

2012

A Citizens Guide to the 2012 Budget

Published May 2012

City of Colorado Springs
Budget in Brief



Table of Contents

Colorado Springs City Leadership	Page 3
City of Colorado Springs Organizational Chart	Page 4
All Funds Summary	Page 5
General Fund Revenue	Page 6
General Fund Expenditures	Page 7
Sales & Use Tax Revenue	Page 8
Calculating Your Annual Property Tax	Page 10
Property Tax Revenue	Page 11
Total Employees	Page 12
Capital Improvements Program	Page 13
Eight-Year Financial Outlook	Page 14
Colorado Springs at a Glance	Page 15

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Colorado Springs City Leadership

In 2011, the citizens of the City of Colorado Springs voted for its first strong mayor, Steve Bach, in the new Council – Mayor form of government.

Mayor's Office

Steve Bach, Mayor

Laura Neumann, Chief of Staff



Mayor Steve Bach



Colorado Springs City Council

Front Row (from left to right):

Council Member Val Snider, At-Large

Council Member Lisa Czelatdko, District 3

Council Member Merv Bennett, At-Large

Council President Pro-Tem Jan Martin, At-Large

Council Member Tim Leigh, At-Large

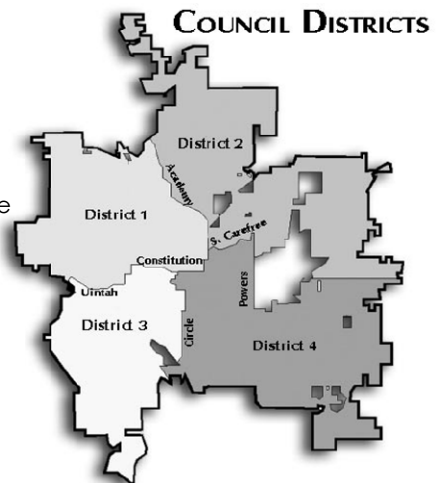
Back Row (from left to right):

Council Member Brandy Williams, At-Large

Council President Scott Hente, District 1

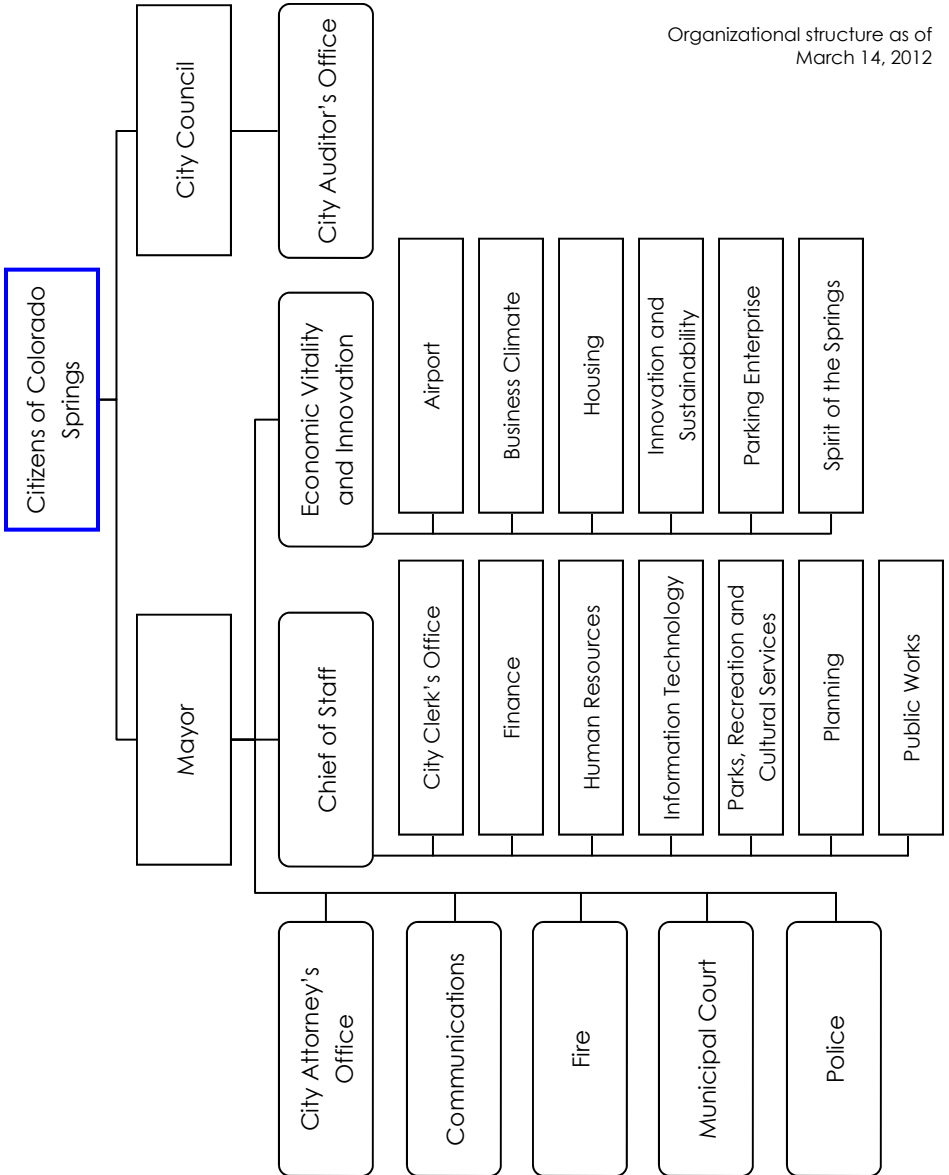
Council Member Bernie Herpin, District 4

