

Opportunity for Growth...



Riverside Park, photo by Chad Reischl

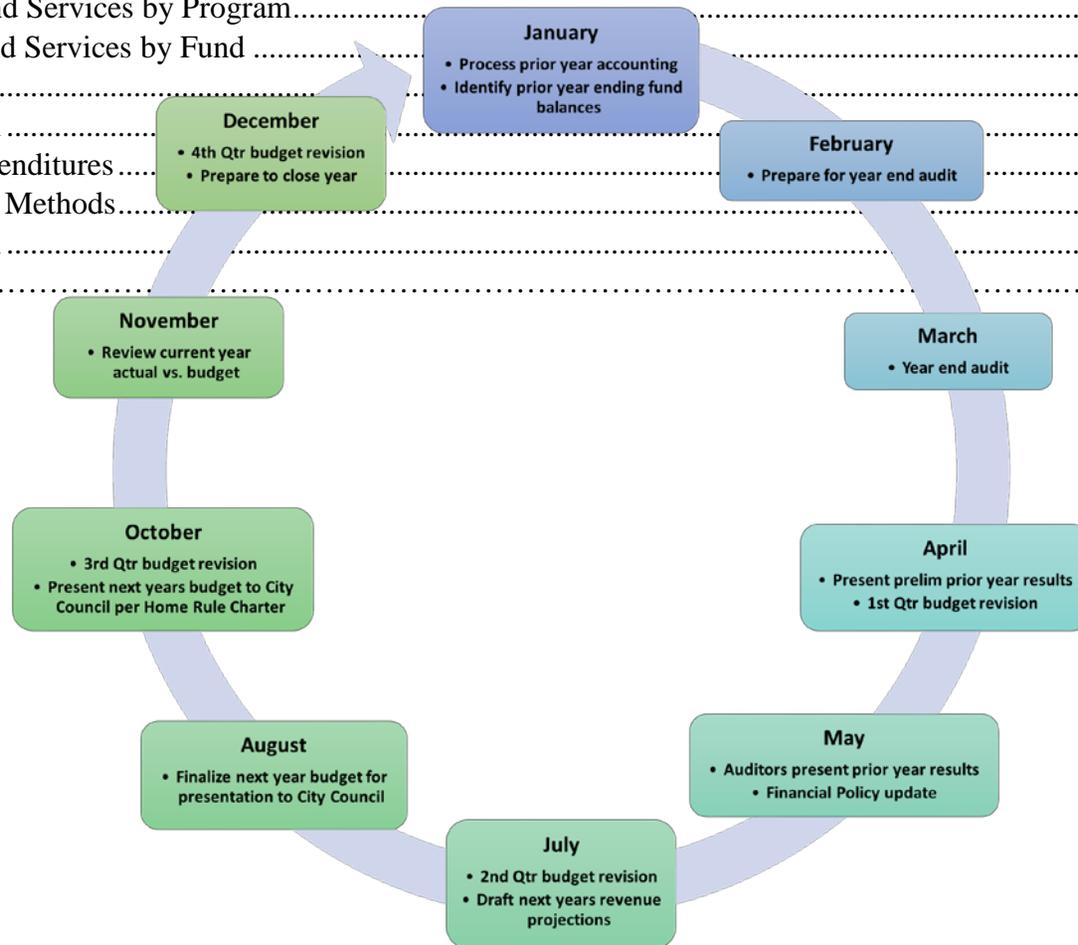


2017 Budget

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Transmittal Letter

October 4, 2016

Honorable Mayor, City Council, and Residents;

It is my pleasure to present you with the 2017 City of Evans Operating and Capital budget and five year projections. This budget is the result of many years of significant work on the part of the City Council and staff. While the economic conditions have remained improved since the Great Recession, we continue to focus on our commitment to conservative revenue estimates while staying focused on economic development opportunities working towards a sustainable community. Staying the course with the City Council budget philosophy, the 2017 budget is built conservatively with careful analysis based on the results of 2016 and projections for 2017.

The process to build sustainability into the financial future of the community began in 2010 with the reduction in force, continued into 2012 with the creation of the Evans Fire Protection District and focused on departmental assessments for several key service areas in 2013 and 2014. 2015 was focused on updating our strategic operating planning process to gain focus and commitment, accountability, transparency, and to accomplish measurable outcomes. 2016 has seen the fruits of our labor and resulted in accomplishment of several outcomes identified through that strategic planning process. The process continues to evolve, but the goal of making our own future remains.

Although this budget does not include any changes in levels of service, the commitment to match service level needs with available revenue remains strong. This process will continue into the future with a focus on building a sustainable and resilient community based on resident driven levels of service.

From a process perspective, we continue to focus on including staff in the budget process (and associated Long Range Plans), creating a higher level of awareness, knowledge, and accountability. Process teams were developed for revenue, payroll, supplies and services, asset management, and capital programs. These teams worked with the departments to review and prepare the budgets, providing for an independent review. The goal for each of these teams is to train the team for next year and each year increase the level of analysis that goes along with developing the financial plans. An additional benefit is the increased number of city employees who have a

significantly greater understanding of the City finances and operations. The increased awareness usually leads to more accurate information in the community.

The Finance Committee provides oversight and recommendations to the budget process. Ultimately, it is the City Council that approves the annual budget based on the recommendations of the City Manager and input from residents.

The 2017 General Fund budgeting started five years ago, a benefit to our long term perspective on managing the finances of the City. Although the City made significant reductions to long term operating expenses in 2010 in response to the Great Recession and structural gap, the City and the City's management team has been able to maintain a balanced operating budget. As we moved into the official 2017 budgeting season, the 2016 sales tax revenues are showing slight declines over prior years, due primarily to the slowdown in oil and gas drilling activity in the area. The historical challenge of budgeting in the General Fund remains projecting this revenue source as it accounts for the major source of revenue in the fund and is influenced by numerous factors out of our control. The City has identified areas of our sales tax collections which are more volatile and we consider those as one-time revenue sources. In order to mitigate the risk of funding long term fixed costs based on these one-time increases in revenue, we have taken an approach in the last several years' budgets that programs in a portion of the revenue related only to one-time expenditures. This method allows us to remain ultra-conservative in increasing our long term fixed costs.

The 2009 restructuring of the financial management of the Water Fund has proven to be an effective tool for managing enterprise funds. The attached budget includes higher revenues based on increasing the base rate from \$18.00 per month to \$18.50 per month in the Water Fund with the goal of funding major maintenance at the level of annual depreciation of the system. In 2013, we started the process of reevaluating the results of the increases and assessing the future needs of the water enterprise. This work resulted in a recommendation to update the 2005 water master plan. This project is on target to be completed in 2016. Long term, the funding of a major water storage project, NISP-Glade Reservoir, and the potential of additional options for water treatment face the City as we move into the future.

The restructuring of the Waste Water Fund took place in late 2011 and was implemented in 2012. Similar to the issues identified in the Water Fund, the Waste Water Fund was not recovering its costs on the operational side and did not have a mechanism in place to fund system maintenance. The waste water master plan update was completed in 2013 and implementation began in 2014 with the City Council's decision to consolidate waste water treatment facilities into one location. 2015 was focused on the design of the new facilities and construction began in 2016 and is expected to continue until 2019.

The final City enterprise fund, Storm Drainage, also requires an in-depth analysis to assure that these operations are self-sustaining as required by law. A master plan update on this utility was started in 2015 and was completed in 2016.

The attached budget book includes information intended to answer the most frequently asked questions. To accomplish the purpose of being useful on an everyday basis, the budget book does not attempt to answer every conceivable question (ultimately leading to a document that is too cumbersome).

Although the economic future is uncertain, the City has the systems and resources in place to manage these challenges. This is an accomplishment that puts Evans in an elite group of cities and towns. We are definitely among the municipal leaders in Colorado with regard to how we financially plan and manage our budgets.

In summary, the budget is a flexible and living document with constant monitoring and management. With adoption of the 2017 budget, the staff will move to close out 2016 and identify fund balances that can be used to fund one-time projects in 2017. By constantly updating and discussing the budget, we have eliminated the antiquated once a year budget model and moved to a more fluid financial management system. Thank you for your continued leadership, trust and support.



Jessica Gonifas, CPA
Deputy City Manager



Photo credit: Alma Aquino Aguilar

2017 Budget Overview



The 2017 budget document has been prepared as a useful tool for City Council, residents, and staff. This document is designed to answer the majority of the questions related to the budget from a policy maker and resident perspective. Budget direction is provided from the Home Rule Charter, City Council, and the Financial Policies.

Budget development in the City of Evans is an ongoing and vibrant team process involving the City Council, Department Directors, and many members of staff. Updating the long range plans and preparing the annual budget begins with a comprehensive review of rates and revenues. Taxes are approved by residents and rates for services are set by the City Council. Other rates are reviewed each year to ensure the rate increases align with inflation and the subsequent cost of providing these services. The 2017 budget includes \$30,608,429 of total revenues and \$31,289,628 of total expenses as outlined by fund in Attachment A, **2017 Budget Summary**. Attachment B, **Revenue and Expense Trends** shows the past and projected trends, including revenues that will impact the City.

Sales tax revenues amount to 55% of total General Fund revenue. Consequently, it is important to accurately project these revenues. The City closely monitors these revenues on a monthly basis and the transition in 2011 to self-collection has allowed for more timely and accurate projections. For 2017, sales and use taxes are projected to decrease 7% from 2016.

In prior years, property tax was the second largest contributor to General Fund revenue. Due to the voter approved transfer of 10 of the City's total 13.536 mills in 2013 to the Evans Fire Protection District, this revenue source now represents 3.6% of the General Fund revenue.

User fees are charged for specific services and in 2017 are projected based on a rate increased by inflation and anticipated activity.

For 2017, the personnel budget includes funding for employee merit, funding the results of the compensation and classification study, and an increase to benefit packages for the same number of benefited full time positions as in 2016. Attachment C, the **Summary of Personnel Positions** identifies the 95 positions approved by department, with no new positions identified for 2017. Attachment D, the **Summary of Personnel Expenditures** identifies costs for funded full time positions, part time employees and overtime for a total in 2017 of \$9,020,476.

This Supplies and Services budget includes any increases which were mandated by contractual agreements, a minimal amount of increases necessary to provide services to the residents in the most efficient and effective way possible, and reductions in several programs due to business model changes and operational improvements. Despite the significant changes in revenue and levels of service over the past several years, departments continue to look for ways to eliminate outdated or lower priority activities. Each department has, and will continue to evaluate each activity or expense to identify savings. Attachment E, the **Summary of Supplies and Services by Program** shows an increase of 1.3% in the

General Fund 2017 budgeted supplies and services. The major contributor to this increase are the contractual agreement increases, as mentioned above.

Attachment F, the **Summary of Supplies and Services by Fund** shows the City wide budget for supplies and services of \$8,140,942, an increase of \$136,741 or 1.7% from 2016. This increase is due to inflationary cost of supplies and services and contractual increases. The majority of the supplies and services budget in the Refuse Collection and Water Funds is a contract to provide services by an outside agency.

Please note that 2018 through 2021 projected amounts are based on current service levels and may change as residents request and the Council approves changes. The acquisition and maintenance of facilities and equipment required to deliver services to the residents is included in these categories. These expenses are identified on the Long Range Plans based on the funding sources. As an example, the use of Impact Fees is restricted to equipment and capital purchases (indicating they should not be used for operations) and separate funds exist to account for these revenues and expenditures.

Attachment G, **Summary of Debt** includes the annual obligations along with the total obligations. The City's debt at the end of 2017 will total \$40,903,994 and includes Water and Waste Water related debt obligations, while no debt is currently budgeted for in the General Fund. The majority of this debt is attributed to the construction of the consolidated Wastewater treatment facility.

The City staff has developed an **Asset Management Plan**, Attachment H, with the strategy of anticipating and funding the replacement of equipment with an approximate replacement cost between \$5,000 and \$100,000. Delaying the replacement of equipment can be extremely expensive in terms of lost productivity and high cost of emergency repairs. In 2017, the Asset Management Plan is funded adequately based on our current model.

Attachment I, the **Summary of Capital Expenditures** identifies capital projects by fund for 2014 to 2021. The long term goal is to refine and implement the Capital Improvement Plan for all capital funds. Capital purchases are budgeted in the Conservation Trust, Capital Projects, and Enterprise Funds. Funding in the Capital Projects and Enterprise Funds is based on the projected 2016 ending fund balance. Because Impact Fees are less predictable, the available funding is based on 90% of the projected 2016 ending fund balance.

Attachment J, **Intra Fund Transfers**, identifies transfers made to reimburse funds for expenditures (or expenses in enterprise funds) recognized in separate funds. Transfers are identified by the fund paying the other fund.

The 2017 budget challenges encompassed a few key funds: General, Water and Storm. Both the Water and Storm enterprises anticipate large capital improvement projects in the near future which need to be balanced with operating and maintenance needs. The General fund faced a budgeted revenue decrease for the first time in six years due primarily to the slowdown in oil and gas activity in the area in 2016. Although we expect the industry to start to recover in late 2016, our budgeting philosophy calls for conservative revenue projects based on current tax collects.

This philosophy for the past several years has allowed us to move into 2017 with projected revenue declines and still deliver the same level of service. The long term focus in the General fund remains on the service level delivery and long-term sustainability.

In addition to the economic factors that impact all funds, the General and Enterprise Funds are impacted by the overhead allocation from the Enterprise Funds to the General Fund for administrative support. The methods used to estimate these costs is evaluated on an annual basis and refined as necessary in order to capture the most accurate picture possible.

After the significant work done to the Water Fund in 2009 and programmed base rate increases, the fund is moving towards a sustainable level of funding for operations and the focus has been on obtaining funding for large water projects such as Northern Integrated Supply Project (NISP). Also a major project in 2015 and 2016 is the update to the 2005 Master Plan. The master plan update will address several key issues, two of which include a rate review of the multi-family, commercial and industrial rates and future plans for obtaining water treatment.

The Waste Water fund continued to be a focus for 2016 and will be in 2017 as the construction of the new consolidated treatment facility continues into 2019.

Each operating fund has a long range plan which identifies revenues and expenditures. Prior year actuals are identified to help understand trends and the increased costs of providing services. Future years are included to identify the costs of providing services which may be added during the year or as a result of capital projects. The main goal is to identify the highest priority services each year, eliminate lower priority expenditures and ultimately operate more efficiently and effectively.

The City of Evans budget is a year round planning and management tool. 2017 was the eighth year where the budget focused on increased staff involvement and City Council direction as policy makers. The **Budget Resolution**, Attachment K is submitted to the City Council before October 15th as required by the City Home Rule Charter.



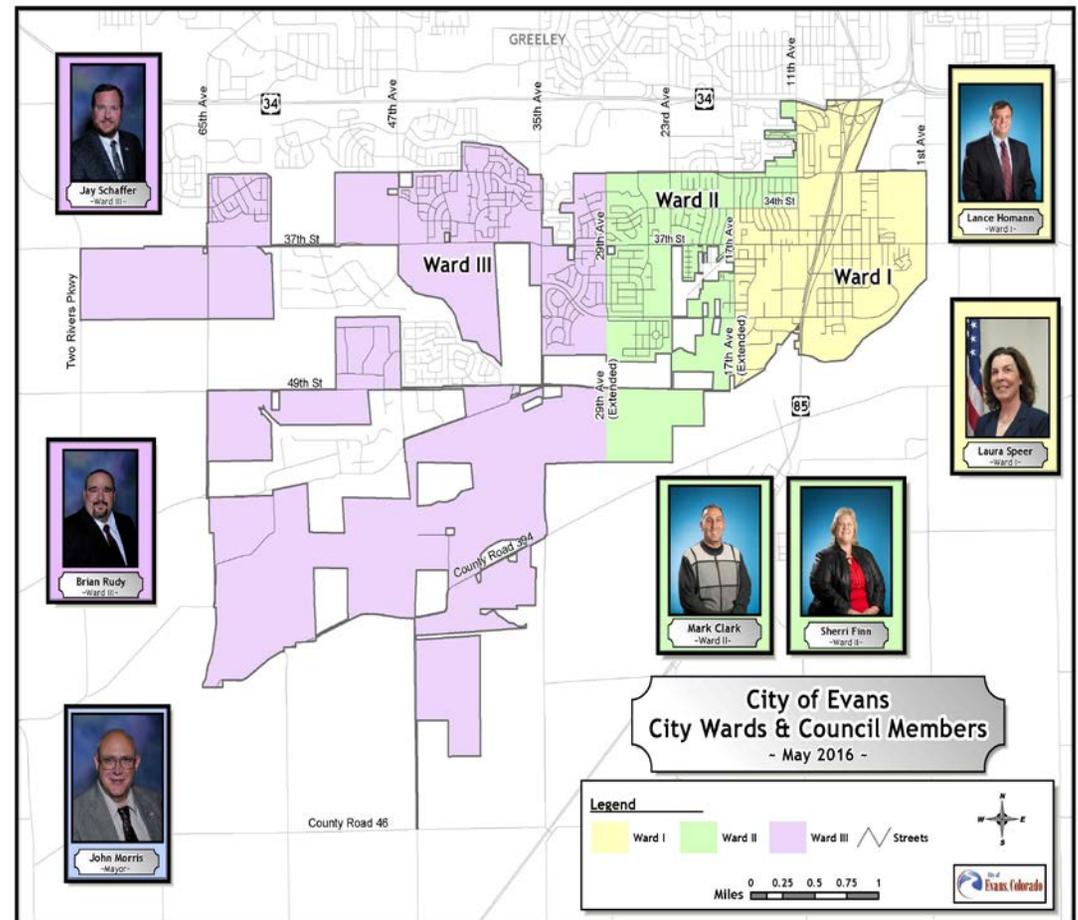
General Fund

General Government includes services required for the operation of a City government including the City Council, City Manager, City Clerk, Customer Service Unit, Human Resources and Risk Management, Information Technology, Finance and Facilities.

City Council – includes the community's legislative body which has the authority for enacting City ordinances and resolutions as needed to conduct the business of the City and to provide policy direction to City staff.

- Successfully recruit for the new City Manager
- Maintain excellent communication on fiscal status.
- Continue to implement operational and strategic decisions based on Council's vision priorities. These priorities include:

- Diverse Economy 
- Clean 
- Infrastructure 
- Family Friendly, Home Town 
- Safe 
- Self-Sustaining 



City Departments

City Manager – includes operating with a Council-Manager form of government with the City Manager being the chief administrative officer and is responsible for the overall management of City operations.

- Orient new City Manager to City operations, goals and long term projects.
- Administer and manage City operations with focus on Council priorities.
- Assess department operations with the goals of increasing efficiency and effectiveness of delivery of resident services.



City Clerk – includes general and specialized administrative responsibilities in many areas, including:

- Primary staff for City Council, the Evans Redevelopment Agency, and the City Management Team: minutes, agenda, and meeting preparation;
- City Records Custodian: coordinates open records requests and maintains revisions to the Municipal Code and Home Rule Charter;
- Designated City Election Official: oversees City Council elections, Special Elections, Coordinated Elections, and onsite County ballot drop-off locations;
- Oversees Council appointments to City Boards and Commissions;
- Liquor licensing;
- Pet licensing; and
- Cemetery administration for the Evans Cemetery.

Customer Service Unit – provides customer services externally to residents and support services internally to staff through effective listening and undivided attention. Identifies and anticipates needs of our residents and staff.

- Implement new Utility Billing software.
- Automate court hearing process.
- Administer a Customer Satisfaction Survey.



Human Resources & Risk Management – provides services to recruit, select, classify, compensate and develop a talented and diverse workforce, while fostering a safe, positive work environment that optimizes productivity, efficiency and effectiveness.

City Departments

- Design and implement electronic records management system for personnel records.
- Evaluate and modify applicant selection processes.
- Enhance the employee onboarding process to provide new employees the information, resources and tools needed to be successful and productive at the City of Evans.
- Develop, implement and evaluate City-wide training based on information received through surveys, focus groups and loss trend analysis.
- Evaluate the performance management module available through our current provider to determine the benefits of its use as part of the City's overall performance management system.
- Develop and implement a risk management framework and a process for managing risk that can help the City increase the likelihood of achieving objectives, improve the identification of opportunities and threats and effectively allocate and use resources for risk management.
- Continue to increase efficiency and use of electronic systems to improve workflow and enhance self-service and data sharing capabilities.
- Continue to evaluate and enhance safety program, including policies, accident investigations, claims management, inspections, audits and training.
- Continue to evaluate, plan and modify the City's integrated health risk management strategy and plan, including enhancing the City's comprehensive wellness program to improve employee health, well-being and safety as well as reduce insurance costs.
- Continue to develop and strengthen regional partnerships, including identifying opportunities for greater cost efficiency while maximizing the City's resources.

Information Technology – includes management of the City's information services serving both the residents and staff.

- Promote the effective use of technology throughout the City.
- Increase City efficiency in use of electronic systems by designing, connecting and integrating data systems.



Financial Services – includes the financial planning, budgeting, accounting and reporting functions to accurately identify the activities and financial condition of the City.

- Continue to increase efficiency and transparency by reducing the use of paper and manual processes.
- Improve financial reporting and accessibility of information for department use.
- Continue to improve procedures for grant accounting, tracking and reporting.

Community Development

Community Development is a division of the Evans Public Works Department and includes: Planning and Zoning, Building Permitting and Inspection, and Neighborhood Services and Code Enforcement.

