

Finance

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All Funds Summary

All Funds	Use of Funds	2020 Actual	2021 Original Budget	* 2021 Amended Budget	2022 Budget	2022 Budget - * 2021 Amended Budget
	General Fund	\$3,876,297	\$4,339,737	\$4,435,590	\$5,303,537	\$867,947
General Fund - CIP	126,995	47,190	47,190	29,260	(17,930)	
Total	\$4,003,292	\$4,386,927	\$4,482,780	\$5,332,797	\$850,017	
Positions						
General Fund	41.75	41.75	44.00	44.00	0.00	
Total	41.75	41.75	44.00	44.00	0.00	

* 2021 Amended Budget as of 8/13/2021, which includes the reinstatement of budget that had been reduced during 2020 and 2021 due to the economic shutdown and revenue loss as a result of the COVID-19 pandemic

Significant Changes vs. 2021

- Increase of approximately \$843,000 in the General Fund mainly to fund existing positions, pay for performance, movements within the salary structure, parking increases, medical cost adjustments, and removal of the hiring delay in 2021
- Increase of \$25,000 for monthly financial statement reporting upgrade
- Decrease of approximately \$18,000 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 and compliance; grant writing; sales tax licensing, revenue collection and compliance; financial planning including annual budget preparation, long-term fiscal 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 \$770 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.
- Develops the Citywide Strategic Plan; tracks and reports on measures and initiatives.
- Leads CelebrateCOS meetings, as related to Strategic Plan performance.

Grants Administration

- Manages citywide grant coordination, administration and compliance to ensure proper reporting and compliance, and to maximize grant funding opportunities.

Payroll, Pensions, and Accounts Payable

- Provides all time, 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 contract, purchase order 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

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

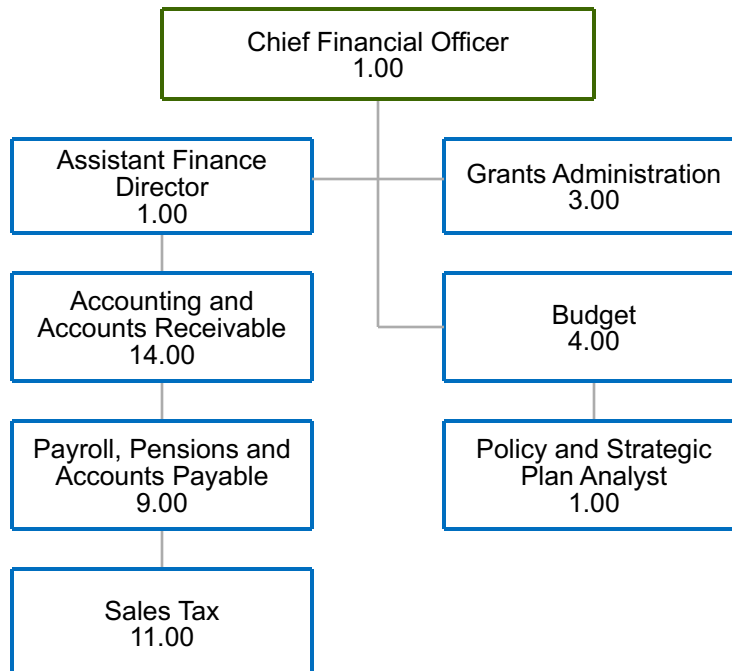
Finance - Functions

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



Finance Functions	2019 Actual	2020 Actual	2021 Original Budget	* 2021 Amended Budget	2022 Budget
Accounting & Accounts Receivable	\$1,601,155	\$1,671,254	\$2,015,017	\$2,055,058	\$2,407,716
Accounts Payable	297,863	383,074	389,958	395,890	460,448
Budget Office	458,884	497,928	607,069	624,414	723,903
Payroll and Pensions	319,456	325,770	336,279	339,670	372,299
Sales Tax	800,035	998,271	991,414	1,020,558	1,339,171
Total Finance Functions	\$3,477,393	\$3,876,297	\$4,339,737	\$4,435,590	\$5,303,537

* 2021 Amended Budget as of 8/13/2021, which includes the reinstatement of budget that had been reduced during 2020 and 2021 due to the economic shutdown and revenue loss as a result of the COVID-19 pandemic

