



City of Montrose Colorado

Budget 2012

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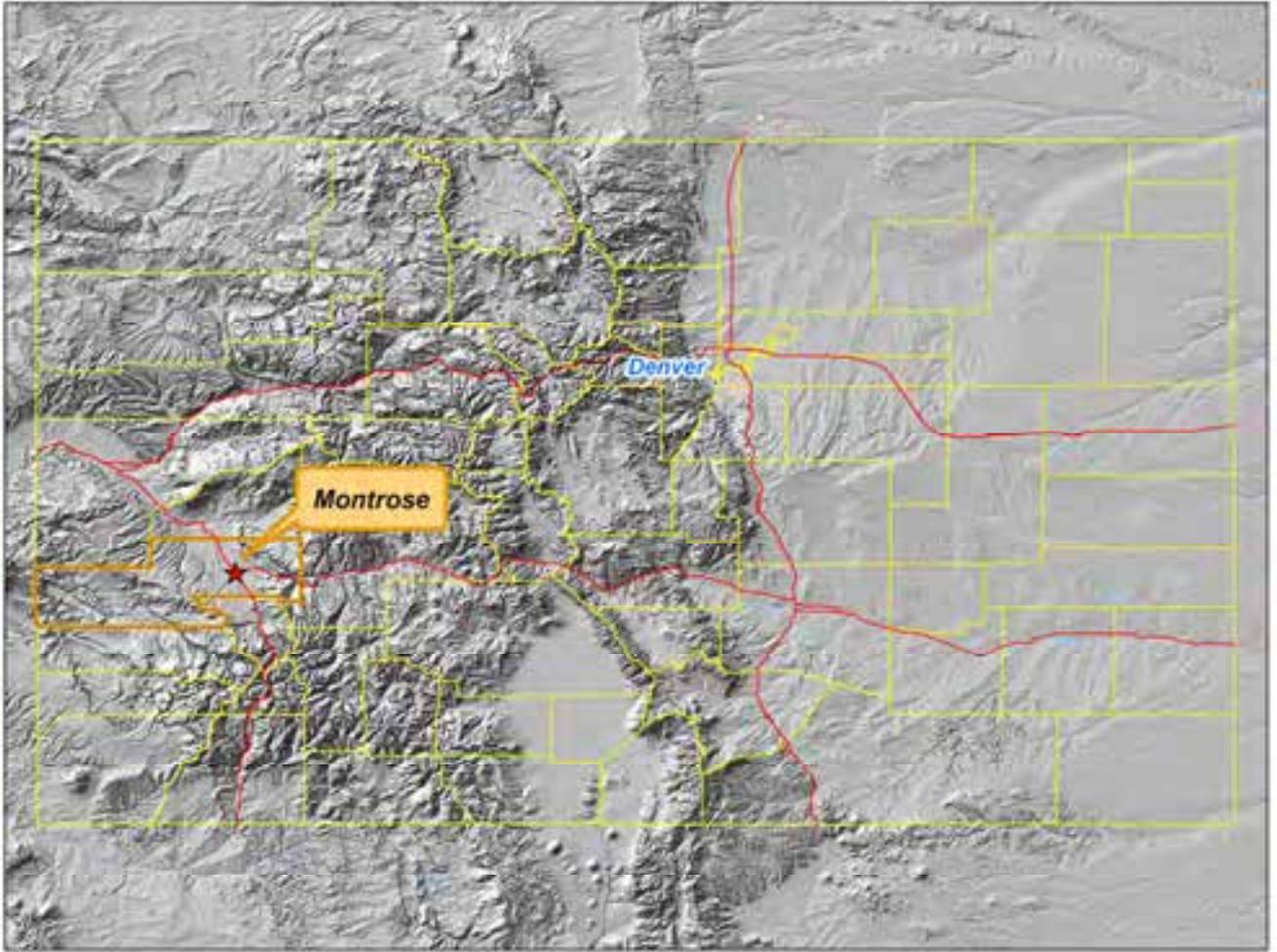
MISSION STATEMENT

The mission of the City of Montrose is to provide the best possible public facilities and services with the resources available, and to work in concert with individuals, public and private entities to constantly maintain and develop the Montrose Community as a healthy, diverse, and attractive place to live, work and play.



Mayor Pro Tem Carol A. McDermott, Council Member Thomas A. Smits, Mayor Kathy L. Ellis, Council Member William N. Patterson,, Council Member Gail I. Marvel

“Quality of Life is Our Commitment”

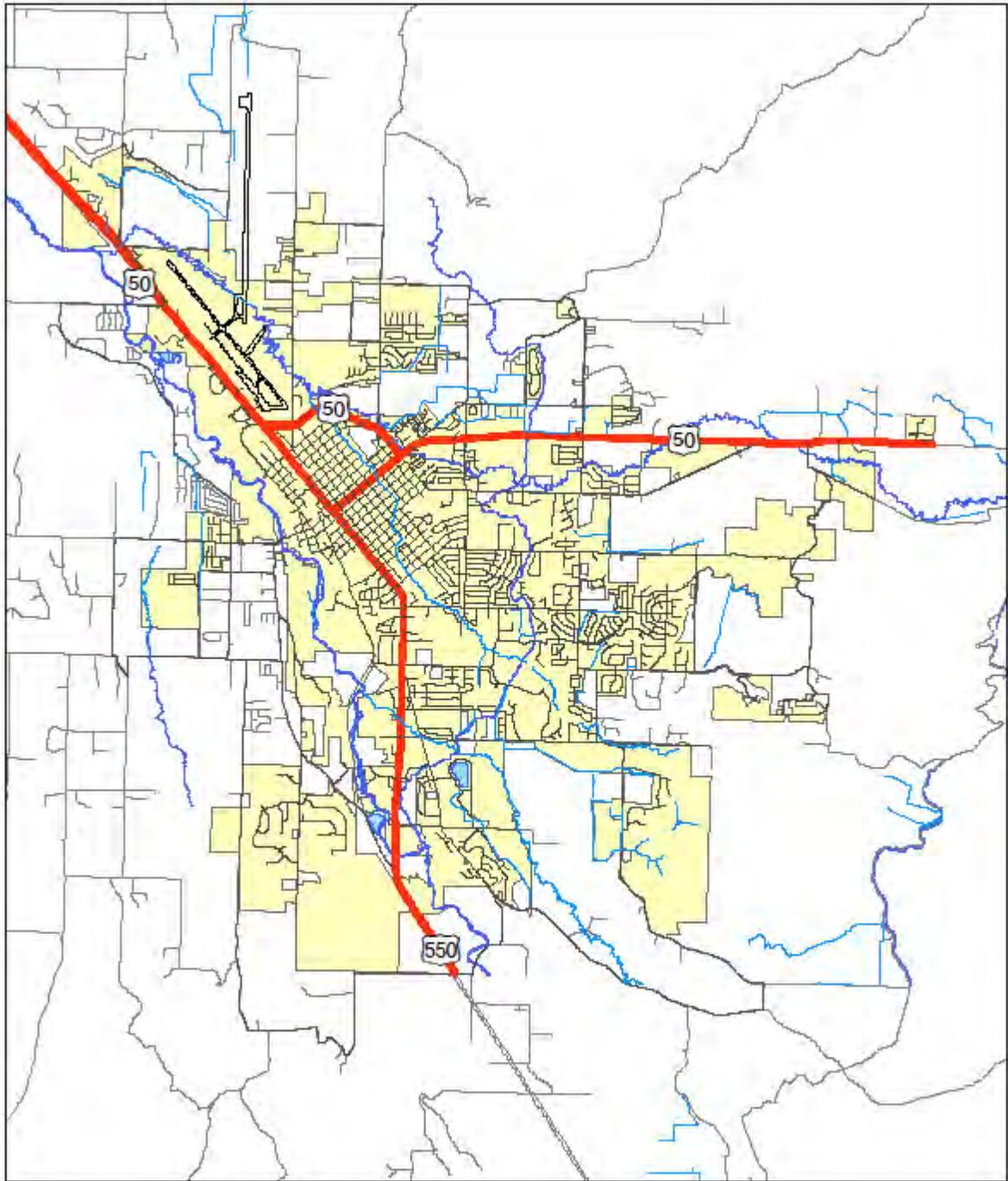


ACKNOWLEDGEMENTS

The preparation of the 2012 Annual Budget was made possible by the combined efforts of City Council, City Manager, Assistant City Manager, Finance Director, Budget Analyst, Department Heads, Supervisors and City employees. All employees contributing to this document have our sincere appreciation.

- Kathy L. Ellis, Mayor**
- Thomas A. Smits, Council Member**
- Carol A. McDermott, Mayor Pro Tem**
- Gail I. Marvel, Council Member**
- William N. Patterson, Council Member**
- William E. Bell, City Manager**
- J. Scott Sellers, Assistant City Manager**
- Shani M. Wittenberg, Finance Director**
- Sue L. Hamilton, Budget Analyst**

Carolyn Bellavance – Cover Photography



Montrose City Limits

September, 2010
17.55 Sq. Miles



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Montrose
Colorado**

For the Fiscal Year Beginning

January 1, 2011

Two handwritten signatures are displayed. The signature on the left is in dark ink and appears to be 'J. J. ...'. The signature on the right is in blue ink and appears to be 'Jeffrey P. ...'.

President

Executive Director

ORDINANCE NO. 2284

AN ORDINANCE OF THE CITY OF MONTROSE, PROVIDING AND APPROPRIATING FUNDS FOR DEFRAYING THE EXPENSES AND LIABILITIES OF THE CITY OF MONTROSE, COLORADO DURING THE FISCAL YEAR BEGINNING JANUARY 1, 2012

WHEREAS, a new special revenue fund needs to be created to account for fees collected for Public Education and Government,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MONTROSE, COLORADO, as follows:

Section 1:

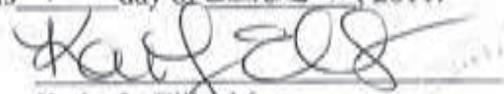
That for the purpose of paying the expenses and liabilities of the City of Montrose for the fiscal year beginning January 1, 2012, there is hereby appropriated the following amounts from the various funds:

<u>FUND</u>	<u>AMOUNT</u>
100 General Fund	\$17,010,390
200 Retail Sales Enhancement	224,000
206 Methamphetamine Grant	100,000
207 7 th Judicial Drug Taskforce	99,120
218 HUD/SBA Grants	470,000
220 Downtown Development Authority	128,000
225 Public/Education/Government	21,000
235 Capital Improvements Fund	553,000
255 Pavilion Senior Center	4,175
270 Special Benefit Fund	12,160
290 Tourism Promotional	344,300
370 1998 General Obligation Bonds	375,225
375 Energy Impact Assistance Fireflow Loan	12,189
400 Demoret Trust	50,500
420 Cemetery Perpetual Care	150
460 Grand / Rio Grande Fund	2,400,000
500 Water Fund	7,065,805
510 Sewer Fund	4,673,587
550 Sanitation Fund	1,548,589
600 Fleet Management Fund	2,086,713
605 IT Fund	997,027
610 Insurance Fund	2,871,000
Total Appropriation	\$41,055,930

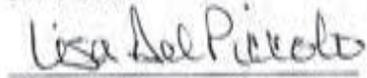
Section 2:

Fund 225 is hereby created to account for the revenues and expenses of the Public Education Government fee collected

INTRODUCED, READ and PASSED on first reading this 4th day of October, 2011.


Kathy L. Ellis, Mayor

ATTEST:

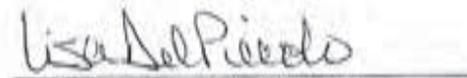

Lisa DelPiccolo, City Clerk

You will please take notice that the Montrose City Council will hold a hearing upon the above Ordinance and on the question of its adoption on second reading on Tuesday, the 18th day of October, 2011, at the hour of 7:00 p.m. at the City Council Chambers in the Elks' Civic Building, in Montrose, Colorado.

INTRODUCED, READ AND ADOPTED on second reading this 18th day of October, 2011.


Kathy L. Ellis, Mayor

ATTEST:


Lisa DelPiccolo, City Clerk



RESOLUTION 2011- 26

WHEREAS, the City Council of the City of Montrose, Colorado, has held a public hearing and examined the 2012 budget for the City of Montrose, Colorado, and

WHEREAS, said Budget is to be adopted by the Resolution of the Council not less than sixty (60) days prior to the first day of the next fiscal year, which day is January 1, 2012.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MONTROSE, COLORADO, as follows:

1. The Budget for the year 2012 for the City of Montrose, Colorado, attached hereto, is hereby adopted.

ADOPTED this 18th day of October, 2011, by the City Council of the City of Montrose, Colorado.


Kathy L. Ellis, Mayor

ATTEST:


Lisa DelPiccolo, City Clerk



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Honorable Mayor, Members of the City Council and Montrose Citizens:

The administration of the City of Montrose respectfully submits the 2012 municipal budget for all funds of the city in the amount of \$41,046,930. The 2012 municipal budget is the result of extensive effort by the city staff and elected officials to establish a budget that will meet the needs of the organization and the community that it serves.

The downturn in the national and local economy has resulted in a significant reduction in city sales and use tax revenue. City of Montrose staff has taken significant efficiency measures to continue to provide high quality service to the citizens of Montrose with reduced funding. The budget has been developed with careful attention to each line item in order to maintain the routine operations of the city in addition to meeting our long term infrastructure needs. Staff positions that were vacated in 2011 were evaluated and most have not been filled. Full time employees have decreased from 188 in 2008 to 164 in 2011, a reduction of 14.6%.

The city is cognizant of and concerned about economic development in the entire Montrose area, and is seeking to provide an opportunity for all Montrose businesses to be profitable and sustainable.

In 2011, the City was able to collaborate with several local entities to continue or expand their operations to serve the Montrose community. The city assisted with Colorado Mesa University expansion project through the reallocation of approximately \$350,000 for remodeling and the purchase of laboratory and computer equipment. Black Canyon Golf Course received \$50,000 from the city to assist in general operations of the back nine holes that are owned by the City. The city provided financial support to the Telluride/Montrose Regional Air Organization (TMRAO) \$250,000 to subsidize national flights to our community. The City also provides the Montrose Association of Commerce and Tourism with approximately \$600,000 collected from the vendor's fee and excise tax for Tourism Promotion.

Financial Condition

Sales tax is a prominent revenue source for the General Fund. Due to the continued economic decline, sales tax revenue is budgeted with a 2% decrease from the 2011 budget. The remaining revenues generated from use taxes and service fees were calculated using various forecasting methods and history data. General Fund revenues for 2012 are projected to be \$17,010,390, which is an increase of \$214,196, or 1.3% from the 2011 budget of \$16,796,194. This increase is attributable to the projected increase in Severance tax and Highway Users Tax. Budgeted expenditures total \$17,010,390, or a 4.2% decrease from the 2011 budget.

The General Fund unreserved fund balance at December 31, 2011 is estimated to be \$5.7 million. Per the City's Regulations Manual, the City shall maintain reserves equal to 15-20% of the city's budgeted General Fund operating expenditures. An adequate minimum reserve would be approximately \$2.4 million.

Each year the city transfers funds from the General Fund into the Capital Improvement Fund. The transfer amount is contingent upon revenue projections, but typically includes a transfer of \$400,000 as prescribed by People's Ordinance 1986-1 and \$40,329 for the energy performance contract. The 2012 budget includes a transfer of \$871,682 for a variety of projects, including sidewalk construction and infrastructure improvements.

In addition to the General Fund, the 2012 budget is also made up of special revenue funds, capital improvement funds, debt service funds, permanent funds and enterprise funds. Additional detail for these funds is given below.

Fee Changes

The water, sewer, and sanitation funds of the city are enterprise funds that are funded by user charges rather than taxes. A rate increase is not requested in the water or sewer funds for 2012. However, a rate increase in the sanitation fund of \$3 per customer for recycling was proposed in Ordinance 2283 and failed on second reading at a special meeting on October 4th, 2011. This additional fee would have generated approximately \$216,000 for funding the recycling program. Curbside recycling will be reviewed by a public Citizen's Advisory Committee to the City Manager in the upcoming months.

Capital Highlights of 2012 Budget

The status of the current economy leads to a competitive purchasing process. The process provides good pricing on items that are bid and fuels the economy with dollars put back into the community. The city plans to move forward with several large projects.

Capital Improvement Fund - The Capital Improvement Fund has budgeted \$553,000 for capital projects. The following projects are planned for 2012:

South Townsend Sidewalk Construction \$375,000 – The city has received a transportation enhancement grant in the amount of \$300,000 from the state for sidewalk construction on South Townsend Avenue from roughly Woodgate Road to Oxbow Crossing Shopping Center. This project will greatly facilitate pedestrian traffic through this corridor.

Public Open Space Construction \$78,000 - The city will demolish the current structure at the corner of South First and Uncompahgre streets. The area will be landscaped for events and utilized as an extension of the Centennial Plaza area.

Curb/Gutter/Sidewalk cost share program for replacement of deteriorating sidewalks in residential areas and ADA compliance issues are budgeted at \$100,000 in 2012.

Methamphetamine Grant – A \$100,000 grant through the US Department of Justice will cover equipment purchases and training for surveillance operations in the Seventh Judicial District Methamphetamine Drug Task Force.

Conservation Trust – A transfer of \$50,000 from the General Fund in 2012 will help match a Great Outdoors Colorado grant for a whitewater park on the Uncompahgre River. This project has emerged as a high priority from the recently completed River way Master Plan, and is projected for construction in 2013.