Council Member Angela Dougan, District 2



City of Colorado Springs Organizational Chart

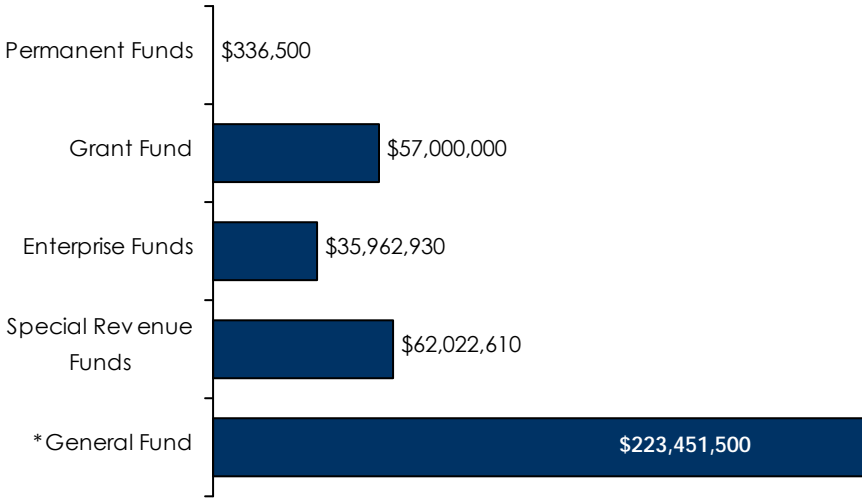
Organizational structure as of
March 14, 2012



Note: This chart represents the current organizational structure. However, the Budget figures that follow do not align with this structure. Information regarding the structure approved as part of the 2012 Budget can be found at SpringsGov.com/budget.

All Funds Summary

\$379,897,040



Internal Service Funds total \$62,393,804—this is in addition to the above funds. The Airport anticipates receiving \$13,350,000 in grants during the year, which are not appropriated in the above Grant Fund amount.

*The General Fund amount includes an \$811,000 contribution to the fund balance.

The General Fund is only one piece of the City's total budget. The General Fund supports traditional services:

- Fire
- Police
- Streets
- Parks, Recreation and Cultural Services
- Planning
- Public Works

The City also owns and operates self-supporting enterprise activities that include:

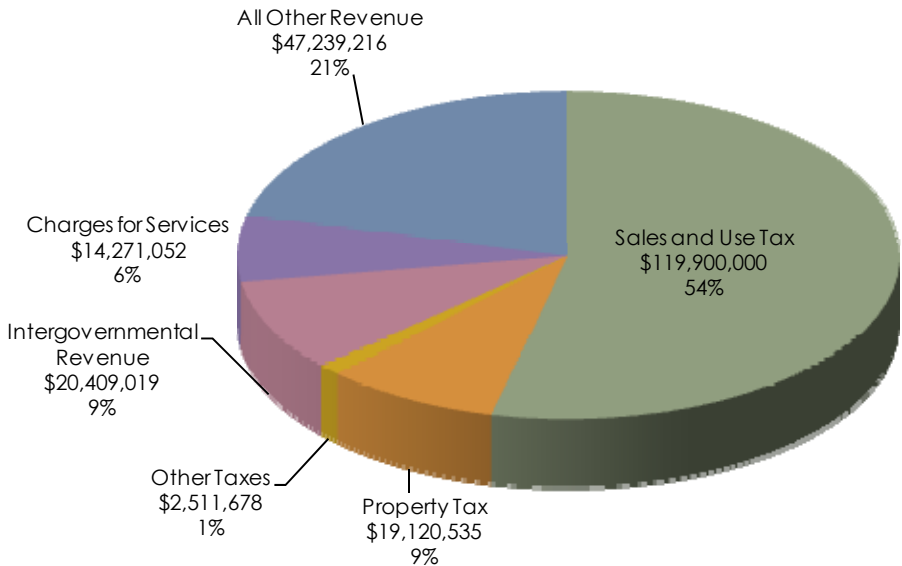
- Airport
- Cemeteries (Fairview and Evergreen)
- Development Review Enterprise
- Parking System (downtown and Old Colorado City)
- Golf Courses (Patty Jewett and Valley Hi)
- Pikes Peak - America's Mountain

General Fund Revenue

\$223,451,500

Category	2010 Actual	2011 Budget	2011 YE Est.	2012 Budget
Sales and Use Tax	\$115,684,401	\$117,477,525	\$121,249,546	\$119,900,000
Property Tax	20,715,328	20,780,000	20,658,436	19,120,535
Other Taxes	2,707,088	2,708,578	2,558,479	2,511,678
Intergovernmental Revenue	19,896,605	20,459,343	19,921,958	20,409,019
Charges for Services	17,602,135	14,814,497	13,490,496	14,271,052
All Other Revenue	47,018,956	46,969,057	* 62,269,664	47,239,216
Total	\$223,624,514	\$223,209,000	\$240,148,579	\$223,451,500