Finance - Organizational Chart



Strategic Plan Update

<p style="text-align: center;">Goals</p>	<div style="text-align: center;">  <p>Building Community & Collaborative Relationships</p> </div>	<div style="text-align: center;">  <p>Excelling in City Services</p> </div>
<p style="text-align: center;">Initiatives</p>	<ul style="list-style-type: none"> Promote a culture of service to ensure that Finance is viewed as a partner and resource. (3.7) 	<ul style="list-style-type: none"> Leverage additional technology to enhance workflow, efficiency and financial controls. (4.7)
<p style="text-align: center;">Performance Measures</p>	<ul style="list-style-type: none"> Deliver a minimum of two (2) trainings or presentations per year, per division. (3.7.1) Collaborate with City departments in order to research and identify grant opportunities related to each of the four strategic plan goals, and related initiatives, by the end of 2022. (3.7.4) Implement new sales tax filing system - MuniRevs, to enable local businesses to file and gain account information online. (3.7.5) 	<ul style="list-style-type: none"> Make it easier to do business with the City by implementing additional online payment options and web-based services available to citizens by the end of 2022. (4.7.2)
<p style="text-align: center;">Notable Achievements</p>	<ul style="list-style-type: none"> Finance has developed 51 training topic areas delivered to or in conjunction with other City departments. Each Finance division has conducted between 2 to 10 trainings since January 2020. (3.7.1) Beginning Q4 2020 the Grant division established quarterly check-in meetings with six departments to discuss: grant research, post-award management, collaboration and training. Going forward, each cycle the team will expand the number of participating departments. (3.7.4) MuniRevs, the new sales tax software system went live with full implementation on July 12, 2021. This system provides a user friendly, online filing capability for City of Colorado Springs businesses. (3.7.5) 	<ul style="list-style-type: none"> The MuniRevs self-service portal has been fully implemented, increasing the efficiency of doing business with the City. As of July 2021, businesses can see their filing history, make account updates and changes, while also making payments online. In addition, temporary event businesses are able to file for their licenses and pay all taxes online. (4.7.2) SIPA (State Internet Portal Authority) has been implemented to collect customer fees through six active pay ports, since 2020 — Fire Marshall's Office; Sales Tax; Planning & Development - Short-Term Rental Permits, Development Review Fees; and a Small Cell Facility.

Note:The information contained in this Strategic Plan update demonstrates progress on a sampling of department Initiatives and Performance Measures. For a full listing of each department's Initiatives and Performance Measures (reference the ID numbers within the parenthesis), see the City's Strategic Plan beginning on Page 19.

The following sections provide a summary of the Budget, authorized positions, changes that occurred after the budget was implemented for 2021, and changes occurring as part of the 2022 Budget for each fund including General Fund and CIP.

Finance - General Fund: Summary

General Fund	Use of Funds	2019 Actual	2020 Actual	2021 Original Budget	* 2021 Amended Budget	2022 Budget	2022 Budget - * 2021 Amended Budget
	Salary/Benefits/Pensions	\$3,073,041	\$3,551,609	\$4,000,595	\$4,039,311	\$4,882,258	\$842,947
Operating	396,789	324,688	339,142	392,542	417,542	25,000	
Capital Outlay	7,563	0	0	3,737	3,737	0	
Total	\$3,477,393	\$3,876,297	\$4,339,737	\$4,435,590	\$5,303,537	\$867,947	
CIP	\$789,734	\$126,995	\$47,190	\$47,190	\$29,260	(\$17,930)	
Grand Total	\$4,267,127	\$4,003,292	\$4,386,927	\$4,482,780	\$5,332,797	\$850,017	

* 2021 Amended Budget as of 8/13/2021, which includes the reinstatement of budget that had been reduced during 2020 and 2021 due to the economic shutdown and revenue loss as a result of the COVID-19 pandemic

