

# 2015 BUDGET PRESENTATION

2016 FISCAL YEAR FORECAST &  
FIVE YEAR CAPITAL IMPROVEMENT PROGRAM

# 2015 BUDGET PRESENTATION

## Town Manager Introduction

- 2015 Proposed Budget Overview
- Summary of Major Services, Improvements & Projects

## Finance Director Presentation

- 2015 Financial Overview of Town Funds and Departmental Highlights



# 2015 PROPOSED BUDGET OVERVIEW

## 1<sup>st</sup> Year Using Power Plan to prepare the Budget

- Budget Process Tracking & Documentation
- Shortened Budgeting and Forecasting Cycle
  - Better Structure and Control
    - Data Extract Tools
  - Data Analysis and Reporting Tools
    - Spending Patterns
- Analytics: Improved Management of Key Performance Indicators For Prioritized Based Budgeting
  - Multi-year Budgets: 2016 Forecast

# 2015 PROPOSED BUDGET OVERVIEW

## Adopted Town Plans

### The 2015 – 16 Strategic Plan

- Business-like Practices – High Performance Culture
  - Civic Engagement & Participation
  - Stakeholder & Regional Partnerships
- Infrastructure, Parks, Preserves, Trails & Sustainability
  - Economic Development
  - Land Use & Development
    - Water Issues
- *Grab the Bull by the Horns* Opportunities

## Situational Analysis

## Capital Investments

## Revenue Projections

## Balanced Budget

## Fund Balances & Reserves

# SUMMARY OF MAJOR SERVICES, IMPROVEMENTS & PROJECTS 2015-2016 BUDGET

## **ALL RESERVES FULLY FUNDED**

Total Discretionary: \$6,761,000

Capital Projects Fund: \$1,235,000

## **THE REINSTATEMENT OF YEAR-ROUND SERVICE FOR THE BUFFALO RIDGE APARTMENTS: \$150,000\***

The Black Line is split into the Red and Blue Line providing 20 minute service throughout the Avon core and Village at Avon commercial areas

\*Service is planned to begin on November 26, 2014 (\$12,000)

## **NEW BUS SHELTERS: \$180,000**

Funded with staff written grants, Town match and ECO support.

Locations at Traer Creek, City Market & Christy Sports

## **NEW FACILITIES OPERATIONS AND MAINTENANCE FUNDED: \$60,000**

Utilities, trails maintenance, bronze statue maintenance

# 2015 SUMMARY OF MAJOR SERVICES, IMPROVEMENTS & PROJECTS 2015-2016 BUDGET

## **DEFERRED MAINTENANCE FUNDED: \$373,000**

Recreation Center refurbishment, concrete and sidewalk repairs, crosswalk repair, painting of light poles and benches, noxious weed management, park fence

## **ROAD & STREET IMPROVEMENTS: \$3,700,000**

Prioritized by condition, major improvements including slurry seals and rebuilds

## **TENANT FINISHES: THE SKIER BUILDING: \$2,500,000**

Planned opening as Town Hall in December, 2015

## **COMPLETION OF THE EAGLE RIVER REGIONAL TRAIL: \$2,800,000**

Funding includes two staff obtained grants totaling \$1,350,000; Town match

## **APRES AVON: \$225,000**

A Daily Street Fair of Music, Tastings & Spontaneity - February 3 - 14, 2015

## **INVESTMENT IN THE SUMMER ECONOMY - SPECIAL EVENT FUNDING: \$300,000**

Three-year support to seed Signature Events on the Performance Pavilion & the Mall

# 2015 SUMMARY OF MAJOR SERVICES, IMPROVEMENTS & PROJECTS 2015-2016 BUDGET

## RECREATION CENTER – BUSINESS PLAN

In addition to refurbishment of the building, implement business plan to update the brand, improving and expanding programs and services. Goal: 90% cost recovery

## DEVELOPMENT OF A MULTI-MODAL TRANSPORTATION & PARKING PLAN

Town of Avon, Beaver Creek Resort, Beaver Creek Metropolitan District,  
Hoffmann Commercial Properties, Village at Avon, Eagle County  
Sonoran Institute's 2014 Mobility Institute

## EVALUATION OF EFFECTIVE MUNICIPAL COMMUNICATION

## FORMATION OF CREATIVE ARTS DISTRICT & ECONOMIC DEVELOPMENT COMMITTEES


## COMMUNITY SURVEY

## UPDATE OF THE COMPREHENSIVE PLAN

## WILDFIRE MODULE: EAGLE RIVER FIRE DISTRICT

# 2015 BUDGET OVERVIEW

Previously Presented on September 9th

- Situational Analysis
    - No changes as presented
  
  - Revenues
    - No change in assumptions as presented
    - Increased Real Estate Transfer Tax for final revised 2014 budget by \$100,000
  