Planning and Zoning – Planning and zoning focuses on short term development planning and process review. Focused on short-term growth and the sustainability of Evans’ built environment, Planning and Zoning reviews development plans as guided by the Evans subdivision and zoning codes. In addition, Planning and Zoning assists the public in addressing immediate questions and concern on development of property.



Building Permitting and Inspection – Building Permitting and Inspection ensures that all construction activities in Evans conforms to adopted building codes as well as applicable laws of the State of Colorado. Inspection services are conducted through an inter-governmental contract with the City of Greeley.

Neighborhood Services/Code Enforcement – Neighborhood Services serves the City by ensuring properties throughout Evans conform to adopted city ordinances and application laws of the State of Colorado. This division primarily enforces nuisance code violations. Abatement of violations is conducted through a contract with an outside contractor.

Goals include creating partnerships with the community in developing for the future. The main areas of concentration for 2017 include:

- Mutually beneficial development that sustains the community economically and aesthetically.
- Promote a collaborative atmosphere within the internal Development Review Team.
- Amend the development code to promote clarity, efficiency and transparency.



Public Safety

The Police Department has an authorized strength of 36 sworn officers, a full time Animal Control/Community Services Technician, and two full time and one-part time civilian support staff. The department is committed to providing outstanding, compassionate, and professional public safety services to our residents.



Patrol –the most visible part of the Department is under the direction of Commander Chad Harding. Four sergeants supervise 24/7/365 Patrol operations. There are also five Master Police Officers who assist in providing supervision to patrol and investigative personnel. Officers handle an array of issues in Evans from traffic safety initiatives to responding to a multitude of calls for service. Evans police officers focus on problem identification and solutions in their districts rather than simply taking reports

Traffic Safety Unit – the Evans Police Department is dedicated to traffic safety. Keeping our streets safe for the motoring public, as well as citizens traveling on foot or bicycle, is a priority. All officers are responsible for keeping high visibility and enforcing traffic violations. One full time officer is assigned to our Traffic Safety Unit and is tasked with identifying and positively impacting high traffic incident locations and directing efforts to reduce traffic collisions.

Animal Control/Community Services Technician (CST) – a full time, non-sworn technician handles all animal related calls during the assigned shift. The CST also handles designated calls such as thefts without suspects, private property motor vehicle collisions, and other low-priority calls to aid in keeping sworn officers on the street.

Investigations/Administrative Services – under the direction of Commander Jason Phipps, the unit is responsible for all investigative follow up, crime analysis, sex offender tracking, property and evidence handling, records, IT, and Internal Affairs investigations. A sergeant supervises three detectives who investigate all serious crimes in Evans.

Community Oriented Policing and Problem Solving (COPPS) –through programs such as Neighborhood Watch, the School Resource Officer and COPPS initiatives, officers work with our residents in partnerships to solve crime and improve quality of life issues to continue to make Evans a safe, desirable community



Public Works

Public Works - our mission is to manage Public Services and Infrastructure to support the City Wide Mission. Our Vision is to be a respected, innovative team delivering financially responsible services required for the operation and maintenance of public rights-of-way, fleet services, and engineering including the areas within Public Works of Maintenance of Condition, Fleet Services, and Engineering.

Infrastructure Maintenance – includes the maintenance, construction, and public safety on public streets, alleys, and rights-of-way within the City. This includes, but is not limited to, street sweeping, snow removal, alley grading, maintenance of signs and other traffic control devices, pavement marking, and asphalt pavement maintenance.



Goals for 2017 include:

- Create a value based culture that drives daily operations and long range planning.
- Bring current staff into cultural alignment with vision, mission and values.
- Improve positive resident satisfaction.



Fleet Services – maintains the City's fleet of vehicles and equipment at the safest, most efficient and dependable condition possible, at the lowest cost per mile or hour of operation.

Capital Construction – the Engineering Division has the responsibility for providing engineering support in the planning and design of the City's Capital Improvement

Projects, performs subdivision plan review and construction inspections, approving construction in public rights-of-way, and to provide engineering support to other City departments as needed.

Transit – includes the administration of the City's transit services agreement with the City of Greeley. This function serves to ensure adequate levels of public transportation service to the City of Evans.

Culture, Parks, and Recreation

The Parks and Recreation area of the budget includes services required for the general operations of public facilities, recreation services, aquatics operations, parks and cemetery maintenance, forestry, and senior services.

Public Facilities – includes maintenance and operational expense of the Evans  Community Complex.

Recreation – includes administration of all recreation services and programs, the recreation center and front desk operations, and administrative needs of the Parks & Recreation Department.

Parks – includes all of the operational expenses of the City's parks and trail system (*9 neighborhood parks, 1 off-leash dog park, 1 Community Park, 6 undeveloped park sites, 4 miles of trails, and oversight of the City's open space areas*).



Cemetery – operational maintenance of the City's only cemetery (including opening/closing of graves).

Forestry Care – includes care of trees and horticultural care on public property and landscape plan review.

Senior Services – administration of the City's Senior Services and the Evans Senior Center.

Goals for 2017 Include:

- Continue to participate in the Tree City USA and Playful City USA programs.
- Assist flood recovery team with the redevelopment of Riverside Park.
- Collaborate with High Plains Library District to provide cultural programs and special events for the community.
- Implement a Senior Advisory Board to brainstorm new ideas for trips and programs.
- Implement two new recreation programs for children aged 3-5.



General Fund Long Range Financial Plan

City of Evans General Fund Long Range Financial Plan

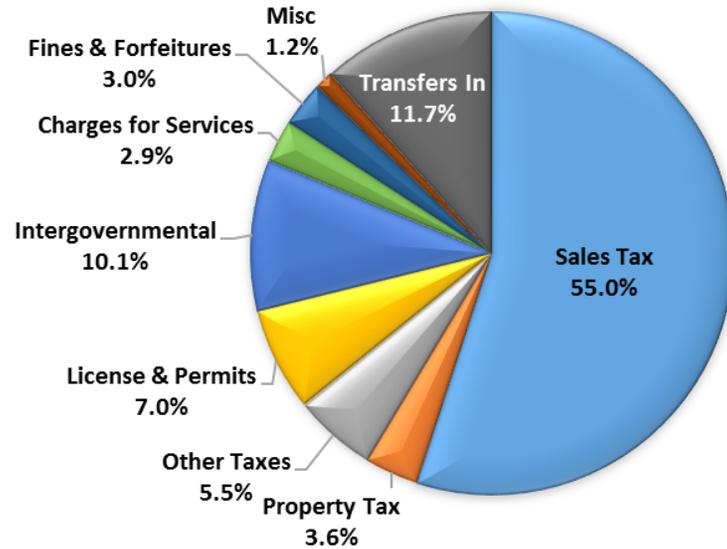
	2014 Actual	2015 Actual	2016 Budget V3	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
Beginning Fund Balance	8,831,630	8,268,626	10,229,726	10,229,726	6,371,301	5,891,721	4,854,962	3,804,920	(2,330,979)
Revenues:									
Sales Tax	9,633,263	8,583,726	7,514,993	7,514,993	6,991,245	7,131,070	7,305,985	7,486,148	7,671,716
Property Tax	388,013	373,971	432,336	432,336	460,251	464,854	469,502	474,197	478,939
Other Taxes	1,478,037	1,565,219	779,666	876,694	704,519	717,823	733,911	751,158	769,376
License & Permits	1,037,884	973,894	955,767	909,710	885,708	898,693	923,738	949,694	976,601
Intergovernmental	2,397,488	2,171,729	1,815,123	1,459,820	1,281,931	1,265,609	1,303,578	1,342,685	1,382,966
Charges for Services	399,017	430,983	373,853	418,402	364,333	364,333	364,463	364,596	364,730
Fines & Forfeitures	399,763	429,752	362,370	453,213	385,300	385,300	390,370	390,946	391,527
Assessments	46,968	99,813	-	31,816	-	-	-	-	-
Misc	195,744	478,002	115,636	257,176	150,505	156,154	156,154	156,154	156,154
Total revenues	15,976,178	15,107,088	12,349,744	12,354,161	11,223,792	11,383,836	11,647,701	11,915,578	12,192,009
CT	15,976,178	15,107,088	12,349,744	12,354,160	11,223,792	11,383,836	11,647,701	11,915,578	12,192,009
Transfers In	1,173,367	1,300,292	1,403,196	1,403,196	1,492,379	1,516,359	1,538,585	1,561,143	1,584,030
Total Available Funds	17,149,545	16,407,380	13,752,940	13,757,357	12,716,170	12,900,194	13,186,286	13,476,721	13,776,039
Total Annual Increase	4.31%	-5.56%	-16.18%	-16.15%	-7.57%	1.45%	2.22%	2.20%	2.22%
Expenditures:									
GG Personnel	1,366,897	1,785,834	2,022,963	2,022,963	2,129,340	2,197,905	2,268,677	2,341,729	2,417,132
GG Operations	1,685,271	1,572,013	1,768,166	1,768,166	1,752,942	1,789,942	1,797,684	1,866,893	1,875,787
General Government	3,052,168	3,357,847	3,791,129	3,791,129	3,882,281	3,987,846	4,066,362	4,208,621	4,292,919
	10.55%	8.99%	12.90%	12.90%	2.40%	2.72%	1.97%	3.50%	2.00%
CD Personnel	324,666	410,597	617,589	617,589	530,834	547,927	565,570	583,781	602,579
CD Operations	322,194	535,259	347,354	347,354	176,153	176,153	180,557	185,071	189,697
Community Development	646,860	945,856	964,943	964,943	706,987	724,080	746,127	768,852	792,276
	35.35%	31.00%	2.02%	2.02%	-26.73%	2.42%	3.04%	3.05%	3.05%

General Fund Long Range Financial Plan

	2014	2015	2016	2016	2017	2018	2019	2020	2021
	Actual	Actual	Budget V3	Projected	Budget	Projected	Projected	Projected	Projected
PS Personnel	3,113,887	3,186,942	3,560,956	3,560,956	4,071,988	4,203,106	4,338,446	4,478,143	4,622,340
PS Operations	330,304	374,916	281,635	281,635	286,295	286,295	293,452	300,788	308,308
Public Safety	3,444,191	3,561,858	3,842,591	3,842,591	4,358,282	4,489,400	4,631,898	4,778,932	4,930,648
	5.76%	2.99%	7.88%	7.88%	13.42%	3.01%	3.17%	3.17%	3.17%
PW Personnel	689,503	804,221	808,787	808,787	851,537	878,957	907,259	936,473	966,627
PW Operations	665,436	714,151	603,685	603,685	629,738	629,738	645,481	661,619	678,159
Public Works	1,354,939	1,518,372	1,412,472	1,412,472	1,481,275	1,508,695	1,552,740	1,598,091	1,644,786
	-11.40%	10.37%	-6.97%	-6.97%	4.87%	1.85%	2.92%	2.92%	2.92%
CPR Personnel	628,565	680,582	800,955	800,955	795,303	820,912	847,346	874,630	902,793
CPR Operations	288,369	452,982	590,228	590,228	528,784	528,784	540,551	552,594	564,921
Culture, Parks & Rec	916,934	1,133,564	1,391,183	1,391,183	1,324,087	1,349,696	1,387,897	1,427,224	1,467,714
	2.61%	13.20%	22.73%	22.73%	-4.82%	1.93%	2.83%	2.83%	2.84%
IGA - Fire Services	448,918	471,358	474,137	474,137	479,713	491,706	503,998	516,598	529,513
Asset Management	239,217	396,344	738,445	738,445	337,124	535,532	747,306	494,301	496,071
Debt	289,483	289,169	293,741	2,100,000	-	-	-	-	-
Total operating expenditures	10,392,708	11,674,369	12,908,641	14,714,900	12,569,749	13,086,954	13,636,327	13,792,620	14,153,928
Total Annual Increase	6.06%	10.06%	10.57%	26.04%	-14.58%	4.11%	4.20%	1.15%	2.62%
Disaster Response & Recovery	705,389	361,560	277,690	277,690	26,000	-	-	-	-
Capital Improvements	4,537,878	1,205,104	1,673,186	1,267,400	-	250,000	-	5,220,000	-
Transfers Out (To Fire Protection Dist)	-	-	-	-	-	-	-	-	-
Transfers Out (To other City Funds)	2,076,574	1,205,248	1,355,792	1,355,792	600,000	600,000	600,000	600,000	600,000
Transfers In (From EC Fund)	-	-	-	-	-	-	-	-	-
Excess Revenue Over (Under)									
Expenditures	(563,004)	1,961,100	(2,462,369)	(3,858,425)	(479,579)	(1,036,760)	(1,050,041)	(6,135,899)	(977,888)
Ending Fund Balance	8,268,626	10,229,726	7,767,357	6,371,301	5,891,721	4,854,962	3,804,920	(2,330,979)	(3,308,867)
CT	8,268,626	10,229,726							
Minimum Target Reserve	1,598,177	1,918,592	2,227,160	2,678,725	2,142,437	2,271,739	2,409,082	2,448,155	2,538,482
Available Funds	6,670,449	8,311,134	5,540,197	3,692,576	3,749,284	2,583,223	1,395,839	(4,779,134)	(5,847,349)

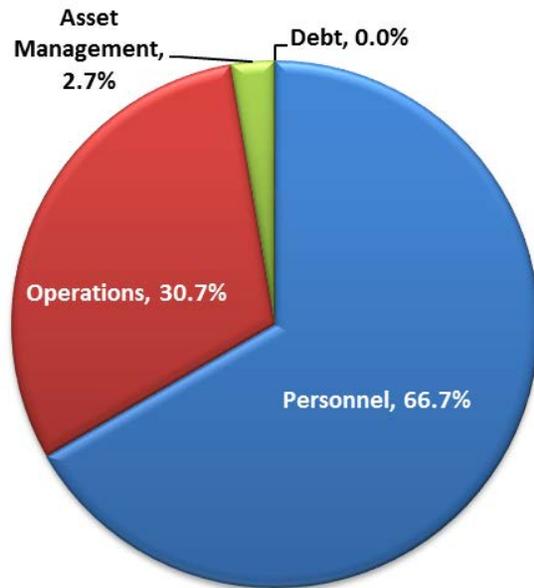
General Fund Revenue Summary – Fiscal Year 2017

The following graph illustrates the breakdown of revenue used to fund general City operations.

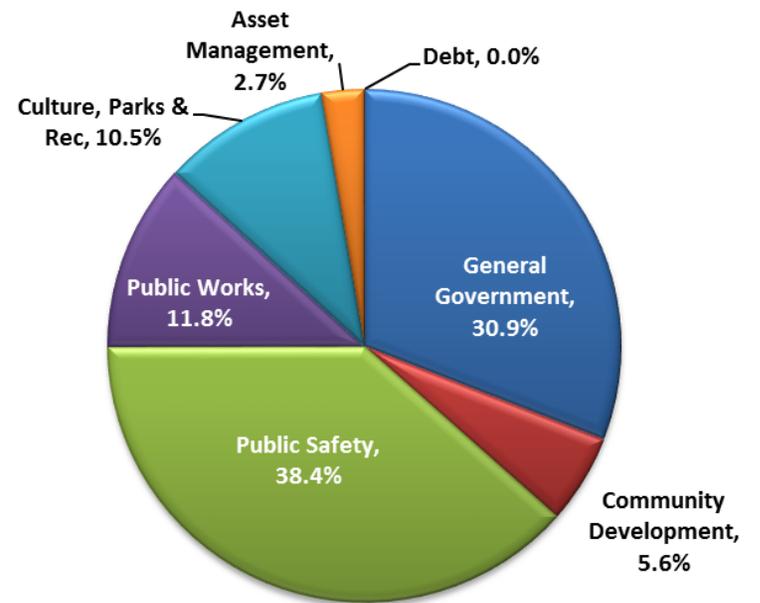


Source	Revenue	Percentage
Sales Tax	\$ 6,991,245	55.0%
Property Tax	\$ 460,251	3.6%
Other Taxes	\$ 704,519	5.5%
License & Permits	\$ 885,708	7.0%
Intergovernmental	\$ 1,281,931	10.1%
Charges for Services	\$ 364,333	2.9%
Fines & Forfeitures	\$ 385,300	3.0%
Misc.	\$ 150,505	1.2%
Transfer from Other Funds	\$ 1,492,378	11.7%
Total Revenue	\$ 12,716,170	100%

Expenditures by Category



Expenditures by Type



Enterprise Funds

Water Fund

The **Water Fund** is a municipal utility enterprise fund established to account for the operational and infrastructure costs, and related revenues, necessary for providing the distribution of treated water and untreated irrigation water (non-potable) to Evans' residential and commercial customers. This fund includes all services required for the operation and maintenance of the water distribution facilities, the non-potable irrigation delivery systems, and the Evans Ditch.

Administration – includes the expenses necessary for the administration of the Water Fund including water resource management, water treatment costs, legal issues, and engineering services.

Goals for 2017 include:

- Participate in the ongoing efforts to develop additional water supplies.
- Continue aggressive water conservation program designed to reduce the City's water consumption over time by approximately 13%.
- Actively manage water usage to monitor system development charges with the City of Greeley related to the volume of water treated.

Distribution – includes expenses necessary for the operation and maintenance of the City's treated water delivery system including all water mains, fire hydrants, valves, meters, and other appurtenances.



Water Fund

Non-potable Irrigation – includes expenses necessary for the operation and maintenance of the City’s non-potable irrigation system including all pump stations, water mains, valves, meters, and other appurtenances.

Goals for 2017 include:

- Create a standardized approach to pump station maintenance to ensure a long and useful life for the City’s non-potable irrigation pump stations.
- Ensure the City’s non-potable infrastructure is accounted for within our Asset Management Plan and future replacement costs are appropriately allocated through the five-year Capital Improvement Plan.
- Investigate options to expand the City’s non-potable irrigation system and further reduce the City’s demand for treated water.

Evans Ditch – includes expenses necessary for the operation and maintenance of the historic Evans Ditch delivery system including the delivery ditch, all head gates, check structures, dump structures, conduits, and other appurtenances.

Goals for 2017 include:

- Ensure the Evans Ditch infrastructure is accounted for within our Asset Management Plan and future replacement costs are appropriately allocated through the five-year Capital Improvement Plan.
- Develop a plan for major maintenance of the Evans Ditch facilities and integrate into future plans.
- Investigate options to expand the utilization of the Evans Town Ditch and further reduce the City’s demand for treated water.

