



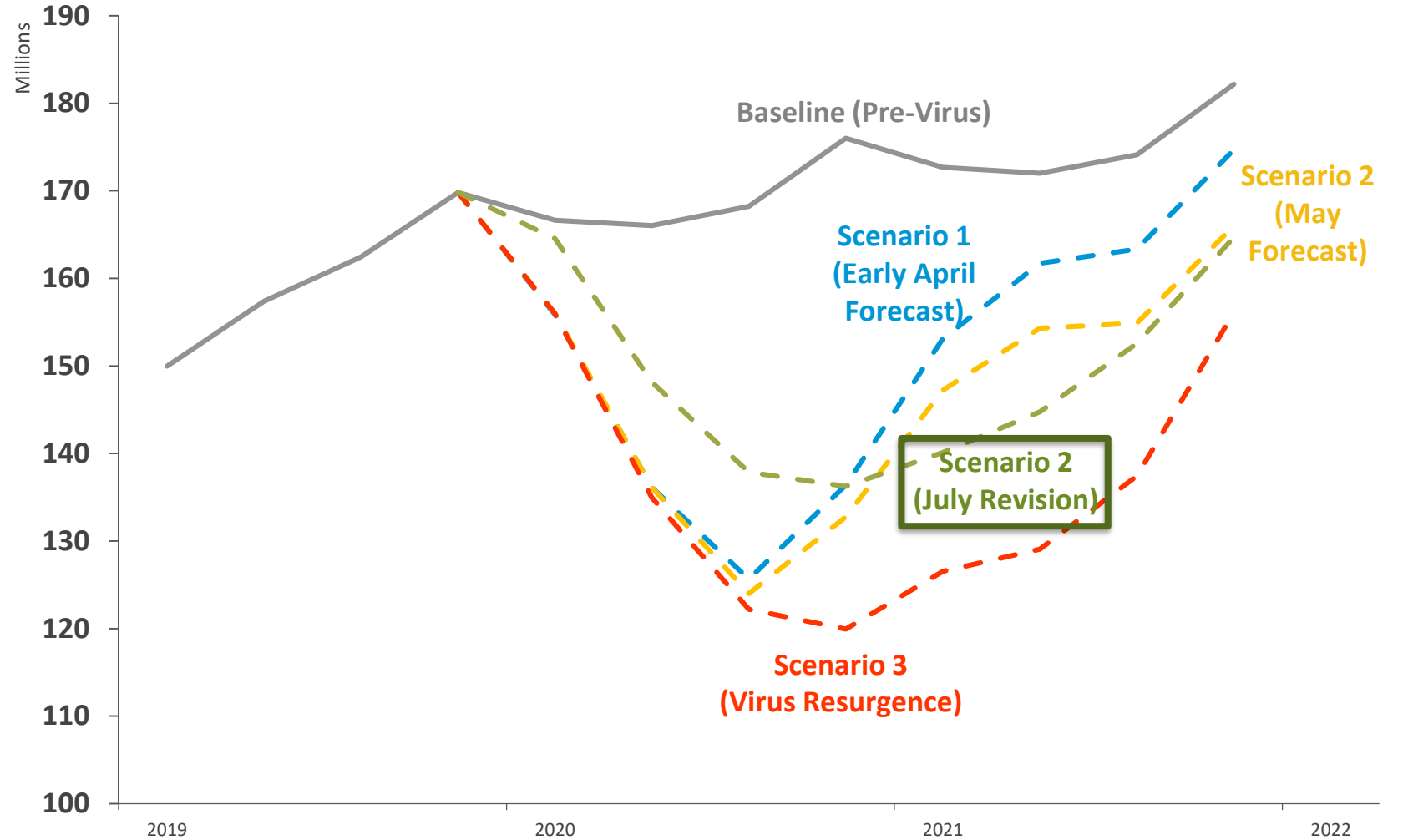
2021 Mayor's Proposed Budget

October 26, 2020

Denver Economic Model

Projected Core Sales and Use Tax Collections

Moving Quarterly Average



Factors influencing revenue projections

- Continue to monitor economic indicators such as
 - number of COVID-19 cases and hospitalizations
 - unemployment data
 - business openings and activity
 - tourism related activity
- 2020 projections are not based upon a resurgence

2021 Revenue Projections: \$1.328B

2020 Revised Forecast

2020 Total Revenue Forecast: \$1.265B

- Reflects y/y loss of -\$220m or -10.1% under 2019, -14.6% compared to original 2020 budget
- Contributors to revenue loss
 - Sales tax: \$83.8m or 11.6%
 - Lodgers' tax: \$23.2m or 66.4%
 - OPT: \$5.9m or 10.9%
 - Parking revenue: \$19.1m or 45%
 - Construction-related: \$7.1m or 29%
 - Traffic Court Fines: \$1.3m or 14.8%