Finance - General Fund: Positions

Positions	Position Title	2019 Actual	2020 Original Budget	* 2020 Amended Budget	2021 Budget	2021 Budget - * 2020 Amended Budget
	A/P & A/R Supervisor	1.00	1.00	2.00	2.00	0.00
	Accountant I	3.00	3.00	2.00	2.00	0.00
	Accountant II	0.00	0.00	1.00	1.00	0.00
	Accounting Supervisor	1.00	1.00	1.00	1.00	0.00
	Accounting Technician II	1.00	1.00	1.00	1.00	0.00
	Analyst I	1.00	1.00	1.00	1.00	0.00
	Analyst II	1.00	1.00	2.00	2.00	0.00
	Assistant Finance Director	1.00	1.00	1.00	1.00	0.00
	Central Finance lead	1.00	1.00	0.00	0.00	0.00
	Central Finance Technician I	7.00	7.00	6.00	6.00	0.00
	Central Finance Technician II	2.00	2.00	2.00	2.00	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 Grants Manager	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	1.00	1.00	1.00	1.00	0.00
	Sales Tax Investigator	1.00	1.00	1.00	1.00	0.00
	Sales Tax Investigator II	1.00	1.00	0.00	0.00	0.00
	Sales Tax Investigator Supervisor	1.00	1.00	1.00	1.00	0.00
	Sales Tax Manager	1.00	1.00	1.00	1.00	0.00
Senior Accountant	3.75	3.75	4.00	4.00	0.00	
Senior Analyst	2.00	2.00	2.00	2.00	0.00	
Senior Central Finance Technician	2.00	2.00	3.00	3.00	0.00	
Senior Sales Tax Auditor	1.00	1.00	2.00	2.00	0.00	
Senior Sales Tax Investigator	0.00	0.00	1.00	1.00	0.00	
Staff Assistant	1.00	1.00	1.00	1.00	0.00	
Strategic Plan Administrator	1.00	1.00	1.00	1.00	0.00	
Total Positions	41.75	41.75	44.00	44.00	0.00	

* 2021 Amended Budget as of 8/13/2021, which includes the reinstatement of budget that had been reduced during 2020 and 2021 due to the economic shutdown and revenue loss as a result of the COVID-19 pandemic

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

Funding Changes	During 2021	* 2021 Amended - 2021 Original Budget
	Reinstatement of operating budget that was reduced during 2020 and carried forward into the 2021 original budget due to the economic shutdown and revenue loss as a result of the COVID-19 pandemic	\$76,737
	Removal of 50% of the hiring delay that reduced the salary budget during 2020 and carried forward into the 2021 original budget due to the economic shutdown and revenue loss as a result of the COVID-19 pandemic	19,116
	Total During 2021	\$95,853
	For 2022	2022 Budget - * 2021 Amended Budget
	Salaries/Benefits/Pensions	
	Net change to fund existing positions	\$497,339
	Increase to fund market movement, pay for performance, and pay progression	282,094
	Increase to fund medical cost adjustments	40,440
	Increase to fund employee parking	3,960
	Increase to fund the removal of the remaining 50% prior year hiring delay	19,114
	Total Salaries/Benefits/Pensions	\$842,947
	Operating	
	Increase for financial statement reporting upgrade	\$25,000
	Total Operating	\$25,000
	Capital Outlay	
	None	\$0
Total Capital Outlay	\$0	
CIP		
Decrease in 2022 CIP fund investment fees	(\$17,930)	
Total CIP	(\$17,930)	
Total For 2022	\$850,017	

Position Changes	During 2021	* 2021 Amended - 2021 Original Budget
	Add 2.00 FTE (1.00 FTE Analyst II, 1.00 FTE Senior Sales Tax Auditor)	2.00
	Increase 0.25 FTE (Senior Accountant)	0.25
	Total During 2021	2.25
	For 2022	2022 Budget - * 2021 Amended Budget
	None	0.00
	Total For 2022	0.00

* 2021 Amended Budget as of 8/13/2021, which includes the reinstatement of budget that had been reduced during 2020 and 2021 due to the economic shutdown and revenue loss as a result of the COVID-19 pandemic

Finance - CIP Program

CIP Program*	Project	General Fund	Total Allocation
	Investment Fees for the CIP Fund**	29,260	29,260
	Total 2022 CIP	\$29,260	\$29,260