Water Fund Long Range Financial Plan

City of Evans Water Fund Long Range Financial Plan

	2014 Actual	2015 Actual	2016 Budget V3	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
<u>Operating Revenues</u>									
Base Rate (base, np, penalty, misc)	1,801,044	2,754,578	1,942,259	1,942,259	1,902,630	1,950,305	1,998,101	2,000,441	2,002,781
Loan Proceeds	578,642	-	126,384	126,384	-	-	-	-	-
Variable Rate	2,643,229	2,882,866	2,747,717	2,747,717	2,780,030	2,835,631	2,892,343	2,950,190	3,009,194
Interest Income	4,615	3,630	8,222	14,000	7,924	8,116	8,198	8,280	8,362
Total Operating Revenues	5,027,530	5,641,073	4,824,582	4,830,361	4,690,584	4,794,052	4,898,642	4,958,910	5,020,337
<u>Operating Expenses</u>									
Fixed costs	1,823,520	1,960,965	1,734,541	1,734,541	1,671,169	1,722,958	1,755,621	1,789,026	1,823,189
Variable costs	2,408,988	2,537,764	2,600,973	2,600,973	2,782,662	2,838,695	2,895,612	2,947,236	3,012,345
Total Operating Expenses	4,232,508	4,498,728	4,335,514	4,335,514	4,453,831	4,561,653	4,651,233	4,736,261	4,835,535
Net Revenues over (under) expenses	795,022	1,142,345	489,068	494,847	236,753	232,399	247,409	222,649	184,802
Transfer for Major Maint (w AMP)	556,167	793,613	322,800	322,800	231,461	227,348	242,479	211,415	179,591
Transfer for Water Conservation	234,241	345,102	146,745	146,745	(2,632)	(3,065)	(3,268)	2,955	(3,151)
Net Operations after Transfers	4,615	3,630	19,523	25,302	7,924	8,116	8,198	8,280	8,362
Running Cash Balance	780,573	784,202	803,725	817,725	811,650	819,766	827,964	836,243	844,606
Target Operating Reserve - 3 months	739,887	840,003	966,492	966,492	1,056,251	1,084,342	1,103,005	1,130,473	1,164,774
Available Funds	40,686	(55,801)	(162,767)	(148,767)	(244,601)	(264,576)	(275,042)	(294,230)	(320,168)
<u>Water Rights Revenues</u>									
Payment in Lieu & Water Rights Lease	18,745	20,196	20,000	20,000	20,000	20,000	20,000	20,000	20,000
<u>Water Rights Expenses</u>									
Water Right Acquisition	-	-	-	-	-	-	-	-	-
Annual Net	18,745	20,196	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Running Balance	(147,863)	(127,667)	(107,667)	(107,667)	(87,667)	(67,667)	(47,667)	(27,667)	(7,667)

Water Fund Long Range Financial Plan

	2014 Actual	2015 Actual	2016 Budget V3	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
<u>System Maintenance & Expansion Revenue</u>									
Tap Fee Revenue	263,759	407,863	250,000	423,513	260,000	270,000	280,000	290,000	300,000
Water Meter Sales	22,532	29,081	20,000	37,800	20,500	21,000	21,500	22,000	22,500
Interest Income/ Other Revenue	837	8,502	-	-	-	-	-	-	-
Transfer for Major Maint (w AMP)	556,167	793,613	322,800	322,800	231,461	227,348	242,479	211,415	179,591
Transfer for Water Conservation	234,241	345,102	146,745	146,745	(2,632)	(3,065)	(3,268)	2,955	(3,151)
Total System Expansion Revenue	1,077,535	1,584,161	739,545	930,858	509,329	515,283	540,711	526,370	498,940
<u>System Maintenance & Expansion Expenses</u>									
Capital Outlay	344,542	368,142	155,944	155,944	989,500	9,723,000	6,635,000	5,370,000	1,800,000
Major Maintenance & AMP	49,926	142,300	322,800	322,800	231,461	227,348	242,479	211,415	179,591
Water Conservation Projects	-	-	146,745	146,745	(2,632)	(3,065)	(3,268)	2,955	(3,151)
Misc Expenses	56,452	44,458	143,781	143,781	50,831	51,852	52,898	53,971	55,070
Total Expenses	450,920	554,899	769,270	769,270	1,269,160	9,999,135	6,927,109	5,638,340	2,031,510
Annual Net	626,615	1,029,262	(29,725)	161,588	(759,831)	(9,483,852)	(6,386,398)	(5,111,971)	(1,532,570)
Running Balance	732,602	1,761,865	1,732,140	1,923,452	1,086,203	(8,397,649)	(14,784,047)	(19,896,018)	(21,428,588)
Total Water Fund Revenue	5,333,403	6,106,716	5,114,582	5,311,673	4,991,084	5,105,052	5,220,142	5,290,910	5,362,837
Total Water Fund Expenses CT	4,683,428	5,053,628	5,104,784	5,104,784	5,722,991	14,560,788	11,578,342	10,374,601	6,867,044
Changes in Working Capital	(62,837)	92,017	-	-	-	-	-	-	-
Total Water Fund Cash Balance	1,277,526	2,422,631	2,432,430	2,629,521	1,897,614	(7,558,121)	(13,916,322)	(19,000,013)	(20,504,220)

Water Fund

Expense Summary

	2014 Actual	2015 Actual	2016 Budget V3	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
<u>Operating Revenues</u>									
Base Rate (base, np, penalty, misc)	\$1,801,044	\$2,754,578	\$1,942,259	\$1,942,259	\$1,902,630	\$1,950,305	\$1,998,101	\$2,000,441	\$2,002,781
	\$17.00	\$17.50	\$18.00	\$18.00	\$18.50	\$19.00	\$19.50	\$19.50	\$19.50
<u>Base Major Maintenance Calculator</u>									
Administrative GF OH	616,285	689,664	733,952	733,952	766,659	778,159	789,832	801,679	813,704
Water Fund Payroll, Supplies & Services	1,116,446	1,114,722	844,010	844,010	747,931	788,219	809,210	830,768	852,906
AMP	-	5,500	133,000	133,000	-	149,350	151,709	78,786	-
Debt - CWPA 2013 Radio Loan	90,789	156,579	156,579	156,579	156,579	156,579	156,579	156,579	156,579
Major Maintenance Projection	556,167	788,113	74,718	74,718	231,461	77,998	90,770	132,629	179,591
Total Base Rate	2,379,686	2,754,578	1,942,259	1,942,259	\$1,902,630	\$1,950,305	\$1,998,101	\$2,000,441	\$2,002,781
<u>Major Maintenance and AMP in Fixed Costs</u>									
Asset Management Plan	-	5,500	144,000	144,000	-	149,350	151,709	78,786	-
Major Maintenance Projects:	506,241	651,314	63,918	63,918	181,461	27,998	40,770	82,629	129,591
Equipment	-	11,628	61,882	61,882	-	-	-	-	-
Line Work	49,926	125,171	53,000	53,000	50,000	50,000	50,000	50,000	50,000
Total In Fixed Costs	556,167	793,613	322,800	322,800	231,461	227,348	242,479	211,415	179,591

Water Fund Long Range Financial Plan

	2014 Actual	2015 Actual	2016 Budget V3	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
<u>Capital Expenditures - System Expansion Tap Fee Revenue</u>									
Windy Gap Storage Project	284,542	264,142	-	-	-	-	-	-	-
NISP Storage Project	60,000	104,000	140,000	140,000	342,000	4,300,000	5,800,000	4,700,000	1,800,000
System Expansion Fee to City of Greeley	-	-	-	-	300,000	-	300,000	-	-
Whitney Way - Crossing 37th St	-	-	-	-	-	20,000	-	-	-
West Service Rd. - 31st St. to 35th St.	-	-	-	-	-	272,000	-	-	-
Brantner Rd & Ind Pkwy 43rd to 44th St	-	-	-	-	-	450,000	-	-	-
Tuscany Non-Potable Ponds	-	-	15,944	15,944	-	1,300,000	-	-	-
Tuscany Pumphouse	-	-	-	-	-	300,000	-	-	-
23rd Ave - 37th to 42nd St.	-	-	-	-	-	390,000	-	-	-
35th St - Empire to Trinidad	-	-	-	-	-	200,000	-	-	-
34th St. - 23rd Ave. to 17th Ave	-	-	-	-	-	-	340,000	-	-
36th St. - 11th Ave. to Idaho	-	-	-	-	-	100,000	-	-	-
37th St. - 17th Ave. to Latham	-	-	-	-	-	45,000	-	-	-
37th St. - 23rd Ave. to 17th Ave.	-	-	-	-	-	580,000	-	-	-
Boulder St - 36th St. to 37th St.	-	-	-	-	-	65,000	-	-	-
Denver St. - 36th St. to State St.	-	-	-	-	-	-	120,000	-	-
Denver St. - 39th St. to 40th St.	-	-	-	-	-	65,000	-	-	-
Empire St. - 33rd St to 35th St.	-	-	-	-	-	117,000	-	-	-
Larson Ave. - 41st. St. to 42nd St.	-	-	-	-	-	90,000	-	-	-
Montrose St. - 34th St. to 37th St.	-	-	-	-	-	170,000	-	-	-
Pleasant Acres Dr. - 32nd St. to 11th Ave.	-	-	-	-	-	260,000	-	-	-
Southgate Dr. - Denver to 31st St.	-	-	-	-	-	230,000	-	-	-
State St. - 33rd St. to 35th St.	-	-	-	-	-	80,000	-	-	-
North-South Split Adjustment Structure	-	-	-	-	-	75,000	-	-	-
31st St. & Empire Measurement Facility	-	-	-	-	-	30,000	-	-	-
42nd St. & Golden Measurement Facility	-	-	-	-	45,000	-	-	-	-
17th Ave. Sediment Removal Basin	-	-	-	-	-	10,000	-	-	-
37th St Sediment Removal Basin	-	-	-	-	-	10,000	-	-	-
Central Ave. Pipe - 40th St to 39th St.	-	-	-	-	-	20,000	-	-	-
Idaho St. Pipe - 42nd St. to 40th St.	-	-	-	-	-	25,000	-	-	-
Golden St. Pipe - 40th St. to 37th St	-	-	-	-	-	25,000	-	-	-
37th St. to 11th Ave. Lining	-	-	-	-	-	75,000	-	-	-
11th Ave. to 36th St. Lining	-	-	-	-	-	-	75,000	-	-
17th Ave. to 42nd St. Lining	-	-	-	-	-	75,000	-	-	-
Evans WWTF Lining	-	-	-	-	-	125,000	-	-	-
SCADA- Various locations	-	-	-	-	-	219,000	-	-	-
Dos Rios & Chappelow Schools	-	-	-	-	-	-	-	150,000	-
State Farm Rd & Glendale Dr	-	-	-	-	-	-	-	200,000	-
Sunset Dr- 30th St to 31st St	-	-	-	-	-	-	-	290,000	-
35th St Pipe- Empire to Trinidad	-	-	-	-	-	-	-	30,000	-
Evans Ditch Condition Survey & Video	-	-	-	-	250,000	-	-	-	-
Engineering Specifications Update	-	-	-	-	52,500	-	-	-	-
Total in CIP from Tap Fee revenue	344,542	368,142	155,944	155,944	989,500	9,723,000	6,635,000	5,370,000	1,800,000
Total Capital in Attachment I (includes water rights)	394,468	504,942	334,744	334,744	1,220,961	9,800,998	6,725,770	5,502,629	1,979,591

Waste Water Fund

The *Waste Water Fund* includes services required for the operation and maintenance of the City's two waste water collection and treatment systems (original Evans system and the Hill n' Park System).



Waste Water Treatment – includes the expenses necessary to provide waste water treatment services to the community that meet applicable Federal and State regulations related to the environmental water quality parameters. This includes all treatment plant operational expenses and laboratory compliance testing services.

- Maintain our current level of treatment operations and infrastructure maintenance for both systems.
- Limit treatment compliance violations at both plants.

Waste Water Collection – includes the operations, maintenance and replacement of the City's waste water collection system.

- Prolong the life of the collection system through a maintenance program that prevents any disruptions in service to the public and flow to the treatment facility.
- The maintenance program entails the hydro cleaning of the entire system over a 3-year period.
- With available funding, begin an annual collection system repair and replacement program.

Waste Water Fund Long Range Financial Plan

City of Evans Waste Water Fund Long Range Financial Plan

	2014 Actual	2015 Actual	2016 Budget V3	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
<u>Operating Revenues</u>									
Sewer Sales	1,462,108	1,224,772	1,593,210	1,593,210	1,426,550	3,624,743	4,395,328	4,408,421	4,531,514
Other	19,179	1,271	13,367	13,367	26,114	7,242	27,260	53,686	80,196
Total Operating Revenues	1,481,287	1,226,042	1,606,577	1,606,577	1,452,664	3,631,985	4,422,588	4,462,107	4,611,710
CT	1,481,287	1,226,042	1,606,577	1,606,577	1,452,664	3,631,985	4,422,588	4,462,107	4,611,710
<u>Operating Expenses</u>									
Personnel	307,149	355,072	423,222	423,222	463,292	478,210	493,608	509,502	525,908
Operations	395,265	315,308	434,227	434,227	434,227	537,694	759,825	782,620	782,620
Debt	108,626	107,048	110,762	110,762	107,110	110,535	15,199	-	-
Transfer for Overhead to General Fund	398,040	441,930	475,542	475,542	496,324	503,768	511,325	518,995	526,780
Total Operating Expenses	1,209,080	1,219,358	1,443,753	1,443,753	1,500,953	1,630,207	1,779,957	1,811,117	1,835,308
Net Revenues over (under) expenses	272,207	6,684	162,824	162,824	(48,289)	2,001,778	2,642,631	2,650,990	2,776,402
Running Cash Balance	602,996	609,680	772,504	772,504	724,216	2,725,994	5,368,625	8,019,615	10,796,017
Target Operating Reserve - 3 months	302,270	304,840	360,938	360,938	375,238	407,552	444,989	452,779	458,827
Available Funds	300,726	304,840	411,566	411,566	348,977	2,318,442	4,923,636	7,566,836	10,337,191
<u>Major Maintenance Revenues</u>									
Revenue	-	1,034,913	874,333	874,333	1,988,000	602,000	20,000	120,000	110,000
Loan Proceeds			42,560,289	42,560,289	-	-	-	-	-
Grant - Disaster Related	(102,378)	1,174,315	508,873	508,873	-	-	-	-	-
Total System Maintenance Revenues	(102,378)	2,209,228	43,943,495	43,943,495	1,988,000	602,000	20,000	120,000	110,000
<u>Major Maintenance Expenses</u>									
Asset Management	88,865	52,072	118,500	118,500	39,000	25,750	68,959	16,391	35,454
Disaster Recovery	353,839	1,646,835	3,880	3,880	-	-	-	-	-
Capital Outlay - Regulatory Compliance	-	-	41,429,000	41,429,000	-	-	-	-	-
Capital Outlay - Major Maintenance	15,169	-	350,000	350,000	322,500	300,000	300,000	300,000	300,000
Debt	-	-	123,413	123,413	727,964	727,764	2,418,088	2,416,619	2,417,506
Total System Maintenance Expenses	457,873	2,116,907	42,024,793	42,024,793	1,089,464	1,053,514	2,787,047	2,733,010	2,752,960
Annual Net	(560,251)	92,322	1,918,702	1,918,702	898,537	(451,514)	(2,767,047)	(2,613,010)	(2,642,960)
Running Cash Balance	(151,311)	(58,989)	1,859,713	1,859,713	2,758,249	2,306,736	(460,311)	(3,073,320)	(5,716,280)

Waste Water Fund Long Range Financial Plan

	2014 Actual	2015 Actual	2016 Budget V3	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
System Expansion Revenues									
Grant Revenue	-	373,206	1,650,272	1,650,272	-	-	-	-	-
System Development Fees	125,078	281,907	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Interest	-	3,130	6,682	6,682	17,990	18,670	19,357	20,050	20,751
Bond Proceeds	-	-	-	-	-	-	-	-	-
Total System Expansion Revenues	125,078	658,242	1,706,954	1,706,954	67,990	68,670	69,357	70,050	70,751
System Expansion Expenses									
Capital Outlay	-	1,182,570	-	-	-	-	-	-	-
Total System Maintenance Expenses	-	1,182,570	-	-	-	-	-	-	-
Annual Net Running Cash Balance	125,078	(524,328)	1,706,954	1,706,954	67,990	68,670	69,357	70,050	70,751
Running Cash Balance	616,367	92,039	1,798,993	1,798,993	1,866,983	1,935,653	2,005,009	2,075,060	2,145,810
Total Waste Water Fund Revenue	1,503,987	4,093,513	47,257,026	47,257,026	3,508,654	4,302,655	4,511,944	4,652,157	4,792,461
Total Waste Water Fund Expenses	1,666,953	4,518,835	43,468,546	43,468,546	2,590,416	2,683,720	4,567,003	4,544,126	4,588,267
Changes in Working Capital	232,915	801,540	-	-	-	-	-	-	-
Ending Cash	959,487	1,335,706	5,124,186	5,124,186	6,042,423	7,661,358	7,606,299	7,714,330	7,918,523
CT	959,487	1,335,706	-	-	-	-	-	-	-
Restricted Cash	275,726	285,439	-	-	-	-	-	-	-

2014-2021 Capital Improvement Plan

	2014 Actual	2015 Actual	2016 Budget V3	2016 Projected	2017 Projected	2018 Projected	2019 Projected	2020 Projected	2021 Projected
Combined Plant Planning/Design	15,169	1,178,749	42,560,289	42,560,289	-	-	-	-	-
Utility Billing Software	-	3,821	20,333	20,333	-	-	-	-	-
Vac Truck	-	-	350,000	350,000	-	-	-	-	-
Sliplining	-	-	-	-	300,000	300,000	300,000	300,000	300,000
Enginnering Specifications Update	-	-	-	-	22,500	-	-	-	-
Waste Water Fund Total	15,169	1,182,570	42,930,622	42,930,622	322,500	300,000	300,000	300,000	300,000

Storm Drainage Fund

The *Storm Drainage Fund* provides the operations and maintenance of the City's storm drainage system including the curb and gutters, storm inlets, and storm sewers throughout the community.

Storm Drainage – includes the expenses necessary for the operations and maintenance of the City's storm drainage system including the curb and gutters, storm inlets, and storm sewers throughout the community. The storm drainage fund provides for the replacement of existing assets as well as the construction of new systems as recommended by the storm drainage master plan. The storm drainage fund also serves to manage the City's water quality efforts as it relates to storm drainage.



Storm Drainage Fund Long Range Financial Plan

City of Evans Storm Drainage Fund Long Range Financial Plan

	2014 Actual	2015 Actual	2016 Budget V3	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
Beginning Cash	958,656	1,293,597	645,256	645,256	661,937	615,709	122,672	65,449	54,166
<u>Operating Revenues</u>									
Storm Drainage Sales	481,223	549,146	656,563	656,563	481,635	491,267	501,093	511,115	521,337
Other	5,787	3,359	5,787	5,787	5,787	5,787	5,787	5,787	5,787
Total Operating Revenues	487,010	552,505	662,350	662,350	487,421	497,054	506,879	516,901	527,124
CT	487,010	552,505	662,350	662,350	487,421	497,054	506,879	516,901	527,124
<u>Operating Expenses</u>									
Storm Operations	20,669	99,457	208,937	208,937	40,000	41,000	42,025	43,076	44,153
Disaster Recovery	-	-	-	-	-	-	-	-	-
Total Operating Expenses	20,669	99,457	208,937	208,937	40,000	41,000	42,025	43,076	44,153
Transfer Out - Overhead to GF	(126,287)	(135,757)	(160,620)	(160,620)	(196,149)	(199,091)	(202,077)	(205,108)	(208,185)
Operating Income (Loss) after transfers	340,054	317,291	292,793	292,793	251,273	256,963	262,777	268,717	274,786
<u>Other Income (Expense)</u>									
Plant Inv Fees/Cash in Lieu of Fees	32,430	38,386	20,000	38,097	20,000	20,000	20,000	20,000	20,000
Capital Outlay	(5,049)	(1,019,400)	(296,112)	(296,112)	(317,500)	(770,000)	(340,000)	(300,000)	(650,000)
Changes in Working Capital	(32,494)	15,382	-	-	-	-	-	-	-
Increase (Decrease) in Cash	334,941	(648,341)	16,681	34,778	(46,227)	(493,037)	(57,223)	(11,283)	(355,214)
Ending Cash	1,293,597	645,256	661,937	680,034	615,709	122,672	65,449	54,166	(301,048)
CT	1,293,597	645,256	661,937	680,034	615,709	122,672	65,449	54,166	(301,048)
Target Reserve - 3 months	5,167	24,864	52,234	52,234	10,000	10,250	10,506	10,769	11,038

Storm Drainage Fund Long Range Financial Plan

	2014 Actual	2015 Actual	2016 Budget V3	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
2014-2021 Capital Improvement Plan	2014 Actual	2015 Actual	2016 Budget V3	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
23rd Ave Outfall Design-49th to S Platte River	-	-	-	-	-	-	300,000	300,000	-
Tuscany Storm Drainage Improvements	-	-	23,915	23,915	-	-	-	-	-
Hwy 85/37th St Drainage	804	996	-	-	-	-	-	-	-
15th Ave. Storm Sewer - 37th to 36th	-	-	-	-	-	200,000	-	-	-
US 34 By-pass Storm Sewer Improvements	-	-	-	-	-	300,000	-	-	-
37th St. Storm Sewer - Trinidad to Boulder	-	572,000	-	-	-	-	-	-	-
41st St. Storm Sewer - Boulder St. to Golden St.	-	-	-	-	-	40,000	-	-	-
41st St. Storm Sewer - Central to Boulder	-	-	-	-	-	40,000	-	-	-
Boulder St. Storm Sewer - 40th St. to 41st St.	-	-	-	-	-	40,000	-	-	-
Boulder St. Storm Sewer - 41st St. to 42nd St.	-	-	-	-	-	-	40,000	-	-
Central St./State St. Storm Sewer Rehab.	-	8,992	-	-	-	150,000	-	-	-
37th St. Storm Sewer - Boulder to US 85	4,245	218,921	-	-	-	-	-	-	-
Belmont Outfall	-	-	-	-	-	-	-	-	650,000
43rd and Central Storm Sewer (Easement, design & Const.)	-	-	141,009	141,009	-	-	-	-	-
29th and Anchor Inlet additions	-	-	75,000	75,000	-	-	-	-	-
Utility Billing Software	-	1,163	6,188	6,188	-	-	-	-	-
36th Street Storm Sewer	-	217,328	-	-	-	-	-	-	-
Street Sweeper	-	-	50,000	50,000	-	-	-	-	-
Bore across Highway 85	-	-	-	-	160,000	-	-	-	-
36th St Storm Drain- finish 37th St Phase II	-	-	-	-	120,000	-	-	-	-
Engineering Specifications Update	-	-	-	-	37,500	-	-	-	-
Storm Drainage Total	5,049	1,019,400	296,112	296,112	317,500	770,000	340,000	300,000	650,000
* Capital is budgeted at 90% of projected ending fund balance after operations.	1,168,782	1,498,190	862,244	878,531	839,888	803,405	364,904	318,750	314,057

Special Revenue Funds

Emergency Contingency Fund

The *Emergency Contingency Fund* was established in the City Home Rule Charter. The fund is required to have a balance equal to 25% of actual General Fund expenditures of the preceding year. At any time the fund is less than this amount, the City Council shall budget and appropriate funds, not exceeding 5% of estimated General Fund revenues, until the fund is again equal to 25% of actual General Fund expenditures of the preceding year. In 2012, the voters passed a charter change that capped the balance in the fund at \$1,000,000. The City Council must approve any expenditure by an ordinance declaring an emergency. The ordinance must be passed by five affirmative votes of the Council.

City of Evans Emergency Contingency Fund Long Range Financial Plan

	2014 Actual	2015 Actual	2016 Budget	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
Beginning Fund Balance	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Revenues								
Interest Earnings	-	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-	-
CT								
Transfers In	-	-	-	-	-	-	-	-
Total Available Funds	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Excess Revenue Over (Under)								
Expenditures	-	-	-	-	-	-	-	-
Ending Fund Balance	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
CT								

* November 2012 Charter change to cap at \$1,000,000

Cemetery Perpetual Care Fund

The *Cemetery Perpetual Care Fund* is administered for the care and maintenance of the cemetery grounds; for the capital improvements necessary for upkeep of the cemetery; and for equipment necessary for maintenance of the Evans City Cemetery.