Grand/Rio Grande Improvement Fund – Phase One (N. 9th through S. 1st St.) of the Grand/Rio Grande project commenced in 2011 and is scheduled for completion in 2012. \$2.4 million is budgeted to complete this phase of the project. The city will be reimbursed approximately 80% of this expense from

CDOT through a federal earmark appropriation. This north/south improvement will help to alleviate some of the traffic congestion on Townsend Avenue.

Water Fund - A three million gallon water tank will be added to the distribution system south of Montrose. A \$500,000 Energy and Mineral Impact Assistance grant was awarded in 2007 to assist in the cost of construction, which is budgeted at \$3 million in 2012.

Sewer Fund – To reduce inflow and infiltration, the city has budgeted \$20,000 for manhole linings in 2012.

Fleet Fund - The city’s capital budget for the Fleet Fund is \$561,000 for the purchase of four mowers, one crack sealer, one multi-function mower, one sanitation truck, one dump truck for the wastewater treatment plant, and an SUV for the Community Development Department. The city’s fleet management goal is to maintain no more than 20% of the fleet beyond its life cycle.

IT Service Fund - An internal service fund for Information Technology was established in 2007 to provide a dedicated level of service for the technology needs of every city department. In 2012, capital purchases include a Storage Area Network replacement, a Symmetra replacement, a server for the Police Department, fiber optic cable to the city shop, and seven 800 MHz radios (5 handheld and 2 mobiles) for a total of \$114,000.

Conclusion

While the City of Montrose has weathered the losses of revenue effectively, the loss of revenues is still a budgetary challenge. Management feels that the push to continue with capital improvement funding at this time is necessary for the community’s future. After a thorough analysis of the city’s needs and a critical look at each line item budget, I am confident that this budget reflects our commitment to responsible financial management and to maintaining an excellent quality of life for Montrose residents.

As a city organization, we will continue to strive to keep our community moving forward, even during this economic downturn. The city is fortunate to have a professional, competent and dedicated staff that is anxious to work as a team with the City Council for the betterment of the city organization and the community that we serve.

Sincerely,



William E. Bell
City Manager

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BUDGET DEVELOPMENT AND OVERVIEW

An annual budget is adopted for all governmental and proprietary funds. The down turn in economic conditions beginning in 2009, has continued in 2011 with a year to date decrease in sales tax revenues through July, 2011 of 1.4%. Revenues related to growth and construction are very sluggish and not expected to escalate in 2012. Efforts to reduce and maintain budgets have continued in the preparation of the 2012 budget. The 2012 budget continues to be a challenge to provide outstanding services to the citizens of Montrose with the resources currently available.

The budget shall be construed as a policy document, identifying the priorities, goals and objectives of the City. Once adopted, it shall serve as a guide to expenditures, and a communicative device to explain to the citizenry, the State and all who are concerned how the goals of the City are being realized. The budget serves as an expenditure plan formulating actions to be taken in the future year. The document is provided in the City Clerk's office for public inspection.

Key Trends and Challenges Impacting the City of Montrose

The City's financial strength and long-range financial planning strategies will be challenged again in 2012.

- The city's main revenue source (sales tax) for the general fund has seen a decline in 2011 from prior year 2010 in five out of the seven reported months.
- The City of Montrose does not collect property tax. There is a need for alternative and diversified funding sources.
- Growth is still minimal in the Montrose area and revenues related to growth have declined, while needs related to prior growth still need to be addressed.
- Efforts continue to maintain 2012 operating expenditures at a reduced level.
- Additional transfers above the ordinance required \$400,000 will be made to the Capital Improvement Fund.
- Capital projects from the Capital Improvement fund will be minor.
- Capital projects from Enterprise Funds will lower fund reserves.
- Fleet and IT Internal Service funds remain strong.
- Reduction in work force due to attrition.
- Increasing costs of medical benefits.

In the midst of these trends, the City Council and staff remain committed to the mission of the City of Montrose to provide the best possible public facilities and services with the resources that are available, to work in concert and cooperation with individuals, public and private entities, to constantly maintain and develop the Montrose community as a healthy, diverse, and attractive place to live, work and play.

Required Minimum Balance

The long-range plan for the General Fund provides for a recommended minimum balance that equals 15 to 20 percent of operating expenditures as a carryover for each year. The proprietary funds carryover goal is 180 days of operating funds.

Basis of Budgeting

The budget document is prepared in conformity with generally accepted accounting principles and complies with the budget provisions in Article V of the Montrose City Charter. The city uses fund accounting as its budgetary basis of accounting. All funds are appropriated. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

The City uses a department line item method for budgeting in each fund. This is a comprehensive method that allows for expenditures to be properly categorized by department. Department heads can look at each department as a whole, or by line item to identify expenditure standing within the year. An actual expenditure to budget report is sent to department heads monthly. Revenues are budgeted by source.

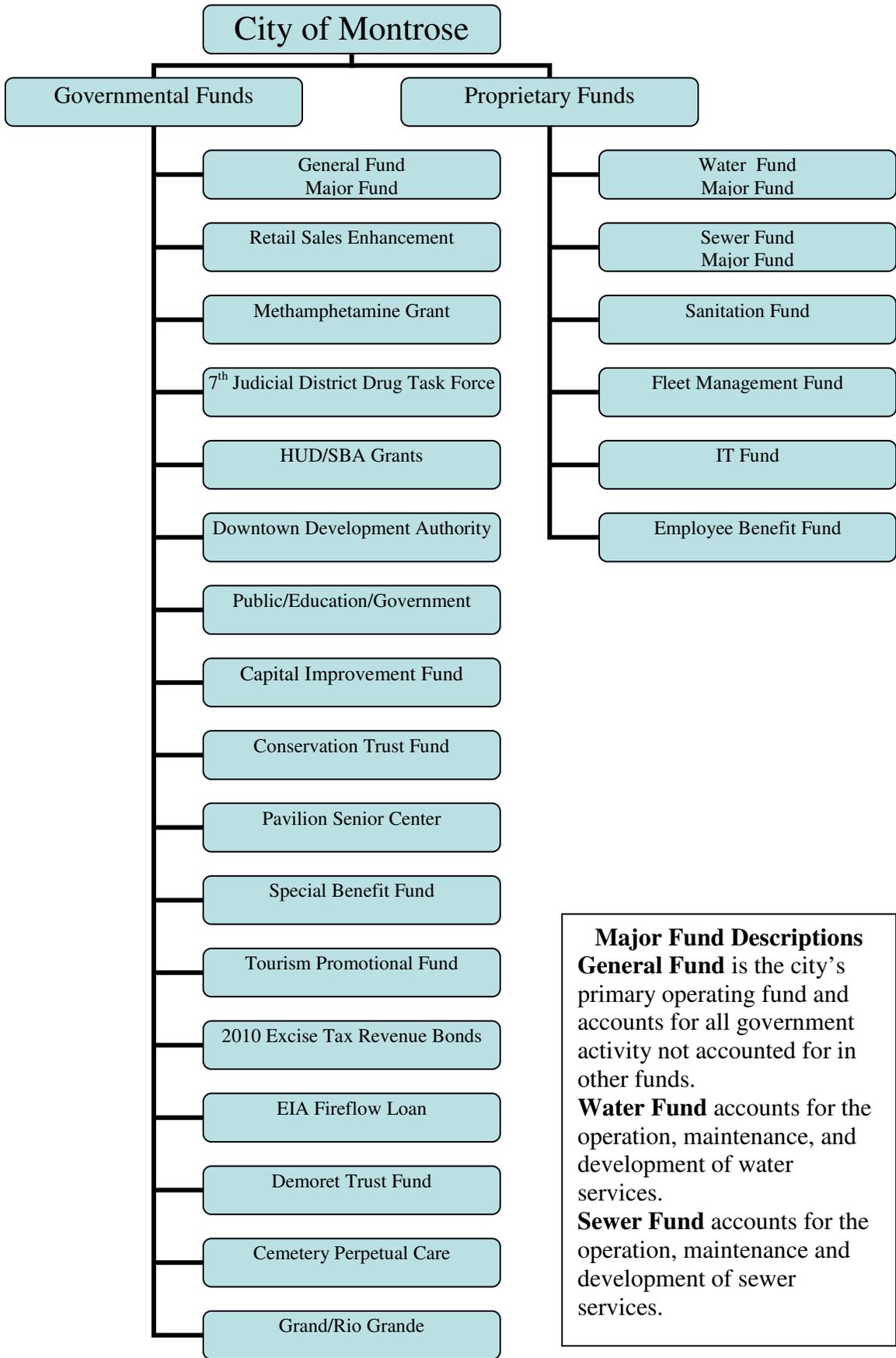
The total fund level constitutes the legal level of control. Expenditures may not exceed appropriations at this level. Within the fund level control basis, management may transfer appropriations without Council approval. Budget revisions at the fund level are subject to approval by ordinance from the City Council. Appropriations lapse at the end of each year. City Council may adopt supplemental appropriations during the year.

Budgets are adopted on a basis consistent with the accounting basis of all funds except for proprietary-type funds. In the proprietary funds, the City budgets for capital outlays, transfers to and from reserve funds and bond principal and interest payments and does not budget for depreciation.

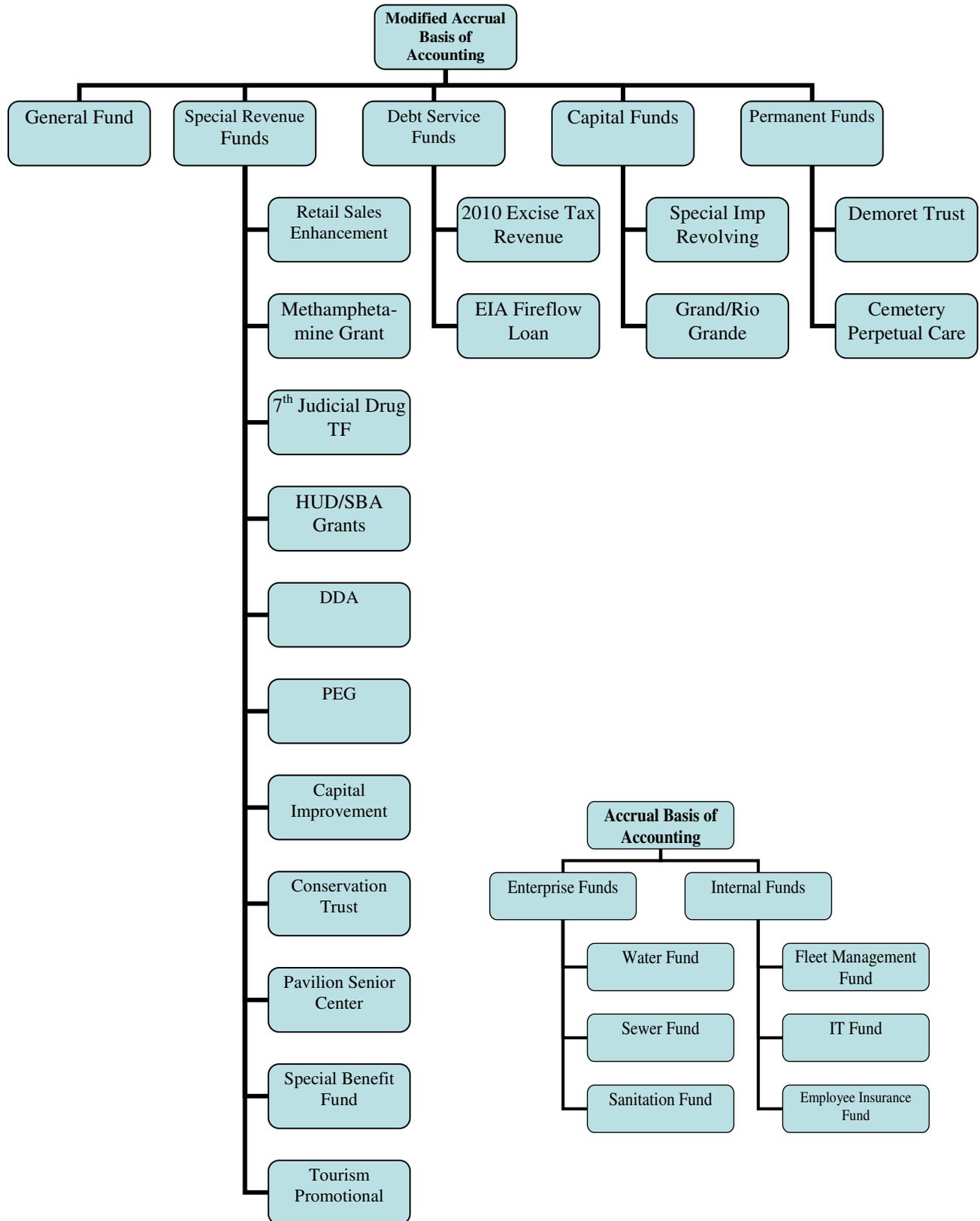
Basis of Accounting

The modified accrual basis of accounting is used for all governmental fund types and expendable permanent funds. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they became available and measurable. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Sales taxes, franchise taxes, licenses, and interest are susceptible to accrual. Expenditures are recognized in the accounting period when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Proprietary fund types, pension trust funds and non-expendable trust funds utilize the accrual basis of accounting. City of Montrose proprietary funds are the water, sewer, sanitation, fleet management, IT interfund, and employee benefit funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.



Major Fund Descriptions
General Fund is the city’s primary operating fund and accounts for all government activity not accounted for in other funds.
Water Fund accounts for the operation, maintenance, and development of water services.
Sewer Fund accounts for the operation, maintenance and development of sewer services.



Documents Utilized in Budget Process

Capital Improvement Program Six-Year Plan 2010-2015

A structured capital improvement process began in January 2008. The Capital Improvements Six-Year Plan was developed by the MIT committee which has city staff and citizen involvement and is referenced during budget development. A detailed listing of capital projects is included in the Capital Expenditures Section of the budget document. The City Council adopted the Capital Improvement Program Six-Year Plan 2010-2015 by Resolution 2008-33 on August 7, 2008. The Montrose Improvement Team reconvened in 2011 to revisit the Capital Improvement Plan. That document is in process of being updated. Documents used in the development of the capital improvement plan were the *City of Montrose Comprehensive Plan, Downtown Development Plan, 2003, Traffic Issues Task Force reports, Parks and Recreation Needs Assessment Survey.*

Traffic Task Force Report to City Council

The Traffic Issues Task Force was convened in 2005 with the primary goals of identifying problem traffic areas, vehicular transportation needs with the City of Montrose, alleviating vehicular congestion on Townsend Avenue in compliance with the CDOT Memorandum of Understanding, and improving traffic safety. The Montrose Task Force compiled a report of the most needed transportation projects and the recommendations from this report will be used to determine the priority of transportation projects.

City of Montrose Comprehensive Plan

Beginning in 2007, the City undertook a complex process in conjunction with Winston Associates, Inc. to develop an updated Comprehensive Plan which was adopted on March 6, 2008. The final version of the plan was adopted by Resolution 2008-8 and proves to be a welcome addition to the development of the budget.

The budget process must address how the recommendations from each of the above documents could be addressed with the resources available.

The budget process determines these factors: 1) the level and stability of revenue sources, 2) the services needed to “best fit” the recommendations in the Capital Improvement Program Six-Year Plan, Traffic Task Force Review, and the City of Montrose Comprehensive Plan, and City Council goals 3) funds available for infrastructure, 4) become effective and efficient in providing those services to the citizens of Montrose.

Budget Timeline

By city charter, a proposed budget is presented to City Council by September 15 of each year. The proposed budget provides a financial plan for each fund. A public hearing is held in conjunction with the First Reading on the budget appropriations ordinance at the first council meeting in October of each year. The second reading on the appropriations ordinance is done at the second council meeting in October of each year.

The budget timeline is identified below:

March 31, 2011 – Determine the debt service on bonds and lease payments that are payable in the 2012 budget year.

April 21, 2011 – Review the fund balance of the Employee Benefit Fund, review census, premium rates and claims, project future needs, and determine needs for premium increase to maintain healthy balance.

May 12, 2011 – Labor plan complete with current staffing levels.

May 19, 2011 - Initial analysis of the revenues in the General Fund.

May 26, 2011 – Revenue review for Enterprise funds.

May 26, 2010 – Department heads received budget worksheets electronically. Department heads are responsible for preparing the expenditure amounts for each line item of non-personnel operating costs.

June 14, 2011 – Review of status of 2011 capital improvement projects, projects carrying over into 2012, and construction planned for 2012.

June 16, 2011 – Fleet replacement meeting with department heads. Review of vehicles and equipment scheduled for replacement and additional vehicle needs of departments.

June 16, 2011 – Departmental budget worksheet completed with department requests and submitted electronically to the budget office.

July 6, 2011 – Submission from IT on the lease amounts for each department.

August 1, 2011 – All revenues and expenditures input. Overview meeting with department heads to discuss the current standing on the 2012 budget.

August 1-4, 2011 - Individual department meetings with City Manager, Assistant City Manager, Finance Director, Budget Analyst, direct supervisor and department head. Discussion of each line item.

August 4, 2011 – Year to date revenue review.

August 23, 2011 – Enterprise funds rate increase review.

August 30 and September 8, 2011 – Council review of proposed budget.

September 15, 2010 – Proposed budget submitted to City Council members in accordance with City Charter.

September 19, 2011 – Public open house.

September 28, 2011 – Notice for public hearing on 2012 budget published.

September 19 – October -31, 2011 – Preparation of budget document.

October 4, 2011 – Formal presentation of the proposed budget to the City Council. First reading on appropriating ordinance.