* 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	2019 Actual	2020 Actual	2021 Original Budget	* 2021 Amended Budget	2022 Budget	2022 Budget - * 2021 Amended Budget
Salaries/Benefits/Pensions						
51205 - CIVILIAN SALARIES	2,355,296	2,713,338	2,973,500	2,992,616	3,652,600	659,984
51210 - OVERTIME	3,479	3,295	6,750	6,750	6,750	0
51220 - SEASONAL TEMPORARY	7,689	5,440	0	19,600	19,600	0
51230 - SHIFT DIFFERENTIAL	56	0	0	0	0	0
51245 - RETIREMENT TERM VACATION	405	16,555	0	0	0	0
51260 - VACATION BUY PAY OUT	9,792	17,611	0	0	0	0
51299 - SALARIES REIMBURSEMENTS	(19,550)	(22,817)	0	0	0	0
51610 - PERA	305,524	368,056	431,052	431,052	526,373	95,321
51615 - WORKERS COMPENSATION	5,540	6,448	7,184	7,184	8,631	1,447
51620 - EQUITABLE LIFE INSURANCE	6,584	7,387	11,266	11,266	12,982	1,716
51640 - DENTAL INSURANCE	14,768	15,309	19,183	19,183	20,700	1,517
51670 - PARKING FOR EMPLOYEES	8,490	12,794	17,880	17,880	21,840	3,960
51690 - MEDICARE	32,875	38,353	43,955	43,955	52,691	8,736
51695 - CITY EPO MEDICAL PLAN	42,266	39,770	44,895	44,895	52,162	7,267
51696 - ADVANTAGE HD MED PLAN	282,689	310,664	421,930	421,930	484,179	62,249
51697 - HRA BENEFIT TO ADV MED PLAN	17,044	19,406	23,000	23,000	23,750	750
51699 - BENEFITS REIMBURSEMENT	94	0	0	0	0	0
Salaries/Benefits/Pensions Total	3,073,041	3,551,609	4,000,595	4,039,311	4,882,258	842,947
Operating						
52105 - MISCELLANEOUS OPERATING	2,299	(288)	0	0	0	0
52110 - OFFICE SUPPLIES	5,848	4,803	5,525	6,350	6,850	500
52111 - PAPER SUPPLIES	0	0	150	650	650	0
52120 - COMPUTER SOFTWARE	1,655	356	1,450	1,550	26,050	24,500
52125 - GENERAL SUPPLIES	1,739	1,530	50	50	50	0
52135 - POSTAGE	51,202	26,581	27,650	50,050	50,000	(50)
52165 - LICENSES AND TAGS	16	0	0	0	0	0
52220 - MAINT OFFICE MACHINES	0	0	600	600	600	0
52305 - MAINT SOFTWARE	285	0	0	0	0	0
52405 - ADVERTISING SERVICES	0	825	0	200	0	(200)
52418 - COMPUTER SERVICES	0	0	800	800	800	0
52560 - PARKING SERVICES	66	21	147	147	100	(47)
52568 - BANK AND INVESTMENT FEES	51,421	53,267	37,998	37,998	37,998	0
52573 - CREDIT CARD FEES	794	665	575	575	575	0
52575 - SERVICES	34,407	22,495	36,572	38,172	38,172	0
52576 - AUDIT SERVICES	147,803	177,945	175,000	175,000	175,000	0
52588 - HEARING OFFICER SERVICES	4,167	0	0	0	0	0
52590 - TEMPORARY EMPLOYMENT	27,893	510	17,000	17,000	17,000	0
52605 - CAR MILEAGE	80	0	0	0	0	0
52607 - CELL PHONE ALLOWANCE	1,050	1,425	900	900	600	(300)
52615 - DUES AND MEMBERSHIP	2,983	4,935	4,750	4,900	4,900	0
52625 - MEETING EXPENSES IN TOWN	3,945	23	400	2,400	2,700	300
52630 - TRAINING	27,542	2,368	2,000	12,000	12,297	297
52645 - SUBSCRIPTIONS	278	292	300	300	300	0
52655 - TRAVEL OUT OF TOWN	529	452	1,000	7,500	7,500	0
52706 - WIRELESS COMMUNICATION	0	0	500	500	500	0