City of Evans Cemetery Perpetual Care Fund Long Range Financial Plan

	2014 Actual	2015 Actual	2016 Budget V2	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
Beginning Fund Balance	85,632	88,235	92,753	92,753	20,453	23,153	(49,147)	(46,447)	(43,747)
Revenues									
Charges for Services	2,220	4,185	2,700	2,700	2,700	2,700	2,700	2,700	2,700
Interest Earnings	383	333	-	-	-	-	-	-	-
Total Revenues	2,603	4,518	2,700	2,700	2,700	2,700	2,700	2,700	2,700
CT	2,603	-	2,700	2,700	2,700	2,700	2,700	2,700	2,700
Transfers In	-	-	-	-	-	-	-	-	-
Total Available Funds	2,603	4,518	2,700	2,700	2,700	2,700	2,700	2,700	2,700
Expenditures									
Capital	-	-	75,000	75,000	-	75,000	-	-	-
Total Expenditures	-	-	75,000	75,000	-	75,000	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-
Excess Revenue Over (Under) Expenditures	2,603	4,518	(72,300)	(72,300)	2,700	(72,300)	2,700	2,700	2,700
Ending Fund Balance	88,235	92,753	20,453	20,453	23,153	(49,147)	(46,447)	(43,747)	(41,047)
CT	88,235	92,753							

*Capital is budgeted not to exceed 100% of prior year ending unrestricted fund balance

	2014 Actual	2015 Actual	2016 Budget V2	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
CIP Projects 2014-2021									
Pave Interior Roads	-	-	-	-	-	75,000	-	-	-
Maintenance Building	-	-	75,000	75,000	-	-	-	-	-
Cemetery Perp Care Fund Total	-	-	75,000	75,000	-	75,000	-	-	-

Fire Impact Fund

The *Fire Impact Fund* was established to provide or to assist in providing the financing to acquire, develop, and maintain fire stations and apparatus. The fire/rescue impact fees are established annually by the City Council by ordinance and are paid by property owners desiring to develop property with improvements. The current fee is in Section 3.20.040 of the City Municipal Code.

City of Evans Fire Impact Fund Long Range Financial Plan

	2014 Actual	2015 Actual	2016 Budget	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
Beginning Fund Balance	236,356	271,678	315,885	315,885	399	3,586	3,621	3,658	3,694
Revenues									
Assessments	34,199	43,172	-	57,514	-	-	-	-	-
Interest Earnings	1,123	1,035	2,740	2,000	3,186	36	36	37	37
Total Revenues	35,322	44,207	2,740	59,514	3,186	36	36	37	37
CT	35,322	44,207	2,740	59,514	3,186	36	36	37	37
Total Available Funds	35,322	44,207	2,740	59,514	3,186	36	36	37	37
Expenditures									
Capital	-	-	-	375,000	-	-	-	-	-
Total Expenditures	-	-	-	375,000	-	-	-	-	-
Excess Revenue Over (Under) Expenditures	35,322	44,207	2,740	(315,486)	3,186	36	36	37	37
Ending Fund Balance	271,678	315,885	318,626	399	3,586	3,621	3,658	3,694	3,731
CT	271,678	315,886							

2014-2021 Capital Improvement Plan

	2014 Actual	2015 Actual	2016 Budget	2016 Projected	2017 Projected	2018 Projected	2019 Projected	2020 Projected	2021 Projected
Transfer to District	-	-	-	375,000	-	-	-	-	-
Capital Total	-	-	-	375,000	-	-	-	-	-

* Capital is budgeted at 90% of projected ending fund balance after operations

	213,731	245,442	286,763	286,097	3,227	3,259	3,292	3,325	3,358
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Street Impact Fund

The *Street Impact Fund* manages the design and construction of the City's major roadway improvement projects as identified by the City of Evans Transportation Plan. Financing priorities are established in the City's five-year Capital Improvement Plan which is approved on an annual basis by the City Council. The current fee is in Section 3.20.040 of the City Municipal Code.

City of Evans Street Impact Fund Long Range Financial Plan

	2014 Actual	2015 Actual	2016 Budget V2	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
Beginning Unrestricted Fund Balance	952,494	1,071,272	1,150,899	1,150,899	340,203	346,962	(3,543,985)	(13,790,515)	(28,340,515)
Revenues									
Assessments	114,072	97,798	-	229,703	-	-	-	-	-
Interest Earnings	4,706	4,205	4,389	6,480	6,759	9,053	3,470	-	-
Grant Revenue	-	-	462,599	462,599	-	-	-	-	-
Total Revenues	118,778	102,004	466,988	698,782	6,759	9,053	3,470	-	-
CT	-	-	-	-	-	-	-	-	-
Total Available Funds	118,778	102,004	466,988	698,782	6,759	9,053	3,470	-	-
Expenditures									
Capital	-	22,376	1,509,478	1,509,478	-	3,900,000	10,250,000	14,550,000	3,800,000
Total Expenditures	-	22,376	1,509,478	1,509,478	-	3,900,000	10,250,000	14,550,000	3,800,000
Transfers Out	-	-	-	-	-	-	-	-	-
Excess Revenue Over (Under) Expenditures	118,778	79,627	(1,042,490)	(810,696)	6,759	(3,890,947)	(10,246,530)	(14,550,000)	(3,800,000)
Unreserved Ending Fund Balance	1,071,272	1,150,899	108,409	340,203	346,962	(3,543,985)	(13,790,515)	(28,340,515)	(32,140,515)
CT	1,071,272	1,150,899							
Reserved Cash	40,796	40,796	40,796	40,796	40,796	40,796	40,796	40,796	40,796

Street Impact Fund

2014-2021 Capital Improvement Plan

	2014 Actual	2015 Actual	2016 Budget V2	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
35th Ave - WCR 394 to Hwy 85	-	-	-	-	-	-	7,000,000	-	-
35th Avenue widening Prairie View to 49th	-	-	-	-	-	-	-	-	-
Traffic Signals	-	-	250,000	250,000	-	250,000	-	250,000	-
23rd Ave. - 42nd St. to 49th St.	-	-	-	-	-	400,000	-	-	-
St. Vrain Street - 36th Street Improvements	-	-	172,000	172,000	-	-	-	-	-
35th Ave. Widening - 37th St. to Prairie View (4 lanes)	-	-	707,000	707,000	-	-	-	-	-
35th Ave Bridge - 49th St. to WCR 394	-	-	-	-	-	-	-	12,000,000	-
47th Ave. Widening - 32nd St. to 37th St. (4 lanes)	-	-	-	-	-	750,000	750,000	-	-
49th St. Widening - 47th Ave. to 54th St. Rd. (4 lanes)	-	-	-	-	-	-	-	2,300,000	-
49th St. Widening - 54th St. Rd. to 35th Ave. (4 lanes)	-	-	-	-	-	-	600,000	-	-
49th St. Widening - 47th Ave. to 65th Ave. (4 lanes)	-	-	-	-	-	-	-	-	3,800,000
65th Ave Widening - Design & ROW	-	22,376	380,478	380,478	-	-	-	-	-
65th Ave Widening - 37th St to 49th St. (4 lanes)	-	-	-	-	-	2,500,000	-	-	-
65th Ave. Widening - 49th St. to 54 th St. Rd (4lanes)	-	-	-	-	-	-	1,900,000	-	-
Street Impact Fund Total	-	22,376	1,509,478	1,509,478	-	3,900,000	10,250,000	14,550,000	3,800,000

*Capital is budgeted at 90% of prior year ending unrestricted fund balance

857,244 964,145 1,035,809 814,759 97,568 312,266 (3,189,586) (12,411,464) (25,506,464)



Park Impact Fund

The *Park Impact Fund* is administered for the acquisition, development, and improvements to the City's park system, trail system, and miscellaneous park amenities utilizing impact fees collected from building permits for new construction of residential dwellings. The current fee is in Section 3.20.040 of the City Municipal Code.

City of Evans Park Impact Fund Long Range Financial Plan

	2014 Actual	2015 Actual	2016 Budget V2	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
Beginning Fund Balance	1,209,992	1,367,199	1,612,231	1,612,232	1,774,129	1,789,272	1,805,516	1,823,408	1,841,464
Revenues									
Assessments	151,140	239,408	-	262,634	-	-	-	-	-
Interest Earnings	6,067	5,624	12,118	9,263	15,143	16,243	17,893	18,055	18,234
Miscellaneous	-	-	-	-	-	-	-	-	-
Total Revenues	157,207	245,032	12,118	271,897	15,143	16,243	17,893	18,055	18,234
CT	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-
Total Available Funds	157,207	245,032	12,118	271,897	15,143	16,243	17,893	18,055	18,234
Expenditures									
Capital	-	-	110,000	110,000	-	-	-	-	-
Total Expenditures	-	-	110,000	110,000	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-
Excess Revenue Over (Under) Expenditures	157,207	245,032	(97,882)	161,897	15,143	16,243	17,893	18,055	18,234
Ending Fund Balance	1,367,199	1,612,231	1,514,349	1,774,129	1,789,272	1,805,516	1,823,408	1,841,464	1,859,698
CT	1,367,199	1,612,231							

2014-2021 Capital Improvement Plan

	2014 Actual	2015 Actual	2016 Budget V2	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
Dante Park - park signage	-	-	5,000	5,000	-	-	-	-	-
Renaissance Park - lighting and signage	-	-	105,000	105,000	-	-	-	-	-
Park Impact Fund Total	-	-	110,000	110,000	-	-	-	-	-

*Capital is budgeted at 90% of prior year ending fund balance

	1,088,993	1,230,479	1,451,008	1,451,008	1,461,914	1,610,345	1,624,964	1,641,068	1,657,317
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Police Impact Fund Long Range Financial Plan

The *Police Protection Services Impact Fund* was established to provide the financing required to develop, maintain, and provide Capital Facilities for police protection services. The police protection services fees are established annually by the City Council by ordinance and are paid by property owners desiring to develop property with improvements. The current fee is in Section 3.20.040 of the City Municipal Code.

City of Evans Police Impact Fund Long Range Financial Plan

	2016 Budget	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
Beginning Fund Balance	-	-	11,517	11,517	11,517	11,517	11,517
<u>Revenues</u>							
Assessments	-	11,517	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total Revenues	-	11,517	-	-	-	-	-
CT	-	11,517	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-
Total Available Funds	-	11,517	-	-	-	-	-
<u>Expenditures</u>							
Capital	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-
Excess Revenue Over (Under) Expenditures	-	11,517	-	-	-	-	-
Ending Fund Balance	-	11,517	11,517	11,517	11,517	11,517	11,517
CT	-	11,517	11,517	11,517	11,517	11,517	11,517

Conservation Trust Fund

The *Conservation Trust Fund* is comprised of funds distributed quarterly from the Colorado State Lottery. Funds are utilized for the development and maintenance of new conservation sites, or capital improvement, or maintenance for recreational purposes on public sites in accordance with Colorado Revised Statutes.

City of Evans Conservation Trust Fund Long Range Financial Plan

	2014 Actual	2015 Actual	2016 Budget V3	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
Beginning Fund Balance	321,517	513,606	465,515	465,515	464,015	566,097	760,644	958,067	1,158,378
Revenues									
Intergovernmental	187,298	187,687	188,000	188,000	190,000	192,000	194,000	196,000	198,000
Interest Earnings/Misc Revenue	4,791	2,095	1,203	2,500	2,082	2,547	3,423	4,311	5,213
Total Revenues	192,089	189,782	189,203	190,500	192,082	194,547	197,423	200,311	203,213
CT	192,089	189,782	189,203	190,500	192,082	194,547	197,423	200,311	203,213
Transfers In	-	-	-	-	-	-	-	-	-
Total Available Funds	192,089	189,782	189,203	190,500	192,082	194,547	197,423	200,311	203,213
Expenditures									
Supplies & Services	-	-	-	-	-	-	-	-	-
Asset Management	-	87,491	177,000	177,000	-	-	-	-	-
Capital	-	150,383	15,000	15,000	90,000	-	-	-	-
Total Expenditures	-	237,873	192,000	192,000	90,000	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-
Excess Revenue Over (Under) Expenditures	192,089	(48,091)	(2,797)	(1,500)	102,082	194,547	197,423	200,311	203,213
Ending Fund Balance	513,606	465,515	462,718	464,015	566,097	760,644	958,067	1,158,378	1,361,591
CT	513,606	465,515							

2014-2021 Capital Improvement Plan

	2014 Actual	2015 Actual	2016 Budget V3	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
Irrigation Controllers - update to web based	-	150,383	-	-	-	-	-	-	-
Riverside Park Land	-	-	15,000	15,000	-	-	-	-	-
Village Park Tennis Court Resurface	-	-	-	-	90,000	-	-	-	-
Conservation Trust Fund Total	-	150,383	15,000	15,000	90,000	-	-	-	-

* Capital is budgeted at 90% of projected ending fund balance after operations

	462,245	554,307	429,946	431,113	590,487	684,580	862,260	1,042,541	1,225,432
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Refuse Collection Fund

The *Refuse Collection Fund* is a special revenue fund established to account for expenses and revenues related to the provision of trash collection and recycling services to the residents of Evans. The refuse collection program also includes cleanup programs conducted in the spring and fall of each year.

City of Evans Refuse Collection Fund Long Range Financial Plan

	2014 Actual	2015 Actual	2016 Budget	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
Beginning Fund Balance	342,126	369,571	419,475	419,475	426,433	422,936	444,318	465,904	487,533
Revenues									
License & Permits	800	1,200	800	800	800	800	800	800	800
Charges for Services	652,945	661,282	657,060	657,060	659,880	702,180	702,180	702,180	702,180
Grants	18,297	6,144	-	-	-	-	-	-	-
Misc	1,755	1,575	-	-	-	-	-	-	-
Interest Earnings	1,438	1,551	3,752	3,752	4,264	4,229	4,443	4,659	4,875
Total Revenues	675,235	671,752	661,612	661,612	664,944	707,209	707,423	707,639	707,855
CT	675,235	671,752	661,612	661,612	664,944	707,209	707,423	707,639	707,855
Total Available Funds	675,235	671,752	661,612	661,612	664,944	707,209	707,423	707,639	707,855
Expenditures									
Supplies & Services	604,409	588,907	621,573	621,573	635,194	650,467	650,467	650,628	-
Disaster Response	10,626	-	-	-	-	-	-	-	-
Total Expenditures	615,035	588,907	621,573	621,573	635,194	650,467	650,467	650,628	-
Transfers Out	32,755	32,941	33,081	33,081	33,247	35,360	35,371	35,382	35,393
Excess Revenue Over (Under) Expenditures	27,445	49,904	6,958	6,958	(3,497)	21,382	21,585	21,629	672,463
Ending Fund Balance	369,571	419,475	426,433	426,433	422,936	444,318	465,904	487,533	1,159,995
CT	369,571	419,475							
Target Reserve - 3 months	153,759	147,227	155,393	155,393	158,799	162,617	162,617	162,657	-
Available Funds	215,812	272,248	271,040	271,040	264,137	281,701	303,287	324,876	1,159,995

Capital Project and Trust Funds

Capital Projects - Street Fund

The *Capital Projects – Streets Fund* manages the City's major assets such as roadways, alleys, and public rights-of-way through the on-going maintenance and repair of existing assets and the construction of new assets. Priorities are established in the City's five-year Capital Improvement Plan (CIP) which is approved on an annual basis by the City Council.

City of Evans Capital Projects - Streets Long Range Financial Plan

	2014 Actual	2015 Actual	2016 Budget V3	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
Beginning Fund Balance	540,342	1,534,688	2,480,535	2,480,535	169,169	421,983	(2,899,176)	(2,673,554)	(2,446,933)
Revenues									
Intergovernmental	747,775	835,004	4,062,327	4,062,327	685,313	688,841	685,622	686,622	687,622
Grant Revenue - FEMA	81,432	33,276	-	-	-	-	-	-	-
Total Revenues	829,207	868,280	4,062,327	4,062,327	685,313	688,841	685,622	686,622	687,622
CT	829,207	868,280	4,062,327	4,062,327	685,313	688,841	685,622	686,622	687,622
Transfers In	757,100	1,200,929	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Total Available Funds	1,586,307	2,069,209	4,662,327	4,662,327	1,285,313	1,288,841	1,285,622	1,286,622	1,287,622
Expenditures									
Supplies & Services	203,638	294,298	191,754	191,754	190,000	190,000	190,000	190,000	-
Disaster Response	(9,087)	139,927	360,073	360,073	-	-	-	-	-
Capital Improvement	397,410	689,137	6,421,866	6,421,866	842,500	4,420,000	870,000	870,000	870,000
Total Expenditures	591,961	1,123,362	6,973,693	6,973,693	1,032,500	4,610,000	1,060,000	1,060,000	870,000
Excess Revenue Over (Under) Expenditures	994,346	945,847	(2,311,366)	(2,311,366)	252,813	(3,321,159)	225,622	226,622	417,622
Ending Fund Balance	1,534,688	2,480,535	169,169	169,169	421,983	(2,899,176)	(2,673,554)	(2,446,933)	(2,029,311)
CT	1,534,688	2,480,535							

Capital Projects – Streets Fund Long Range Financial Plan

2014-2021 Capital Improvement Plan	2014	2015	2016	2016	2017	2018	2019	2020	2021
	Actual	Actual	Budget V3	Projected	Budget	Projected	Projected	Projected	Projected
11th Ave. & US 34 Improvements	-	-	-	-	-	150,000	-	-	-
37th St. Widening - 47th to 65th (4 lanes)	-	-	-	-	-	3,200,000	-	-	-
Bridge Rehabilitation Funds	-	-	59,000	59,000	35,000	35,000	35,000	35,000	35,000
Concrete Replacement	74,548	500	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Evans Ditch Bikepath - Grant Funded	-	-	118,888	118,888	-	-	-	-	-
Misc. Street Resurfacing (Per PMS)	289,206	360,576	600,000	600,000	680,000	680,000	680,000	680,000	680,000
35th Ave. Widening - 37th St. to Prairie View (4 lanes)	1,052	61,419	1,732,490	1,732,490	-	-	-	-	-
Traffic Signal - 37th St. & 47th Ave. (Replace Temp.)	-	-	-	-	-	200,000	-	-	-
Roadway Landscaping	-	-	30,000	30,000	-	30,000	30,000	30,000	30,000
Street Lighting	-	-	100,000	100,000	-	50,000	50,000	50,000	50,000
65th Avenue Widening	-	-	1,800,000	1,800,000	-	-	-	-	-
US 85 Improvements	-	7,350	13,650	13,650	-	-	-	-	-
US 85 Landscaping	29,369	-	-	-	-	-	-	-	-
US 85 Access Control @ 31st St. - Grant Funded	-	-	972,300	972,300	-	-	-	-	-
US 85 Access Control @ 37th St. - Grant Funded	3,235	-	820,538	820,538	-	-	-	-	-
36th Street Storm Sewer Road Repairs	-	259,292	-	-	-	-	-	-	-
Street Sweeper	-	-	100,000	100,000	-	-	-	-	-
Engineering Specifications Update	-	-	-	-	52,500	-	-	-	-
Capital Projects - Streets Total	397,410	689,137	6,421,866	6,421,866	842,500	4,420,000	870,000	870,000	870,000

* Capital is budgeted at 90% of projected ending fund balance after operations, excluding grant funding

	1,665,599	2,822,756	5,931,932	5,931,932	1,138,034	1,368,742	(1,623,199)	(1,419,239)	(1,214,380)
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Capital Projects – Parks Fund

The *Capital Projects – Parks Fund* manages the City's major assets such as parks and major parks infrastructure through the ongoing maintenance and repair of existing assets and the construction of new assets. Priorities are established in the City's five-year Capital Improvement Plan (CIP) which is approved on an annual basis by the City Council.

City of Evans Capital Projects - Parks Long Range Financial Plan

	2014 Actual	2015 Actual	2016 Budget V2	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
Beginning Fund Balance	-	1,148,006	1,116,484	1,116,484	723,417	2,510	2,510	2,510	2,510
Revenues									
Grant Revenue - FEMA	52,273	176,812	1,655,148	1,655,148	8,801,351	-	-	-	-
Total Revenues	52,273	176,812	1,655,148	1,655,148	8,801,351	-	-	-	-
CT	52,273	176,812	1,655,148	1,655,148	8,801,351	-	-	-	-
Transfers In	1,250,000	-	-	-	-	-	-	-	-
Total Available Funds	1,302,273	176,812	1,655,148	1,655,148	8,801,351	-	-	-	-
Expenditures									
Disaster Recovery	154,267	17,612	-	-	-	-	-	-	-
Professional Services	-	32,947	35,000	35,000	35,000	-	-	-	-
Capital Improvement	-	157,775	2,013,215	2,013,215	9,487,258	-	-	-	-
Total Expenditures	154,267	208,334	2,048,215	2,048,215	9,522,258	-	-	-	-
Excess Revenue Over (Under) Expenditures	1,148,006	(31,522)	(393,067)	(393,067)	(720,907)	-	-	-	-
Ending Fund Balance	1,148,006	1,116,484	723,417	723,417	2,510	2,510	2,510	2,510	2,510
CT	1,148,006	1,116,484							

2014-2021 Capital Improvement Plan

	2014 Actual	2015 Actual	2016 Budget V2	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
Preliminary Design 20%		142,916							
Design Refinement (50%)		14,859	359,142	359,142					
Final Design 100%			654,073	654,073					
Park Construction			1,000,000	1,000,000	8,837,258				
Trail Construction					650,000				
Capital Projects - Parks Total		157,775	2,013,215	2,013,215	9,487,258	-	-	-	-

Cemetery Endowment Fund – Trust Fund

The *Cemetery Endowment Fund* is a trust fund established to earn interest on a restricted corpus. The interest earned is utilized for the general care and maintenance, capital improvements, and equipment acquisition for the maintenance of the Cemetery.

