (CML), National League of Cities (NLC), Fountain Creek Watershed Flood Control and Greenway District, "Leading Edge" teen leadership program, and Leadership Pikes Peak.

Pikes Peak Regional Building Development (PPRBD) Rent and Common Area Maintenance (CAM) charges - This funding is for payments to the PPRBD for pro rata office space used by City operations in the PPRBD, and Common Area Maintenance (CAM) charges. Other entities, including Development Review Enterprise and Colorado Springs Utilities, also pay PPRBD for their assigned square footage. Part of the payment to El Paso County included our portion for repayment of a 2012 Certificate of Participation (COP), which will be paid off during 2023. The 2024 budget is for CAM charges.

Retirement Awards - Funding is to provide small gifts to employees that are in good standing and retiring from the City.

Sand Creek Substation - Lease-Purchase Payment - In September 2016, City Council approved a lease/lease-purchase agreement for the construction and improvement of the Sand Creek Police Substation. The total payment for 2024 is \$1,495,470.

Services - For services required by the City that do not relate to or directly benefit a particular organizational division such as bonding/processing services, banking services, full cost allocation plan, financial consulting, security for downtown, lobbying, and other miscellaneous services. The 2024 budget is reduced due to a transfer of software programs to the IT department, as part of a multi-year centralization of oversight and management of software licenses and subscriptions city-wide to IT.

Special Events - Operating - For operating costs associated with the planning and operation of special events.

Stormwater Fee - The cost for the stormwater infrastructure and maintenance fee for City owned properties. The collection of this fee began July 1, 2018 and ends July 1, 2038. For 2024, the total budget is \$650,000 for anticipated fees.

TABOR Refund - The revenues received by the City during 2021 exceeded the amounts otherwise allowed to be retained and spent under City Charter and the Colorado Constitution by \$34,618,840. At the November 2021 coordinated election, the City requested, and the voters approved, the retention of \$20 million to be placed into the Wildfire Mitigation Fund in 2022. The remaining \$14,618,840 of General Fund revenue and \$603,284 of LART revenue was refunded to ratepayers via credit on Colorado Springs Utilities bills in 2022, for a total refund of \$15,222,124.

TABOR Retention - Wildfire Mitigation Fund - At the November 2021 coordinated election, the City requested, and the voters approved, the retention of \$20 million to be placed into the Wildfire Mitigation Fund to be used to increase City-wide and Pikes Peak Region wildfire mitigation, prevention and evacuation planning efforts; with the annual expenditure appropriation not exceeding 5% of the balance of the fund. The transfer of \$20 million from the General Fund to the Wildfire Mitigation Fund occurred during 2022.

Expenditure Detail (cont'd)

Utilities - Consolidated Program - The City has centralized all City utilities expenses in order to better manage utility usage and achieve sustainability goals. Beginning in 2019, the budget for Water includes an increase for Parks watering as related to the implementation of a Water Surplus transfer from Colorado Springs Utilities (CSU). The surplus transfer from CSU is intended to cover 50% of park watering beginning in 2020 and each year thereafter.

CAPITAL EXPENDITURES AND PROJECTS

General Fund Contribution to City CIP Fund - For 2024, the General Fund Capital Improvements Program (CIP) totals \$8,447,049, which includes a transfer from General Costs of \$6,449,460 and bank fees for the CIP Fund of \$103,510 that are not shown in the CIP section. The CIP total also includes \$191,318 transferred from a now-closed Park Developer Easement fund for a park-related project. There will be two other completed projects that have balances that will drop to the CIP fund balance, thereby reducing the amount of transfer necessary from the General Fund by \$865,271. The transfer from General Costs includes \$204,556 from deferred revenue/escrow accounts for Public Works capital projects. There will be approximately \$941,000 of interest earnings. All of the CIP projects are for grant match and financial commitments for transportation related projects, technology, infrastructure, and City facility repairs and maintenance.

General Fund - Projects and CIP - For 2024, the budget for projects is \$1,423,857, of which \$1,023,857 is for ongoing apparatus replacement in the Fire Department, and \$400,000 is for affordable housing projects funded by Private Activity Bond (PAB) fees collected by the Housing and Community Vitality department.