* Includes \$14 million in bond refinancing revenue

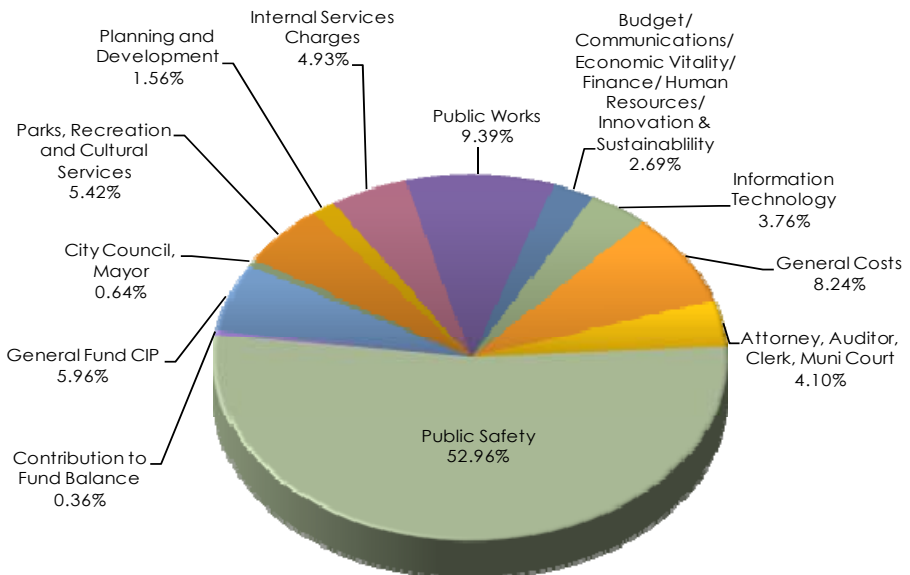


General Fund Expenditures

\$223,451,500

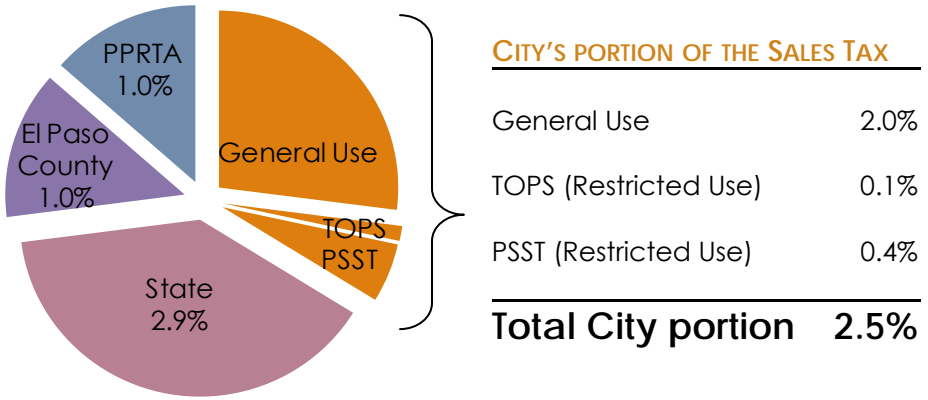
Department/Division	2011 YE Est.	2012 Budget
Attorney, Auditor, Clerk, Muni Court	\$8,128,607	\$9,159,320
Budget/ Communications/ Econ. Vitality/ Finance/ Human Resources/ Innovation & Sustainability	4,643,846	6,013,159
City Council	294,639	798,676
Contribution to PPHWY Erosion Control	1,000,000	0
Budgeted Contribution to Fund Balance	n/a	811,000
General Costs	* 37,218,990	18,406,400
General Fund CIP	14,247,757	13,313,280
Information Technology	6,525,232	8,412,136
Internal Services Charges	11,731,212	11,013,968
Mayor	666,039	623,912
Parks, Recreation and Cultural Services	11,071,058	12,114,343
Planning and Development	2,760,824	3,476,172
Public Safety	116,528,490	118,337,677
Public Works	18,521,762	20,971,457
Total	\$233,338,456	\$223,451,500

* Includes \$16.7 million in bond refinancing expenses



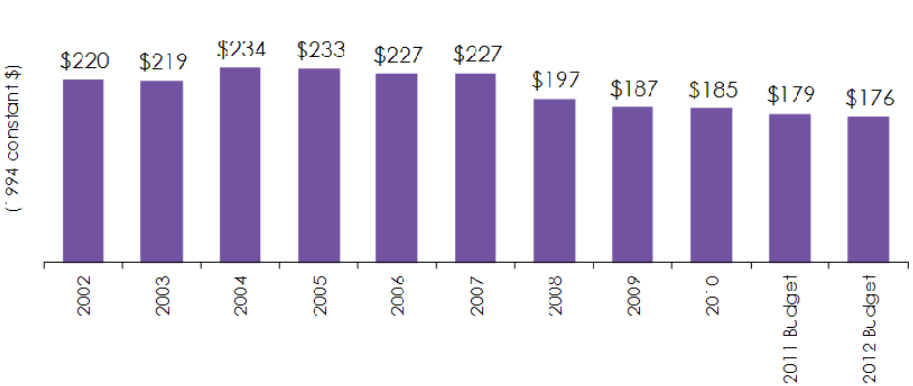
Sales & Use Tax Revenue

The Total Sales Tax Rate is **7.4%**



54% The percentage of total City revenue received from Sales Tax

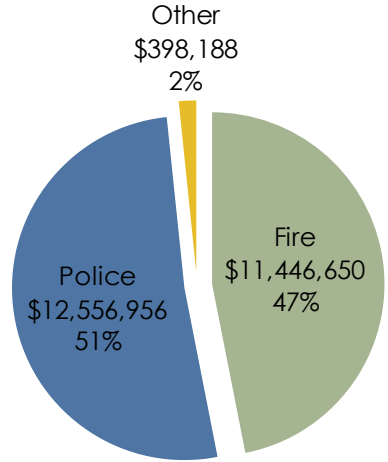
Inflation Adjusted Sales Tax Revenue per Capita



Sales & Use Tax Revenue

Public Safety Sales Tax

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.