City of Evans Cemetery Endowment Fund Long Range Financial Plan

	2014 Actual	2015 Actual	2016 Budget	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
Beginning Fund Balance	45,519	49,467	49,467	49,467	49,467	49,467	49,467	49,467	49,467
Revenues									
Investment Income	3,948	1,471	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Total Revenues	3,948	1,471	6,000	6,000	6,000	6,000	6,000	6,000	6,000
CT	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-
Total Available Funds	3,948	1,471	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Expenditures									
Culture, Parks & Recreation	-	1,471	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Total Expenditures	-	1,471	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Transfers Out	-	-	-	-	-	-	-	-	-
Excess Revenue Over (Under) Expenditures	3,948	-	-	-	-	-	-	-	-
Ending Fund Balance	49,467	49,467	49,467	49,467	49,467	49,467	49,467	49,467	49,467
CT	49,467	47,467							

**\$48,000 restricted corpus

Attachments

Attachment A 2017 Budget Summary

Fund/Department	Revenue	Wages	Supplies & Services	Asset Management	Transfers	Debt	Capital	Miscellaneous ¹	Net Impact
General Fund									
General Government	11,223,792	2,129,340	1,752,942	37,500	892,379	-	-	26,000	
Community Development	-	530,834	176,153	-	-	-	-	-	
Public Safety	-	4,071,988	286,295	119,689	-	-	-	479,713	
Public Works	-	851,537	629,738	135,435	-	-	-	-	
Culture, Parks & Recreation	-	795,303	528,784	44,500	-	-	-	-	
Total General Fund	11,223,792	8,379,002	3,373,912	337,124	892,379	-	-	505,713	(479,580)
Emergency Contingency	-	-	-	-	-	-	-	-	-
Cemetery Perpetual Care	2,700	-	-	-	-	-	-	-	2,700
Fire Impact	3,186	-	-	-	-	-	-	-	3,186
Street Impact	6,759	-	-	-	-	-	-	-	6,759
Parks Impact	15,143	-	-	-	-	-	-	-	15,143
Police Impact	-	-	-	-	-	-	-	-	-
Conservation Trust	192,082	-	-	-	-	-	90,000	-	102,082
Refuse Collection	664,944	-	635,194	-	(33,247)	-	-	-	(3,497)
Capital Projects - Streets	685,313	-	190,000	-	600,000	-	842,500	-	252,813
Capital Projects - Parks	8,801,351	-	35,000	-	-	-	9,487,258	-	(720,907)
Water	4,991,084	178,182	3,400,610	-	(766,659)	156,579	1,220,961	-	(731,907)
Waste Water	3,508,654	463,292	434,227	39,000	(496,324)	835,074	322,500	-	918,237
Storm Drainage	507,421	-	40,000	-	(196,149)	-	317,500	-	(46,228)
Cemetery Trust	6,000	-	6,000	-	-	-	-	-	-
TOTAL CITY	30,608,429	9,020,476	8,114,943	376,124	-	991,653	12,280,719	505,713	(681,199)

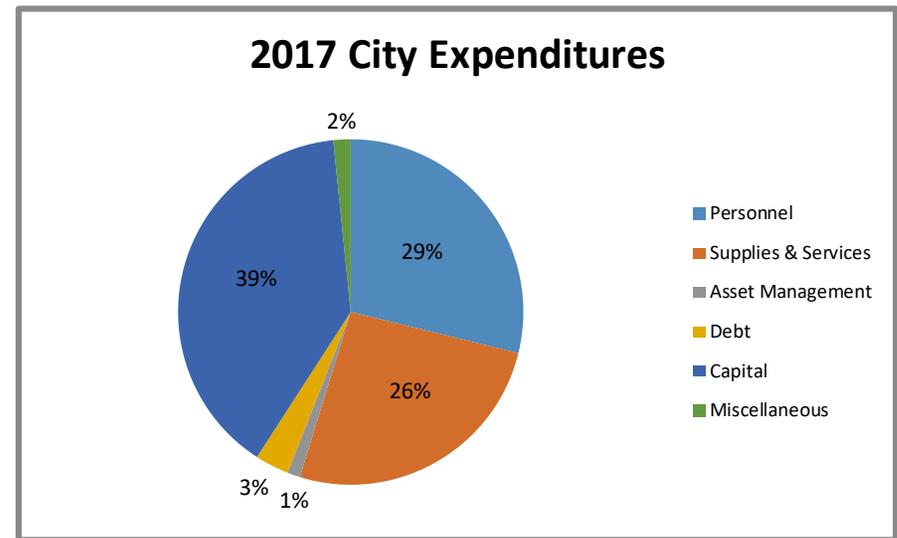
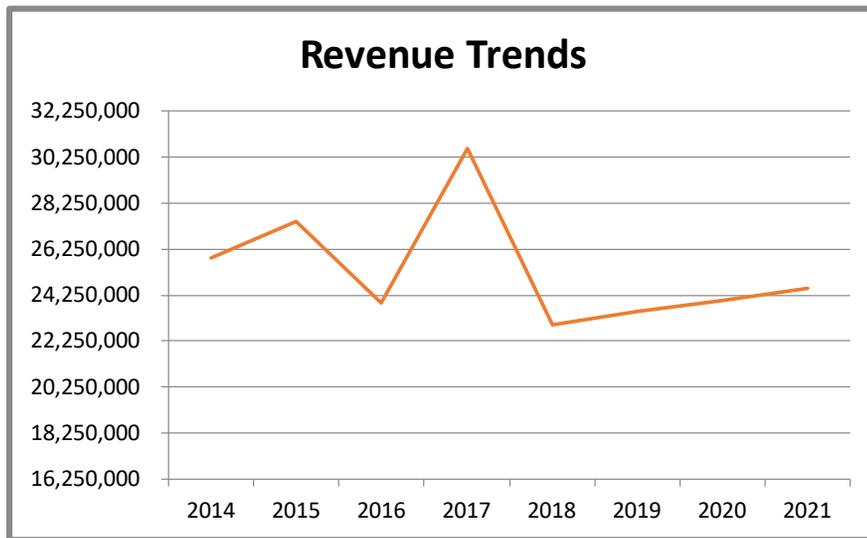
1) \$26,000 flood & recovery expenditures, \$479,713 transfer out to the Evans Fire Protection District per IGA

Attachment B Revenue and Expense Trends

Year	Revenue	Personnel	Supplies & Services	Asset Management	Debt	Capital	Miscellaneous	Net Impact *
2014	25,855,217	6,964,871	9,375,188	328,082	570,946	5,282,048	3,588,335	(254,253)
2015	27,425,656	8,308,162	7,731,291	796,568	569,055	4,794,887	6,999,445	(1,773,752)
2016	23,905,356	8,514,411	8,004,200	982,220	561,082	5,703,491	748,929	(608,977)
2017	30,608,429	9,020,476	8,114,943	376,124	991,653	12,280,719	505,713	(681,199)
2018	22,933,490	9,370,789	8,322,195	710,632	994,878	19,438,000	491,706	(16,394,710)
2019	23,527,773	9,682,762	8,664,776	967,974	2,589,866	18,395,000	503,998	(17,276,603)
2020	24,017,737	10,087,229	8,878,599	529,267	2,573,198	26,610,000	516,598	(25,177,154)
2021	24,521,218	10,319,860	8,999,399	610,311	2,574,085	7,420,000	529,513	(5,931,950)

Does not include intrafund transfers

* A negative net impact indicates spending will occur from reserves and savings accumulated in prior years rather than current year revenue.



Revenue in 2017 was noticeably higher due to an increase in revenue received from oil & gas related sales tax, as well as remittances from the State Severance Tax and Federal Mineral Lease Income.

Attachment C Summary of Personnel Positions

The following summary is to provide information regarding the number of employees by department. This summary reflects the number of benefited employees in the City. Part time, non-benefited employees are not included here, but are included in the totals on Attachment D, which accurately reflects the total personnel expense for the City.

General Government Personnel

	2014	2015	2016	2017	2018	2019	2020	2021
City Manager	1	1	1	1	1	1	1	1
Deputy City Manager	1	1	1	1	1	1	1	1
Communications Manager	-	1	1	1	1	1	1	1
IT Director	1	1	1	1	1	1	1	1
IT Support Analyst	1	1	1	1	1	1	1	1
GIS Analyst	1	1	1	1	1	1	1	1
City Clerk	1	1	1	1	1	1	1	1
Customer Service Unit	5	5	5	5	5	5	5	5
HR/Risk Management Director	1	1	1	1	1	1	1	1
Administrative Specialist	1	1	1	1	1	1	1	1
HR Analyst	1	1	1	1	1	1	1	1
Safety & Risk Mgmt. Specialist	-	1	1	1	1	1	1	1
Finance Manager	1	1	1	1	1	1	1	1
Accountant	1	1	1	1	1	1	1	1
Sales Tax Administrator	1	1	1	1	1	1	1	1
Assistant City Attorney	-	-	1	1	1	1	1	1
	17	19	20	20	20	20	20	20

Personnel Highlights

- 2014 reflects the reclassification of 1 Assistant to the City Manager to an Administrative Specialist
- 2014 reflects the reclassification of 1 Accounting Tech to 1 Sales Tax Administrator
- 2014 reflects the reclassification of 2 part-time Customer Service Administrators to 1 full-time Customer Service Administrator
- 2015 reflects the addition of a Communications Manager and a Safety & Risk Specialist
- 2016 reflects the addition of an Assistant City Attorney

Community Development Personnel

	2014	2015	2016	2017	2018	2019	2020	2021
Building & Development Director	1	1	1	1	1	1	1	1
Building Inspector	-	1	1	1	1	1	1	1
City Planner	-	1	1	1	1	1	1	1
Community Development Tech	1	1	1	1	1	1	1	1
Code Enforcement Officer	1	1	1	1	1	1	1	1
Economic Development Director	1	1	1	1	1	1	1	1
	4	6						

Personnel Highlights

- 2015 reflects the addition of a Building Inspector and a City Planner

Public Safety Personnel

	2014	2015	2016	2017	2018	2019	2020	2021
Police Chief	1	1	1	1	1	1	1	1
Police Officers	32	35	35	35	35	35	35	35
Police Admin	2	2	2	2	2	2	2	2
Municipal Court Clerk	1	1	1	1	1	1	1	1
Community Service Tech	-	-	1	1	1	1	1	1
	36	39	40	40	40	40	40	40

Personnel Highlights

- 2014 reflects the addition of 2 sworn Police Officers
- 2015 reflects the addition of 3 sworn Police Officers
- 2016 reflects the addition of 1 Community Service Tech



Public Works Personnel

	2014	2015	2016	2017	2018	2019	2020	2021
Public Works and Community Development Director	1	1	1	1	1	1	1	1
Engineers	2	2	2	2	2	2	2	2
Manager	1	1	1	1	1	1	1	1
Foreman	1	1	1	1	1	1	1	1
Technician	4	4	4	4	4	4	4	4
Construction Inspector/Utility Locator	-	1	1	1	1	1	1	1
	9	10						

Personnel Highlights

- 2015 reflects the addition of a Construction Inspector/ Utility Locator

Parks & Recreation Personnel

	2014	2015	2016	2017	2018	2019	2020	2021
Recreation Director	1	1	1	1	1	1	1	1
Foreman	1	1	1	1	1	1	1	1
Technician	1	2	3	3	3	3	3	3
Facility Maintenance Tech	3	3	3	3	3	3	3	3
Recreation Coordinator	2	2	2	2	2	2	2	2
	8	9	10	10	10	10	10	10

Personnel Highlights

- 2014 reflects the addition of 1 Facility Maintenance position
- 2015 reflects the addition of 1 Technician
- 2016 reflects the addition of 1 Technician

General Fund Personnel by Department

	2014	2015	2016	2017	2018	2019	2020	2021
General Government	17	19	20	20	20	20	20	20
Community Development	4	6	6	6	6	6	6	6
Public Safety	36	39	40	40	40	40	40	40
Public Works	9	10	10	10	10	10	10	10
Culture, Parks, Rec	8	9	10	10	10	10	10	10
	74	83	86	86	86	86	86	86

Water Fund Personnel

	2014	2015	2016	2017	2018	2019	2020	2021
Foreman	1	1	1	1	1	1	1	1
Technician	2	2	2	2	2	2	2	2
	3							

Waste Water Fund Personnel

	2014	2015	2016	2017	2018	2019	2020	2021
Superintendent	1	1	1	1	1	1	1	1
Foreman	1	1	1	1	1	1	1	1
Technician	3	4	4	4	4	4	4	4
	5	6						

Total City of Evans Personnel

	2014	2015	2016	2017	2018	2019	2020	2021
General Fund	74	83	86	86	86	86	86	86
Water Works Fund	3	3	3	3	3	3	3	3
Waste Water Fund	5	6	6	6	6	6	6	6
	82	92	95	95	95	95	95	95

Attachment D Summary of Personnel Expenditures

	2014 Actual	2015 Actual	2016 Budget	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
General Government								
Regular	1,306,219	1,757,073	1,921,520	2,023,424	2,087,318	2,153,213	2,221,173	2,291,260
Over Time	1,159	433	-	-	-	-	-	-
Part Time	59,519	28,328	101,443	105,916	110,587	115,464	120,556	125,873
Community Development								
Regular	308,412	377,670	486,048	514,481	530,853	547,743	565,168	583,145
Part Time	16,254	32,927	15,662	16,353	17,074	17,827	18,613	19,434
Public Safety								
<i>Police & Muni Court</i>								
Regular	3,021,327	2,964,958	3,435,466	3,956,625	4,082,656	4,212,684	4,346,836	4,485,241
Over Time	72,748	144,405	83,343	87,019	90,856	94,863	99,046	103,414
Part Time	19,812	77,579	27,147	28,344	29,594	30,899	32,261	33,684
Public Works								
Regular	689,503	804,221	808,787	851,537	878,957	907,259	936,473	966,627
Over Time	-	9,187	-	-	-	-	-	-
Part Time	-	9,646	-	-	-	-	-	-
Culture, Parks & Rec								
Regular	603,938	642,180	496,686	491,035	516,643	543,077	570,361	598,524
Over Time	2,477	3,584	4,700	4,700	4,700	4,700	4,700	4,700
Part Time	22,150	34,818	299,569	299,569	299,569	299,569	299,569	299,569
Disaster Response								
Regular	359,071	293,824	232,940	-	-	-	-	-
General Fund Total	6,482,589	7,180,833	7,913,311	8,379,002	8,648,806	8,927,297	9,214,756	9,511,471
Regular	171,285	166,749	172,461	172,765	183,675	189,552	195,618	201,878
Over Time	3,847	6,745	5,417	5,417	5,417	5,417	5,417	5,417
Water Fund Total	175,132	173,494	177,878	178,182	189,092	194,969	201,035	207,295
Regular	296,928	343,426	417,805	457,875	472,793	488,191	504,085	520,491
Over Time	10,221	11,646	5,417	5,417	5,417	5,417	5,417	5,417
Waste Water Fund Total	307,149	355,072	423,222	463,292	478,210	493,608	509,502	525,908
TOTAL WAGES	6,964,871	7,709,400	8,514,411	9,020,476	9,316,107	9,615,875	9,925,293	10,244,674
	9%	11%	10%	6%	3%	3%	3%	3%

** All positions are budgeted in the category they spend the majority of their time.

Attachment E Summary of Supplies and Services by Program

	2014 Actual	2015 Actual	2016 Budget Rev #2	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
GENERAL FUND									
GENERAL GOVERNMENT									
City Council	227,597	204,989	112,943	112,943	97,943	97,943	100,392	102,902	105,474
City Council Projects		-	21,124	21,124	21,124	21,124	21,652	22,193	22,748
ESTIP	209,958	-	-	-	-	-	-	-	-
City Manager	81,923	97,388	113,147	113,147	98,147	98,147	100,600	103,115	105,693
City Clerk	20,201	36,002	29,398	29,398	24,398	24,398	25,008	25,633	26,274
HR / Risk Mgr	423,206	491,158	508,846	508,846	516,596	530,096	543,349	556,932	570,856
IT	335,352	360,633	211,199	211,199	323,225	316,725	324,643	332,759	341,078
Customer Service Unit	35,047	23,629	40,415	40,415	40,415	40,415	41,425	42,461	43,522
Elections	17,506		30,000	30,000	-	30,000	-	30,600	-
Finance	142,083	125,686	570,451	570,451	500,451	500,451	506,706	513,040	519,453
Public Facilities	192,398	232,528	130,644	130,644	130,644	130,644	133,910	137,258	140,689
Flood Disaster Recovery		67,736	44,750	44,750	26,000	-	-	-	-
GG TOTAL S&S	1,895,229	1,639,749	1,812,916	1,812,916	1,778,942	1,789,942	1,797,684	1,866,893	1,875,787
COMMUNITY DEVELOPMENT									
Community Development	14,296	11,450	20,116	20,116	20,116	20,116	20,618	21,134	21,662
Economic Development	241,967	410,698	240,556	240,556	69,355	69,355	71,089	72,866	74,688
Building Inspection	52,151	30,218	9,011	9,011	9,011	9,011	9,236	9,467	9,704
Neighborhood Services	13,780	82,893	77,671	77,671	77,671	77,671	79,613	81,603	83,643
CD TOTAL S&S	322,194	535,259	347,354	347,354	176,153	176,153	180,557	185,071	189,697
PUBLIC SAFETY									
Municipal Court	63,498	52,941	40,498	40,498	40,498	40,498	41,510	42,548	43,611
Police	266,806	321,975	241,138	241,138	245,797	245,797	251,942	258,241	264,697
PS TOTAL S&S	330,304	374,916	281,635	281,635	286,295	286,295	293,452	300,788	308,308

	2014 Actual	2015 Actual	2016 Budget Rev #2	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
PUBLIC WORKS									
Maint of Condition	434,456	484,225	263,476	263,476	290,181	290,181	297,436	304,872	312,493
Engineering	11,702	13,671	16,826	16,826	19,926	19,926	20,425	20,935	21,459
Fleet	194,336	175,308	241,647	241,647	261,647	261,647	268,188	274,893	281,765
PW Administration	24,941	40,947	81,736	81,736	57,984	57,984	59,433	60,919	62,442
PW TOTAL S&S	665,436	714,151	603,685	603,685	629,738	629,738	645,481	661,619	678,159
CULTURE, PARKS & REC									
Rec Administration	1,342	11,256	11,354	11,354	11,354	11,354	11,638	11,929	12,227
Recreation	80,883	84,495	105,328	105,328	105,328	105,328	107,962	110,661	113,427
Senior Citizens	51,168	66,821	84,494	84,494	84,494	84,494	86,607	88,772	90,991
Museum	6,794	-	-	-	-	-	-	-	-
Aquatics	20,610	18,989	26,079	26,079	15,000	15,000	15,375	15,760	16,154
Parks	86,519	131,519	116,174	116,174	116,174	116,174	117,626	119,096	120,585
Cemetery	1,885	3,695	3,400	3,400	3,324	3,324	3,407	3,492	3,579
Forestry	13,753	26,454	22,941	22,941	22,652	22,652	23,219	23,799	24,394
Library	25,415	109,753	220,457	220,457	170,457	170,457	174,718	179,086	183,564
CPR TOTAL S&S	288,369	452,982	590,228	590,228	528,784	528,784	540,551	552,594	564,921
TOTAL GENERAL FUND	3,501,531	3,717,058	3,635,817	3,635,817	3,399,911	3,410,911	3,457,726	3,566,965	3,616,872
CT to LRP	3,501,531	3,717,058	3,635,817	3,635,817	3,399,911	3,410,911	3,457,726	3,566,965	3,616,872

1) Supplies and services do not include asset management, capital or debt payments.