  - Personnel
    - Continuing implementation of step program
    - Adjusted salary ranges by market surveys (avg. 2.2% increase)
    - Increased entry level salaries up to the 70% AMI benchmark
    - Health benefits – no change
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# 2015 BUDGET OVERVIEW

Previously Presented on September 9th

- Total Fund Balances - \$13,822,585
  
- General Fund
  - 3% TABOR Emergency Reserve
  - 25% Minimum Fund Balance
  - Special Events - \$300,000
  
- Long-range CIP Plan
  - \$1 million minimum unrestricted balance through 2019

# 2015 BUDGET OVERVIEW

Previously Presented on October 9th

- Community Grants Funding - \$220,850 (Budget Memo Attachment 1)

# 2015 BUDGET PROCESS


## Future Council Meetings

- October 28
  - Budget Worksession (if needed)
  
- November 11
  - Public Hearing and Budget Adoption
  - Mill Levy Certification

Budget on file in Town Clerk's Office and Avon Library  
Posted on Avon's website at [www.avon.org](http://www.avon.org)

# 2015 BUDGET OVERVIEW

## Total Expenditures

- Operations
    - General Fund - \$11,970,692
    - Town Center West - \$256,625
    - Water Fund - \$165,238
    - Transit - \$1,869,598
    - Fleet Maintenance - \$1,688,919
  
  - Debt Service - \$2,051,276
  - Capital Improvements and Equipment Replacement - \$5,629,155
  - Contingency - \$100,000
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# 2015 BUDGET OVERVIEW

## What's in the Budget

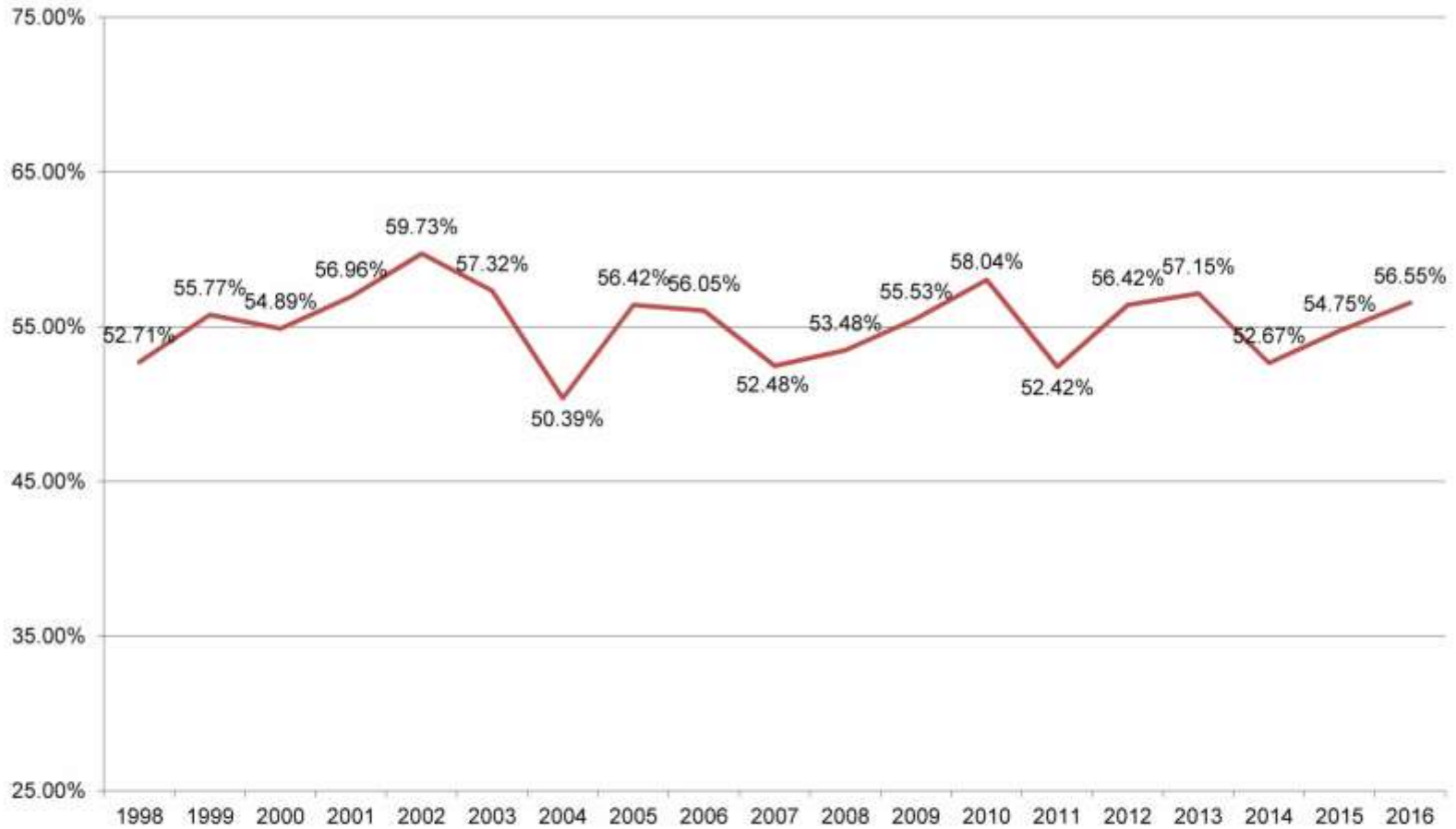
- Personnel Costs
  - 81.75 FTE's in 2015
    - Continued implementation of step program
    - Adjusted salary ranges by market surveys (avg. 2.2% increase)
    - Increased entry level salaries up to the 70% AMI benchmark
    - Health benefits – no change
- Contingencies
  - \$100,000 – General Fund