City of Colorado Springs Budget Detail Report

001 - GENERAL FUND
Finance

Acct # - Description	2019 Actual	2020 Actual	2021 Original Budget	* 2021 Amended Budget	2022 Budget	2022 Budget - * 2021 Amended Budget
52736 - CELL PHONE AIRTIME	505	1,586	0	0	0	0
52738 - CELL PHONE BASE CHARGES	1,992	0	3,000	4,000	4,000	0
52775 - MINOR EQUIPMENT	599	110	0	500	500	0
52776 - PRINTER CONSOLIDATION COST	9,382	11,432	10,375	13,200	13,200	0
52874 - OFFICE SERVICES PRINTING	18,344	10,197	12,400	17,200	17,200	0
60113 - MISCELLANEOUS	0	3,163	0	0	0	0
65014 - COLLECTIONS AGENCY FEE	(185)	0	0	0	0	0
65160 - RECRUITMENT	150	0	0	0	0	0
65275 - COST OF COLLECTION	0	(5)	0	0	0	0
Operating Total	396,789	324,688	339,142	392,542	417,542	25,000
Capital Outlay						
53020 - COMPUTERS NETWORKS	7,234	0	0	0	0	0
53030 - FURNITURE AND FIXTURES	329	0	0	3,737	3,737	0
Capital Outlay Total	7,563	0	0	3,737	3,737	0
Total Expense	3,477,393	3,876,297	4,339,737	4,435,590	5,303,537	867,947
CIP Total	789,734	126,995	47,190	47,190	29,260	(17,930)
Grand Total	4,267,127	4,003,292	4,386,927	4,482,780	5,332,797	850,017

* 2021 Amended Budget as of 8/13/2021, which includes the reinstatement of budget that had been reduced during 2020 and 2021 due to the economic shutdown and revenue loss as a result of the COVID-19 pandemic

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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

	2019 Actual	2020 Actual	2021 Budget	2022 Budget
Retired Employees Insurance	1,337,169	1,335,536	1,250,000	1,250,000
Unemployment Insurance	34,160	150,039	100,000	100,000
Other Salaries and Benefits	(26,194)	(91,985)	0	0
CARES Act Salary/Benefit Reimbursement	0	(31,557,778)	0	0
Special Events - Overtime	323,108	25,255	420,000	420,000
Total Salaries and Benefits	1,668,243	(30,138,933)	1,770,000	1,770,000
Allocations/Internal Service Charges				
Barricading	32,534	47,954	56,776	56,776
Environmental Protection Program	60,408	60,408	60,408	60,408
Machine/Weld Shop	29,521	37,136	23,623	23,623
Office Services	657,804	257,808	768,282	768,282
Radio Communications	633,564	892,543	1,142,543	1,142,543
Animal Control Contract	1,513,068	1,650,895	1,798,105	2,498,105
Annual Financial Audit	100,350	121,851	170,000	170,000
Capital Lease Purchase - Non-fleet	6,164,468	9,052,270	0	0
CARES Act Operating Reimbursement	0	(8,619)	0	0
City Admin Building (CAB) - Lease-Purchase Payment	626,759	617,906	601,343	606,105
City Building Security Contract Management	16,680	273,250	720,244	720,244
City Hall/Impound lot/Police Training Academy COP Payment	187,667	92,667	0	0
Claims Reserve Self-Insurance Fund	1,550,000	1,550,000	1,550,000	1,000,000
Economic Development				
Chamber & EDC	75,000	100,000	75,000	75,000
Economic Development Agreements	115,195	56,313	750,000	500,000
Small Business Development Center (SBDC)	85,000	115,000	115,000	115,000
USOC COP Payment	1,666,810	1,707,287	1,756,050	1,799,800
Election Expenses	665,742	365,968	350,000	350,000
Employee Awards Program	78,442	53,456	76,000	76,000
Energy Efficiency Retrofit	99,260	99,260	99,259	99,259
Facilities Maintenance Contract	1,124,577	0	0	0
Fire Station/Radio Shop, Police Firing Range, Sertich Chiller COP Payment	0	169,224	169,475	169,536
Fleet Capital Lease Purchase	6,823,283	1,440,217	4,950,000	8,550,000