	2014 Actual	2015 Actual	2016 Budget Rev #2	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
WATER FUND									
FIXED / BASE RATE FUNDED									
Base / Service Available	234,101	167,890	290,626	290,626	320,626	343,642	352,233	361,039	370,065
Radio & Meter Replacement (debt funded)	482,554	679,137	126,384	126,384	-	-	-	-	-
Non Potable	17,621	-	198,561	198,561	198,561	203,525	208,614	213,829	219,175
Irrigation	47,204	34,954	55,977	55,977	55,977	57,377	58,811	60,282	61,789
Assessments	163,681	65,992	-	-	-	-	-	-	-
FIXED / BASE TOTAL S&S	945,161	947,973	671,549	671,549	575,165	604,544	619,658	635,149	651,028
VARIABLE RATE FUNDED									
Consumption	2,352,078	2,531,019	2,595,556	2,595,556	2,777,245	2,832,790	2,889,446	2,947,235	3,006,180
Disaster Recovery	53,063	-	-	-	-	-	-	-	-
Conservation	-	-	146,745	146,745	(2,632)	(3,065)	(3,268)	2,955	(3,151)
VARIABLE TOTAL S&S	2,405,141	2,531,019	2,742,301	2,742,301	2,774,613	2,829,726	2,886,178	2,950,190	3,003,028
CIP / TAP FEE FUNDED									
Water Meters / Misc			10,000	10,000	10,000	10,000	10,000	10,000	10,000
Professional Services	56,452	44,458	133,781	133,781	40,831	41,852	42,898	43,971	45,070
CIP /TAP FEE TOTAL S&S	56,452	44,458	143,781	143,781	50,831	51,852	52,898	53,971	55,070
TOTAL Water Fund	3,406,754	3,523,449	3,557,631	3,557,631	3,400,610	3,486,122	3,558,734	3,639,310	3,709,126
WASTE WATER FUND									
Operations	395,265	315,308	434,227	434,227	434,227	537,694	759,825	782,620	782,620
STORM DRAINAGE FUND									
Operations	20,669	99,457	208,937	208,937	40,000	41,000	42,025	43,076	44,153

Attachment F Summary of Supplies and Services by Fund

	2014 Actual	2015 Actual	2016 Budget Rev #2	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
General Fund	3,501,531	3,717,058	3,635,817	3,635,817	3,399,911	3,410,911	3,457,726	3,566,965	3,616,872
Refuse Collection	604,409	588,907	621,573	621,573	635,194	650,467	650,467	650,628	650,628
CIP - Streets	203,638	294,298	191,754	191,754	190,000	190,000	190,000	190,000	190,000
CIP - Parks	-	32,947	35,000	35,000	35,000	-	-	-	-
Water	3,406,754	3,523,449	3,557,631	3,557,631	3,400,610	3,486,122	3,558,734	3,639,310	3,709,126
Waste Water	395,265	315,308	434,227	434,227	434,227	537,694	759,825	782,620	782,620
Storm Drainage	20,669	99,457	208,937	208,937	40,000	41,000	42,025	43,076	44,153
Cemetery Trust Fund	-	-	6,000	6,000	6,000	6,000	6,000	6,000	6,000
TOTAL CITY S&S	8,132,265	8,571,423	8,690,940	8,690,940	8,140,942	8,322,193	8,664,776	8,878,598	8,999,399



Attachment G Summary of Debt

Summary of Annual Obligations

	2014 Actual	2015 Projected	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
Riverside Cultural Center Lease	289,482	289,170	2,100,000	-	-	-	-	-
General Fund - Total	289,482	289,170	2,100,000	-	-	-	-	-
Water Fund	90,789	156,579	156,579	156,579	156,579	156,579	156,579	156,579
Waste Water Fund	108,626	107,048	234,175	835,074	838,299	2,433,287	2,416,619	2,417,506
Total Annual Obligation	488,897	552,797	2,490,754	991,653	994,878	2,589,866	2,573,198	2,574,085

Summary of Total Obligations

	Balance 12/31/16	Additions	Retirements	Balance 12/31/17
Wastewater CWRPDA Notes	217,206	-	96,874	120,332
Wastewater 2016 CWRPDA	39,854,188	-	10,000	39,844,188
Water CWRPDA Note	1,096,053	-	156,579	939,474
Total Obligation	41,167,447	-	263,453	40,903,994

Description of Debt

Riverside Cultural Center Lease: During 2013, the City entered into a capital lease for the construction of the Riverside Cultural Center. The loan principal is \$2,575,000. Semiannual interest payments began December 1, 2013, and annual principle payments began December 1, 2014, and will run through December 1, 2023. The interest rate on the debt is 2.31%. This debt instrument is scheduled to be paid in full during 2016.

Waste Water CWRPDA Notes: The April 1998 Colorado Water Resources & Power Development Authority "CWRPDA") loan is for \$1,141,617. The note is due in semiannual installments beginning February 1, 1999, through August 1, 2018. Interest rates range from 3.7% to 5.375%. The November 1998 CWRPDA loan is for \$400,000. The note is due in semiannual installments of \$15,352 beginning August 1, 1999, through February 1, 2019. Interest rate on this note is 4.5%.

Waste Water CWRPDA Note: The 2016 Colorado Water Resources & Power Development Authority "CWRPDA") loan is for \$39,864,188. The note is due in semiannual installments beginning August 1, 2016 through August 1, 2038, with a stated interest rate of 1.701%.

Water CWRPDA Note: The May 2013 Colorado Water Resources & Power Development Authority "CWRPDA") loan is for \$1,500,000. The loan does not accrue interest and is payable in semiannual installments beginning May 1, 2014 with a maturity date of November 1, 2023.

Attachment H Asset Management Plan

	2014 Actual	2015 Actual	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
General Fund - Administration	36,998	16,571	221,510	37,500	40,045	108,916	45,299	29,547
General Fund - Public Works	-	136,684	167,000	42,435	196,730	295,486	196,691	337,653
General Fund - Police	175,690	183,999	244,710	119,689	140,197	224,932	211,333	22,510
General Fund - Community Dev	-	-	-	-	36,050	-	-	-
General Fund - Facilities				93,000	71,010	95,481	31,689	-
General Fund - Recreation	26,529	59,090	53,000	44,500	51,500	22,491	9,288	106,361
General Fund - Total	239,217	396,344	686,220	337,124	535,532	747,306	494,300	496,071
Conservation Trust	-	-	95,000	-	-	-	-	-
Water Fund	-	5,500	133,000	-	149,350	151,709	18,576	78,786
Waste Water Fund	88,865	52,072	68,000	39,000	25,750	68,959	16,391	35,454
Total	328,082	453,915	982,220	376,124	710,632	967,974	529,267	610,311

The City of Evans asset management philosophy can be described as managing assets to minimize the total life cycle cost of owning and operating our assets worth \$5,000 or more, have a life greater than one year, and have maintenance needs for the next five years, while delivering good quality service citizens expect and desire. The goal of our asset management plan is to ensure that the best decisions are being made throughout an asset's useful life to optimize performance, reduce risk of failure, and minimize the cost of operation and maintenance.

In alignment with the City's asset management philosophy our financial policies state under **VI. Capital Planning & Budgeting Policies, Policies, 8. Asset Management Plan (AMP)** – *The city will develop an AMP that protects investment and minimizes future maintenance and replacement costs. The City will maintain accurate information on the condition, life-span, use and replacement cost of their capital assets to assist in long term planning. The AMP will also indicate future major repairs and their costs, utility costs and other operating costs. a.) Equipment replacement – The City will estimate its equipment replacement (items over \$1,000 with a life greater than one year) and maintenance needs for the next five years and will update this projection each year. From this projection, a maintenance and replacement schedule will be developed and followed. b.) Cash for equipment – Equipment replacement should be financed on a pay-as-you-go basis. Equipment should be replaced on a useful life basis considering optimum trade-in value and maintenance costs.*

Attachment I Summary of Capital Expenditures

	2014 Actual	2015 Actual	2016 Budget	2016 Projected	2017 Budget	2018 Projected	2019 Projected	2020 Projected	2021 Projected
General Fund	4,537,878	1,205,104	1,267,400	1,267,400	-	250,000	-	5,220,000	516,598
Parks Impact	-	-	110,000	110,000	-	-	-	-	-
Conservation Trust	-	150,383	15,000	15,000	90,000	-	-	-	-
Cemetery Perpetual Care	-	-	75,000	75,000	-	75,000	-	-	-
Street Impact	-	22,376	1,509,478	1,509,478	-	3,900,000	10,250,000	14,550,000	3,800,000
Fire Impact	-	-	-	-	-	-	-	-	-
Capital Projects - Streets	379,410	689,137	6,421,866	6,421,866	842,500	4,420,000	870,000	870,000	870,000
Capital Projects - Parks	-	157,775	2,013,215	2,013,215	9,487,258	-	-	-	-
Water Works	344,542	368,142	155,944	155,944	1,220,961	9,723,000	6,635,000	5,370,000	1,800,000
Waste Water	15,169	1,182,570	42,930,622	42,930,622	322,500	300,000	300,000	300,000	300,000
Storm Drainage	5,049	1,019,400	296,112	296,112	317,500	770,000	340,000	300,000	650,000
Total	5,282,048	4,794,887	54,794,637	54,794,637	12,280,719	19,438,000	18,395,000	26,610,000	7,936,598



Attachment J Intra Fund Transfers and Methods

The City of Evans maintains several funds based on the use of revenues in each fund. Intra fund transfers are made to reimburse funds for expenses (or expenditures in enterprise funds) recognized in separate funds. Transfers are identified by the fund paying the other fund.

Transfer from General Fund to Emergency Contingency Fund			
2014 Actual	2015 Actual	2016 Budget	2017 Budget
\$0	\$0	\$0	\$0

The transfer is required by Section 8.7-1 of the Evans' Home Rule Charter. Since 2013, the Emergency Contingency Fund is over funded and the General Fund will recognize a transfer in from the Emergency Contingency Fund.

Transfer from Refuse Fund to General Fund			
2014 Actual	2015 Actual	2016 Budget	2017 Budget
\$32,941	\$33,081	\$33,081	\$33,247

The transfer reimburses the General Fund for the administrative expenditures related to managing the refuse services for residents. The transfer is calculated at 5% of revenue, or the amount necessary to sustain fund reserve requirements, whichever is less.

Transfer from Water Fund to General Fund			
2014 Actual	2015 Actual	2016 Budget	2017 Budget
\$616,285	\$723,106	\$733,952	\$766,659

The transfer reimburses the General Fund for wages, supplies, and services expended to benefit the Water Fund. This transfer includes a reimbursement based on the actual cost of employee's time working on Water Fund activity. The following Waste Water and Storm Drainage fund transfers are based on the same methods.

Transfer from Waste Water Fund to General Fund			
2014 Actual	2015 Actual	2016 Budget	2017 Budget
\$398,040	\$468,515	\$475,542	\$496,324

Transfer from Storm Drainage Fund to General Fund			
2014 Actual	2015 Actual	2016 Budget	2017 Budget
\$126,287	\$158,247	\$160,620	\$196,149

CITY OF EVANS, COLORADO

RESOLUTION NO. 33-2016

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, AND ADOPTING A BUDGET FOR THE CITY OF EVANS, COLORADO, FOR THE CALENDAR YEAR BEGINNING THE 1ST DAY OF JANUARY, 2017 AND ENDING ON THE LAST DAY OF DECEMBER, 2017

WHEREAS, the City Council of the City of Evans, Colorado, has appointed the City Manager to prepare and submit a proposed 2017 budget to said governing body at the proper time; and

WHEREAS, the City Manager has submitted a proposed 2017 budget to the governing body at October 4, 2016 for its consideration; and

WHEREAS, upon due notice, published in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on October 4, 2016 and interested taxpayers were given the opportunity to file or register objections to said proposed budget; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EVANS, COLORADO:

Section 1. That estimated revenues and transfers in for 2017 for each fund are as follows:

General Fund	\$12,716,170
Cemetery Perpetual Care	2,700
Fire Impact	3,186
Street Impact	6,759
Parks Impact	15,143
Conservation Trust	192,082
Refuse Collection	664,944
Capital Projects-Streets	1,285,313
Capital Projects-Parks	8,801,351
Waterworks	4,991,084
Waste Water	3,508,654
Storm Drainage	507,421
Cemetery Endowment	6,000

Section 2. That estimated expenditures and transfers out for 2017 for each fund are as follows:

General Fund	\$13,195,749
Conservation Trust	90,000
Refuse Collection	668,441
Capital Projects-Streets	1,032,500
Capital Projects-Parks	9,522,258
Waterworks	5,722,991
Waste Water	2,590,416
Storm Drainage	553,649
Cemetery Endowment	6,000

Section 3. That the 2017 Budget as submitted, amended, hereinabove summarized by fund, and summarized in Exhibit “A” be and the same is approved and adopted as the budget of the City of Evans, Colorado, for the year stated above.

Section 4. That the 2017 Budget hereby approved and adopted shall be signed by the Mayor of the City of Evans, Colorado, and made a part of the public records of the City of Evans, Colorado.

PASSED, SIGNED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Evans on this 4th day of October, 2016.

CITY OF EVANS, COLORADO

By: _____
Mayor

ATTEST: _____
City Clerk

Attachment L Financial Policies

I. Financial Planning Policies

INTRODUCTION

A long range plan that estimates revenue and expenditure activity in the City as impacted by regional and national economies is necessary to support the Council and community in decisions they make regarding City services. This planning must recognize the effects of economic cycles on the demand for services and the City's revenues. Financial planning should be designed to ensure the delivery of needed services as defined by policy and the Comprehensive Plan.

POLICIES

The financial planning and subsequent budgeting for all funds shall be based on the following policies:

1. Five-year plans - The City will prepare annually a five (5) year financial long range plan (LRP) for each fund. Each plan will include revenues, expenditures and other sources and uses with sufficient detail to identify trends and items with major impact.
2. Conservative revenue estimates - Revenue estimates should be prepared on a conservative basis to minimize the possibility that economic fluctuations could imperil ongoing service programs during the budget year.
3. Include contingencies - Expenditure estimates should anticipate contingencies that are foreseeable.
4. Include asset management plan (AMP) on LRPs - The five-year AMP plans will include equipment, major maintenance and associated expenses less than \$100,000. Major renovation or maintenance projects will be identified on long range plans.
5. Use proven methods - The City will constantly test both its planning methodology and use of planning tools in order to provide information that is timely, accurate and widely disseminated to residents and staff.
6. Economy - The City recognizes it is in a complex regional economic system. The City should have the capacity to evaluate and anticipate changes in both regional and national economic systems in order to engage in strategic financial and management planning. The purpose of these plans will be to allow the Council and residents to evaluate the impact of the financial needs of these programs on the regional economy and to coordinate funding needs with all funds.
7. Department responsibilities - Department Directors and the Finance Department will share responsibility for the preparation of financial plans for operations and asset management needs. The City Manager requires a minimum of two reviewers of detailed work sheets used to generate the long range plans. The Finance Department will assist in developing appropriate systems to monitor and update the long range plans. Each department will meet with the Council to approve strategic policy, identify goals, and performance measures, at intervals determined by the City Manager.

8. Regular status reports - The Staff will continually update the long range plans when any significant change is anticipated. The Staff may distribute the long range plans to the Council at any time to inform the Council. The long range plans will be submitted to the Council for approval at least twice a year. The first update will follow the closing of the year and will include a final comparison of actual to budget for the completed year. The second report will be presented before the presentation of the annual budget and will include an update on the current budget and estimates.
9. Rate structure - The plans must disclose revenue assumptions including rate structures and consumption. The long range plans will include annual rate increases based on inflation unless the Council overrides this direction.
10. Staffing - The plans will identify staffing levels including justification for any changes.
11. Expenditures - The plans will include expenditures based on the service levels / policies and work load indicators (population, strategy, etc.) approved by the Council.
12. Reserves - The plans will include reserves for operations, capital and debt service coverage as established in the Financial Policies and / or as required to issue bonds.

II. Budget Policies

INTRODUCTION

The Staff is responsible for preparing, managing and reporting on the City's annual budget. This function is in compliance with the Home Rule Charter and direction of the Council.

A. GENERAL BUDGET POLICIES

The annual budget will be administered based on the following policies:

1. The Fiscal Year - The fiscal year of the City is the calendar year, January 1st through December 31st. The City may adopt budgets for a term of one or more fiscal years. The City Manager shall prepare and submit to the City Council on or before the 15th of October of each year a recommended budget covering, at a minimum, the next fiscal year. The purpose of the long range plans is to provide the City Council with a continuous budget update.
2. Present a balanced budget to the Council - The City will pay for all current expenditures with current revenues. The City will avoid budgetary procedures that balance current expenditures at the expense of meeting future years' expenses, such as postponing maintenance and other expenditures, accruing future years' revenues, or rolling over short term debt. The exceptions to this policy would be planned equipment purchases, operating maintenance and capital projects based on accumulated funding over the years.
3. Increase efficiency in all City operations - The City staff will identify programs to increase efficiency in order to provide for "long-term cost savings" to the City. This may include the use of technology, revised organizational structures or other tools which may be identified. Eliminating outdated practices is encouraged.
4. Promote investment in our future - The City staff, wherever possible, will take a long term view of investments (people and resources) and emphasize quality operations which encourage productivity for today and the future.

5. Share resources / services throughout the City -The City staff will explore ways to share staff, training resources and equipment / supplies in order to more effectively utilize resources.
6. Identify funding for new services or service levels - Proposals to add new services or increase existing services will be presented with revenue alternatives to fund or subsidize the new service levels. This includes initial costs and ongoing operations.
7. Asset Management Plan - The budget will provide adequate maintenance of capital plant and equipment and for their orderly replacement.
8. Employee programs - The City recognizes that employees are the most valuable asset of the organization and commits to fund this resource appropriately including adequate funding for all retirement systems, benefit packages and employee incentive programs including training.
9. Overhead allocations - The budget will include transfers or overhead allocations for expenditures / services in the General Fund that benefit other City funds. The formula for calculating this transfer or overhead allocation may include revenues, staff and or supplies and services. The formula shall be reviewed annually.
10. Fund Reserves - Cash reserve policies directly relate to fund accounting. Fund accounting is used as a control device to segregate financial resources and ensure that the segregated resources are used for their intended purposes. Cash reserves provide stability for operations and can cushion the impact to City programs during times of economic downturns. Target reserves are established based on the type of Fund.
 - a. Operating funds will accumulate and maintain 3 months of operating reserves based on estimated personnel, supplies and services and AMP expenditures. Operating reserves allow for the efficient management of cash flow and the opportunity to expand services or fund one time opportunities during the year. The Emergency Contingency Fund is required by the City Charter and includes the Colorado Tax Payer Bill of Rights (TABOR) reserves. The General Fund budget must also provide for a minimum of one month's operating reserves.
 - b. Reserves for capital funds, including impact fee funds, are established based on the budgeting methodology. Capital fund budgets are based on the estimated current year ending cash balance for the next year. Subsequently the reserves are funded by the revenues restricted to capital funds. Capital projects may include a contingency for unexpected expenditures.
 - c. Debt service fund reserves are based on required debt reserves established when debt is issued.
 - d. Fund reserves - The first priority of the City will be to maintain target reserves by individual funds based on the above target. The City Council may identify specific reserves on an individual basis. When a cash reserve deficit exists the City Council will identify the specific fund to offset the deficit and a plan to increase the reserve in the fund.
11. Comprehensive Plan - The Financial Plan (Budget) and the Comprehensive Plan are considered the two key tools to provide a vision of the future and a method of accomplishing those goals. Based on the value of these two documents, the City will develop a methodology to cross reference both tools in order to accomplish the goals of the community as expressed through the City Council. The Municipal code should concur with Long Range Financial Plans and the Comprehensive Plan.

12. Grants to non-profit or community organizations - - The City of Evans may provide grants to qualified non-profit or community organizations that provide services within the City. A grant may not exceed \$10,000 per organization per year. Any funding provided to non-profit or community organizations beyond \$10,000 will not be considered a grant and must follow all other City purchasing policies.

B. BUDGET PREPARATION

Each year the Staff will prepare the annual budget following these policies:

1. Council direction as goals - It is the responsibility of the Staff to prepare an annual budget to implement policy and accomplish the goals identified. Staff will identify the impact to the budget, including alternatives when new service levels are approved by the Council.
2. Budget schedule - The staff will present the Financial Policies by June, Revenue projections in July, Operations in August and Capital in September. The goal is approval of the Budget Ordinance and Revenue Rate Resolution at the first regular Council meeting in October which meets the requirements of the City Charter.
3. Revenue policies - The annual budget process is based on the initial revenue projections. Revenue projections will include rate review, annual inflation increases and frequency estimates. Existing revenue estimates start with a minimum of 75% of the projected trends based on the past year and year-to-date projections. Volatile and/or new revenue sources are estimated at a maximum of 50% of the prior year or industry projections.
4. Expenditure policies - Expenditure budget preparation begins with existing staff including any appropriate adjustments for merit and increased cost of benefits. Salary ranges and benefit packages should be periodically reviewed with comparable communities based on population, general fund tax revenues and comparable market.

Supplies and services should be constantly reviewed for efficiency and effectiveness, eliminating outdated programs and identifying appropriate resident service levels. The operating budget should include the Asset Management Plan (AMP) to provide for the most effective delivery of services.

Debt is funded per required schedules including reserves.

Capital is budgeted based on priorities, available funding and estimated fund balances.

5. City Manager budget review - The City Manager will review the details of each proposed budget for efficiency and compliance with Council direction. Department Directors may include supplemental budget requests in the annual budget request to the City Manager and ultimately the Council.
6. Budget presentation - The annual budget document will be prepared based on guidelines identified by the Government Finance Officers Association (GFOA). Traditionally, this begins with an introduction to the budget followed by more detailed information presented by fund and department. The budget introduction includes a budget message and a highlights section identifying the major issues addressed by the City and how the budget is adopted to address those issues. Expenditures shall be presented by categories.
7. Resident participation - The budget process will provide for the full participation of the public and ensure opportunities for public hearings and resident participation.

8. Public hearings - Open public hearings at regularly scheduled City Council meetings and work sessions as required by the Home Rule Charter to provide residents additional opportunities for input regarding the proposed budget will be held.

9. State, Charter and other requirements - The City will adopt the budget in accordance to State, Home Rule Charter and other requirements and certify the mill levy to the County by the required date.