PSST Budget	2010 Actual	2011 Budget	2012 Budget
Total Expenditures	\$22,520,745	\$24,347,733	\$24,401,794
Total Positions	218.25	217.00	217.00

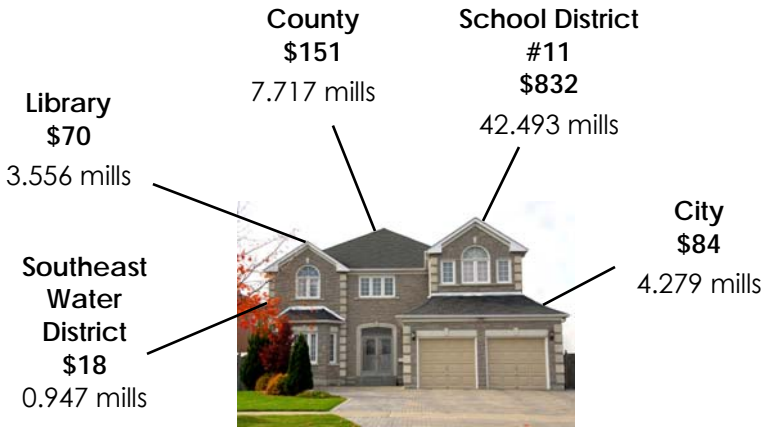
Trails, Open Space and Parks (TOPS)

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. The budget is based on planned projects and scheduled payments, which can vary from year to year.

TOPS Budget	2010 Budget	2011 Budget	2012 Budget
Total Expenditures	\$2,300,600	\$2,422,130	\$4,287,130

Calculating Your Annual Property Tax

<i>market value</i>	x	<i>assessment ratio</i>	=	<i>assessed value</i>	x	<i>total mill levy</i>	=	<i>taxes</i>
\$246,000	x	7.96%	=	\$19,582	x	0.058992	=	\$1,155



total property taxes are
\$1,155
 with a tax rate of
 58.992 mills

Note: This example is for taxes payable in 2011 and assumes a \$246,000 home in School District #11 and assumes no Special District mill levy. Other school districts have different mill levies.

7%

The percentage of your property tax bill that is designated for the City

Property Tax Revenue

\$19,120,535

The amount of Property Tax revenue the City expects to receive in 2012



“How is my property tax determined?”

Taxing authorities, such as Cities, Counties, School Districts and Special Districts set tax rates and levy the tax on property.

“What is property tax?”

As defined by Merriam-Webster.com, property tax is a tax levied on real or personal property.

For residents, the levy is applied to real property, which is your house. Personal property taxes are primarily applied to commercial properties.

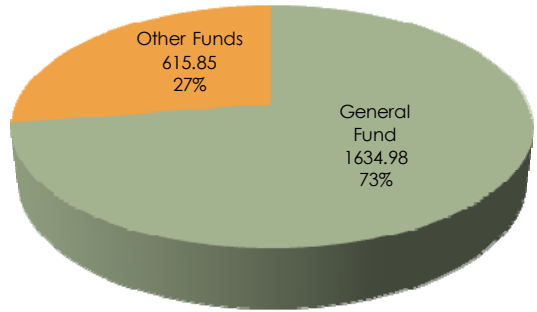
“What does my property tax money fund?”

Property tax revenue supports public schools, county governments, municipal governments, libraries and special districts. All of the revenue generated by property taxes stays within your county.

Total Employees

2,250.83 FTE

The General Fund accounts for the largest number of City employees. Of the nearly 1,635 General Fund employees, approximately 70% are Public Safety employees.