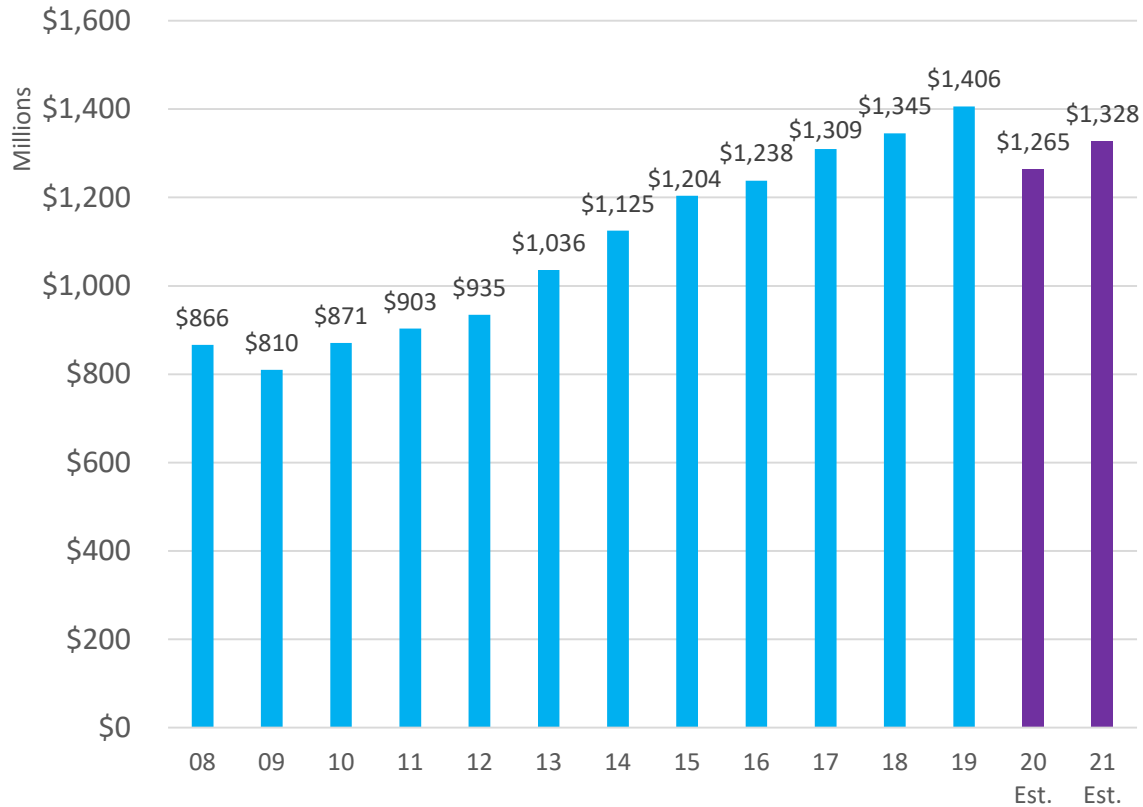
2021 Forecast

2021 Total Revenue Forecast: \$1.328B

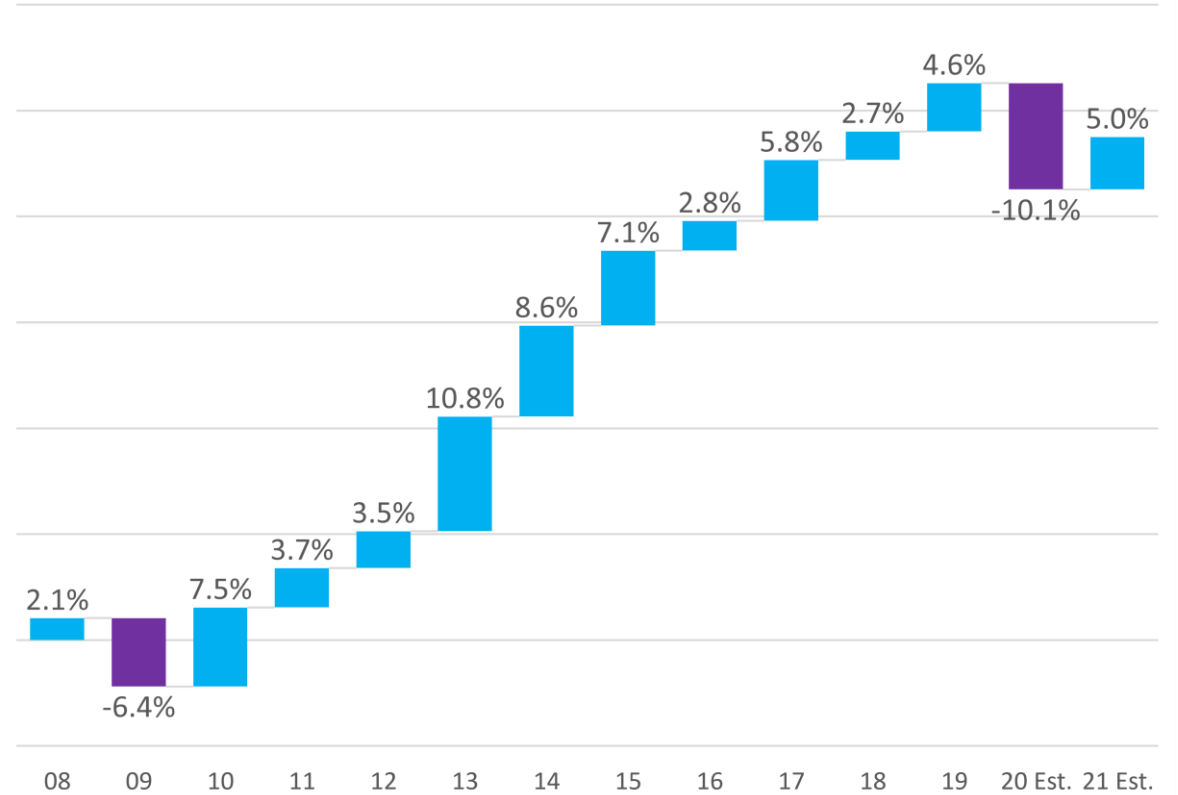
- Reflects y/y growth of \$62.8m or 5.0%
- Contributors to growth
 - Sales tax: \$97.2m or 15.3%
 - Property tax: \$11.6m or 7.6%
 - Lodgers' tax: \$5.9m or 50.3%
 - OPT: \$3.7m or 7.6%
 - Parking: \$10.5m or 44%
 - Traffic Court Fines: \$4.4m or 57.2%
 - Construction-related: \$1.6m or 9.4%
 - Online convenience fee: \$3.3m
 - Court's research fee: \$3.1m
- Contributors to revenue loss
 - Internal service charges: -\$53.2m**
 - Excise tax transfer: -22.7m

General Fund Forecast

Total General Fund Revenue



Total General Fund Revenue



2021 Budget Decision Philosophy



Balance the
2021 budget



Maintain 12%
reserves



Mitigate equity
impacts



Minimize
impact to
employees



Permanently
align spending
and revenue



Avoid/limit
service impacts

2021 Budget – Key Reductions

\$154 million in savings including:

- \$39 million of savings having net over 400 fewer career service staff;
- \$14.5 million in General Fund support for the capital improvement program;
- **\$13.5 million in CBA savings – if not achieved, will seek additional reductions**
- \$13.8 million in reduced overtime spending for uniformed employees, and smaller recruit classes in safety agencies
- \$3.2m of savings due to forecasted lower jail population continuing into 2021;
- \$12 million generated by implementing furlough days;
- Reduction of \$9.6m in fleet replacement;
- \$6.5m project staff charging to capital projects;
- \$3.9m of utility and facility maintenance savings;
- \$7 million in technology equipment, project and licensing savings
- \$7.5m savings due to creating a special fund for reimbursed operations

2021 Budget Increases



- \$5 million - operation of new 48th Ave Shelter

- \$1.5 million - homeless outreach resources

- \$3.4 million – full year operation of new Solutions Center



- \$2.5 million – Continuation of the Housing Social Impact Bond program

- \$3 million - property tax relief, TANF cash support, eviction assistance (DHS)

