

General Costs

Overview

The General Cost section of the budget provides a funding source for the general expenses of City government, which are for the responsibility of or benefit of the organization as a whole, or cannot be identified with a specific function.

Budget Summary

	2013 Actual	2014 Actual	2015 Budget	2016 Budget
Retired Employees Insurance	\$1,501,346	\$1,508,177	\$1,500,000	\$1,250,000
Unemployment Insurance	158,375	205,327	150,000	100,000
Total Salaries and Benefits	\$1,659,721	\$1,713,504	\$1,650,000	\$1,350,000
Allocations/Internal Services Charges				
Barricading	\$125,000	\$125,000	\$125,000	\$56,776
Environmental Protection Program	60,408	60,408	60,405	60,408
Fleet Management	7,442,636	0	0	0
Lease-Purchase Costs – Vehicle Replacement	1,272,884	0	0	0
Health Insurance Fund - Add'l pmt.	292,998	0	0	500,000
Machine/Weld Shop	30,000	30,000	30,000	23,623
Office Services	582,381	589,630	679,180	679,180
Radio Communications	979,896	695,958	550,825	995,958
Workers Compensation Fund - Add'l pmt.	0	0	0	305,195
Animal Control Contract	1,040,000	1,080,000	1,125,424	1,125,424
Annual Financial Audit	129,360	139,810	170,000	170,000
Capital Lease Purchase	1,776,674	0	0	0
City Admin Building (CAB) - Lease-Purchase Payment	523,123	626,759	626,760	626,760
City Building Security Contract	91,740	91,740	95,000	91,740
City Hall/Impound lot/Police Training Academy COP Payment	388,567	381,567	389,417	387,417
Claims Reserve Self-Insurance Fund	633,466	800,004	800,000	1,200,000
Economic Development				
Regional Business Alliance	10,000	0	0	75,000
Economic Development Agreements	3,789,889	4,718,002	4,000,000	5,500,000
Small Business Development Center (SBDC)	0	0	0	27,500
USOC COP Payment	1,659,055	1,704,944	1,739,650	1,782,225

Budget Summary

	2013 Actual	2014 Actual	2015 Budget	2016 Budget
Election Expenses	323,056	0	600,000	600,000
Employee Awards Program	49,026	64,174	76,000	76,000
Energy Efficiency Retrofit	73,999	165,871	99,259	99,259
Facilities Maintenance Contract	897,098	949,026	998,850	1,000,000
Health Programs	91,038	304,136	300,000	0
Homeward Pikes Peak	60,000	60,000	0	0
Insurance Premiums	400,000	670,621	679,000	1,008,664
Legal Defense Reserve	1,057,893	142,304	250,000	250,000
Legal Defense Reserve – City Council	0	0	50,000	50,000
Legal Settlement Costs	8,206,860	10,634	0	0
Membership Dues - Sister Cities, Alliance for Innovation	1,190	8,690	2,000	9,500
Pikes Peak Regional Development Center Rent and CAM	125,226	124,525	132,000	132,000
Retirement Awards	15,478	13,900	15,000	15,000
SCIP Debt Service Payment	7,847,350	7,843,450	7,838,750	2,766,750
Services	690,124	880,085	776,473	850,781
Special Events	412,950	523,970	659,540	420,000
Streetlight Program	4,002,579	4,130,134	4,129,000	4,129,000
Total Operating Expenses	\$45,081,944	\$26,935,342	\$26,997,533	\$25,014,160
General Fund Contribution to City CIP Fund*	\$9,325,133	\$10,204,472	\$11,033,257	\$18,024,169
General Fund – Projects	3,582,305	7,877,319	0	250,000
Total CIP	\$12,907,438	\$18,081,791	\$11,033,257	\$18,274,169
Organization Total	\$59,649,103	\$46,730,637	\$39,680,790	\$44,638,329

* For 2016, the total unrestricted Capital Improvements Program totals \$18,131,169, which includes \$107,000 in anticipated interest earnings and investment/bank fees.

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.

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. For 2016, this includes additional payments to both the Health Insurance Fund and the Workers Compensation Fund. In 2013 the General Fund absorbed the forecasted increased cost to the Employee Benefits Self-Insurance Fund as the City did not increase employee premiums while the City completed its total compensation study. Beginning with 2014, Vehicle Lease-Purchase funding is budgeted in Fleet Management.

Animal Control Contract – The City's cost for the Humane Society of the Pikes Peak Region (HSPRR) animal control services contract. The 2016 contract is still in negotiation – funding has been set aside in the Services line of General Cost and will be added to the Animal Control Contract line once the final amount is approved.