October 18, 2011– Second reading and public hearing of the appropriating ordinance.

November 1, 2011 – 2012 Budget is published.

January 1, 2012 – Adopted budget incorporated into the accounting system.

Budget Changes

A supplemental appropriation ordinance is generally approved in December of each year. The City Council may increase or decrease the budget and appropriations during the year within restrictions imposed by the City Charter and the Laws of the State of Colorado. The Council may make additional appropriations by ordinance during the fiscal year for unanticipated expenditures required of the City, but such additional expenses shall not exceed the amount by which actual and anticipated revenues of the year are exceeding the revenues as anticipated in the budget, unless the Council determines appropriations are necessary in emergency situations which endanger the public health, peace or safety. Budget amounts included in the financial statements are based on the final, legally amended budget.

City of Montrose Budget Calendar for the development of the 2012 Annual Budget

JANUARY 2011

S	M	T	W	T	F	S
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30	31					

FEBRUARY 2011

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27	28					

MARCH 2011

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APRIL 2011

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MAY 2011

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JUNE 2011

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January						
14- 2010 Budget due to GFOA						
March						
31 - Debt Service Bond and Lease Payments						
April						
21 - Insurance Analysis						
May						
12 - Labor Plan - Current Staff						
19 - Revenue Review - General Fund						
26 - Revenue Review - Enterprise Funds						
June						
14 - Capital Project Review						
16 - Fleet Replacement Review						
16 - Budget Worksheet Due						
July						
6 - IT Interfund Lease Due						
August						
1 - Overview Budget w/Department Heads						
1-4 Individual Department Meetings						
4 - Revenue Review						
23-Enterprise Rate Increase Meeting						
30 - Council Review Proposed Budget						
September						
8 - Council Review Proposed Budget						
15 - 2012 Budget to Council						
19 - Open House for the Public						
28 - Public Notice published for Public Hearing						
October						
4 - First reading and Public Hearing on Budget						
18 - Second reading and Public Hearing on Budget						
November						
Review current actual expenditures and prepare a supplemental appropriation report						
29 - Prepare Supplemental Ordinance						
December						
6 - First reading on 2011 Supplemental						
20 - Second reading on 2011 Supplemental						

JULY 2011

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AUGUST 2011

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SEPTEMBER 2011

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OCTOBER 2011

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30	31					

NOVEMBER 2011

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

DECEMBER 2011

S	M	T	W	T	F	S
						1
						2
						3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

FINANCIAL POLICIES

BUDGET

Colorado state law requires budgets for all governmental and proprietary funds. In addition, annual budgets are required according to the Montrose City Charter. Article V of the City of Montrose Charter defines the budgetary and financial requirements for the City of Montrose. The annual accounting period is defined as a calendar year, beginning on January 1, and ending on December 31.

The budget was developed in accordance with the strategic plan and goals developed by Council and Department Heads, the City of Montrose Comprehensive Plan, the Capital Improvements Program Six-Year Plan, and the Traffic Issues Task Force Report. A prudent financial leadership has led to a conservative approach in determining the level of working capital that the City believes is necessary to maintain the various funds. An emphasis on basic City services is seen throughout the budget to maintain healthy fund balances during a continued economic downturn.

Financial policies adopted by Council established a long-range plan for the General Fund to provide a recommended minimum balance that equals 15 to 20 percent of operating expenditures as a carryover for each year. The most important variable used in determining the required minimum balance for the General Fund is the stability of the major revenue source (sales and use taxes). The City's General Fund major revenue source is sales tax with currently no mill levy.

Council recommended that a balanced budget should be accomplished with anticipated revenues and estimated expenditures, not using the fund balance to balance the budget unless there is a large excess of funds carried over, or fund balance necessary to close out a fund such as a grant.

The City shall have as many funds as may be administratively necessary for the efficient operation of the City. However, funds shall be established only by ordinance or formal resolution of the City Council. Final consent will be accomplished through approval of the Supplemental Budget in December. New funds created at budget time will be addressed for approval through the budgeting ordinance in October of each year.

As a measure to keep Council informed of budgeted revenues and expenditures, a quarterly budget report will be presented to Council outlining year-to-date total revenues and expenditures for the City compared to the annual budget. Treasurer's Cash Report is also provided as well as other accounting information, which may be requested by Council. A sales and use tax report is to be provided to Council on a monthly basis to keep Council informed of the sales and use tax revenues received with a comparison of previous year's revenue received and budgeted projections. Since this is a major revenue source for the General Fund, it is important that Council be apprised of revenue trends, which may affect funds available for operational purposes of the City. As sales and use

tax revenues fluctuate and are affected by economic conditions, this report provides insight on the future impacts of current financial decisions and lends itself to modifications necessary in this ever-changing environment.

BALANCED BUDGET

A balanced budget is revenues and/or fund balance equaling or greater than expenditures for all funds. A balanced budget should be accomplished with anticipated revenues and estimated expenditures, not using the fund balance to balance the budget unless there is a large excess of funds carried over, or fund balance necessary to close out a fund such as a grant. In the 2012 budget, fund balances will be utilized for capital expenditures in the Water and Sewer Funds.

AUDIT

The Council shall provide for an independent annual audit of all city accounts. Such audits shall be made by a certified public accountant or firm of certified public accountants, selected by Council. In 2008, 2009, and 2010, the auditing firm was Johnson, Holscher & Company, P.C. Audited financial statements include all appropriated funds.

INVESTMENT POLICIES

The purpose of the investment policy is to establish the investment scope, objectives, standards of care, internal controls, safekeeping, authorized investment, investment parameters, reporting requirements and policy guidelines for the City of Montrose. The City of Montrose consolidates cash balances from all funds to maximize investment earnings. Monies that will not be disbursed for a period of 90 days may be invested in one or more of the securities permitted by the Statutes of Colorado governing investment of public funds. The primary objectives of investment policy are:

- Safety – to mitigate credit risk and interest rate risk.
- Liquidity – remain sufficiently liquid to meet all operating requirements.
- Yield – designed to attain a market rate of return throughout budgetary and economic cycles.

To limit credit risk, the City of Montrose shall limit investment to the safest types of securities, pre-qualify financial institutions, and diversify the investment portfolio. Interest rate risk is minimized by structuring the investment portfolio so that securities mature to meet cash requirements and investing in shorter-term securities. Core investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed.

The standards of care incorporated in the policy are:

- Prudence – investment officials shall comply with the “prudent person” standard.
- Ethics and conflicts of interest – investment officials shall be ethical in investment decisions and refrain from personal business activity conflicting with the proper execution of the investment program.
- Delegation of authority – responsibility for the operation of the investment program is delegated to the Finance Director, who shall carry out established written procedures and internal controls for the operation of the investment program consistent with the investment policy.

The Finance Director is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse.

Investment parameters include:

- Diversification – limit investments to avoid overconcentration from a specific issuer.
- Maximum maturities – no more than five years (unless authorized by City Council) with an attempt to match investments with anticipated cash flow requirements.
- Competitive selection of investment instruments – selection of instruments shall be on a competitive basis to ensure best rates.

The City of Montrose personnel responsible for investments are dedicated to the aforementioned policies in order to maintain a stable investment portfolio. Cash temporarily idle during the year was invested in Certificates of Deposit and COLOTRUST (Colorado Local Government Liquid Asset Trust).

DEBT MANAGEMENT

By City of Montrose Charter, the city may borrow money and issue the following securities: short-term notes; general obligation bonds and other like securities, revenue bonds and other like securities, and local improvement bonds and other like securities. Bonded debt for the City of Montrose is issued only when needed and cost-effective, and in amounts necessary for meeting such needs, unless financial market conditions and/or projections indicate that it is to the City's best interest to deviate from this practice.

The City of Montrose Charter establishes a legal debt limitation of 5% of the assessed valuation of taxable property in the City, as shown by the last preceding assessment. The assessed valuation of taxable property in the City as of August 23, 2011, was \$302,416,970. The legal debt limit of 5% is \$15,120,848. Certain debt is excluded from the calculation for water, storm sewer, sanitary sewer, sewage disposal, short-term notes (< 3 years), and local improvement securities. Debt applicable to the \$15,120,848 limitation follows:

Energy Impact Loan	<u>\$78,781</u>
Total	\$78,781

PROCUREMENT

Policies regarding procurement are established in the Procurement Manual, June 2000 and revised October 2009. The manual serves as a source of information and detailed procedures for centralized purchasing and as a tool for maximizing quality and value for the tax dollar. The department head may authorize direct purchases up to \$2,000. A request for quote process is completed by the purchasing agent for purchases between \$2,001 and \$10,000. A formal competitive solicitation is completed for goods and services over \$10,000 with city manager approval up to \$20,000. City Council approval is obtained for purchases over \$20,000.

ASSET MANAGEMENT

The City Council adopted Resolution No. 2009-9 on April 16, 2009 setting forth a capital asset policy for the City of Montrose. This policy was added to the finance regulations within the City of Montrose Regulations Manual and reads as follows:

5-11-1 Capital Asset Policy

(A) Capital assets, including but not limited to property, plant, equipment, and infrastructure assets (e.g., land, buildings and system improvements, machinery and equipment, park facilities, roads, highways, bridges and water and sewer infrastructure), shall be reported in the applicable governmental or business-type activities columns in the City government-wide financial statements. Capital assets shall be defined by the City as assets with an initial, individual cost of \$5,000 or more and an estimated life in excess of three (3) years. Such assets shall be recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets shall be valued at their estimated fair market value on the date donated.

(B) Maintenance, repairs and renewals that neither materially add to the value of the property, nor appreciably prolong its life, shall be charged to expense as incurred. Gains or losses on dispositions of property and equipment shall be included in income.

(C) Improvements shall be capitalized and depreciated over the remaining useful lives of the capital asset, as applicable. Depreciation shall be calculated using the straight-line method over the estimated useful life, and no depreciation shall be recorded in the year of acquisition or construction of such assets. Infrastructure assets shall be capitalized as a separate category.

(D) Estimated useful life of assets shall be as follows:

Infrastructure	10-25 years
Equipment	3-20 years
Transmission and distribution lines and meters	12-30 years
Treatment and filtration plants	20-40 years
Reservoirs and storage facilities	50-100 years
Buildings	30 years

(E) Lower-cost assets: Assets having a value between \$500 and \$4,999 shall not be classified as capital assets. These assets shall be tagged with an asset number and control over the asset shall be vested within the department to which the asset is assigned. All other asset items having a value less than \$500 shall not be tagged with an asset number and control over the asset shall be vested with the department to which the asset is assigned.

(F) The department head for the department to which an asset is assigned shall take appropriate actions to protect the asset from damage and theft. A periodic review of minimal assets shall be conducted at the department level. At the end of an asset's useful life, the asset shall be disposed of according to approved guidelines for disposal of assets.

FEE CHANGES

There will be no fee changes in the Enterprise Funds for 2012.

TAXPAYER’S BILL OF RIGHTS

The Taxpayer’s Bill of Rights (TABOR) was enacted by the "People of the State of Colorado", which took effect December 31, 1992. This amendment has limited fiscal year spending and restrains most of the growth of government. TABOR allows the maximum annual percentage change in each local district’s fiscal year spending to equal inflation in accordance with the Consumer Price Index for Denver-Boulder in the prior calendar year plus annual local growth, adjusted for revenue changes approved by voters after 1991. If revenue from sources not excluded from fiscal year spending exceeds the limits in dollars for that fiscal year, the excess has to be refunded in the next fiscal year to taxpayers unless voters approve a revenue change as an offset. TABOR was adhered to in preparation of the 2012 budget.

At the City of Montrose general municipal election of April 2, 1996, the electors voted to allow the City of Montrose to retain and expend the full proceeds of the City’s existing sales and use tax, non-federal grants, permits and other fees attributable to building and land use development and regulation, and revenues attributable to improvement districts, notwithstanding any State restriction on fiscal year spending. Resolution 1996-1 submitted this ballot question to a vote of the electors.

In 2006, the voters approved a measure to allow the city to keep any revenues that exceed the limits set by TABOR in each future year and restrict them to be used on transportation projects. Resolution 2006-27 submitted this ballot question to a vote of the electors.

GUIDING PRINCIPLES OF THE COMPREHENSIVE PLAN

The City Council adopted the City of Montrose Comprehensive Plan by Resolution 2008-8 on March 6, 2008. Eight guiding principles identified in the City of Montrose Comprehensive Plan are:

1. Plan long range, implement consistently in the short-term.
2. Strengthen our role as a regional center and attract quality jobs to sustain us.
3. Grow efficiently.
4. Develop convenient “centers”.
5. Provide a broad range of housing choice.
6. Protect, and provide access to, important environmental resources.
7. Connect roads and be transit-friendly.
8. Provide public services and facilities necessary for health, safety and welfare.

Each department’s services are linked to the guiding principles.

CITY COUNCIL GOALS

City staff has set action items to be accomplished in line with the City Council goals. Goals established by the Council in 2010 are as follows:

Goal 1 – Provide leadership and support in advancing business development efforts in Montrose.

Goal 2 – Meet the community’s present and future infrastructure needs.

Goal 3 – Support efforts to revitalize the shopping districts.

Goal 4 – Implement the community vision and actions contained in the Comprehensive Plan.

Goal 5 – Encourage civic awareness and participation.

Performance measures in the department sections tie into the Guiding Principles of the Comprehensive Plan and the City Council goals.

FINANCIAL PLAN

This budget document is meant to be an all-inclusive financial plan for the City of Montrose. The financial challenge was to maintain operations of the city with limited revenues. An overview of the city’s fund structure representing fund appropriation is included in the Fund Summary section of the document. Descriptions of major funds are included. The Fund Summary provides an overview of revenues and expenditures, along with a three-year comparison.

Major revenue sources have been compiled in the Revenue section of the document, documenting projection methods. A projected fund balance for each fund is included in the Fund Summary section. The document includes an Operating Expenses section and Capital Expenditures Section with comparisons to prior years. Discussions of capital expenditure impact are included in the Capital Expenditure section. The Debt Service section provides a breakdown of current debt obligations.

A discussion of the basis of budgeting for all funds is found in the Budget Policies and Development section of the document.

OPERATIONS GUIDE

The City provides a full range of services. These services include police protection; water, sewer and sanitation service; the construction and maintenance of highways, streets and infrastructure; parks, recreation trails and cemetery operations and maintenance; recreational activities and cultural events; performing arts/community/senior center operations; and administrative services. Prior growth has presented significant challenges for the City. With a slow-down in growth, revenues related to growth have declined.

Functions of all departments are outlined in the respective fund sections of the budget document. Performance information is summarized connecting each department to a City Council goal and comprehensive plan guiding principle. An outline of personnel summarizing past, current, and budgeted years is included in the Operating Expenditure Section of this document.



CITY OF MONTROSE ORGANIZATIONAL CHART

CITIZENS OF MONTROSE

CITY COUNCIL

CITY MANAGER
William E. Bell

PLANNING COMMISSION

CITY ATTORNEY
Russ Duree

MUNICIPAL COURT

ASSISTANT CITY MANAGER
Scott Sellers

- CITY CLERK
- PUBLIC RELATIONS
- PURCHASING
- ECONOMIC DEV.

MUNICIPAL SERVICES
Jim Hougnon

- PUBLIC WORKS
- PARKS
- SANITATION & RECYCLING
- UTILITIES
- STREETS
- FLEET MANAGEMENT
- WASTE WATER TREATMENT PLANT

ENGINEERING

FINANCE
Shari Wittenberg

- ACCOUNTING
- CUSTOMER SERVICE
- PAYROLL
- SALES TAX ACCOUNTING & AUDITING

HUMAN RESOURCES / RISK MANAGER
Elsa Anderson

- HUMAN RESOURCES
- PAVILION

COMMUNITY DEVELOPMENT
Kerwin Jensen

- PLANNING
- GRANTS
- BUILDING INSPECTION
- CODE ENFORCEMENT
- PARKS PLANNING

ADMINISTRATIVE SERVICES
Virgil Turner

- INFORMATION TECHNOLOGY
- GIS
- FACILITIES

POLICE
Tom Chinn

- ADMINISTRATIVE SERVICES DIVISION
- PATROL DIVISION
- ANIMAL CONTROL

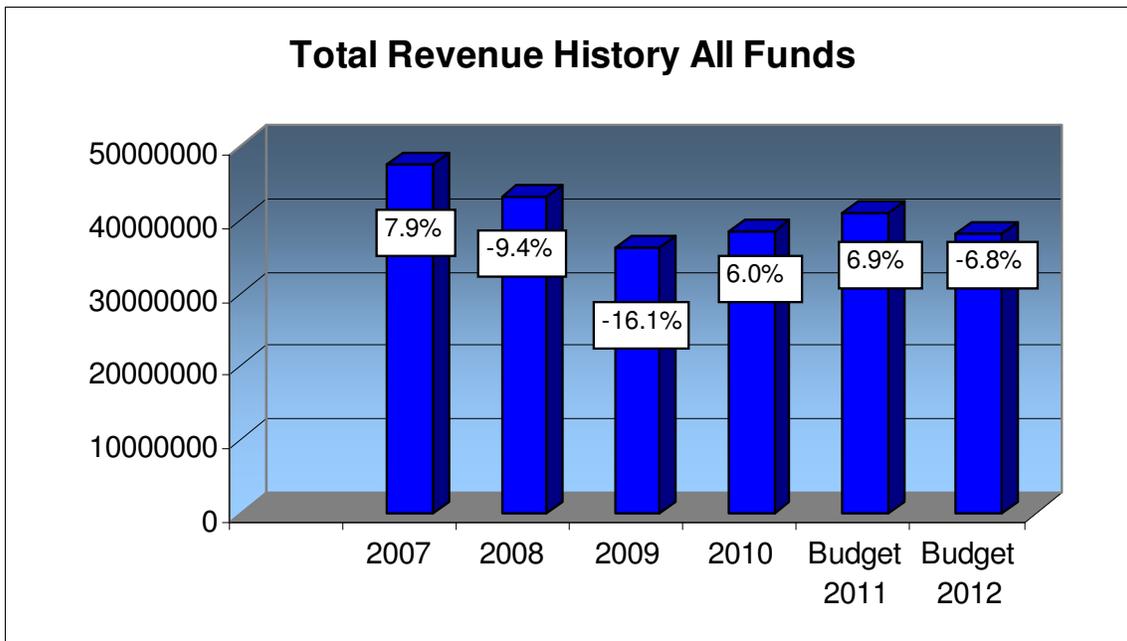
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REVENUES

Total operating revenue for all funds for the City of Montrose is projected at \$38,235,797. The national and regional economic downturn continues in this region and has substantially affected City tax revenues, which comprise 78 percent of general fund revenues. Revenue loss continues with a 1.4% year-to-date decrease from prior year through July 2011 in sales tax collected. Currently, the City of Montrose is experiencing continued revenue loss in auto use tax, construction use tax, use tax, and restaurant excise tax. Revenues related to growth and development such as building permits, annexation and developer fees continue to be sluggish.