- \$**1.4** million - STAR alternative response program grant match

- \$827,000 - new park land and COVID cleaning in rec centers



- \$500,000 - youth violence prevention programming

- \$300,000 - immigration legal defense fund



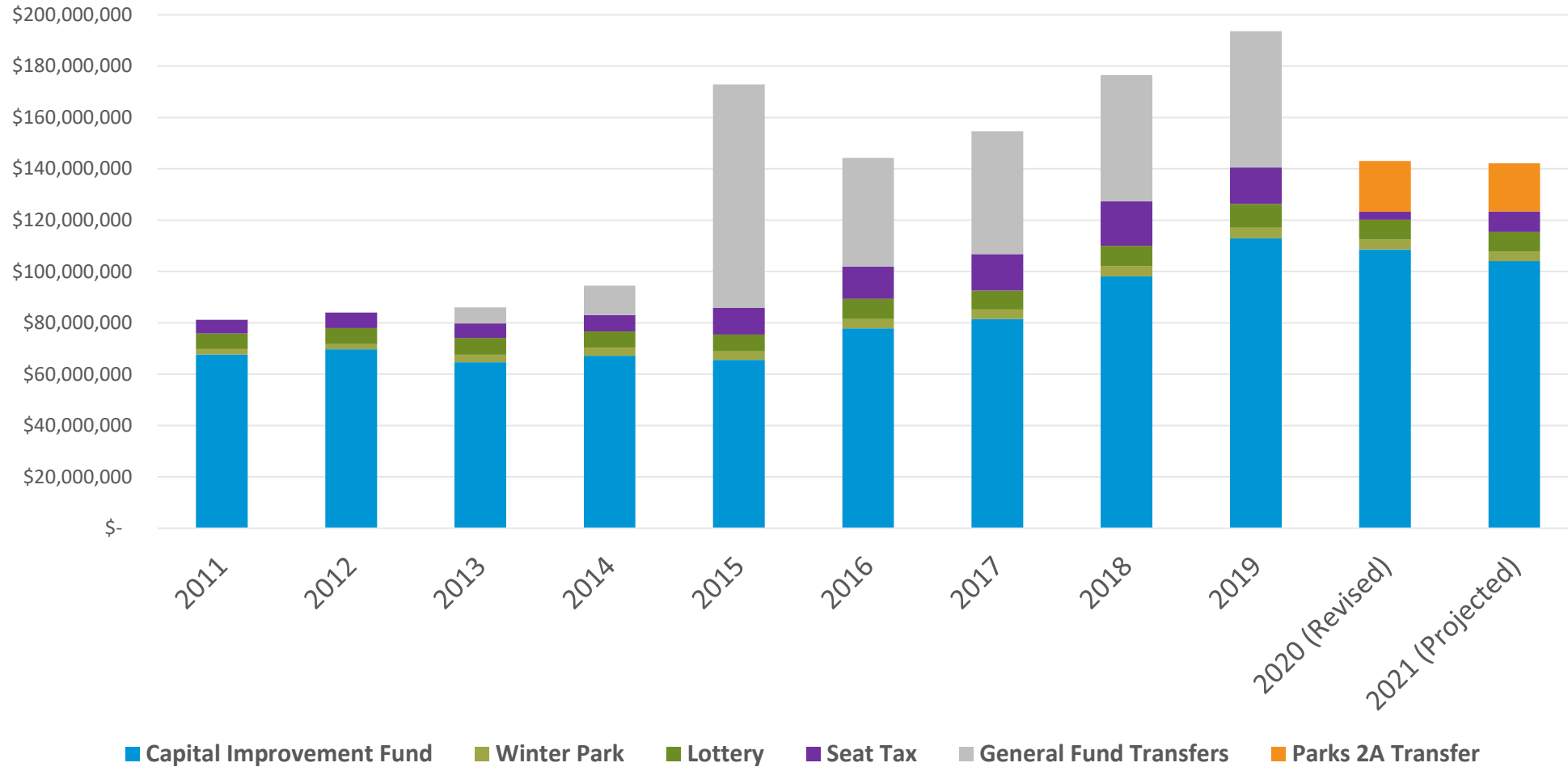
- \$3.5 million - Colorado Convention Center operations based on possible COVID closure for part of 2021

- \$2.3 million - technology mandatory increases in maintenance agreements

- \$1.4 million - Insurance premium increase

- \$7.9 million - DERP contribution increase

2011 - 2021 Capital Improvement Program Revenue



-13% decline (-\$25.4M) in 2020 primarily due to reductions in Seat Tax and planned General Fund transfer

2021 CIP Project Highlights



Transportation and Mobility

- Total 2021 CIP investment in transportation and mobility projects is \$70.2M with an additional \$95M planned in the 2020 Elevate Denver 4th Issuance (**\$165M total**).
 - Sidewalks (\$3M)
 - Denver Moves Bikes (\$5M)
 - Washington Street Connections (\$2.5M)
 - Gateway Roads and Medians (\$4.1M)



Parks and Recreation

- Heron Pond Regional Park/Water Quality (\$6.2M)
- South Platte River Reconstruction (\$2M)
- City Park Master Plan Implementation (\$3M)
- Rosedale Maintenance Facility Renovation (\$2M)
- Montbello ELK Learning Center (\$2.245M)



Facilities

- Building Security Improvements (\$800K)
- Courtroom Improvements (\$905K)
- 7th Avenue Maintenance Facility (\$4M)
- ADA Improvements (\$3M)



Thank You