General Costs - General Fund: Summary

	2019 Actual	2020 Actual	2021 Budget	2022 Budget
Fleet Lease Purchase Payments*	0	3,971,362	4,459,376	5,459,376
Fleet - Mobile Fueling*	0	110,361	132,300	132,300
Fleet Services and Fuel Contracts	9,128,721	8,576,814	10,394,900	10,424,900
Fleet - Vehicle Additions*	0	1,259,529	565,000	282,000
Fleet - Vehicle Replacement*	0	1,025,758	2,600,128	2,300,128
Health Programs	118,938	115,149	0	150,000
Insurance premiums	1,673,731	1,783,776	2,142,804	4,450,000
Legal Defense Reserve	72,791	20,176	250,000	250,000
Legal Defense Reserve - City Council	0	0	50,000	50,000
Legal Settlement Costs	33,130	2,143,831	0	0
Membership Dues	358,621	241,498	395,843	395,843
Pikes Peak Regional Development Center Rent and CAM	117,819	117,964	129,722	129,911
Retirement Awards	13,311	16,052	15,000	15,000
Sand Creek Substation - Lease-Purchase Payment	1,495,630	1,499,327	1,497,619	1,495,587
Services	993,344	1,505,911	2,228,972	2,224,562
Special Events - operating	14,558	400	0	0
Stormwater Fee	375,493	438,076	350,000	450,000
TABOR Refund/Retention	0	0	0	17,099,500
Utilities - consolidated program				
Utilities Electric	1,788,465	1,684,312	1,775,874	1,735,874
Utilities Gas	471,498	325,182	351,112	486,112
Utilities Sewer	174,954	176,231	134,402	134,402
Utilities Streetlight Program	4,075,380	4,075,194	4,075,000	4,075,000
Utilities Traffic Signals	289,389	291,225	284,820	284,820
Utilities Water	197,632	186,223	317,052	317,052
Utilities Water - Parks, Rec and Cultural Services	4,237,471	5,099,046	5,999,000	5,999,000
Total Operating Expenses	47,937,008	53,416,191	53,381,032	77,122,048
General Fund contribution to CIP Fund	9,816,443	4,422,444	8,380,008	7,215,970
General Fund - Projects and CIP	11,028,129	7,255,092	1,223,857	1,223,857
Total CIP	20,844,572	11,677,536	9,603,865	8,439,827
Organization Total	\$70,449,823	\$34,954,794	\$64,754,897	\$87,331,875

* Beginning with the 2020 Budget, Fleet Lease Purchase payments, Mobile Fueling, Vehicle Additions, and Vehicle Replacement have been moved from Support Services to General Costs.

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.

CARES Act Salary/Benefit Reimbursement - Funds received from El Paso County, originating as federal Coronavirus Aid, Relief, and Economic Security Act (CARES) funding, for payroll costs of public safety employees during 2020, related to the COVID-19 pandemic.

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 2020 budgeted allocation to Office Services was reduced to allow for a draw from fund balance in the Office Services Fund. The 2021 and 2022 budgets do not have a planned draw from fund balance. The 2019 budgeted allocation to the Radio Fund was reduced to allow for a draw from fund balance in the Radio Fund. The 2020 budgeted allocation to the Radio Fund was partially reinstated from the 2019 reduction, but still resulted in a draw from the fund balance in 2020. The 2021 budget for the Radio Fund does not have a draw from fund balance. The 2022 city allocation to the Radio Fund is the same as 2021, which results in 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 2022, the contract has not been finalized but is anticipated to total \$2,498,105.

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. For 2022, there is no budget for Capital Lease Purchase - Non-fleet.

CARES Act Operating Reimbursement - Funds received from El Paso County, originating as federal Coronavirus Aid, Relief, and Economic Security Act (CARES) funding, for expenditures related to the public health emergency resulting from the COVID-19 pandemic.

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 2022 is \$606,105 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 all the departments and divisions into General Costs for oversight of the city-wide security contract.

City Hall/Impound Lot/Police Training Academy COP Payment - The lease-purchase payment on certificates of participation (COPs) used to finance the renovation of City Hall and the acquisition of the Police Impound Lot and Police Training Academy. In 2011, the City did a combined refinancing of series 1999, 2000, 2003 COPs, significantly reducing total payments. The final payment was made in December of 2020.