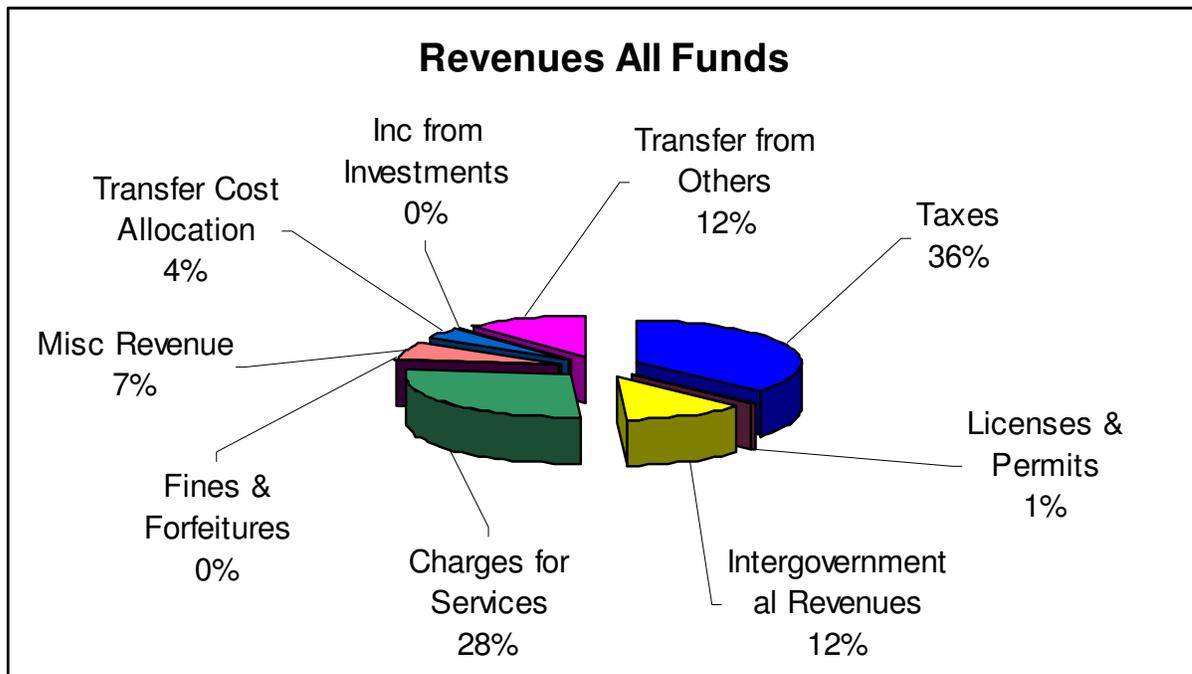
Intergovernmental revenues will play a large part in revenues as construction on Grand/Rio Grande continues and will be substantially funded by SAFETEA-LU funds. Phase 1 of Grand/Rio Grande will be completed in 2012. In 2005, the City of Montrose applied and received the SAFETEA-LU funding for this project in the amount of \$4.8 million. The city received a \$300,000 Transportation Enhancement Grant for construction of sidewalks, curb, and gutter along the east side of Townsend between Woodgate Road and the Oxbow Shopping Center.

In 2010, the 1998 Excise Tax Revenue Bonds were refunded; therefore the proceeds from issuance are included in the revenue figure. When that factor is removed, 2010 revenues would show a decrease of 1% from prior year 2009.



The chart below includes revenues for all city funds.

Revenue by Category	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Budget 2011	Budget 2012	% of 2012 Budget
Taxes	19,497,831	17,985,143	14,640,812	14,540,376	14,169,261	13,890,300	36.32
Licenses & Permits	852,230	370,571	257,775	226,774	248,107	210,100	0.55
Intergovernmental Revenues	2,925,178	3,889,158	2,424,680	2,076,858	7,172,751	4,607,800	12.05
Charges for Services	10,622,383	10,629,338	10,492,915	10,680,929	10,569,462	10,769,690	28.17
Fines & Forfeitures	215,946	236,366	194,452	163,896	183,400	163,500	0.43
Misc Revenue	4,081,306	3,655,037	3,274,395	3,417,103	2,845,639	2,581,950	6.75
Transfer Cost Allocation	986,232	1,015,824	1,005,312	1,174,498	1,342,347	1,448,946	3.79
Inc from Investments	1,515,040	828,188	242,697	2,784,344	60,960	14,210	0.04
Transfer from Others	6,974,693	4,582,005	3,691,610	3,331,255	4,452,400	4,549,301	11.90
Total Revenue	47,670,839	43,191,630	36,224,648	38,396,033	41,044,327	38,235,797	100
Percent Change	0.079	-0.094	-0.161	0.060	0.069	-0.068	



GENERAL FUND

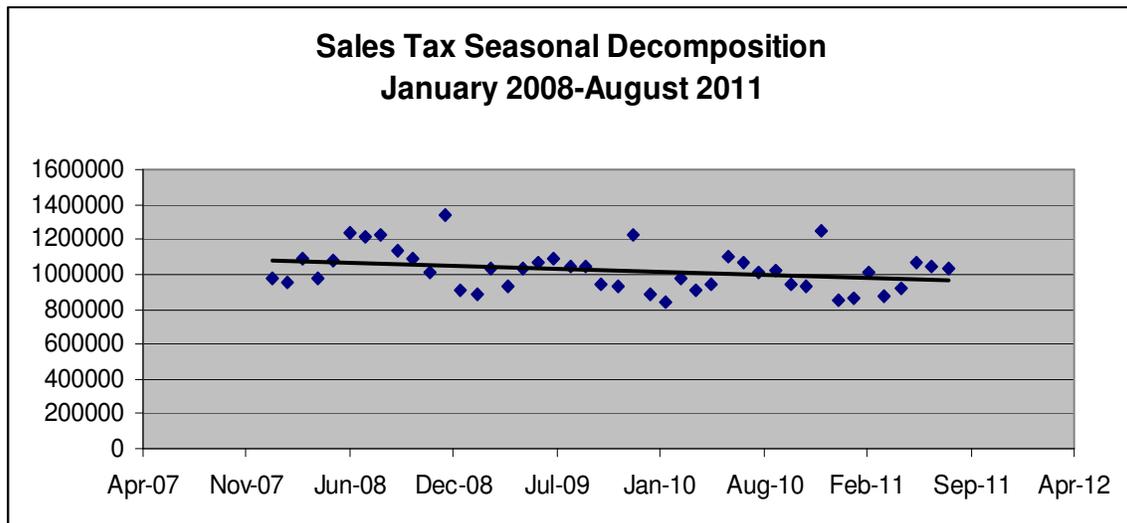
SALES TAX

The sales and use tax rate for the City of Montrose for 2012 is 3%. The city anticipates collecting \$11,368,000 from sales tax in 2012. Sales tax is the largest revenue source for the General Fund. Sales tax partially funds the operating costs associated with providing services associated with the General Fund. In 2012, the \$400,000 capital improvements transfer will continue as dictated by People's Ordinance No. 1986-1 as well as an additional \$471,682.

Projection Method:

Because sales tax is a prominent revenue source for the general fund, extensive efforts are undertaken to project this revenue. Forecasting methods used are trend analysis and seasonal decomposition as sales tax has proven to have seasonal trends. Both methods utilize past actual data. The graph below illustrates the decline in this revenue since 2008. The projection is then analyzed and compared with current revenues to determine accuracy. Because of the economic decline, this revenue was budgeted with a 4% decrease from 2010 actuals.

Graph illustrating seasonal decomposition analysis of sales tax revenues.



HIGHWAY USERS TAX

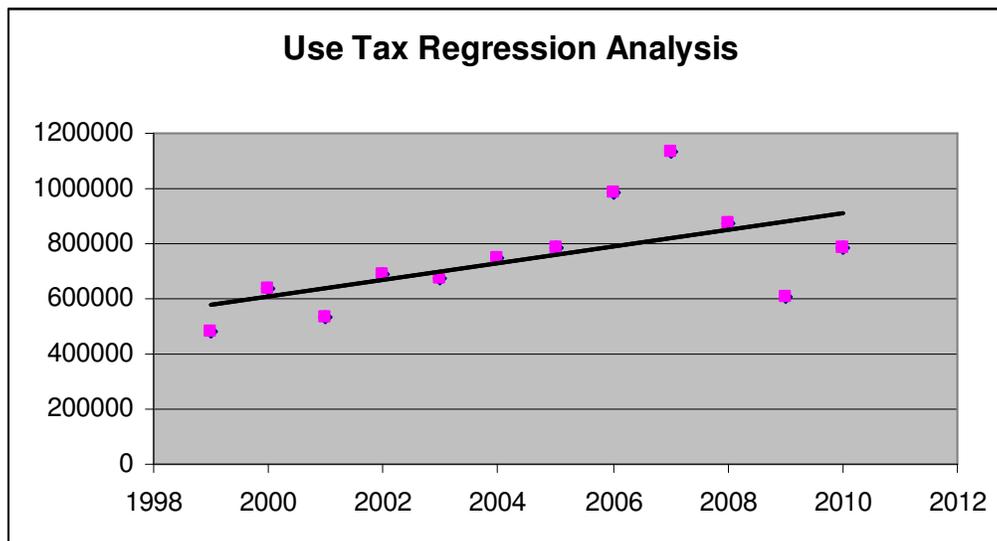
The Highway Users Tax is statutorily defined, state-collected, locally shared revenue that is distributed monthly. The municipality share is based on the number of vehicles registered and the center line miles of streets in each municipality. The municipality share is recalculated annually. The City of Montrose estimated share for 2012 is \$725,000.

Projection Method:
Based on Colorado Municipal League projections.

USE TAX

This revenue is anticipated to be the third largest revenue source for the general fund; however it has declined from a high point of \$1.1 million in 2007. Use tax includes the use tax on a vehicle purchase. This tax rate is 3% for 2012. The city anticipates collecting \$700,000 from this revenue source.

Projection Method:
Forecasting method is trend analysis utilizing past actual data with a comparison to the current stream of revenue in 2011. This tax base is affected by growth in commercial business and is a less stable source of revenue. Business influx has declined thus causing the revenue stream to decline.

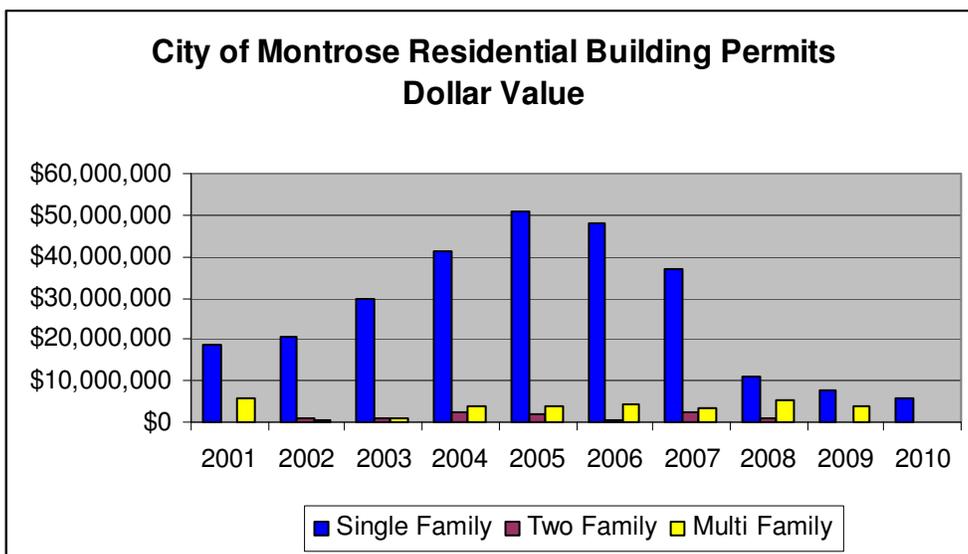
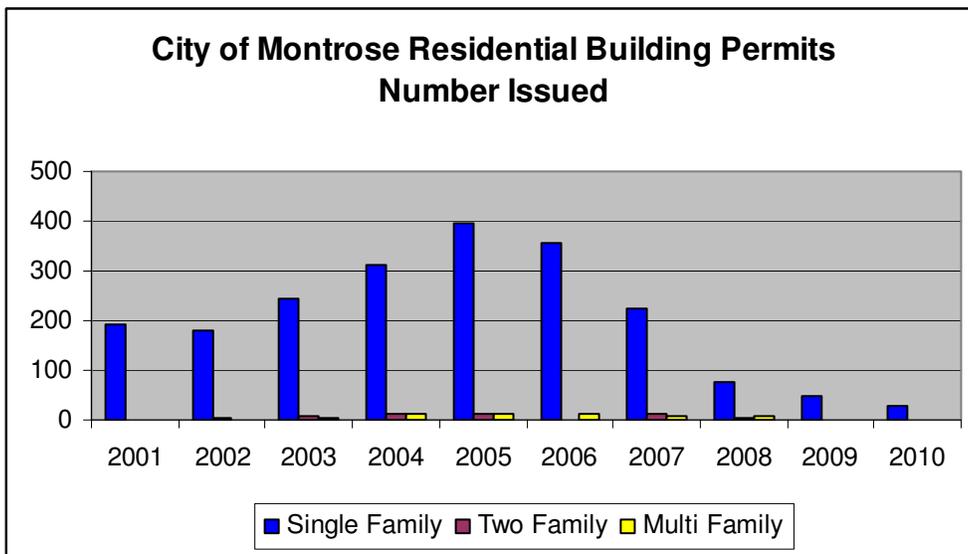


CONSTRUCTION USE TAX

Construction use tax is paid when a building permit is issued. This revenue source is highly subject to growth and development in the area. This revenue is projected to be \$125,000 for 2012.

Projection Method:

An analysis is done on the number of building permits issued, area annexations and subdivision permits. This revenue is volatile and is subject to economic conditions. Dollar value for building permits in 2010 was at a ten year low. Building permits in 2011 are minimal and 2012 revenues are expected to remain at a low level.



FRANCHISE FEE TAX

Franchise fees are taxes collected by ordinance or contract agreements and paid by local electrical, gas, telephone and cable television companies. These companies are given the right to locate, build, construct, acquire, purchase, extend, maintain, and operate within the city streets, alleys, and public ways to furnish services to the City of Montrose residents. Anticipated revenue from this source is \$998,000.

Projection Method:

Use of historical actual fees collected to project future revenues.

INTERGOVERNMENTAL REVENUES

Intergovernmental revenues are received from other governmental agencies and include motor vehicle registration, cigarette tax, severance tax, and grant revenue.

Projection Method:

Use of trend analysis where applicable. Other processes include contractual obligations, statute defined, and grant awards.

SPECIAL REVENUE FUNDS

RETAIL SALES ENHANCEMENT

City of Montrose Ordinance 1410 created a Retail Sales Enhancement Program to enhance retail sales within the city limits. It is funded by retention of 2% of the 3.33% allowable vendor's fee when a sales tax return is filed on time.

Projection Method:

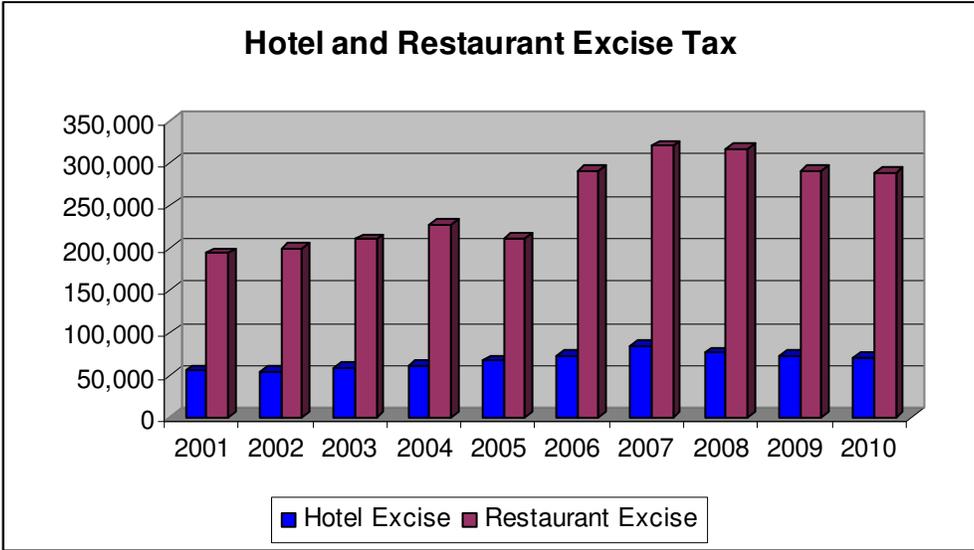
Revenue amount from sales and use tax multiplied by the allotted 2%.