10. Grants - Groups requesting grants from the City of Evans shall provide a description of services provided within the City; current year organizational budget summary identifying revenues and expenditures; financial statement for most recently completed fiscal year; list of Board of Directors and key officers, or active volunteers; and demonstration of non-profit status.

11. Funding subsidy - Funds that receive a subsidy from another fund, in addition to fees and charges or dedicated revenues will include a rationale for the subsidy; and a means for determining the annual level of that subsidy or conditions under which the subsidy should be eliminated.

C. BUDGET MANAGEMENT

Council approval establishes the annual budget limits. Authority for Departments to work within the limits approved by the Council is essential for efficient management of the City. Departments will not exceed the approved budget without the prior approval of the City Council. The budget will be managed based on the following policies:

1. Purchasing and accounting system - The City will maintain a system for monitoring the budget during the fiscal year. Adequate tools must be available to assist staff in managing the budget. The budget system will provide for budget approval before any expenditure is committed by City staff. This system shall also provide reports and query systems which will be used by the staff to prepare Council reports.

2. Council reports - Staff will prepare monthly reports for Council review. Additional reports will be presented in coordination with the annual budget process and financial audit. The Council report will include information on revenues and expenditures, comparing actual to budget, and performance measures related to service levels. The report shall follow the same format as the budget approval.

3. Level of approval - The Council will approve specific grants for qualified non-profit or community organizations.

In relationship to Department Budgets the Council will approve:

- a. The number of full time positions and dollar amount for total regular staff, temporary staff and overtime by fund and category as defined by the LRPs.
- b. The dollar amount for supplies and services for each fund and category as defined by the LRPs.
- c. Each specific Capital request including start-up cost and ongoing maintenance.
- d. The total of expenditures from each fund including transfers in and out.

4. Amending the approved budget - The staff may submit requests to amend the approved budget during the year. Additional requests will be made only after the staff has determined that no savings exists that can be transferred. Departments will provide information to the City Council during regular Council meetings. (Departments may not expend funds until after the City Council has approved the additional expenditure). The Finance Department will prepare appropriation ordinances officially amending the budget. Departments may expend funds after City Council approval and before adoption of the appropriation ordinance.

- a. Transfers of existing budget - The City Manager or Deputy City Manager may approve transfer of budget between Categories and Departments within a fund. The City Council must approve budget transfers between funds in the form of an ordinance.
- b. Transfers between categories and programs - Department Directors may request City Manager or Deputy City Manager approval to transfer budget between categories (payroll, supplies & services, and capital) within a Department. The Manager will review requests to ensure compliance with the goals and objectives of the annual budget as approved by the City Council.
- c. Supplemental appropriation requests - Staff will prepare a prioritized list of one-time supplemental budget requests which will be reviewed by the Finance Committee, then presented to the City Council for final approval.

5. Budget savings - During the budget year, some expenditure savings can be realized by Departments. The City Manager or Deputy City Manager may allow transfers of savings to fund other identified needs within the department.

6. Encumbrance of Fixed Expenses - Predictable fixed expenditures will be encumbered on purchase orders in the first month of each year. On November 3, 1992, the Citizens of the State of Colorado approved Amendment 1, aka The Tax Payers Bill of Rights (TABOR). Amendment 1 specifically and significantly addresses the following issues: 1) spending limitations (revenues), 2) operating reserves, 3) emergency reserves and 4) debt service.

D. INTERGOVERNMENTAL BUDGETS

Some costs of the City could be influenced by other governments, either because of duplication of services or mandates imposed by State and Federal governments.

1. Payment for services - The City will budget expenditures for grant-funded programs only after grant award or letter of commitment and only for the amount of grant award. City overhead or "indirect" costs for grant-funded programs will be included in all grant proposals, where permitted. All grants will be reviewed for long term impacts to the City.

2. Outside involvement - The City will aggressively oppose State or Federal actions that mandate expenditures that the Council considers unnecessary. The City will pursue intergovernmental funding to support the incremental cost of those mandates.

3. Intergovernmental agreements - The City will work with other governments to identify the jurisdiction most capable and appropriate to provide specific public services. When the City cannot transfer responsibility for service delivery, it will consider intergovernmental agreements and contracts for service delivery.

E. STATE OF COLORADO AMENDMENT 1

On November 3, 1992, the Citizens of the State of Colorado approved Amendment 1, aka The Tax Payers Bill of Rights (TABOR). Amendment 1 specifically and significantly addresses the following On April 5, 1994, the Citizens of Evans approved the following revenue change in compliance with Amendment 1: issues: 1) spending limitations (revenues), 2) operating reserves, 3) emergency reserves and 4) debt service.

On April 5, 1994, the Citizens of Evans approved the following revenue change in compliance with Amendment 1:

City of Evans, Colorado Amendment One Election Question

QUESTION #1 - SHALL THE CITY OF EVANS, COLORADO, WITHOUT INCREASING OR ADDING ANY TAXES OF ANY KIND, BE PERMITTED TO COLLECT, RETAIN, AND EXPEND THE FULL PROCEEDS OF THE CITY'S SALES AND USE TAX, ACCOMMODATIONS TAX, NON-FEDERAL GRANTS, FEES ON FISCAL YEAR SPENDING, INCLUDING WITHOUT LIMITATION THE RESTRICTIONS ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, FROM THE DATE OF JANUARY 1, 1993 AND THEREAFTER?

The City will be in compliance with the remaining requirements of Amendment 1 specifically including election, debt and reserve requirements. Considering the reasons behind the original approval of the Tabor Amendment (lack of trust in government), the City shall take an active role in resident participation, communication and relationship building with our residents in order to maintain and increase our level of trust and accountability. The City shall participate in regional and state-wide organizations because the actions of other municipalities or levels of government shall influence state-wide legislation which may impact Evans.

III. Accounting, Auditing, & Financial Reporting Policies

INTRODUCTION

The City will maintain a system of financial management, control and reporting for all operations, departments and funds. This will ensure that overall City goals and objectives will be met and will instill confidence in residents that the City is well managed and fiscally sound.

POLICIES

The Accounting, Auditing and Financial Reporting systems for the City will be based on the following policies:

1. Generally Accepted Accounting Principles (GAAP) - The City will maintain its accounting records and report on its financial condition and results of operations in accordance with State and Federal law and regulations, and GAAP.
2. The City will classify governmental fund balances as follows:

Non-spendable - amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed - amounts that can be used only for specific purposes determined by a formal action of the City Council. The City Council is the highest level of decision making authority for the City. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by City Council.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the City's adopted policy, the City Manager or Deputy City Manager may assign amounts for specific purposes.

Unassigned - all other spendable amounts.

3. Independent audit - An independent firm of certified public accountants will annually perform a financial and compliance audit of the City's financial statements as required by state statute. Their opinions may be contained in the City's Comprehensive Annual Financial Report (CAFR), and the Report on Compliance with the Single Audit Act of 1984 (if required based on federal funding levels).

4. Internal auditing - To complete a full range of audit services, the City's Finance Department will supervise performance audits which review cash management, revenues, expenditures, purchasing and other areas that impact the City budget.

5. Accounting internal controls - The City will maintain an internal control structure consisting of three elements:

- a. Control environment - Consisting of an "overall attitude and awareness of actions" as they influence the City. The management and staff shall consider all the financial implications of decisions, both current and long term.
- b. Accounting system - An effective accounting system will result in the 1) identification and recording of all valid transactions, 2) description on a timely basis of the type of transaction in sufficient detail to permit proper classification of the transaction for reporting purposes, 3) recording of the transaction in the correct time period, and 4) proper presentation of all transactions and related disclosures in the financial statements.
- c. Control procedures - Consists of 1) proper authorization of transactions and activities, 2) adequate segregation of duties, 3) adequate documents and records, 4) adequate safeguards regarding access and use of assets and records, and 5) independent checks on performance.

A. ACCOUNTING STRUCTURE

All City funds and operations must work to achieve the City's mission and goals.

1. Number of funds - The City will minimize the number of funds, Departments, programs and account codes. The funds will be categorized by standard GAAP functional classifications and the creation of new funds will be approved by the City Council. The development of new funds, Departments, programs, and accounts will be recommended by the Finance Department and approved by the City Manager or Deputy City Manager.

2. Statement of purpose - Each fund in the City will have a Statement of Purpose which consists of:

- a. Intent - Purpose(s) of the fund.
- b. Revenue restrictions - Source(s) of revenues to the fund and descriptions of restriction.
- c. Contingency - Size and use of contingency, if any. Contingency levels shall be based on the uncertainties associated with the purposes of the fund or project.
- d. Reserves - Size and purpose of required reserves. Required reserves will be based on operating needs or debt needs and prudent management requirements.

B. FINANCIAL REPORTING

Financial reports will provide direction and guidance in several areas;

1. Budgetary comparisons - Comparing actual financial results with the legally adopted budget.
2. Financial condition and results of operations - Assessing the changes in fund balances as a result of operations.
3. Compliance - Assisting in determining compliance with finance-related laws, rules and regulations.
4. Efficiency and effectiveness - Assisting in evaluating management and staff in efficiency and effectiveness.
5. Manager reports - The Finance Department will prepare reports at the end of April and each month thereafter identifying the difference between actual and budget for revenues and expenditures by fund. This requirement is also included in the Budget Policies. Reports will identify the current and projected variance in budget as well as progress on performance measures. These reports will be presented to the City Manager and may be included in Council updates.

C. CHECK CONTROLS

The City will follow these policies related to check controls and the signing of checks:

1. Payment discounts - The City will take advantage of payment discounts to reduce expenditures when the rate offered is deemed favorable compared to the rate of investment income the City is earning on cash.
2. Invoice control - All invoices shall be mailed directly to the Finance Department and the vendor will reference an approved purchase order number.
3. Check preparation - No check will be prepared for approval without an authorized purchase order, compliance with the procurement procedure and adequate budget unless specifically identified in these policies.
4. Check requirements - In most cases the staff will be required to complete the following steps to obtain a check:

- a. Budget - Adequate budget must exist before staff considers a purchase.
 - b. Requisition - Staff will complete a "requisition" which identifies the vendor, amount, description of purchase, use of items as it relates to the budget (account coding), and budget available. In accordance with established limits, authorized staff, Department Directors, Deputy City Manager, and/or City Manager approve requisitions based on efficiency, appropriateness and general financial and management practices.
 - c. Purchase order - Approved requisitions become purchase orders and only at this time can an order be placed with an "approved vendor". Vendors must be established as legitimate businesses meeting administrative and IRS requirements.
 - d. Invoices - Invoices are directed first to the Finance Department for entry into the accounting system for cash flow and cash discount reviews.
 - e. Department approval - After Finance Department entry, invoices are approved by Departments that the items or services received were acceptable.
 - f. Contracts - Major purchases may require following the procurement procedure (V.14.) which may include Council approval of the contract before a requisition can be completed.
5. Check register - The City Manager or Deputy City Manager reviews and approves the check register.
 6. Distribute checks - Checks will be mailed following approval. Staff will copy and distribute to the Council the check register on a monthly basis.

IV. Revenue Policies

INTRODUCTION

The City must consider its discretionary revenues as a group rather than in isolation. Both individual revenues and the total package must be viewed in the context of broader City goals. The City must be sensitive to the balance between the need for services and the City's ability to raise fees, charges and taxes to support City services. As much as is possible and feasible, City services that benefit specific users should be paid for by fees and charges to provide maximum flexibility in use of general taxes to meet the cost of broader public services.

POLICIES

Revenues and rates in the LRP and annual budget will be based on the following policies:

1. Specific use of services - Charges for services that benefit specific users should recover full costs, including all direct costs, indirect costs, depreciation on capital plant and equipment, and General Fund overhead. Departments that impose fees or service charges should prepare and periodically update cost-of-service studies for each such service. Competing City policies may dictate a subsidy of a portion of the costs of such services.
2. Diversify revenue - The City should strive to diversify its revenues in order to maintain needed services during periods of declining economic activity.

3. Recapture investment - The revenue structure should be designed to "recapture" for the City some of the financial benefits resulting from City sponsored programs or community investments.
4. Additional resources - The City will observe the following priorities in obtaining additional resources:
 - a. Use existing resources efficiently - The City will use as efficiently as possible all existing resources.
 - b. Collect existing revenues - The City will collect as efficiently as possible the resources to which it is already entitled. The city will minimize receivables and follow an aggressive policy of collecting receivables.
 - c. Revenues are consistent with City goals - The City will seek new resources, consistent with the policies in this document and other City goals.
5. Consider total revenue mix - The City will review revenue raising proposals in light of its total revenue mix in order to encourage economic sustainability and keep the City competitive.
 - a. City revenues impact - As part of the annual financial forecast or budget process, major revenue generating proposals will contain an evaluation of the impact on the community.
 - b. Total community in review - The evaluation should be based on prior year circumstances and includes all local taxation and fees.
 - c. Review each five years - At a minimum, such an evaluation shall be made at least once each five years.
6. Department responsibility - Department Directors will inform the Deputy City Manager or the City Manager of any revenue that varies from budget by 10% in any quarter. Department Directors will provide notice immediately and in the identified reports to the City Manager.
7. Use proven methods - The City will estimate its annual revenues by an objective, analytical process.
8. Use five year plans - The City will annually project revenues for the next five years.
9. Enterprise funds recover costs - The City will set fees, user charges and other revenues for each enterprise fund (Water, Sewer and Storm Drainage) at a level that supports the total direct and indirect cost of the activity including operating costs, system expansion, and major maintenance. Indirect costs include the cost of annual replacement needs due to depreciation of capital assets. Cost related to growth will be paid for by the growth.
 - a. Water Fund rates consist of base, variable, payment in lieu (PIL), and tap fee revenues. The base rate is established each year based on the annual fixed costs to maintain the system. The variable rate is established each year based on the costs to operate the system, i.e. the expenses vary with the level of water treated. PIL revenue is reserved for water right acquisition. Tap fee revenue is reserved for system expansion. Interest income is allocated to the category based on cash balance. Please note that special attention must be given to funding required reserves as they increase.

- i. The water variable rate and tiers are established to encourage water conservation and the City Council will receive annual reporting on the specific number of customers who exceed tier 1 and tier 2.
 - ii. Additionally, the gallons consumed in tiers 2 and 3 should be identified and the corresponding revenue generated from this consumption will be considered “water conservation revenue”.
- b. The preceding year’s revenue from both water conservation and major maintenance will be appropriated for expenditure once the amount is realized by the City Council. The City Manager or Deputy City Manager will report to the City Council projects identified for use of these funds.
10. Legal requirements - The City will maintain compliance with legal revenue restrictions as identified by voters, for special revenue funds and other restricted revenues.

V. Operating Policies

INTRODUCTION

When the other Financial Policies fail to address a specific issue, general operating policies will be reviewed for direction. In some cases these policies repeat what has already been stated in other areas, but that is only to emphasize the importance and value of that policy. The City must contain its expenditures to current revenues, establish and adequately fund reserves; regularly monitor and report on budget performance, evaluate the fiscal impact of new proposals, operate as efficiently as possible, and constantly review City services for appropriateness and effectiveness.

POLICIES

The City shall follow these operating policies:

1. Current operating revenues to pay for current operating expenditures - Current operating revenues will exceed current operating expenditures. Each City fund budget must identify ongoing resources that at least match expected ongoing annual requirements. One-time cash transfers and ending balances in excess of reserves may be applied to reserves or to fund one-time expenditures; they will not be used to fund on-going programs.
2. Do not restrict revenues - The City will not normally earmark discretionary revenues for specific purposes. This will preserve the ability of the Council to determine the best use of available revenues to meet changing service requirements.
3. Reserves - The City will establish reserves for emergencies, unforeseen needs of a non-recurring nature, operating maintenance, equipment replacement and capital projects. The nature of reserves for specific funds will be spelled out in the Statement of Purpose for each fund.
4. Financial controls - The Staff will maintain a system of financial monitoring and control. The major components of this system include:
 - a. Fiscal Impact Analysis: The Staff will perform a fiscal impact analysis of each significant administrative or legislative action of the City or affiliated agencies. Where appropriate, the analysis will include the impact on the current budget and the LRP.
 - b. Financial Accounting System and Periodic Status Reports: The Staff will prepare financial status reports on the revenues and expenditures to date and estimated year-end balance as described in the Budget Policies.

- c. Budget Controls: The Finance Department will maintain a system of budgetary controls. These controls will assist Department directors in identifying actual to budget variances.
5. Review for efficiency and effectiveness - The City will continually review the efficiency and effectiveness of its services to reduce costs and improve service quality. This will include a review of all existing administrative procedures and software to eliminate exception based procedures, policies implemented to avoid compliance, special interest projects or programs that benefit less than the majority.
 - a. The City Manager will review professional services/consulting agreements for efficiency and effectiveness. The evaluation may include staffing options, ongoing knowledge of City operations, and consideration for additional services.
6. Recover cost of providing services - City operations will be run on a basis devoted to increase efficiency of service delivery or recover the cost of providing the service by a user fee or charge.
7. Cash reserves - The City will maintain cash reserves in order to avoid borrowing for general operating purposes.
8. Year-end accruals - Other than as required by Generally Accepted Accounting Principles, the City will not increase accruals and non-cash enhancements to revenues in order to influence fund balances at year end.
9. Inventories - The City will maintain accurate inventories of capital assets, their condition, life span and cost.
10. Cash management systems - The Staff will develop, maintain and constantly seek to improve cash management systems which ensure the accurate and timely accounting, investment, and security of all cash assets. All cash received by the City Departments will be deposited daily.
11. Competition and the service provided - The City must review programs periodically in order to reduce needless competition with other public and private providers and to insure the most cost-effective and efficient provision of services. The City will encourage competition with private providers by comparing the cost to provide services.
12. Resident input - An effective and comprehensive periodic Resident Service needs assessment will be conducted in order to ensure that City service priorities keep pace with the dynamic needs of the community. The result of this needs assessment will be considered for approval by the City Council and may become an integral part of the budget and financial planning of the City.
13. Internal loans - Loans made between funds may be charged interest.
14. Procurement Procedure - No order shall be placed by any City employee, contractor or representative that in any way encumbers or obligates the City until after that person has received an approved purchase order. The City will not be held responsible for any order placed by any employee, contractor or representative if the vendor has not received an approved purchase order before delivery of services or goods. The following policies will provide guidelines for all procurement:

- a. Local preference - When all other factors are the same the City encourages staff to purchase locally provided the cost is within 10% of other bids on items up to \$25,000. Factors may include quality of product, quality of service, delivery, maintenance, and other issues which may be relevant.
- b. Recycle - The City encourages recycling and environmental concerns. When all other factors are the same the City encourages staff to purchase recycled products provided the cost is within 10% of other bids on items up to \$25,000.
- c. Purchase order approvals - Requests for purchase orders will be approved in accordance with the predetermined spending limits as outlined by the City Manager.
 - i. Exceptions - Purchases within preapproved spending authority may be made through the City purchasing card for items approved in the budget. The cost of processing purchase orders, invoices and checks for payments make it practical that small purchases be exceptions to the procurement procedure.
 - ii. Purchases for a single vendor which exceed the purchasing limits on an annual basis must be approved by the City Manager and reported to the City Council.
- d. Purchasing Limits - The following purchasing limits are established:

<u>Professional Services</u>	
Amount	Approval
\$0 - \$10,000	Department Director
\$10,000.01 - \$50,000	Department Director City Manager 3 written quotes
\$50,000.01 and up	Department Director City Manager RFP (competitively bid) City Council

<u>Supplies or Capital Projects</u>	
Amount	Approval
\$0 - \$10,000	Department Director
\$10,000.01 - \$100,000	Department Director City Manager 3 written quotes
\$100,000.01 and up	Department Director City Manager RFP (competitively bid) City Council

- e. Bids and Contracts -The City recognizes the need to use outside sources for providing Professional Services, constructing Capital Projects (vendors & contractors) and for providing services for day-to-day operations and maintenance. The City requires staff to solicit bids for any purchase of goods over \$100K and proposals for services over \$50K per engagement or annually. This requirement may be waived by the City Manager for ongoing service contracts where the past experience related directly to the City is a compelling reason to continue a service contract from year to year. Selection of vendors, contractors or consultants may be based on past experience with the City, knowledge of the City and region, philosophy of the nature of the job, availability of time, quality of product, quality of service and material, maintenance, warranties, price and such other criteria as deemed appropriate for a particular public project. Once a vendor has been chosen, the City Council shall consider approval of the contract. Sole source purchases may be made if it has been determined that there is only one good or service that can reasonably meet the need and there is only one vendor who can provide the good or service. Written justification for the sole source purchase must be retained with support for the purchase.