Expenditure Detail (con't)

Claims Reserve Self-Insurance Fund - The Liability 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 2022, the transfer from the General Fund to the Claims Reserve Self-Insurance Fund for expected 2022 claims is \$1,000,000, reduced from \$1,550,000 in previous years.

Economic Development - For 2022, this category includes \$75,000 in support of the Colorado Springs Chamber & EDC, \$500,000 in Economic Development Agreement payments (described more fully in the Economic Overview section), \$115,000 to support the Small Business Development Center (SBDC), and \$1,799,800 for the COP payment related to the United States Olympic Committee (USOC) Economic Development agreement.

Election Expenses - For 2022, funding of \$350,000 is included for the 2022 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 (Lease-Purchase Costs - Other) - For 2022, the lease-purchase payments total \$99,259 for building improvements to City facilities including the City Administration Building (CAB) and Sertich Ice Arena.

Facilities Maintenance Contract - Prior to 2020, El Paso County provided facilities maintenance services under an Intergovernmental Agreement (IGA) and Service Level Agreement (SLA). As of January 1, 2020, the City transitioned to an internal Facilities Maintenance division under Support Services to provide facilities maintenance to the City, and the budget was transferred to Support Services.

Fire Station/Radio Shop, Police Firing Range, and Sertich Ice 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 2022 General Fund portion of the COP payment is \$169,536. 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 - In 2020, the fleet lease purchase payments were moved from Support Services to General Costs. For 2022, the lease purchase payments total \$5,459,376.

Fleet Mobile Fueling - In 2020, the mobile fueling costs were moved from Support Services to General Costs. Mobile Fueling relates to refueling city equipment and apparatus in the field.

Fleet Services and Fuel Contracts - For 2022, the City has a combined budget of \$10,424,900 for fleet services and fuel.

Expenditure Detail (con't)

Fleet - Vehicle Additions - Police Department vehicles for new officers. Prior to 2020, vehicle additions were budgeted in Support Services.

Fleet - Vehicle Replacement - Includes \$2,300,128 budgeted for the Police Department fleet replacement strategy implemented in 2018. The 2021 budget includes \$1,000,000 of one-time expense to replace four (4) snow plows in Public Works, which is removed from the 2022 budget. The 2022 budget reflects an increase of \$700,000 for Police fleet replacement. Prior to 2020, vehicle replacements were budgeted in Support Services.

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 for 2020. There is a large premium increase in 2022 related to coverage for law enforcement.

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 Development Center (PPRDC) Rent and CAM - This funding is for rental payments to the PPRDC for pro rata office space used by City operations in the PPRDC, and Common Area Maintenance (CAM) charges. Other entities, including Development Review Enterprise and Colorado Springs Utilities also pay PPRDC for their assigned square footage.

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

Sand Creek Substation - Lease-Purchase Payment - In September 2016, City Council approved a lease/lease-purchase for the construction and improvement of the new Sand Creek Police Substation. The total payment for 2022 is \$1,495,587.

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, lobbying, and other miscellaneous services.

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 2022, the total budget is \$450,000 for anticipated fees.

TABOR Refund/Retention - The City anticipates exceeding the 2022 revenue limit by approximately \$17.1 million due to a projected increase in General Fund revenue. For more information on TABOR, please see the Revenue Overview.

Expenditure Detail (con't)

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 25% of park watering in 2019, and 50% of park watering in 2020 and each year thereafter.

CAPITAL EXPENDITURES AND PROJECTS

General Fund Contribution to City CIP Fund - For 2022, the General Fund Capital Improvements Program (CIP) totals \$7,481,970, which includes a transfer from General Costs of \$7,215,970. This amount includes \$525,000 from deferred revenue/escrow accounts for Public Works capital projects. There will be approximately \$266,000 of interest earnings. All of the CIP projects are for road and bridge projects, grant match, technology, infrastructure, and City facility repairs and maintenance. Stormwater projects are now budgeted in the Stormwater Enterprise.

General Fund - Projects and CIP - For 2022, the budget for projects is \$1,223,857, of which \$1,023,857 is for ongoing apparatus replacement in the Fire Department, and \$200,000 is for affordable housing projects funded by Private Activity Bond (PAB) fees collected by the Community Development division under the Planning and Community Development department.