TOURISM PROMOTIONAL SALES TAX

Revenues from the hotel and restaurant excise tax are earmarked for tourism promotion. Expenditures from the fund shall be for the purpose of promoting tourism, advertising the community, attracting conferences, conventions, and meetings, or for other purposes

relating to attracting tourist and visitor business to the city. These funds are transferred to the Montrose Association of Commerce and Tourism as indicated in their contract.

Projection Method:
Historical analysis of prior ten years of revenue coupled with trend analysis. National and regional economic conditions factor into this revenue.



CAPITAL PROJECT FUNDS

INTERGOVERNMENTAL REVENUES

The City was awarded \$4.86 million in federal funding for the Grand/Rio Grande arterial. As Phase I is completed in 2012, \$2 million is expected from federal funding.

DEBT SERVICE FUNDS

TRANSFERS FROM OTHERS

The General Fund transfers revenues to the Debt Service for payment of the 2010 refunded 1998 bond. Transfer is made based on principal/interest payment due in that year.

PERMANENT FUNDS

Revenues in these funds are minimal at this time. Sale of cemetery lots is the largest revenue estimated to be \$1,200 in 2012.

ENTERPRISE FUNDS

CHARGES FOR SERVICES

The Water Fund, Sewer Fund, Sanitation Fund all provide services for which there are charges. The Water Fund will generate the largest portion of revenue from charges for services at approximately \$5.2 million, Sewer Fund at \$2.8 million, and Sanitation Fund at \$1.5 million in revenues. There will not be any rate increases for 2012.

Projection Method:

These revenues are largely based on consumption and change in customer base. Revenues are projected using trend analysis coupled with rate increases in the water, sewer, and sanitation funds.

INTERNAL SERVICE FUNDS

EQUIPMENT USAGE

Equipment usage in both the Fleet Fund and the IT Fund represents the largest source of income for these internal service funds. Fleet Fund revenue is based on actual usage of fuel, parts replacement, shop labor and equipment replacement charges for 2012. IT Fund revenue is based on equipment replacement charges, copy charges and labor costs.

Projection Method:

Fleet equipment usage is projected based on average of prior 18 months of actual fuel usage, parts costs and labor. Depreciation schedules are utilized for replacement costs. IT equipment usage is based on a schedule of replacement for computer equipment, software maintenance agreements, phone usage, and copy usage.

ALL OTHER REVENUES

There are many other revenues not outlined above that are intricate in covering the cost of services and operations offered by the city. All revenues contribute to the financial well being of the operations of the city.

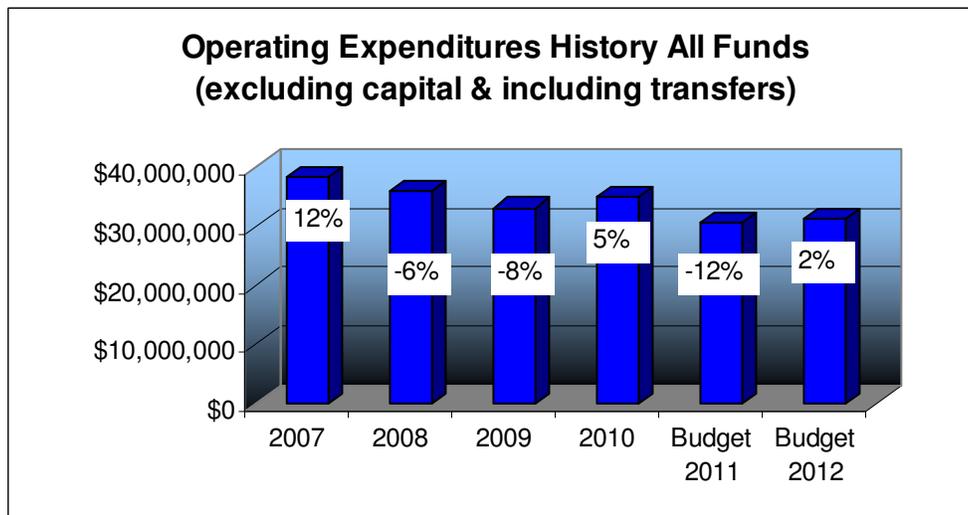
Projection Method:

Analysis of other revenues included trend analysis, review of historical data, expected development activity, local and national economic factors, consumptions, growth factors (building permits, annexations, subdivisions), cost reimbursement factors, or rate structures.

OPERATING EXPENSES

Total operating expenditures for all funds total \$31,300,197 for 2012 representing an increase of two percent from the 2011 budget. Transfers to the capital improvement fund will be \$871,682 in addition to a pay back amount of \$40, 329 for the energy performance project. Continuous rigorous efforts have been taken by departments to reduce operating expenses to counter the economic downturn. Efficiency and effectiveness in operations continues to be of utmost importance in all departments. Operating transfers in and out are included, therefore over-all expenditures would be overstated by that transfer.

Capital items are included in the Capital Expenditures section. The department sections of this document provide an extensive detailed line item accounting of expenditures.



The chart below includes operating expenditures for all funds.

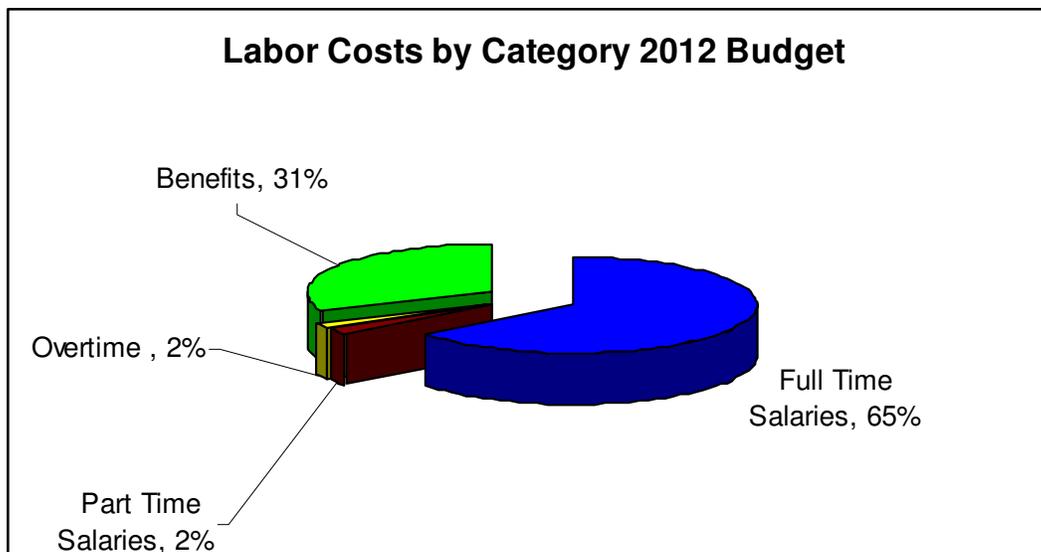
Operating Exp. By Category (excluding capital)	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Budget 2011	Budget 2012	% of 2012 Budget Operating Expense
Labor and Benefits	\$11,743,930	\$12,652,567	\$12,433,548	\$12,435,020	\$12,714,814	\$12,303,204	39
Non-Personnel Operating	24,686,575	22,168,532	19,607,032	21,426,293	16,808,824	18,169,743	58
Debt Service	1,861,768	1,183,266	1,129,392	1,082,925	1,075,991	827,250	3
Total Operating Expenditures	\$38,292,273	\$36,004,365	\$33,169,972	\$34,944,238	\$30,599,629	\$31,300,197	100
Percent Change	12%	-6%	-8%	5%	-12%	2%	

LABOR AND BENEFITS COST

Labor and benefits represents 39% of the operating expenses and debt service is a minimum at 3%. Benefits for fulltime employees include Medicare, social security, retirement contributions, medical insurance, dental insurance, life insurance, disability insurance, and a wellness benefit. Department heads that use a personal vehicle for business use receive a vehicle stipend. Employees requiring cellular phone service for business reasons receive a telephone stipend.

There are no scheduled increases in salaries for 2012. A 10% increase to both the employer's portion and employee's portion of medical insurance premiums is planned to keep the Employee Benefit Fund healthy. Most positions vacated in 2009, 2010 and 2011 have not been filled.

Labor by Category	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Budget 2011	Budget 2011	% of 2012 Budget Labor
Full Time Salaries	\$8,014,026	\$8,650,375	\$8,641,528	\$8,443,772	8,429,994	7,968,839	65%
Part Time Salaries	262,455	280,895	238,019	227,796	208,782	265,703	2%
Overtime	362,189	384,217	222,477	251,865	248,950	246,950	2%
Benefits	3,105,260	3,337,080	3,331,524	3,511,586	3,827,088	3,821,712	31%
Total	\$11,743,930	\$12,652,567	\$12,433,548	\$12,435,019	\$12,714,814	\$12,303,204	100%
Percent Change	8%	8%	-2%	0%	2%	-3%	



PERSONNEL

REDUCTIONS:

2010

Human Resources Specialist
 Code Enforcement Officer
 Building Technician
 City Engineer
 Maintenance/Equip Operator
 Parks Worker
 Public Relations Intern
 Pavilion Technician
 Accounts Payable Clerk
 Police Records Technician
 Utility Foreman

2011

Deputy City Clerk
 Utility Worker
 Procurement Agent
 Senior Planner
 Assistant Pavilion Director
 Mechanic
 Police Officers (2)
 Parking Patrol
 Parks Worker

DESCRIPTION OF PERSONNEL CHANGES IN 2010

Additions:

Add 2 not filled Police Officers back in

DESCRIPTION OF PERSONNEL CHANGES IN 2011

Additions:

None

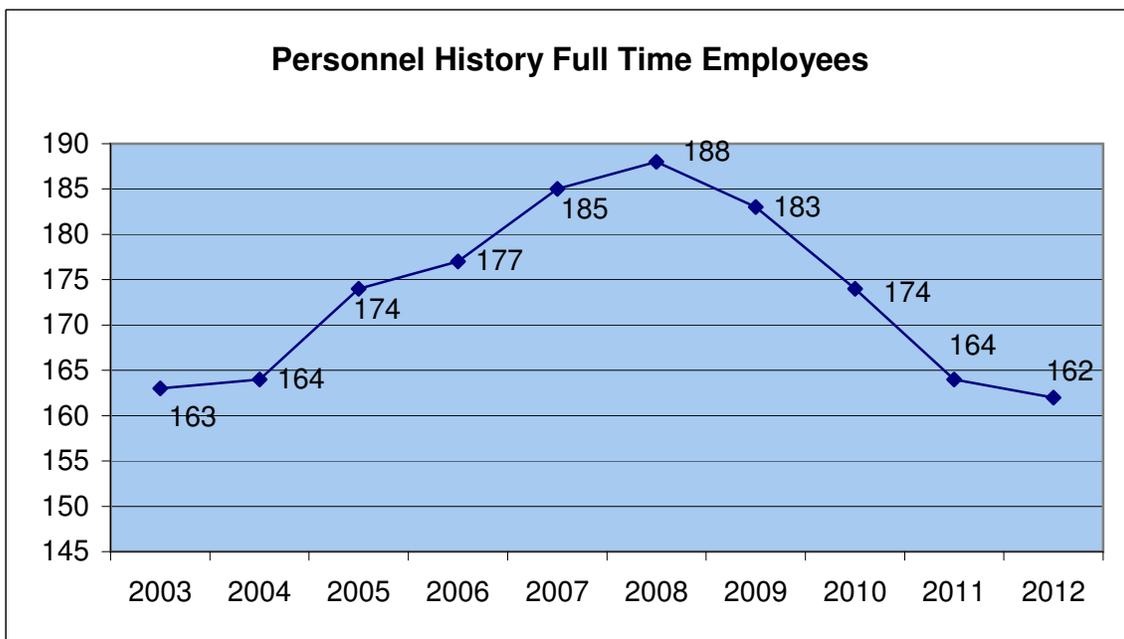
DESCRIPTION OF PERSONNEL CHANGES IN 2012

Additions:

Upgrade Project Manager to City Engineer
 GIS Intern

Reductions:

Recycle Workers (2)



**CITY OF MONTROSE
PERSONNEL COMPARISON
FULLTIME PERSONNEL**

Dept	Position	2008	2009	2010	2011	2012
5000	Mayor and Council					
	Mayor (1)	N/A	N/A	N/A	N/A	N/A
	Council (4)	N/A	N/A	N/A	N/A	N/A
5016	Public Relations and Marketing					
	Public Information Officer	1.00	1.00	1.00	1.00	0.00
	Pub Relations Assistant/Intern	1.00	1.00	0.00	0.00	0.00
	Department Total	2.00	2.00	1.00	1.00	0.00
5030	City Attorney					
	Attorney	2.00	2.00	2.00	2.00	2.00
	Legal Assistant	1.00	1.00	1.00	1.00	1.00
	Department Total	3.00	3.00	3.00	3.00	3.00
5035	City Manager					
	City Manager	1.00	1.00	1.00	1.00	1.00
	Assistant City Manager	1.00	1.00	1.00	1.00	1.00
	Admin Assistant	1.00	1.00	1.00	1.00	0.00
	Department Total	3.00	3.00	3.00	3.00	2.00
5040	Human Resources					
	Human Resources Director	1.00	1.00	1.00	1.00	1.00
	Human Resources Administrator	1.00	1.00	1.00	1.00	1.00
	Human Resources Specialist	1.00	1.00	0.00	0.00	0.00
	Department Total	3.00	3.00	2.00	2.00	2.00
5041	Montrose Pavilion					
	Assistant Director	1.00	1.00	1.00	0.00	0.00
	Pavilion Technician	4.00	4.00	3.00	3.00	3.00
	Admin Assistant	1.00	1.00	1.00	1.00	1.00
	Department Total	6.00	6.00	5.00	4.00	4.00
5046	GIS					
	GIS Coordinator	1.00	1.00	1.00	1.00	1.00
	E911 Coordinator	1.00	1.00	1.00	1.00	1.00
	Department Total	2.00	2.00	2.00	2.00	2.00

Dept	Position	2008	2009	2010	2011	2012
5050	Finance					
	Finance Director	1.00	1.00	1.00	1.00	1.00
	Accounts Payable Clerk	1.00	1.00	0.00	0.00	0.00
	Finance Administrative Clerk	1.00	1.00	1.00	1.00	1.00
	Finance Analyst	1.00	1.00	1.00	1.00	1.00
	Payroll Technician	1.00	1.00	1.00	1.00	1.00
	Sales Tax Accountant	1.00	1.00	1.00	1.00	1.00
	Assistant Director	1.00	1.00	1.00	1.00	1.00
	Budget Analyst	1.00	1.00	1.00	1.00	1.00
	Procurement Agent	1.00	1.00	1.00	0.00	0.00
	Department Total	9.00	9.00	8.00	7.00	7.00
5055	Municipal Court					
	Court Administrator	1.00	1.00	1.00	1.00	1.00
	Deputy Clerk of Court	1.00	1.00	1.00	1.00	1.00
	Department Total	2.00	2.00	2.00	2.00	2.00
5060	Community Development					
	Senior Planner	1.00	1.00	1.00	1.00	1.00
	Assistant Planner	2.00	1.00	1.00	0.00	0.00
	Planning Technician	1.00	1.00	1.00	1.00	1.00
	Community Dev Director	1.00	1.00	1.00	1.00	1.00
	Code Enforcement Officer	1.00	0.00	0.00	0.00	0.00
	Parks Planner	1.00	1.00	1.00	1.00	1.00
	Planning Commission (7)	N/A	N/A	N/A	N/A	N/A
	Department Total	7.00	5.00	5.00	4.00	4.00
5065	Administrative Services					
	Admin Services Director	1.00	1.00	1.00	1.00	1.00
	Communications/Records	0.00	0.00	0.00	0.00	1.00
	Department Total	1.00	1.00	1.00	1.00	2.00
5066	City Clerk					
	City Clerk	1.00	1.00	1.00	1.00	1.00
	Deputy City Clerk	1.00	1.00	1.00	0.00	1.00
	Department Total	2.00	2.00	2.00	1.00	2.00
5071	Municipal Building					
	Facilities Supervisor	1.00	1.00	1.00	1.00	1.00
	Building Custodian	1.00	1.00	1.00	1.00	1.00
	Department Total	2.00	2.00	2.00	2.00	2.00