Annual Financial Audit – Annually, the City contracts with a private firm to provide a comprehensive financial audit. For 2016, the contract is with BKD.

Capital Lease Purchase – Purchase of capital equipment through a lease-purchase.

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.

City Building Security Contract Management – This is the citywide 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. For 2016, the payment amount is \$387,417. Additional funding for a portion of the COP payment for the Police Impound Lot and Training Academy is budgeted in the Police Department's budget.

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 City, its officials, and employees. Expenditures made out of the claims reserve fund are made to pay claims and related expenses pursuant to the Colorado Governmental Immunity Act and claims against the City arising under Federal Law. For 2016, the transfer is increased by \$400,000 to ensure an adequate level of funding for claims and to contribute to the fund balance.

Economic Development – Prior to 2013, funding for economic development efforts including the Colorado Springs Technology Incubator (CSTI), Colorado Springs Regional Business Alliance (pka: Economic Development Corporation and Greater Colorado Springs Chamber of Commerce), and the Small Business Development Center

(SBDC). In 2013 and 2014, these payments were made directly from the Lodgers and Auto Rental Tax (LART). In 2016, this category includes allocating \$75,000 in support to the Regional Business Alliance and \$27,500 in support to the Small Business Development Center (SBDC). The City has Economic Development Agreements (EDAs), including the EDA with the United States Olympic Committee (USOC), as described more fully in the Economic Overview section beginning on page 1-35.

Election Expenses – For 2016, this includes \$600,000 for the potential of participating in a November election.

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 2016, the lease-purchase payments total \$99,259 for building improvements to City facilities including City Administration Building (CAB) and Sertich Ice Arena.

Facilities Maintenance Contract – El Paso County provides facilities maintenance under an Intergovernmental Agreement (IGA) and Service Level Agreement (SLA).

Health Programs – This is the City's share of the Employee Assistance Program (EAP) and medical exams related to Police Department Investigations. For 2016, this expense is transferred to the Police Department's budget.

Homeward Pikes Peak – Funding for continued coordination of the Colorado Springs homeless service programs. This includes counting the homeless in the community and establishing a Homeless Management Information System. This funding was discontinued for 2015 and 2016 and homeless service coordination is done through the City's Housing Division and the Planning and Development Department.

Insurance Premiums – The City's comprehensive risk management program includes various property and liability policies that provide either primary or excess coverage to protect City from large and uncertain losses. The increase in 2016 is due to higher renewal costs and additional coverage.

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 – In 2016, \$50,000 of Legal Defense Reserve funding is identified for City Council legal services.

Legal Settlement Costs – In 2013, the total cost of litigation settlements was \$8,206,860 and for 2014 it was \$10,634.

Membership Dues – Membership dues include membership costs to Sister Cities and Alliance for Innovation.

Pikes Peak Regional Development Center (PPRDC Rent and CAM) – This funding is for rental payments to the PPRDC for pro rata office space and Central Area Maintenance (CAM) charges used by City operations in the PPRDC. 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 mementos to employees, in good standing, retiring from the City.

SCIP Debt Service Payment – In October 2007, approximately \$10.4 million of the outstanding debt was refinanced to obtain a better interest rate and generate savings to the City of approximately \$4.0 million. In May 2009, the remaining \$34,460,000 outstanding debt was refinanced at a better interest rate and generated savings of approximately \$2.0 million. While the debt was originally scheduled to be retired in 2015, the refinancing extends a portion of the debt by one year, to 2016. The debt will be retired in 2016.

Services – This funding is 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, West Nile Virus payments to El Paso County, and other miscellaneous services.

Special Events – For 2016, funding of \$420,000 is projected for services provided by City departments during special events.

Streetlight Program – The charge from Colorado Springs Utilities for the operation of the Streetlight system.

CAPITAL OUTLAY EXPENDITURES

General Fund Contribution to City CIP Fund – For 2016, the General Fund contribution is \$18,024,169, which is augmented by \$107,000 in anticipated interest earnings and investment/bank fees. These projects are for stormwater, roads and bridges projects and grant matches, technology, other payments and projects, and City facility repairs.

General Fund – Projects – For 2016, funding of \$250,000 for an update of the City's Comprehensive Plan is included. In 2015, there were no General Fund Projects budgeted. For 2014, the projects included an analysis of facilities and prioritization of repair needs and a Public Works optimization for CIP process design and public input – which were subsequently “abandoned” in accordance with City Code and the funding reprioritized for more emergent information technology needs – and an update to the City's Comprehensive Plan.

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