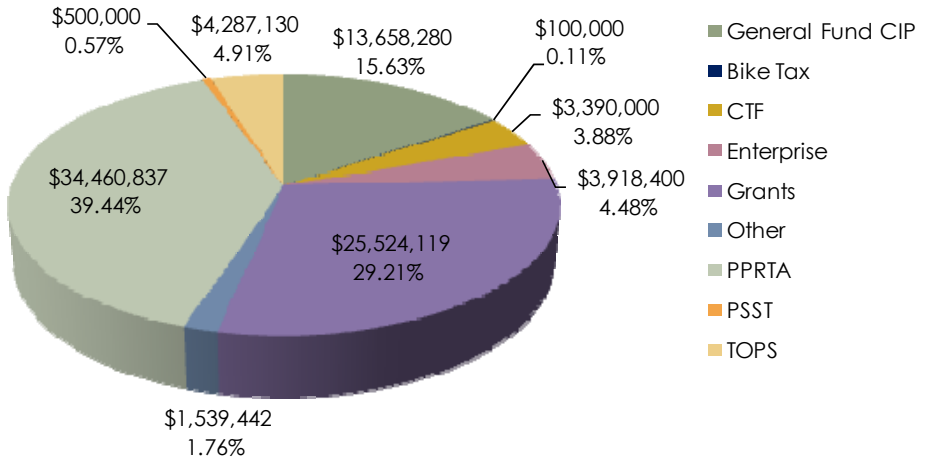
Fund	2010 Budget	2011 Budget	2012 Budget
General Fund	1,614.45	1,632.70	1,634.98
Internal Services Fund - Support Services Fund	81.50	80.00	66.50
Claims Reserve Self - Insurance Fund	1.00	1.00	3.50
Employee Benefits Self - Insurance Fund	4.00	4.00	4.30
Workers' Compensation Fund	8.25	8.75	7.05
Office Services Fund	12.75	12.75	9.00
Radio Communications Fund	10.00	10.00	10.00
Enterprise Funds	228.00	197.00	178.50
Special Revenue Funds - Public Safety Sales Tax Fund	218.25	217.00	217.00
Cable Franchise Grant Fund	4.50	6.00	6.00
Conservation Trust (Lottery)	35.00	35.00	33.00
Gift Trust/Endowment/Grants	7.75	1.25	2.25
SIMD Funds	11.60	11.60	11.00
Trails, Open Space and Parks (TOPS)	8.75	9.25	8.25
Parks Operations & Development (Funded by CSU)	1.00	1.00	1.00
Grant Funds	58.25	58.50	58.50
All Funds Total	2,305.05	2,285.80	2,250.83

Capital Improvements Program

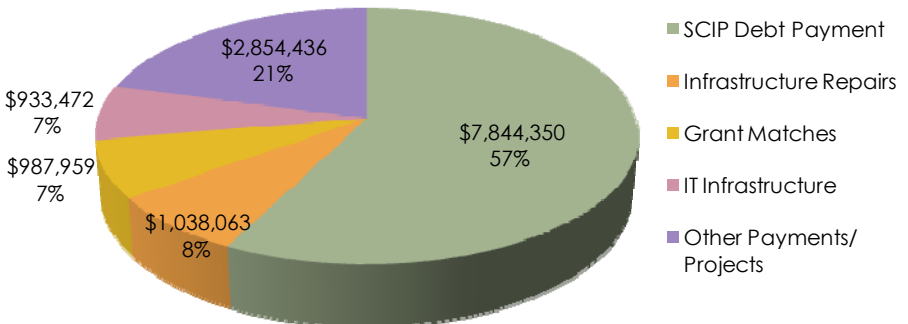
The 2012 CIP Budget is primarily funded by restricted funds (approximately 84%), and funds the construction of a number of major capital improvements throughout the City, including various transportation improvements, facility improvements, park projects and IT infrastructure.

The City has approximately \$1.7 billion in high priority unfunded capital needs. The unfunded needs include projects such as building renovations, road and bridge replacements, stormwater system improvements, park system maintenance and new fire stations.