Dept	Position	2008	2009	2010	2011	2012
5080	Police Patrol					
	Police Chief	0.50	0.50	0.50	0.50	0.50
	Patrol Commander	1.00	1.00	1.00	1.00	1.00
	Patrol Lieutenant	0.00	0.00	0.00	1.00	1.00
	Sergeants	6.00	6.00	6.00	6.00	6.00
	Police Officers	23.00	20.00	22.00	20.00	20.00
	School Resource Officer	0.00	0.00	0.00	2.00	2.00
	Parking Patrol	1.00	1.00	1.00	0.00	0.00
	Department Total	31.50	28.50	30.50	30.50	30.50
5081	Police Administration					
	Police Chief	0.50	0.50	0.50	0.50	0.50
	Admin Commander	1.00	1.00	1.00	1.00	1.00
	Admin Supervisor	1.00	0.00	0.00	0.00	0.00
	Evidence Custodian	0.00	1.00	1.00	1.00	1.00
	Police Records Technicians	8.00	7.00	6.00	6.00	6.00
	Sergeants	3.00	3.00	3.00	2.00	2.00
	Detectives	5.00	5.00	5.00	5.00	5.00
	School Resource Officer	2.00	2.00	2.00	0.00	0.00
	Victims Advocate	1.00	1.00	1.00	1.00	1.00
	Systems Administrator	2.00	0.00	0.00	0.00	0.00
	Department Total	23.50	20.50	19.50	16.50	16.50
5090	Animal Control					
	Animal Control Supervisor	1.00	1.00	1.00	1.00	1.00
	Animal Control Officer	3.00	3.00	3.00	3.00	3.00
	Animal Shelter Mang Officer	1.00	1.00	1.00	1.00	1.00
	Shelter Technician	2.00	2.00	2.00	2.00	2.00
	Department Total	7.00	7.00	7.00	7.00	7.00
5100	Code Enforcement					
	Chief Building Official	1.00	1.00	1.00	1.00	1.00
	Building Inspector	2.00	0.00	0.00	0.00	0.00
	Code Enforcement Officer	0.00	3.00	2.00	2.00	2.00
	Building Technician	1.00	1.00	0.00	0.00	0.00
	Department Total	4.00	5.00	3.00	3.00	3.00
5103	City Engineer					
	City Engineer	1.00	1.00	0.00	0.00	1.00
	Project Manager	0.00	2.00	2.00	2.00	1.00
	Public Improvements Inspector	1.00	1.00	1.00	1.00	1.00
	Engineering Specialist	1.00	1.00	1.00	1.00	1.00
	Department Total	3.00	5.00	4.00	4.00	4.00

Dept	Position	2008	2009	2010	2011	2012
5105	Public Works Administration					
	Public Works Director	1.00	1.00	1.00	1.00	1.00
	Public Works Manager	1.00	1.00	1.00	1.00	1.00
	Construction Manager	1.00	0.00	0.00	0.00	0.00
	Road & Bridge Construction Mgr.	1.00	0.00	0.00	0.00	0.00
	Inventory / Receiving Clerk	1.00	1.00	1.00	1.00	1.00
	Building Maintenance	1.00	1.00	1.00	1.00	1.00
	Public Works Technician	1.00	0.00	0.00	0.00	0.00
	Admin Assistant	1.00	1.00	1.00	1.00	1.00
	Department Total	8.00	5.00	5.00	5.00	5.00
5115	Street Maintenance					
	Maintenance Worker	12.00	12.00	11.00	11.00	11.00
	Street Foreman	1.00	1.00	1.00	1.00	1.00
	Street Superintendent	1.00	1.00	1.00	1.00	1.00
	Department Total	14.00	14.00	13.00	13.00	13.00
5120	Street Cleaning					
	Maintenance Worker	3.00	3.00	3.00	3.00	3.00
	Department Total	3.00	3.00	3.00	3.00	3.00
5140	Weed Control					
	Weed Specialist	1.00	1.00	0.00	0.00	0.00
	Department Total	1.00	1.00	0.00	0.00	0.00
5150	Parks					
	Parks Superintendent	1.00	1.00	1.00	1.00	1.00
	Parks Worker	8.00	8.00	7.00	6.00	6.00
	Parks Foreman	1.00	1.00	1.00	1.00	1.00
	Weed Specialist	0.00	0.00	1.00	1.00	1.00
	Department Total	10.00	10.00	10.00	9.00	9.00
5165	Cemetery					
	Sexton	1.00	1.00	1.00	1.00	1.00
	Department Total	1.00	1.00	1.00	1.00	1.00
207-6000	Task Force					
	Clerk	1.00	1.00	1.00	1.00	1.00
	Department Total	1.00	1.00	1.00	1.00	1.00
7010	Utility Records and Collections					
	Utility Billing Technicians	4.00	4.00	4.00	4.00	4.00
	Department Total	4.00	4.00	4.00	4.00	4.00

Dept	Position	2008	2009	2010	2011	2012
7020	Water Distribution					
	Utility Worker	9.00	8.00	8.00	7.00	7.00
	Utility Foreman	1.00	1.00	0.00	0.00	0.00
	Cross Connections Inspector	1.00	1.00	1.00	1.00	1.00
	Utility Superintendent	1.00	1.00	0.64	0.64	0.64
	Department Total	12.00	11.00	9.64	8.64	8.64
7035	Sewer Maintenance					
	Utility Superintendent	0	0	0.36	0.36	0.36
	Utility Worker	4.00	4.00	4.00	4.00	4.00
	Department Total	4.00	4.00	4.36	4.36	4.36
7045	Sewer Treatment					
	WWTP Chief Operator	1.00	1.00	1.00	1.00	1.00
	WWTP Superintendent	1.00	1.00	1.00	1.00	1.00
	Plant Operator	3.00	3.00	3.00	3.00	3.00
	Department Total	5.00	5.00	5.00	5.00	5.00
7050	Industrial Pretreatment					
	Plant Operator	1.00	1.00	1.00	1.00	1.00
	Department Total	1.00	1.00	1.00	1.00	1.00
7100	Sanitation Services					
	Superintendent	0.50	0.50	0.50	0.50	1.00
	Sanitation Worker	5.00	5.00	5.00	5.00	5.00
	Department Total	5.50	5.50	5.50	5.50	6.00
7105	Recycle Operations					
	Superintendent	0.50	0.50	0.50	0.50	0.00
	Recycle Worker	0.00	2.00	2.00	2.00	0.00
	Department Total	0.50	2.50	2.50	2.50	0.00
8005	Fleet Management					
	Mechanic	3.00	3.00	3.00	2.00	2.00
	Fleet Manager	1.00	1.00	1.00	1.00	1.00
	Department Total	4.00	4.00	4.00	3.00	3.00
8040	Information Technology					
	IT Manager	1.00	1.00	1.00	1.00	1.00
	Network Manager	1.00	1.00	1.00	1.00	1.00
	Network Specialist	1.00	1.00	1.00	1.00	1.00
	Systems Administrator		2.00	2.00	2.00	2.00
	Department Total	3.00	5.00	5.00	5.00	5.00
	Full Time Personnel Total	188.00	183.00	174.00	164.00	162.00

PART TIME AND SEASONAL PERSONNEL

Dept	Position	2008	2009	2010	2011	2012
5030	City Attorney Attorney of Council	0.25	0.25	0.25	0.25	0.25
5041	Pavilion Bartenders	0.20	0.20	0.20	0.20	0.20
5046	GIS GIS Analyst GIS Intern	0.50 0.25	0.50 0.00	0.50 0.00	0.50 0.00	0.50 0.25
5050	Finance Sales Tax Auditor	0.25	0.25	0.25	0.25	0.25
5055	Municipal Court Part time Intern (1) Part time Interpreter Part time Judge Court Clerk	0.15 0.01 0.25 0.50	0.00 0.01 0.25 0.50	0.00 0.01 0.25 0.00	0.00 0.01 0.25 0.00	0.00 0.01 0.25 0.00
5060	Community Development Part time Grant Coordinator	0.40	0.40	0.40	0.40	0.40
5065	Administrative Services Records Clerk	0.00	0.00	0.00	0.00	0.50
5080	Police Patrol Part time Detective Part time Parking Patrol	0.00 0.00	0.00 0.00	0.10 0.00	0.10 0.00	0.10 0.15
5090	Animal Control Part time Shelter Technician (2)	0.90	0.90	0.90	0.90	0.90
5115	Street Maintenance Seasonal	0.66	0.66	0.66	0.66	0.66

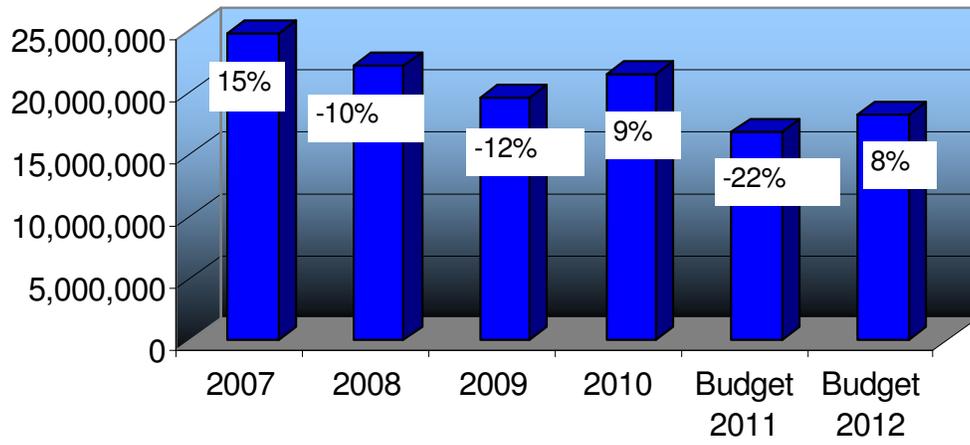
Dept	Position	2008	2009	2010	2011	2012
5130	Green Waste Gate Attendant - seasonal	0.33	0.33	0.33	0.33	0.33
5140	Weed Control Seasonal	0.60	0.60	0.00	0.00	0.00
5150	Parks Seasonal	4.00	1.20	0.00	0.00	2.25
5165	Cemetery Seasonal	0.33	0.33	0.33	0.33	0.33
207-6000	Task Force	0.50	0.00	0.00	0.00	0.00
500-7020	Water Distribution Seasonal Workers (2)	0.60	0.00	0.00	0.00	0.00
510-7045	Sewer Treatment Seasonal Worker (1)	0.65	0.00	0.00	0.00	0.00

NON-PERSONNEL COSTS

Non-personnel operating expenses represent the largest portion of the 2012 operating expenses at 58%. The four largest line items in the non-personnel operating expenses are contract services, water purchases, transfers, and expenses related to the employee benefit insurance fund. Contract services include items such as electrical, plumbing, roofing, cleaning, dispatch services and technical services. The transfer line item includes the transfers made from the General Fund to the Capital Projects Fund, the 7th Judicial District Drug Task Force, a grant match of \$50,000 to the Conservation Trust Fund, and the Debt Service Fund. Also included is the transfer from the Cemetery Perpetual Care to the General Fund. Employee benefit insurance fund expenses include claim and prescription payments. There is an 8% increase in non-personnel operating expenses due in large part to the increase in transfer to the Capital Improvement Fund. Prior year actual depreciation expenses are shown in the chart, but are not a budgeted amount.

Non-Personnel Operating (excluding capital)	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Budget 2011	Budget 2012	% of 2012 Budget Operating Expense
Office Supplies	100,542	80,906	45,915	43,684	56,050	52,375	0.3%
Postage	71,657	72,530	64,421	62,973	83,285	74,403	0.4%
Supplies/Equip	955,291	1,018,868	773,030	765,528	985,000	917,523	5.0%
Asphalt/fuel/oil	583,292	625,685	470,565	357,866	705,000	705,000	3.9%
Water Purchase	1,784,107	1,810,154	1,899,364	1,906,070	2,045,735	2,050,735	11.3%
Equip Repairs	292,837	217,559	205,230	175,953	201,700	199,150	1.1%
Advertising	131,377	72,836	23,774	17,401	41,200	25,200	0.1%
Dues/Subs	92,052	93,324	77,985	83,351	87,239	88,531	0.5%
Utilities/phone	1,076,280	1,094,101	1,129,905	1,221,419	1,186,305	1,185,734	6.5%
Contract Serv	2,226,839	1,802,200	2,030,184	1,518,299	2,174,565	2,335,544	12.9%
Landfill Fees	411,424	430,299	487,165	478,127	501,500	476,000	2.6%
Building Repair	76,001	118,804	10,003	14,460	42,529	64,200	0.4%
Travel/Mtg Exp	320,885	224,112	88,680	100,443	143,540	135,275	0.7%
Depreciation	1,721,544	2,976,639	3,301,620	3,587,359	0	0	0.0%
Claims/Ins	297,010	277,348	259,387	221,039	252,000	235,000	1.3%
Radio Repair/Rep			31,912	9,797	4,800	4,800	0.0%
Aid to Others	2,925,271	1,636,905	364,457	360,840	0	0	0.0%
Transfer to Other	5,360,131	2,966,341	1,934,416	897,578	1,516,600	2,084,801	11.5%
Adm Reimburse	986,232	1,015,824	1,005,319	1,174,498	1,342,348	1,448,946	8.0%
Interfund Lease	1,692,922	1,755,933	1,517,676	1,629,537	1,569,400	1,572,913	8.7%
Radio/IT Lease	905,249	973,939	753,677	883,285	699,993	979,422	5.4%
Emp Bene Fees	2,010,262	2,216,167	2,491,508	2,731,340	2,570,000	2,865,800	15.8%
Escrow Payment				2,681,594	0	0	0.0%
Other Operating	665,370	688,058	640,839	503,852	600,035	668,391	3.7%
Total	24,686,575	22,168,532	19,607,032	21,426,293	16,808,824	18,169,743	100%
Percent Change	15%	-10%	-12%	9%	-22%	8%	

**Historical Non-Personnel Expenditures All Funds
(includes transfers & depreciation)**



CAPITAL EXPENDITURES

An extensive capital improvement process was completed at the beginning of 2008. The Montrose Improvement Team consisting of five citizens, a city council representative, a planning commission representative, and key City of Montrose staff, reviewed 57 requests for capital improvements. The committee reviewed projects for community enhancement, parks, trails and sidewalks, and public facilities. A task force dedicated to transportation made recommendations on traffic issues. The Capital Improvement Program Six-Year Plan was compiled for years 2010-2015 in the areas of review. In 2011, the MIT reconvened to update the capital improvement document. The committee held 23 community outreach meetings and held an open house in April of 2011. The revised 2012 capital improvement document is in process with updated projects and priorities.

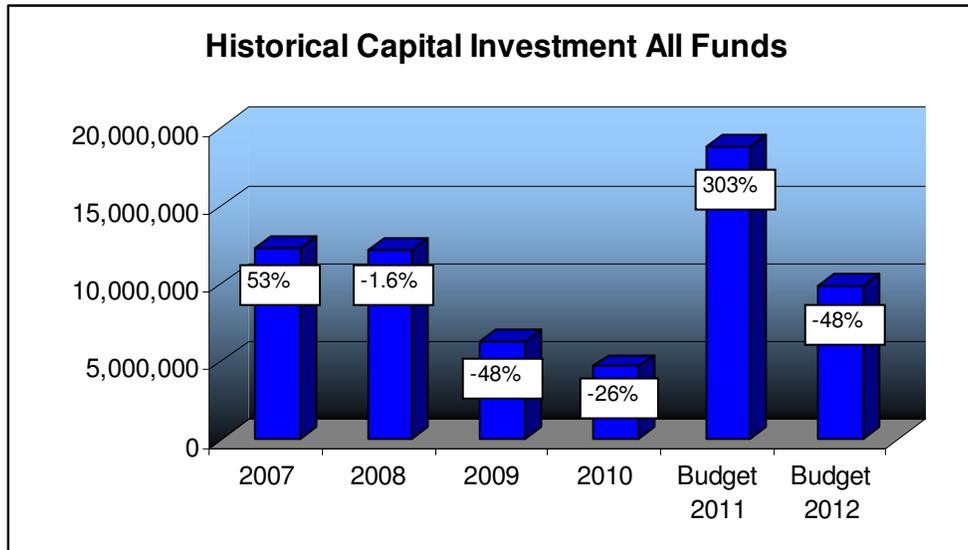
The City of Montrose contracted with independent engineering firms to complete an analysis of both the water and sewer systems. Master plans have been completed for both systems with recommendations on capital projects. The Airport Trunk Sewer line project was identified as the most important sewer project and construction began in 2011. The main water fund project will be construction of a third water storage tank. This project was released for proposal in 2011 with design to be completed in 2011 and construction in 2012.

Capital expenditures in 2012 total \$9,746,733. Only 5% of capital improvement expenditures planned for 2012 will be expensed through the General Fund. Water fund and Sewer fund capital expenditures comprise 57% of the total. The Grand/Rio Grande project comprises 24% of the total. Capital projects will reduce the reserves in the water and sewer funds. In-house labor supplied by City of Montrose employees is included in the labor line item and is not included in the budgeted capital projects line item.

Capital expenditures are those items that are non-routine with a cost threshold of \$5,000. Departments reimburse the fleet fund for replacement of vehicles and equipment through the interfund lease line item. Those capital purchases are then made from the Fleet Fund. Fleet age has been greatly reduced and the number of vehicles beyond useful life is low.

The chart below includes capital outlay for all funds of the City.

Capital by Category	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Budget 2011	Budget 2012	% of 2012 Budget
Land & Building	\$769,433	\$0	\$331,250	\$190,750	\$583,000	\$0	0%
Vehicles and Equipment	1,316,474	1,687,631	1,225,798	1,496,194	1,393,468	1,043,733	11%
Capital Improvement Projects	10,245,576	10,445,414	4,753,125	2,997,599	16,879,600	8,703,000	89%
Total Capital Expenditures	\$12,331,483	\$12,133,045	\$6,310,173	\$4,684,543	\$18,856,068	\$9,746,733	100%
Percent Change	53%	-2%	-48%	-26%	303%	-48%	



WATER (500) FUND

The City of Montrose will add a three million gallon water tank to its distribution system in the area south of Montrose on Sunshine Road. Addition of this proposed tank will bring the City to a total of 8.9 million gallons of treated water storage. The City has obtained a \$500,000 Energy and Mineral Impact Assistance grant to assist in the design and construction of this water storage tank. Acquisition of land is complete and design work will be completed in 2011. Construction of the tank will begin in 2012.