# 2015 BUDGET HIGHLIGHTS

## What's in the budget

- General Fund
  - Village of Avon .75% add-on retail sales fee
    - 2015 RSF = \$650,000
    - 2016 RSF = \$676,000
  
  - CIP
    - Asphalt Overlay Set Aside - \$120,000
    - 2015-2019

## Ratio of Personnel Costs to Total Operating Costs



# 2015 GENERAL FUND

Primary operating fund. Used to account for all activities not required to be accounted for in some other fund.

**Total Operating Revenues = \$13,624,711**

- 2.5% increase from revised 2014 budget
- \$308,712 increase in sales and accommodation taxes
- 8.4% increase from 2013 actuals
- \$776,562 increase in sales and accommodation taxes

**Total Operating Expenditures = \$11,970,692**

- 2.9% increase from revised 2014 budget
- 13.3% increase from 2013 actuals




# 2015 GENERAL FUND

- Other Sources and Other Uses
  - 2014 Short-term Loan to Capital Projects Fund - \$1,325,000
  - 2015 Repayment of Loan from Capital Projects Fund to General
- Purpose
  - Cash flow between the two funds.

# GENERAL GOVERNMENT

- Organizational Changes
  - Community grants now budgeted in the Community Development – Community Grants activity of the budget.
  - Human Resources and Non-departmental budgets are now included under Finance and Administration
  
- Budgetary Changes
  - Town Attorney fees have been reduced from \$155,000 to \$105,000 as a result of the Traer Creek Settlement
  - In Town Manager’s budget, the addition of a full-time Assistant to the Manager position was added in 2014 in lieu of hiring a new Assistant Town Manager, a salary savings of \$57,000 per year. The duties of the Assistant Town Manager have been assumed by the Finance Director.

# GENERAL GOVERNMENT

- \$10,000 budgeted for Council training
  - A community picnic has been budgeted for \$2,500
  - Funding of \$2,500 has been provided for the Mayor to attend CAST meetings and for a Council appointee to attend CML Policy Committee meetings
  - \$18,000 is budgeted for a Community Survey in Community Relations
  - Non-departmental expenses have new charges for the Village at Avon retail add-on sales fee collection (\$13,000) and custodial services.
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# FINANCE AND ADMINISTRATION


## 2014's Significant investment in software programs fully implemented

- SunGard - (Major upgrades to Fund Accounting, Purchasing, Human Resources, Fixed Assets)
- MUNIREvs - Online sales tax filing and payment
- PowerPlan City Vision - Budgeting and long-term planning
- Kronos - Time and Attendance
- Barracuda - E-mail Archival
  
- Information Technology
  - Continued investments necessary to support departmental use of technology

# COMMUNITY DEVELOPMENT

- Organizational Changes
  - Special Events moved from Parks and Recreation and renamed Town-Produced Events
  - Special Events Seed Funding - \$50,000
  - Community Grants program - \$197,850
- Initiatives
  - Multi-modal transportation and parking plan
  - Recreation Center brand identify
  - New seasonal events production assistant

# POLICE DEPARTMENT

- Currently fully staffed
  - Overtime increase of \$17,950 includes Winter Wondergrass, Reds Whites and Blues, 2015 WASC
  - Body cameras included in budget - \$9,374 but deferred until further analysis can be performed
  - Digital ticketing system included in CIP budget
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# ROAD AND BRIDGE


- Summer Parks employees provide snowplow service throughout the winter season
- Reduction on 1 FTE for 2015
- 2014 budget included \$100,000 for ditch maintenance which was done in-house for a net savings of \$80,000. This is reflected in the final revised 2014 budget.