2012 Capital Improvement Program - \$87,378,208



2012 General Fund CIP - \$13,658,280

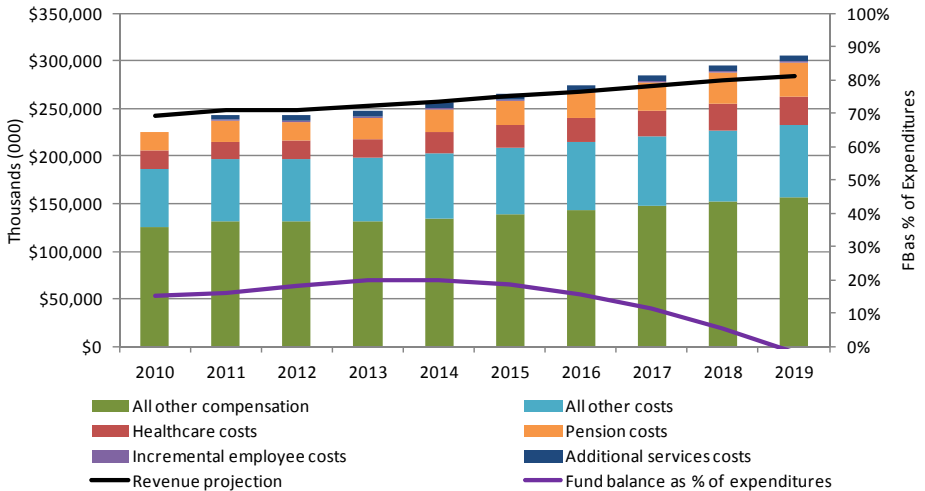


Eight-Year Financial Outlook

The Budget in Brief is designed to provide an overview of the current 2012 Budget. However, this eight year financial outlook is included to provide citizens a view of the City's financial challenges.

The chart below, which includes the General Fund and the Public Safety Sales Tax (PSST) Fund, projects that expenditure growth will outpace revenue growth. This model was based upon 2010 actual revenue and expenditures and was not adjusted to reflect the proposed 2012 budget.

Revenue and Expenditure Projections General Fund and PSST Fund



Projections are for trend analysis purposes only. Actual values will vary.

August 2011

Colorado Springs at a Glance

FORM OF GOVERNMENT

Council-Mayor:

Nine-member Council (five Council members elected at-large, and four elected by district) and a popularly elected mayor as the City's chief executive.

DEMOGRAPHICS

Population: 428,277 (2012 est.)

College Population: 38,267 (Fall 2010)

Median Age: 34.9 (2009)

Median Household Income: \$53,359 (2009)

Unemployment Rate: 9.6% (July 2011)

Ethnicity:

- White (79.8%)
- Hispanic American/Latino (14.5%)
- Black/African American (6.6%)
- American Indian/Alaska Native (0.8%)
- Asian (2.7%)
- Native Hawaiian/Pacific Islander (0.2%)
- Other (5.2%)
- Two or more races (4.7%)

Average # of Days of Sunshine: 279

Average Annual Precipitation: 16.2 in.

Serious Crimes per Thousand Population:

40.7 per 1,000 (Year 2009) compared to 2006 national average of 54.5 for cities with a population of 250,000-499,999; crimes include murder, sexual assault, robbery, aggravated assault, burglary, larceny, and auto theft

LAND USE

Area in Square Miles: 194.68 (2010)

Street Lane Miles: 7,431 (2010)

Parkland Acres: 15,428 (2010)

ECONOMICS

Sales Tax Rate:

City (2.5%); County (1.0%); State (2.9%)

Pikes Peak Rural Transportation Authority (1.0%)

City Property Tax Rate:

4.279 mills (2011 mill rate levied for taxes payable in 2012)

Median Sale Price of an Existing Home:

\$180,000 (2011)

Property Taxes Paid on a \$180,000 House in School District 11:

\$837 total, City share is \$61 (Based on 2011 Mill Levy Rate)

Major Industries:

- Aerospace / Defense / Homeland Security
- Data Storage, Software IT
- Life Sciences
- National Nonprofits
- Renewable Energy & Energy Efficiency
- Sports & Sports Related Organizations

COMMUNITY

Major Attractions:

- Cave of the Winds
- Cheyenne Mountain Zoo
- Garden of the Gods
- Pikes Peak – America's Mountain
- Pro Rodeo Hall of Fame & American Cowboy Museum
- Sky Sox Minor League Baseball
- United States Air Force Academy
- United States Olympic Headquarters and Training Center

BUDGET OFFICE

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Budget in Brief is produced each year by the City of Colorado Springs Budget Office. This booklet gives citizens a general overview of the City's 2012 Budget. The entire City's Budget is on the Internet at **www.springsgov.com/budget**. For specific questions or comments, please contact the Budget Office.