Impact on Fund Balance

Projected Fund Balance 1/1/2012	Projected Revenues 2012	Budgeted Operating Exp 2012	Budgeted Capital 2012	Projected Fund Balance 12/31/2012
\$8,769,071	\$5,902,399	\$4,063,105	\$3,002,700	\$7,605,665

The fund will continue to maintain an amount over the target reserve.

Impact on 2012 Operating Budget

Project	New Personnel	Operating Supplies	Treated Water Purchase	Utilities	Total FY2012 Impact
Third Water Storage Tank	0	\$2,000	\$2,550	\$1,000	\$5,550

SEWER (510) FUND

In 2008, City staff contracted with The Engineering Company (TEC) for creation of a Sanitary Sewer Master Plan and Rate Study to recommend and prioritize system-wide improvements and to evaluate funding options for these improvements. Capital expenditures will be for continued construction on the Airport Trunk Sewerline. The Airport Trunk Sewer Project is identified as the most urgently needed system improvement. Expansion of the waste water treatment plant is complete and equipment is being updated in the older portion of the plant. Upgrades include SCADA, VFD for oxidation ditches, rotor gear box, portable pump, and a generator radiator. Another phase of manhole lining will be completed. The goal of this project is to eliminate groundwater infiltration into selected manholes, thereby reducing flow to, and increasing the efficiency of, the Waste Water Treatment Plant.

Impact on Fund Balance

Projected Fund Balance 1/1/2012	Projected Revenues 2012	Budgeted Operating Exp 2012	Budgeted Capital 2012	Projected Fund Balance 12/31/2012
\$3,620,317	\$2,964,399	\$2,166,887	\$2,506,700	\$1,911,128

The fund will continue to maintain an amount over the target.

Impact on 2012 Operating Budget

Project	New Personnel	Equipment Repairs	Claims for Damage	Other Prof Services	Total FY2012 Impact
Airport Trunk Sewer line	0		(\$5,000)	\$10,000	\$5,000
Equipment Update	0	(\$25,000)			(\$25,000)
Manhole Lining	0			(\$5,000)	(\$5,000)

GRAND/RIO GRANDE (460) FUND

A Memorandum of Understanding between CDOT and the City of Montrose obligates the City to seek additional north/south arterial routes to relieve traffic congestion on US550 & US50. Widening of Grand/Rio Grande Avenue (West Side Arterial) will significantly reduce traffic congestion on these two highways, and will improve vehicle and pedestrian safety in the area. The City began the construction phase in the fall of 2011 and will complete construction of Phase I in 2012. This project is funded through the 460 fund and is supported through \$4.8 million in federal funding.

Impact on Fund Balance

Projected Fund Balance 1/1/2012	Projected Revenues 2012	Budgeted Operating Exp 2012	Budgeted Capital 2012	Projected Fund Balance 12/31/2012
\$2,066,724	\$2,001,000	0	\$2,400,000	\$1,667,724

Impact on 2012 Operating Budget

Project	New Personnel	Operating Supplies	Utilities	Interfund Lease (Equip Use and fuel)	Total FY2012 Impact
Grand/Rio Grande	0	\$5,000	\$3,000	\$5,000	\$13,000

CAPITAL IMPROVEMENT (235) FUND

A \$300,000 Transportation Enhancement Grant for construction of sidewalks, curb, and gutter was received. This project will extend concrete, multi-use sidewalk on the east side of South Townsend Avenue from Woodgate Road to Oxbow Shopping Center where sidewalk doesn't currently exist. The proposed sidewalk/trail will be part of a comprehensive recreational trail system that, when complete, will provide trail connections throughout the community.

A parking area is planned for the lots at 502 and 504 South First. Streetscaping is planned for that area. Additional budgeted amounts are for the city's sidewalk cost share program and ADA replacement program.

Impact on Fund Balance

Projected Fund Balance 1/1/2012	Projected Revenues 2012	Budgeted Operating Exp 2012	Budgeted Capital 2012	Projected Fund Balance 12/31/2012
\$531,133	\$1,212,511	0	\$553,000	\$1,190,644

Capital fund balance will increase.

Impact on 2012 Operating Budget

Project	New Personnel	Interfund Lease (Equip Use and fuel)	Utilities	Total FY2012 Impact
South Townsend Sidewalks	0	\$2,000		\$2,000
Parking Streetscape	0		\$3,000	\$3,000
Sidewalks/ADA	0			0

METHAMPHETAMINE GRANT (206) FUND

A grant through the US Department of Justice will cover expenses related to surveillance training, a surveillance vehicle with equipment and operating costs for the Seventh Judicial District Methamphetamine/Drug Task Force.

Impact on Fund Balance

Projected Fund Balance 1/1/2012	Projected Revenues 2012	Budgeted Operating Exp 2012	Budgeted Capital 2012	Projected Fund Balance 12/31/2012
\$0	\$100,000	0	\$100,000	\$0

Grant revenues pay for expenditures.

Impact on 2012 Operating Budget

Project	New Personnel	Operating Supplies	Total FY2012 Impact
Surveillance Vehicle and Equipment	0	0	0

FLEET (600) FUND

A transfer is made on a monthly basis from other city departments into the fleet fund to pay for replacement of vehicles. The fleet manager establishes a listing of vehicles and equipment to be replaced each year based on the FASTER database. Some years require more extensive purchases than other years. In the year 2012, one SUV, two pickups, four mowers, one crack sealer, one multi function mower, one sanitation truck, and one dump truck will be replaced. The gas pumps at the public works site are obsolete and will be upgraded with new pumps.

Impact on Fund Balance

Projected Fund Balance 1/1/2012	Projected Revenues 2012	Budgeted Operating Exp 2012	Budgeted Capital 2012	Projected Fund Balance 12/31/2012
\$2,431,410	\$1,583,900	\$1,525,713	\$561,000	\$1,928,597

Impact on 2012 Operating Budget

Project	New Personnel	Equipment Repairs	Total FY2012 Impact
Purchase of vehicles and equipment	0	(\$20,000)	(\$20,000)

GENERAL FUND (100) FUND

Due to the economic downfall and revenue shortfalls, capital expenditures from the General Fund are limited. The Street Department will continue with the upgrades of streets as recommended by the Transportation Asset Management System. The building located at 502 and 504 South First will be demolished. The Police Department will undergo remodeling to expand the detective area. Equipment to be purchased includes arbitrator cameras for the Police Department and new intoxilizer unit.

Impact on Fund Balance

Projected Fund Balance 1/1/2012	Projected Revenues 2012	Budgeted Operating Exp 2012	Budgeted Capital 2012	Projected Fund Balance 12/31/2012
\$5,782,198	\$17,010,390	\$16,551,057	\$459,333	\$5,782,198

Impact on 2012 Operating Budget

Project	New Personnel	Interfund Lease (Equip Use and fuel)	Utilities	Total FY2012 Impact
Streets	0	(\$4,000)		(\$4,000)
Building Demolition	0	0	0	0
Remodel PD	0		\$1,000	\$1,000

IT (605) FUND

A transfer is made on a monthly basis from other city funds into the IT fund to pay for replacement of computer equipment. The IT fund maintains a listing of computer equipment to be replaced. Most purchases are recorded in the equipment/furniture less than \$5,000 line item. The capital purchases are items over \$5,000. For 2012, capital purchases include a storage area network replacement, symmetra replacement, a PD server, and fiber for the public works shop. Restricted funds ending 2010 are \$290,322. These reserves are restricted for the purchase of 800 MHz radios used by the police and public works departments. 800 MHz radio replacement in 2012 will be \$22,000.

Impact on Fund Balance

Projected Fund Balance 1/1/2012	Projected Revenues 2012	Budgeted Operating Exp 2012	Budgeted Capital 2012	Projected Fund Balance 12/31/2012
\$764,609	\$977,726	\$883,027	\$114,000	\$745,308

Impact on 2012 Operating Budget

Project	New Personnel	Radio Equipment Repair	Total FY2012 Impact
Computer Equipment and 800 MHz Radio Replacement	0	(\$1,000)	(\$1,000)

DEMORET TRUST (400) FUND

\$50,000 is budgeted in this fund for projects that arise in the area of beautification. Per the 2010 audit, \$321,381 is held in trust and \$71,230 is expendable for beautification purposes.

Impact on Fund Balance

Projected Fund Balance 1/1/2012	Projected Revenues 2012	Budgeted Operating Exp 2012	Budgeted Capital 2012	Projected Fund Balance 12/31/2012
\$71,122	\$400	\$500	\$50,000	\$21,022

The project will lower unrestricted funds available for beautification, while the trust amount will be held in tact.

Impact on 2012 Operating Budget

Project	New Personnel	Operating Supplies Parks Dept	Total FY2012 Impact
Beautification Project	0	\$1,000	\$1,000

Capital Expenditures by Fund 2012 Budget



CAPITAL EXPENDITURE LISTING

Vehicle and Equipment Listing	Replacement Unit #	Department	Amount	Fund Source
(2) Pickup	60,61	Streets/Water	\$50,000	Fleet
Dump Truck	177	Streets	\$150,000	Fleet
SUV	88	Community Development	\$30,000	Fleet
(5) Mowers	207,208,232,219,86	Parks	\$67,000	Fleet
Crack Sealer	144	Streets	\$33,000	Fleet
Sanitation Truck	140	Sanitation	\$220,000	Fleet
TOTAL			\$550,000	

Operating Equipment Listing	Department	Amount	Fund Source
PD Equipment	Police	\$79,333	General Fund
Surveillance Equipment	Meth Grant	\$100,000	Meth Grant
Upgrade Gas Pumps	Fleet	\$11,000	Fleet
Arc Editor	Water/Sewer	\$5,400	Water/Sewer
800 MHz Radio Replacement	IT	\$22,000	IT
Sewer Treatment Equipment	Sewer Treatment	\$184,000	Sewer
IT Equipment	Information Technology	\$92,000	IT
TOTAL		\$493,733	

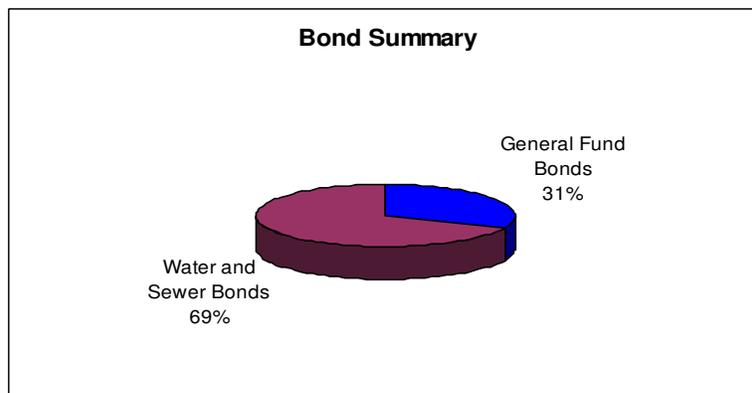
Capital Improvement Projects	Department	Amount	Fund Source
Street Improvements	Streets	\$280,000	General Fund
Building Demolition	Municipal Complex	\$50,000	General Fund
PD Remodel	Municipal Complex	\$50,000	General Fund
Curb/Gutter/Sidewalk/ADA, Parking Lot/Streetscape, South Townsend Sidewalks	Capital Improvements	\$553,000	Capital Imp Fund/Grant
Demoret Funds Park Project	Demoret Trust	\$50,000	Demoret Trust
Grand/Rio Grande Phased Construction	Arterial Const	\$2,400,000	Grand/Rio Grande/Federal Funds
Water Tank	Water Dist	\$3,000,000	Water
Sewer line	Sewer Line Maint	\$2,300,000	Sewer
Manhole Lining	Sewer Line Maint	\$20,000	Sewer
TOTAL		\$8,703,000	

DEBT SERVICE

Combined Debt Summary

The City of Montrose Charter establishes a legal debt limitation of 5% of the assessed valuation of taxable property in the City, as shown by the last preceding assessment. The assessed valuation of taxable property in the City as of August 23, 2011, was \$302,416,970. Based on this valuation, the legal debt limit is \$15,120,848. Certain debt is excluded from the calculation for water, storm sewer, sanitary sewer, sewage disposal, short-term notes (< 3 years), and local improvement securities. This limitation does not apply to revenue bonds as addressed in Article VI, Section 5 of the City of Montrose Charter.

Assessed taxable property valuation	\$302,416,970
5% Debt Limitation	\$15,120,848
Energy Impact Loan	\$78,781
Total subject to debt limitation	\$78,781
2010 General Fund Revenue Bonds	\$1,985,000
2004 Water and Sewer Refunding	4,320,000
Total not subject to limitation	\$6,305,000
TOTAL DEBT	\$6,383,781



Energy Impact Assistance Loan

The Energy Impact Assistance Loan in the amount of \$151,900 was received November 1999 to help construct an independent pumped storage system to provide fire protection to the Aerospace Research Industrial Park. This is a 20-year loan at 5% interest. Montrose Economic Development Council is to provide the City of Montrose with funds to make these payments.

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Yearly Payment</u>
9/1/12	8,250	3,939	12,189
9/1/13	8,663	3,527	12,190
9/1/14	9,096	3,094	12,190
9/1/15	9,551	2,639	12,190
9/1/16	10,028	2,162	12,190
9/1/17	10,530	1,660	12,190
9/1/18	11,055	1,134	12,189
9/1/19	11,608	581	12,189
Total	\$78,781	\$18,736	\$97,517

General Fund Excise Tax Revenue Bonds, Series 2010

The City previously issued General Fund Excise Tax Revenue Bonds, Series 1998, in the amount of \$5,000,000 on July 1, 1998. Proceeds of the bond were used for the construction, installation and improvement of streets relating to the San Juan Avenue and other streets including, but not limited to, Grand/Rio Grande Avenues. Ordinance 2248 approved the issuance of sales and use tax revenue refunding bonds, Series 2010, for the purpose of generating savings to the city through the refunding of outstanding series 1998 bonds. Bond underwriter is George K. Baum & Company.

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Yearly Payment</u>
04/01/12		32,537.50	
10/01/12	310,000	32,537.50	375,075
04/01/13		28,662.50	
10/01/13	320,000	28,662.50	377,325
04/01/14		24,662.50	
10/01/14	325,000	24,662.50	374,325
04/01/15		20,600.00	
10/01/15	330,000	20,600.00	371,200
04/01/16		14,000.00	
10/01/16	340,000	14,000.00	368,000
04/01/17		7,200.00	
10/01/17	360,000	7,200.00	374,400
Total	<u>\$1,985,000</u>	<u>\$255,325.00</u>	<u>\$2,240,325</u>

Water and Sewer Revenue Bonds Series 1996

Revenue Bonds in the amount of \$3,060,000 were issued on January 12, 1996. Proceeds to be used for acquisition, construction, reconstruction, improvement, betterment, or extension of the City's water and sewer facilities. The debt is paid from the net revenue derived from the City of Montrose Water and Sewer Enterprise. Interest rate on the bonds is 3.85-5.4% payable semiannually. The paying agent is UMB Bank. The 1996 Series Revenue Bonds were paid in full in 2011.

Water and Sewer Revenue Refunding and Improvement Bonds Series 2004

Revenue Bonds in the amount of \$6,045,000 were issued on March 15, 2004 for the purpose of refunding City's outstanding 1993 water and sewer revenue refunding bonds and financing \$4,000,000 in improvements to the City's water and sewer systems. The debt is paid from the net revenue derived from the operation and use of the City's water and sewer enterprise system. Interest rate on bonds is 2.0% - 4.3% payable semi-annually. The paying agent is UMB Bank. The following debt payment schedule is for the Water and Sewer Revenue Refunding and Improvement Bonds, Series 2004.

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Yearly Payment</u>
04/01/12		92,493	
10/01/12	255,000	92,493	439,986
04/01/13		88,668	
10/01/13	260,000	88,668	437,336
04/01/14		82,493	
10/01/14	275,000	82,493	439,986
04/01/15		75,962	
10/01/15	290,000	75,962	441,924
04/01/16		69,075	
10/01/16	300,000	69,075	438,150
04/01/17		61,950	
10/01/17	315,000	61,950	438,900

**Water and Sewer Revenue Refunding
and Improvement Bonds Series 2004 (con't)**

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Yearly Payment</u>
04/01/18		55,335	
10/01/18	330,000	55,335	440,670
04/01/19		48,405	
10/01/19	345,000	48,405	441,810
04/01/20		41,160	
10/01/20	360,000	41,160	442,320
04/01/21		33,600	
10/01/21	375,000	33,600	442,200
04/01/22		25,725	
10/01/22	390,000	25,725	441,450
04/01/23		17,535	
10/01/23	405,000	17,535	440,070
04/01/24		9,030	
10/01/24	420,000	9,030	438,060
Total	\$4,320,000	\$1,402,862	\$5,722,862

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FUND TYPES

General Fund is the chief operating fund of a government. The fund is used to account for all financial resources except those required to be accounted for in another fund. All of a government's activities are reported in the general fund unless there is a compelling reason to report an activity in some other fund type.

