



TOWN OF ERIE

645 Holbrook Street
Erie, CO 80516

Town Council

Board Meeting Date: 12/8/2020

File #: 20-515, **Version:** 1

SUBJECT: GENERAL BUSINESS

PUBLIC HEARING: An Ordinance of the Board of Trustees of the Town of Erie Summarizing Expenditures and Revenues for each Fund and Adopting a Budget for the Town of Erie for the 2021 Budget Year

DEPARTMENT: Finance

PRESENTER: Malcolm Fleming, Town Administrator
Candice Huot, Finance Manager

TIME ESTIMATE: 20 minutes

FISCAL SUMMARY:

The budget provides funding for all Town of Erie programs, services, capital projects and initiatives in 2021. The budget reflects revenue in all funds totaling \$88.7 million, and expenditures in all funds totaling \$98.2 million. Expenditures exceed revenues because the Town will be completing several large capital projects for which the Town has accumulated funding rather than borrowing and incurring the cost of debt service. For the General Fund, the 2021 budget reflects a surplus (revenues exceeding expenditures) of approximately \$1.3 million, compared to a 2020 projected surplus of \$939,000. As a result, staff projects the General Fund will end 2021 with a "spendable fund balance" of approximately \$26.3 million, compared to \$25.2 million projected at the end of 2020. The 2021 "spendable fund balance" amounts to 105% of total personnel & operating expenditures (excluding capital and debt service expenditures) at the end of 2021, compared to 108% for 2020.

STAFF RECOMMENDATION:

Staff recommends the Board of Trustees approve the ordinance that adopts the 2021 Budget.

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

Town Code specifies the Town Administrator shall cause a proposed budget to be prepared and submitted to the Board of Trustees annually, and be responsible for the administration of the budget after its adoption. Through this agenda item staff submits the final proposed 2021 budget to the Board, requests a Public Hearing on the proposed budget, and asks for Board approval of the Ordinance that summarizes the expenditures and revenues for each fund for the calendar year 2021.

The Board received the preliminary proposed 2021 budget on September 24, 2020 and staff discussed this matter with the Board during study sessions on September 29, 2020 and October 20,

2020, and during the Board's November 19, 2020 retreat. The attached budget reflects projections of revenues and expenditures based on the latest actual numbers in each category, the certified assessed property valuations recently received from both Boulder and Weld Counties, and Board direction during the study sessions and retreat. The attached budget overview and schedules provide a narrative overview of the budget, a summary of changes in fund balance/working capital in all funds, and summary and detailed budget schedules.

No funds will end 2021 with a negative fund/working capital balance.

Board Priorities Addressed:

- ✓ Attractive Community Amenities
- ✓ Engaged and Diverse Community
- ✓ Prosperous Economy
- ✓ Well-Maintained Transportation Infrastructure
- ✓ Small Town Feel
- ✓ Safe and Healthy Community
- ✓ Effective Governance
- ✓ Environmentally Sustainable
- ✓ Fiscally Responsible

ATTACHMENTS:

1. Budget Overview Memorandum and schedules
2. Ordinance 37-2020