# ENGINEERING

- For the 2015 budget, Buildings and Facilities moved under the Engineering Department
- No part-time Engineering wages budgeted for 2015



# PARKS AND RECREATION

- Implementation of Recreation Center Business Plan
  - Special Events moved to Community Development Department and renamed Town-Produced Events
  - Reduction of 1 FTE in Parks division from original 2014 budget
  - Addition of 2 FTEs in Recreation – 1 Senior Lifeguard, and 1 Guest Services Position. Offsetting reductions in part-time wages due to restructuring of responsibilities result in a net savings of \$8,827 in total wages between the two programs
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# TOWN CENTER WEST MAINTENANCE FUND

Used to account for maintenance activities within the Town Center West plan area.

- Transfers-in from URA reduced from \$200,000 in 2014 to \$100,000 in 2015. And further reduced in 2016 to \$50,000

# COMMUNITY ENHANCEMENT FUND

Used to account for the 1% Community Enhancement fee received from Holy Cross Energy. Can only be used for specific purposes as identified in the Town's franchise agreement.

- 2014 budget reflects a \$608,000 transfer to CIP supporting the Avon Pedestrian Mall project
- 2016 budget reflects a \$100,000 transfer for undergrounding of electrical lines related to the Eagle Valley Trails project

# WATER FUND

Used to account for maintaining water-related assets and the receipt of fees for such maintenance.

- Mountain Star Water Tank reserve - \$600,000
- Transfer out to the CIP in 2016 of \$100,000 for pump replacements at the pump house


# AFFORDABLE HOUSING FUND

Used to account for the accumulation and use of resources received for affordable housing purposes.

- 2014 expenditures reflect \$200,000 contribution to Augustana Senior Care Facility
- No 2015 or 2016 expenditures budgeted

# DEBT SERVICE FUND

Used to account for the accumulation of resources for the payment of principal and interest on the Town's debt.

- 2014 budget reflects final debt service payment for Series 1999 Sales Tax Revenue Refunding Bonds (Rec Center and Swift Gulch)
  - 2016 budget reflects final debt service payment for the Series 2004 General Obligation Refunding Bonds (Roundabouts)
  - 2015 and 2016 budget reflects new debt service payments for Series 2014A & 2014B COPs (Street Improvements and Town Hall)
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# CAPITAL PROJECTS FUND AND FIVE-YEAR CIP

Five-year Capital Improvements Program (CIP) that provides details of planned capital improvement projects and the resources for which to fund them.

- Changes to most recent CIP
  - Increased estimated 2014 real estate transfer taxes - \$100,000
  - Recognition of \$700,000 grant from CDOT for the Eagle Valley Trail Phase 3 project to begin in 2016.
  
- 2015 budget
  - Return of short-term loan from General Fund
  - Completion of Town Hall finishes
  - Begin 2015-17 street improvements program

# TRANSIT

Used to account for activities involved in operating the Town's mass transit system.

- Year-round, 20 minute split-day service for Buffalo Ridge - \$150,000
- \$410,000 bus purchase in 2015, offset by \$328,000 FTA grant
- Reduction of 2 FTEs; CDL drivers in Parks division will provide seasonal winter service hours along with seasonal hires

## Operating Subsidies

- 2015 budget - \$1,020,000 for operations. \$82,000 for capital - 20% match for \$328,000 FTA bus grant



# FLEET MAINTENANCE FUND

Used to account for maintenance of Town fleet and other equipment and for certain third-party customers.

- Shop rates to remain the same for 2015. Below market.
- 2015 operating subsidy - \$300,000. Necessary to balance the budget.

# EQUIPMENT REPLACEMENT FUND

Used to account for the accumulation of resources for the replacement of Town fleet, heavy equipment, recreation equipment, and computer networking equipment.

- 2015 purchases include: Fleet and heavy equipment - \$229,283, recreation equipment - \$182,888, computer equipment - \$51,305, and other machinery and equipment - \$39,000.
  - 2016 purchases include: Fleet and heavy equipment - \$47,054, recreation equipment - \$11,252, computer equipment - \$45,048, and other machinery and equipment - \$18,857.
  - 2015 estimated ending fund balance - \$2,914,276
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