- g. When an invitation for bid (goods over \$100,000) or request for proposal (services over \$50,000) is required, a notice will be published in a local newspaper within 45 days and not less than 10 days from the bid deadline. The request shall include an adequate description of the scope of work to be completed, any specifics which may be required of the vendor, including the amount of any bid bond, all contractual terms, and conditions applicable to the public project. Bids shall be opened publicly at the time and place designated in the invitation for bids. The amount of each bid and such other relevant information as may be specified by rules, together with the name of each bidder, shall be entered on a record and open to public inspection. After the time of the award, all bids and requests for proposal documents shall be open to public inspection. The City shall not be obligated to select the lowest bidder, but shall select based on the established criteria in the invitation to bid or request for proposal. Bidders may be disqualified for past failure to follow proper change order processes. The City will use electronic means (i.e. internet, email, etc.) to inform potential vendors and may use technology to improve transparency and purchasing efficiencies for the City. All available means for advertising the invitation to bid shall be used to the extent possible, to encourage full and open competition. When advertising for proposals with federal funding, guidance will be followed in CFR200.319 to ensure proper competition of project awards is encouraged. This also entails, for example, taking necessary affirmative steps to assure that the minority businesses, women's business enterprises, and labor surplus area firms are used when possible.
- f. Emergencies - In the event of natural disasters, accidents or other emergencies where the health, safety or welfare of the community is at risk, the City shall comply with the procurement requirements to the extent practicable, but may be waived by the City Manager. The City Manager will notify the Council of any emergency immediately, identifying the nature of the emergency and any purchase which may be required. Forms required herein for the purpose of authorizing and acquiring goods or services necessary for the immediate preservation of life, health, safety, welfare or property during a local disaster or emergency conditions shall not require compliance with bidding requirements set forth in this Policy, and may be awarded on a sole-source basis. Documentation of procurement decisions in an emergency period is required to be retained, to support the urgency of the purchase and as justification for deviation of any City policy. Once the City is no longer operating in an emergency period, adherence to the approved procurement requirements is required. Careful consideration shall be given to procurement decisions made in an emergency period and when grant funds may be received. Federal procurement guidance currently available (at CFR200.319) indicates that purchases above the dollar threshold of a micro purchase, currently \$3,000, must also have three written quotes to support the cost reasonableness of the purchase. If, at any time, a purchase may have a grant implication, purchaser shall follow the guidance.
- g. Travel - Consideration of the lowest cost to the City will be made when traveling for City business. When employees travel out of the County, they are required to use a City vehicle if available and practical. Only if no fleet vehicles are available will the City reimburse employees for mileage at the approved IRS rate with prior Department Director approval. Out-of-City per diem will be paid at the approved IRS reimbursement level. Per Diem is reimbursement for all meals and incidentals, no additional reimbursements will be approved. Lodging should be prepaid by City check or purchasing card when possible in order to avoid taxes.
- h. Meals in City - The City shall restrict the purchase of meals locally to the following items, unless specifically approved by the City Manager or Deputy City Manager:
- i. Work related meetings with outside officials with Department Director, Deputy City Manager or City Manager approval.
 - ii. Preparation for City-wide events on weekends (such as July 4th or Evans Fest).
 - iii. Manager and/or City Council members' meetings with media, residents, employees, Council and outside officials.
- i. Education and training - The City Council has approved in the Personnel Policies the desire to hire the best and most qualified staff available. To maintain the quality of the staff over time, the City will fund adequate participation in professional organizations and training. Recognizing the need for additional training,

each Department Director will propose a budget which may include participation at the national level for Department Directors and professionals. In addition to participation in national organizations, it may from time to time benefit the City to send employees to training out of the state. The staff will attempt to identify regional training programs or local programs when possible. The level of training and participation in organizations must be approved by Department Directors. Department Director training will be approved by the City Manager or Deputy City Manager and Deputy City Manager or City Manager training will be approved by the Mayor. All training must be included and funded in the annual budget.

- j. Education and training for Council and commissioners - The City is committed to professional and progressive leadership. In order to maintain the City's position as leaders in the community and region, it may be beneficial to provide training for the City Council and/or City sponsored Boards & Commissions regarding key management and or technical issues. Travel for these members will be included in the annual budget.
- k. Computers, software, & peripheral purchases - All City-wide computer, software, & peripheral related purchases must be approved by the Systems Administrator with final approval from the City Manager or Deputy City Manager.

VI. Capital Planning & Budgeting Policies

INTRODUCTION

The Capital Improvement Plan (CIP) has a significant impact on the image of the City. The following policies are designed to guarantee that current and future projects are maintained at a quality level and that capital projects do not restrict the City's ability to provide basic services. The City must preserve its current physical assets and plan in an orderly manner for future capital investments, including the operating costs associated with these projects. In addition to amenity improvements, the City must make the capital investment needed to support and enhance the delivery of basic services. This commitment becomes even more important because the demands for basic services biases funding priorities toward the operating services (such as police officers and recreation programs) versus infrastructure (such as streets and buildings) which could be an issue in the future. Capital expenditures for purposes of financial reporting include buildings, land, major equipment and other items which have a value of over \$5,000 and have a life greater than one year. Capital expenditures for purposes of budgeting include buildings, land, major equipment and other items which have a value of over \$100,000 and have a life greater than one year.

POLICIES

The planning, funding and maintenance of all capital projects shall be based on the following policies:

1. Bond rating - The City will maintain a strong bond rating that is consistent with other City goals. The City will maintain good communications with bond rating agencies about its financial condition. The City will follow a policy of full disclosure on every financial report and bond prospectus.
2. Five-year capital plans - Each Department with capital expenditures will develop and maintain five-year capital plans. This will include sources of funding and maintenance.
3. Resident involvement - The CIP development process will provide for the full participation of any resident and or Committee appointed by City Council.

4. Details of plan - The City will prepare and update annually a City five-year CIP that identifies needs for capital replacement and additions. The CIP lists all anticipated capital expenditures, total estimated cost, the year in which it will be started, the amount expected to be expended in each year, and the proposed method of financing these expenditures. Methods of financing can include bonding, assessment districts, pay-as-you-go (e.g. taxes, current revenues, cash balances), or other.
5. Current capital budget - The City will prepare an annual Capital Budget which will include current year capital expenditures and sources of funds based on the current year of the Capital Improvement Plan.
6. Include future maintenance - As part of the annual Capital Budget, the City will identify and include full costs of future maintenance needs and operating costs of new capital facilities and equipment prior to funding as part of the annual Capital Budget. It is essential to recognize that many smaller projects can have a significant impact on the existing staff and maintenance levels when considering the total impact. All capital projects will identify the maintenance requirements in terms of staffing (hours per week) and Supplies & Services.
7. Identify project funding - The City staff will identify the estimated costs and funding sources for each capital project proposal before it is submitted to Council for consideration. This will include capital construction as well as ongoing maintenance.
8. Asset Management Plan (AMP) - The City will develop an AMP that protects capital investment and minimizes future maintenance and replacement costs. The City will maintain accurate information on the condition, life span use and replacement cost of their capital assets to assist in long term planning. The AMP will also indicate future major repairs and their costs, utility costs and other operating costs.
 - a. Equipment replacement - The City will estimate its equipment replacement (items over \$5,000 with a life greater than one year). From this projection, a maintenance schedule will be developed and followed.
 - b. Cash for equipment - Equipment replacement should be planned on a cash basis. Equipment should be replaced on a useful life basis considering optimum trade-in value and maintenance costs.
9. Planned funding - The budget will provide sufficient funding for adequate maintenance and scheduled replacement and enhancement of capital plant and equipment. Whenever the AMP identifies there is a significant discrepancy between the need to maintain/modernize City infrastructure or facilities and the funds available for such improvements, the City staff will prepare and present to Council a strategy for meeting such needs. The long range plans of the City will include all costs identified in the AMP.
10. Major Maintenance - Although the annual operating budget should provide for adequate maintenance of capital, plant, and equipment, eventually a major expenditure will be required. It is appropriate to consider these types of major expenditures when developing the capital improvement program.
11. Capital priority - In general, the following guidelines will be used to identify capital priorities: safety, complete existing projects, maintenance of existing capital facilities, extensions of existing systems and new projects. Maintenance should be given priority over acquisition of new facilities, unless a cost/benefit analysis indicates to the contrary. State, Federal and local mandates or new service demands may require acquisition of new facilities or new construction even when maintenance needs are not

fully met. Unique opportunities may arise which should be considered as a priority particularly if there is community support for acquisition. Maintenance of facilities should take priority over operating programs if deferring maintenance will result in greater costs to restore or replace neglected facilities.

12. Consistency with City policies and impact on community - The City will identify the ongoing costs and benefits that may be associated with each capital project to determine its consistency with other city policies and the impact on the community as a whole.

13. Alternative funding - Assessment district financing is appropriate for those areas of the City that are retroactively installing physical plant features which are normally required by subdivision standards at the time of development or which have been funded by another assessment district. Such physical plant features include but not limited to, curb, gutters, sidewalks, street lights and sewers. Assessment districts are also appropriate in cases where these types of physical plant features are being upgraded for the benefit of property owners in the area. Unless otherwise directed by Council, assessment districts will include all costs associated with the project, including overhead and indirect costs, including but not limited to financing, and administrative costs. The City will take actions to ensure that financial risk to the City is minimized.

14. Long-term debt - is a liability that places a future contractual or other obligation against future revenues of the City. For example, long-term debt includes liabilities arising from bonds, lease purchase agreements and installment purchase contracts.

- a. Use for capital - The City will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues.
- b. Life of debt not to exceed 75% of life of the project or acquisition - When the City finances capital projects by issuing bonds; it will pay back the bonds within a period not to exceed 75% of the expected useful life of the project.
- c. Debt restrictions - The City will not use long-term debt for current or annual operations. Debt that obligates future City Councils shall be approved consistent with City Charter and applicable State statutes.
- d. Legal debt limits - The City will review its legal debt limitation established by the Charter at least annually. Debt limits will be included in the statistics sections of the Financial Plan and Financial Report.
- e. Annual review - The City of Evans will conduct an annual review of its debt taking into consideration current market rates and future cash flows.

VII. Investment Policies

INTRODUCTION

The purpose of this investment policy is to establish guidelines for the purchase and sale of investments for all funds of the City of Evans.

Legality

The investment program for the City of Evans shall operate in conformance with federal, state, and other legal requirements, including the Colorado Revised Statutes sections 11-10.5-101 et seq. and 24-75-601 et seq., as amended, and City of Evans, Colorado Home Rule Charter VIII.

POLICIES

This Investment Policy (the Policy) applies to the investment of all City of Evans (the City) funds, excluding the investment of employees' retirement funds. Proceeds from certain bond issues are covered by separate agreements.

Pooling of Funds

Except for cash in certain restricted and special funds, the City will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping, and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with City of Evans Home Rule Charter VIII and generally accepted accounting principles (GAAP). :

OBJECTIVE:

The primary objectives of investment activities, in priority order, shall be safety, liquidity, yield, and local considerations.

1. Safety - Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.
 - a. The City will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:
 - Limiting investments to the types of securities listed in Section 9 of this Policy.
 - Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the City will do business in accordance with Section 6.
 - Diversifying the investment portfolio to minimize the impact of potential losses from any one type of security or from any one individual issuer.
 - b. The City will minimize interest rate risk, the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by:
 - i. Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
 - ii. Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy.
2. Liquidity - The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). Alternatively, a portion of the portfolio may be placed in money market mutual funds or local government investment pools which offer same-day liquidity for short-term funds.
3. Yield - The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed.
4. Local Considerations - Where possible, funds may be invested for the betterment of the local economy or that of local entities within the State of Colorado. Included is the Local Considerations Investment Program that allows the City to accept proposals from eligible institutions in order to reward local financial institutions that can

document their commitments to private economic growth and local housing investment. These respective institutions must be on the Public Deposit Protection Act list of qualified eligible financial institutions. The Evans City Council recognizes that our Local Considerations Investment Program might diminish investment yields.

5. Standards of Care

- a. Prudence - The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing the overall portfolio. The "prudent person" standard states that, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived". Authorized City officials and employees acting in accordance with written procedures and this Policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this Policy.
- b. Ethics and Conflicts of Interest - Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.
- c. Delegation of Authority - Authority to manage the program is derived from the City of Evans Home Rule Charter, Chapter VIII and granted to the City Treasurer who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this Policy. Procedures should include references to safekeeping, delivery vs. payment, investment accounting, wire transfer agreements and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this Policy and the procedures established by the City Treasurer. The City Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

6. Authorized Broker/Dealers - To be eligible, a firm must meet at least one of the following criteria:

- a. be recognized as a Primary Dealer by the Federal Reserve Bank of New York, or have a Primary Dealer within its holding company structure;
- b. report voluntarily to the Federal Reserve Bank of New York, or
- c. qualify under Securities and Exchange Commission (SEC) Rule 15c-3 (Uniform Net Capital Rule).

Broker/dealers will be selected by the City Treasurer on the basis of their expertise in public cash management and their ability to provide services for the City's account. Approved broker/dealers and the firms they represent shall be licensed to do business in the State of Colorado and as such are subject to the provisions of the Colorado Revised Statutes, including but not limited to CRS 24-75-601.

Each authorized broker/dealer shall be required to submit and annually update a City approved Broker/Dealer Information Request form which includes the firm's most recent financial statements. The City's Treasurer shall maintain each approved firm's most recent Broker/Dealer Information Request form. In the event that an external investment advisor is not used in the process of recommending a particular transaction for the City's portfolio, authorized broker/dealers shall attest in writing that they have received a copy of this policy.

7. Financial Institutions and Depositories -

As required by City of Evans Home Rule Charter Chapter VIII, Section 8.8, a list will be approved by the Evans City Council of financial institutions and depositories authorized to provide investment services. To be eligible, a bank shall qualify as an eligible public depository as defined in C.R.S 11-10.5-103.

8. Minority and Community Financial Institutions - From time to time, the City Treasurer may choose to invest in instruments offered by minority and community financial institutions. In such situations, a waiver to certain parts of the criteria under Paragraph 1 may be granted. All terms and relationships will be fully disclosed prior to purchase and will be reported to the appropriate entity on a consistent basis and should be consistent with state or local law. These types of investment purchases should be approved by the Evans City Council in advance.

9. Safekeeping & Custody - The City Council shall select one or more banks to provide safekeeping and custodial services for the City. A City approved Safekeeping Agreement shall be executed with each custodian bank prior to utilizing that bank's safekeeping services. To be eligible for designation as the City's safekeeping and custodian bank, a financial institution shall qualify as a depository of public funds in the State of Colorado as defined in CRS 24-75-603 et seq.

Custodian banks will be selected on the basis of their ability to provide services for the City's account and the competitive pricing of their safekeeping related services.

The purchase and sale of securities and repurchase agreement transactions shall be settled on a delivery versus payment basis. It is the intent of the City that all securities be perfected in the name of the City. Sufficient evidence to title shall be consistent with modern investment, banking and commercial practices.

All investment securities purchased by the City will be delivered by either book entry or physical delivery and will be held in third-party safekeeping by a City approved custodian bank, its correspondent bank or its Depository Trust Company (DTC) participant account.

All Fed wire able book entry securities owned by the City shall be evidenced by a safekeeping receipt or a customer confirmation issued to the City by the custodian bank stating that the securities are held in the Federal Reserve system in a CUSTOMER ACCOUNT for the custodian bank which will name the City as "customer."

All DTC eligible securities shall be held in the custodian bank's Depository Trust Company (DTC) participant account and the custodian bank shall issue a safekeeping receipt evidencing that the securities are held for the city as "customer."

10. Internal Controls - The City Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse. Details of the internal controls system shall be documented in an investment procedures manual and shall be reviewed and updated by the City Treasurer annually. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

The internal controls structure shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and recordkeeping
- Custodial safekeeping
- Avoidance of physical delivery securities;

- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Development of a wire transfer agreement with the lead bank and third-party custodian.

Accordingly, the City Treasurer shall establish a process for an annual independent review of compliance with the Policy and its internal control procedures by an external auditor.

11. Suitable & Authorized Investments

Investment Types - The following investments will be permitted by this Policy and are defined by state and local law, where applicable:

- U.S. Treasury bills, Treasury notes, Treasury bonds, and Treasury STRIPS with maturities not exceeding five years from the date of trade settlement
- U.S. government agencies with a final maturity not exceeding five years from the date of trade settlement issued by the Government National Mortgage Association (GNMA)
- U.S. instrumentality obligations (debentures, discount notes, callable securities, step-up securities, and stripped principal or coupons) with maturities not exceeding five years from the date of trade settlement issued by the following only: Federal National Mortgage Association (FNMA), Federal Farm Credit Banks (FFCB), Federal Home Loan Banks (FHLB), and Federal Home Loan Mortgage Corporation (FHLMC)
- Subordinated debt shall not be purchased
- Certificates of deposit and other evidences of deposit at financial institutions, with maturities not exceeding five years, in FDIC insured state or nationally chartered banks or savings banks. Certificates of Deposit exceeding the FDIC insured amount shall be collateralized in accordance with the Colorado Public Deposit Protection Act
- Repurchase agreements with maturities of 180 days or less collateralized by U.S. Treasury Obligations and Federal Instrumentality Securities listed above with the maturity of the collateral not exceeding ten years. For the purpose of this section, the term collateral shall mean purchased securities under the terms of the City approved Master Repurchase Agreement. The purchased securities shall have a minimum market value including accrued interest of 102 percent of the dollar value of the transaction. Collateral shall be held in the City's custodian bank as safekeeping agent, and the market value of the collateral securities shall be marked-to-the-market daily.
- Repurchase Agreements shall be entered into only with dealers who have executed a City approved Master Repurchase Agreement with the City and who are recognized as Primary Dealers by the Federal Reserve Bank of New York, or have a Primary Dealer within their holding company structure. The Chief Financial Officer shall maintain a copy of the City's approved Master Repurchase Agreement along with a list of the broker/dealers who have an executed Master Repurchase Agreement with the City. The City may utilize Tri-party Repurchase Agreements provided that the City is satisfied that it has a perfected interest in the securities used as collateral and that the City has a properly executed Tri-party Agreement with both the counterparty and custodian bank.
- Corporate bonds with a maturity not exceeding three years from the date of trade settlement issued by any corporation or bank organized and operating within the United States. The debt must be rated at least AA- or the equivalent by at least two Nationally Recognized Statistical Rating Organizations (NRSROs).
- Money market mutual funds registered under the Investment Company Act of 1940 that 1) are "no-load" (i.e. no commission or fee shall be charged on purchases or sales of shares, 2) have a constant net asset value per share of \$1.00, 3) limit assets of the fund to securities authorized by state statute, 4) have a maximum stated maturity and weighted average maturity in accordance with Rule 2a-7 of the Investment Company Act of 1940, and 5) have a rating of AAAM or the equivalent.
- Commercial Paper with maturities not exceeding 270 days from the date of trade settlement and rated at least A-1 or the equivalent at the time of purchase by at

least two NRSROs. If the commercial paper issuer has senior debt outstanding, the senior debt must be rated by each service that publishes a rating on the issuer of at least A or the equivalent. Furthermore, the issuer's commercial paper program's size shall exceed \$200 million. Commercial paper may not exceed 20% of the Portfolio and no more than 5% may be invested with a single issuer.

- Local government investment pools, authorized under CRS 24-75- 702, that 1) are "no-load" (i.e. no commission or fee shall be charged on purchases or sales of shares), 2) have a constant net asset value per share of \$1.00, 3) limit assets of the fund to securities authorized by state statute, 4) have a maximum stated maturity and weighted average maturity in accordance with Rule 2a-7 of the Investment Company Act of 1940, and 5) have a rating of AAAM or the equivalent.

12. Collateralization - Where allowed by the Colorado Public Deposit Protection Act (PDPA) Section 11-10.5-101 et seq., full collateralization will be required on all demand deposit accounts, including checking accounts and non-negotiable certificates of deposit.

13. Investment Parameters

- a. Diversification - The investments may be diversified by:
 - o limiting investments to avoid over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities)
 - o limiting investment in securities that have higher credit risks
 - o investing in securities with varying maturities
 - o continually investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs) or money market fund to ensure that appropriate liquidity is maintained to meet ongoing obligations.
- b. Maximum Maturities - To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five years from the date of trade settlement in accordance with state statutes.

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as local government investment pools or money market funds to ensure that appropriate liquidity is maintained to meet ongoing obligations.

- a. Competitive Bids - Each investment transaction shall be competitively transacted with authorized broker/dealers. At least three broker/dealers shall be contacted for each transaction and their bid and offering prices shall be recorded.

If the City is offered a security for which there is no other readily available competitive offering, then the Treasurer will document quotations for comparable or alternative securities.

14. Performance Benchmarks - The investment portfolio shall be designed to attain a market rate of return throughout budgetary and economic cycles, taking into account prevailing market conditions, risk constraints for eligible securities, and cash flow requirements. The performance of the investment portfolio shall be compared to the average yield on the U.S. Treasury security that most closely corresponds to the investment portfolio's weighted average effective maturity. When comparing the performance of the investment portfolio, all fees involved with managing it shall be included in the computation of its rate of return net of fees.

15. Reporting - Monthly, the City Treasurer will submit to the City Council a report listing the investments held by the City, the current market value of the investments and performance results. The report shall include a summary of investment earnings during the period.

16. Policy Considerations - Any investment currently held that does not meet the guidelines of this Policy shall be exempted from the requirements of this Policy. At maturity or liquidation, such monies shall be reinvested only as provided by this Policy.

17. Approval of Investment Policy - The investment policy shall be formally approved and adopted by resolution of the governing body of the City of Evans. Any future changes must be approved by the Evans City Council.

18. Documentation to be maintained by the City Treasurer

- Internal Controls Procedures Manual
- Listing of authorized personnel
- Relevant investment state statutes
- Listing of authorized broker/dealers and financial institutions/depositories
- Broker/Dealer Information form
- Credit studies for securities purchased and financial institutions used
- Safekeeping agreements
- Wire transfer agreements
- Sample investment reports,
- GFOA Recommended Policies.