Special Revenue Funds are used to account for the proceeds of specific revenue sources, other than major capital projects, that are legally restricted to expenditure for specified purposes

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest

Enterprise Funds are used to account for functions presented as business-type activities, where the intent is that the cost of providing goods or services to the general public on a continuing basis be financed or received primarily through user charges or determination of net income is appropriate for accountability purposes.

Internal Service Funds are used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units, on a cost-reimbursement basis.

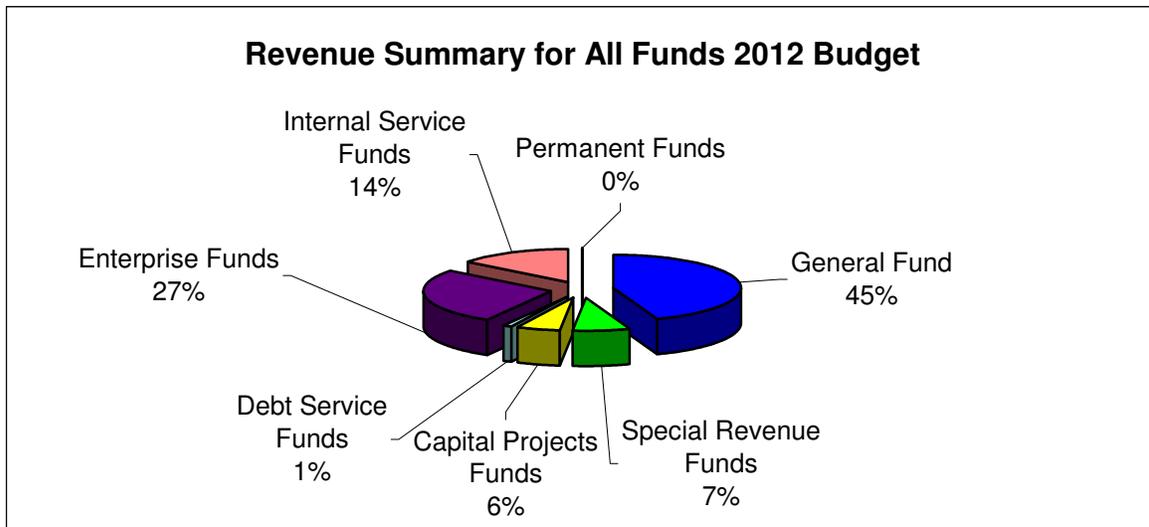
Permanent Funds are used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for the benefit of the city or its citizenry.

City of Montrose - Revenue Summary

	ACTUAL 2010	BUDGET 2011	BUDGET 2012
GENERAL FUND			
Tax Revenue	\$13,938,981	13,577,661	13,301,000
License and Permits	226,774	248,107	210,100
Intergovernmental Revenues	1,114,859	933,751	1,119,400
Charges for Services	190,908	342,894	331,000
Fines & Forfeitures	163,896	183,400	163,500
Miscellaneous Revenues	237,242	330,250	149,450
Transfer Cost Allocation	1,029,463	1,174,731	1,275,282
Interest Income	2,871	5,000	2,000
Transfer from Others	363,697	400	458,658
TOTAL GENERAL FUND	\$17,268,690	\$16,796,194	17,010,390
SPECIAL REVENUE FUNDS			
Tax Revenue	\$601,395	\$591,600	\$589,300
Intergovernmental Revenues	713,635	1,934,000	1,078,000
Charges for Services	11,639	3,675	3,675
Miscellaneous Revenues	326,060	69,000	48,200
Interest Income	7,768	4,600	1,650
Transfer from Others	58,637	1,866,225	1,025,131
TOTAL SPECIAL REVENUE FUNDS	\$1,719,134	\$4,469,100	\$2,745,956
CAPITAL PROJECTS			
Intergovernmental Revenues	\$93,736	\$3,800,000	\$2,000,000
Miscellaneous Revenues	145,297	112,800	111,100
Interest Income	16,023	0	1,000
Transfer from Others	0	0	0
TOTAL CAPITAL PROJECTS	\$255,056	\$3,912,800	\$2,112,100
DEBT SERVICE			
Charges for Services	\$12,189	\$12,189	\$12,189
Interest Income	4	120	10
Proceeds from Issuance	2,570,000	0	0
Bond Premiums	111,594	0	0
Transfers from Others	376,525	374,075	375,075
TOTAL DEBT SERVICE FUNDS	\$3,070,312	\$386,384	\$387,274

City of Montrose - Revenue Summary

	<u>ACTUAL 2010</u>	<u>BUDGET 2011</u>	<u>BUDGET 2012</u>
ENTERPRISE FUNDS			
Intergovernmental Revenues	\$116,262	\$505,000	\$402,000
Charges for Services	9,640,893	9,560,900	9,513,400
Miscellaneous Revenues	248,998	289,200	185,700
Transfer Cost Allocat	145,035	167,616	173,664
Interest Income	73,130	47,200	6,200
Transfer from Others	417,989	0	225,937
TOTAL ENTERPRISE FUNDS	\$10,642,307	\$10,569,916	\$10,506,901
INTERNAL SERVICE FUNDS			
Intergovernmental Revenues	\$38,365	\$0	\$8,400
Charges for Services	\$823,380	\$648,604	\$908,226
Miscellaneous Revenues	2,459,507	2,044,389	2,087,500
Interest Income	2,292	3,240	2,800
Transfers from Others	0	0	0
Operating Transfers In	2,112,870	2,208,700	2,462,000
Cobra	\$1,537	\$3,000	\$2,500
TOTAL INTERNAL SERVICE FUNDS	\$5,437,951	\$4,907,933	\$5,471,426
PERMANENT FUNDS			
Charges for Services	\$1,920	\$1,200	\$1,200
Miscellaneous Revenues	0	0	0
Interest Income	663	800	550
TOTAL PERMANENT FUNDS	\$2,583	\$2,000	\$1,750
TOTAL REVENUE	\$38,396,033	\$41,044,327	\$38,235,797

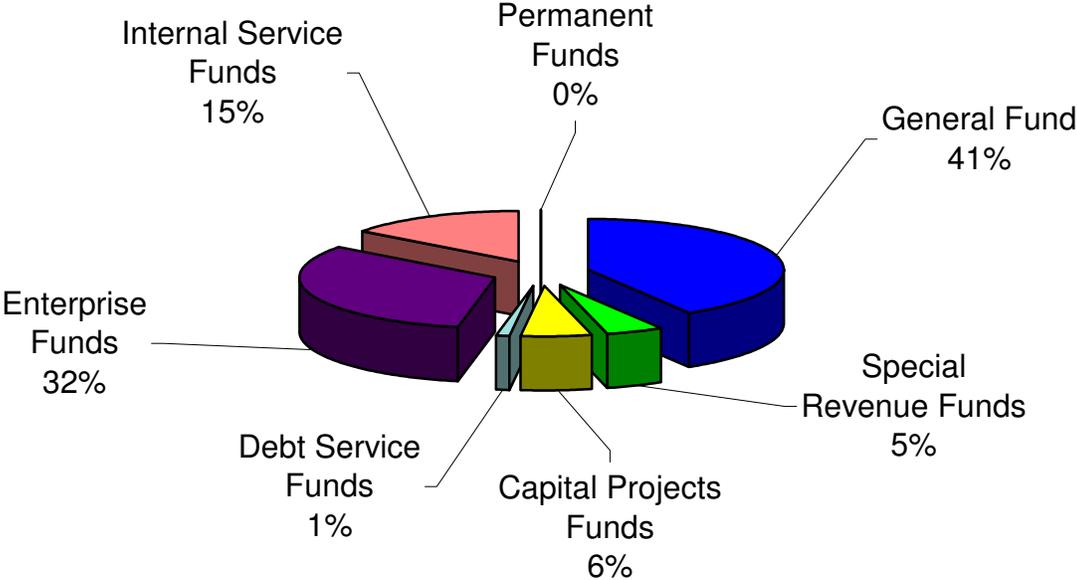


TOTAL FUNDS EXPENDITURE SUMMARY

2012 BUDGET

Department	General	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Permanent
City Council	\$76,042						
Washington D.C. Consultant	6,000						
Economic Development	255,000						
City Attorney	374,828						
City Manager	300,587						
Human Resources	333,380						
Pavilion	586,202						
G.I.S.	234,795						
Finance	607,972						
Municipal and Teen Court	199,517						
Community Development	469,922						
Admin. Services	270,688						
City Clerk	206,369						
Municipal Building	392,640						
Police and Animal Control	5,773,462						
Code Compliance	268,590						
Engineer	368,902						
Public Works Administration	522,087						
Street Maintenance	2,636,676						
Street Cleaning	330,405						
Green Waste Disposal	9,915						
Parks	1,080,777						
Tree Program	15,000						
Cemetery	90,428						
Transfers to Others	1,400,206						
Property Casualty Insurance	200,000						
Clearing Acct							
Retail Sales Enhancement		\$224,000					
Methamphetamine Grant		100,000					
7th Judicial District Drug Tsk		99,120					
HUD/SBA Grants		470,000					
Downtown Development		128,000					
Public/Education/Government		21,000					
Curb, Gutter, Sidewalk		100,000					
Department 6505		78,000					
Arterial Construction		0					
South Townsend Sidewalks		375,000					
Conservation Trust		0					
Pavilion Senior Center		4,175					
Special Benefit Fund		12,160					
Tourism Promotional Fund		344,300					
Grand/Rio Grande Project			\$2,400,000				
98 Revenue Bonds				\$375,225			
EIA Fireflow Loan				12,189			
Utility - Water					\$7,065,805		
Utility - Sewer					4,673,587		
Sanitation					1,548,589		
Fleet Management						\$2,086,713	
IT Equipment Replacement						997,027	
Employee Benefit						2,871,000	
Demoret Trust							\$50,500
Cemetery Care							150
Total Expenditures	\$17,010,390	\$1,955,755	\$2,400,000	\$387,414	\$13,287,981	\$5,954,740	\$50,650
TOTAL EXPENDITURES							\$41,046,930

Expenditure Summary for All Funds 2012 Budget



TOTAL FUNDS EXPENDITURE SUMMARY

**Prior Year Comparison
2012 BUDGET**

Department	ACTUAL 2010	BUDGET 2011	BUDGET 2012
GENERAL FUND DEPARTMENTS			
City Council	\$67,856	\$84,943	\$76,042
Washington D.C. Consultant	45,000	54,000	6,000
Community Program Support	40,688	55,000	0
Economic Development	325,000	292,500	255,000
Montrose Museum	1,055	3,060	0
Public Relations/Marketing	144,622	150,218	0
Uncompahgre Valley Leader	224	0	0
City Attorney	399,410	375,545	374,828
City Manager	342,412	337,054	300,587
Human Resources	295,509	245,875	333,380
Pavilion	4,195	573,753	586,202
G.I.S.	224,233	236,389	234,795
Finance	648,657	642,316	607,972
Municipal and Teen Court	194,744	190,463	199,517
Community Development	509,564	547,316	469,922
Admin. Services	227,809	702,354	270,688
City Clerk	216,397	203,967	206,369
Municipal Complex	254,162	388,878	392,640
Police Patrol	3,007,673	3,524,927	3,425,573
Police Administration	1,841,874	1,621,124	1,720,600
Animal Control	558,245	592,992	627,289
Code Compliance	325,878	273,508	268,590
Engineer	355,793	343,739	368,902
Public Work Administration	515,547	506,300	522,087
Street Maintenance	2,399,071	2,620,803	2,636,676
Street Cleaning	312,283	313,483	330,405
Green Waste Disposal	8,492	10,375	9,915
Parks	1,116,773	1,050,264	1,080,777
Tree Program	7,209	10,500	15,000
Cemetery	92,044	92,932	90,428
Montrose Lions Community Bld	5,364	5,712	0
Transfer to Others	852,910	1,516,200	1,400,206
Property Casualty Ins	174,924	200,000	200,000
TOTAL GENERAL FUND	\$15,515,617	\$17,766,490	\$17,010,390

TOTAL FUNDS EXPENDITURE SUMMARY

Prior Year Comparison**2012 BUDGET**

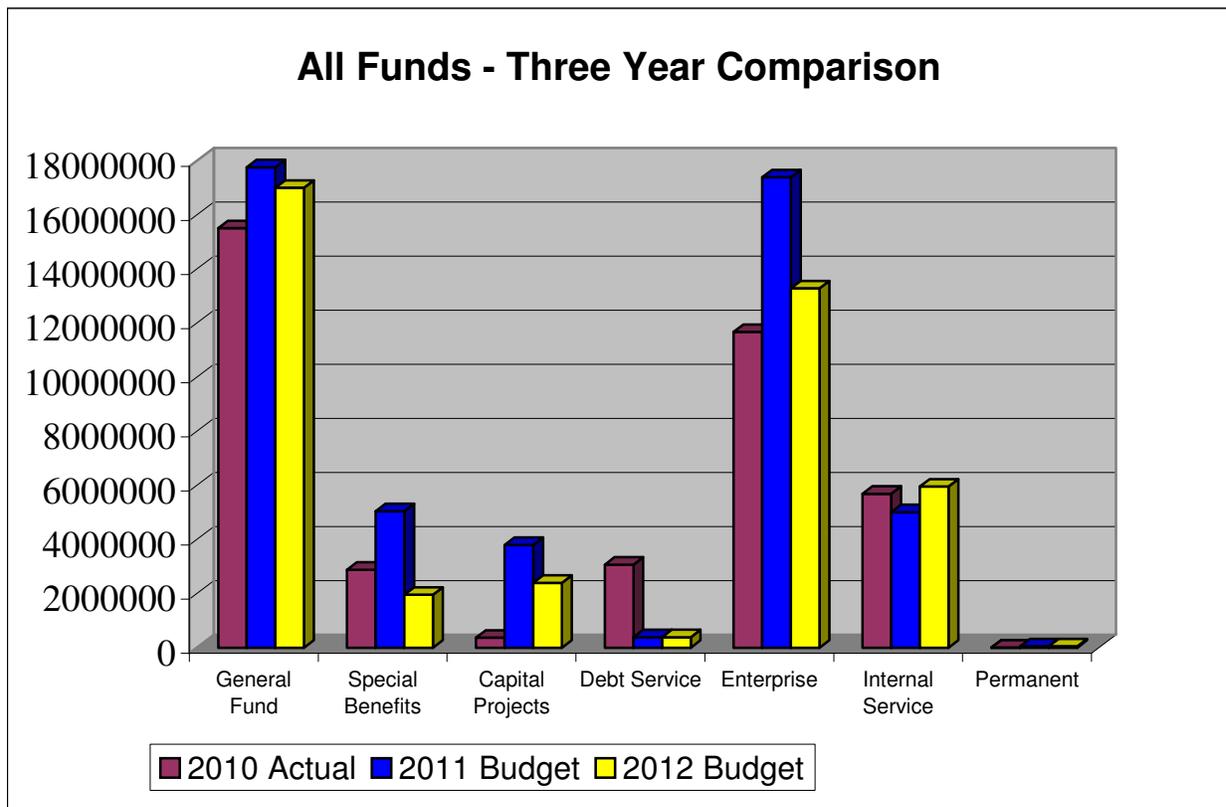
Department	ACTUAL 2010	BUDGET 2011	BUDGET 2012
SPECIAL BENEFIT FUNDS			
Retail Sales Enhancement	\$247,515	\$232,000	\$224,000
Meth Grant	82,165	0	\$0
PD Technology Grant	18,459	0	\$0
TEA 21 Downtown Streetscape	23,479	0	\$0
Methamphetamine Grant	5,737	280,000	\$100,000
7th Judicial District Drug Task Force	94,840	105,896	\$99,120
Hazardous Elimination Grant	118,242	0	\$0
HUD/SBA Grants	0	0	\$470,000
Downtown Development Authority	12,883	183,720	\$128,000
Public/Education/Government	0	0	\$21,000
Curb, Gutter, Sidewalk	101,961	390,000	\$100,000
General Capital Improvements	0	0	\$78,000
Arterial Construction	1,502,210	3,278,000	\$0
South Townsend Sidewalks	0	0	\$375,000
Conservation Trust Fund	300,581	190,000	\$0
Pavilion Senior Center	2,500	4,100	\$4,175
Special Benefit Fund	10,146	22,125	\$12,160
Tourism Promotional Fund	360,840	359,600	344,300
TOTAL SPECIAL BENEFIT FUNDS	\$2,881,557	\$5,045,441	\$1,955,755
CAPITAL PROJECTS FUNDS			
Special Improvements/Niagara	\$742	\$0	\$0
Grand/Rio Grande Project	359,684	3,800,000	2,400,000
Civic Campus Upgrades	5,700	0	0
TOTAL CAPITAL PROJECTS FUNDS	\$366,126	\$3,800,000	\$2,400,000
DEBT SERVICE FUNDS			
98 Revenue Bonds	3,058,120	\$374,225	\$375,225
EIA Fireflow Loan	12,189	\$12,190	\$12,189
TOTAL DEBT SERVICE FUNDS	\$3,070,309	\$386,415	\$387,414
ENTERPRISE FUNDS			
Utility - Water	\$4,558,792	\$7,570,243	\$7,065,805
Utility - Sewer	4,727,656	8,133,716	4,673,587
Sanitation	1,619,723	1,690,373	1,548,589
Pavilion	773,954	0	0
TOTAL ENTERPRISE FUNDS	\$11,680,125	\$17,394,332	\$13,287,981

TOTAL FUNDS EXPENDITURE SUMMARY

Prior Year Comparison

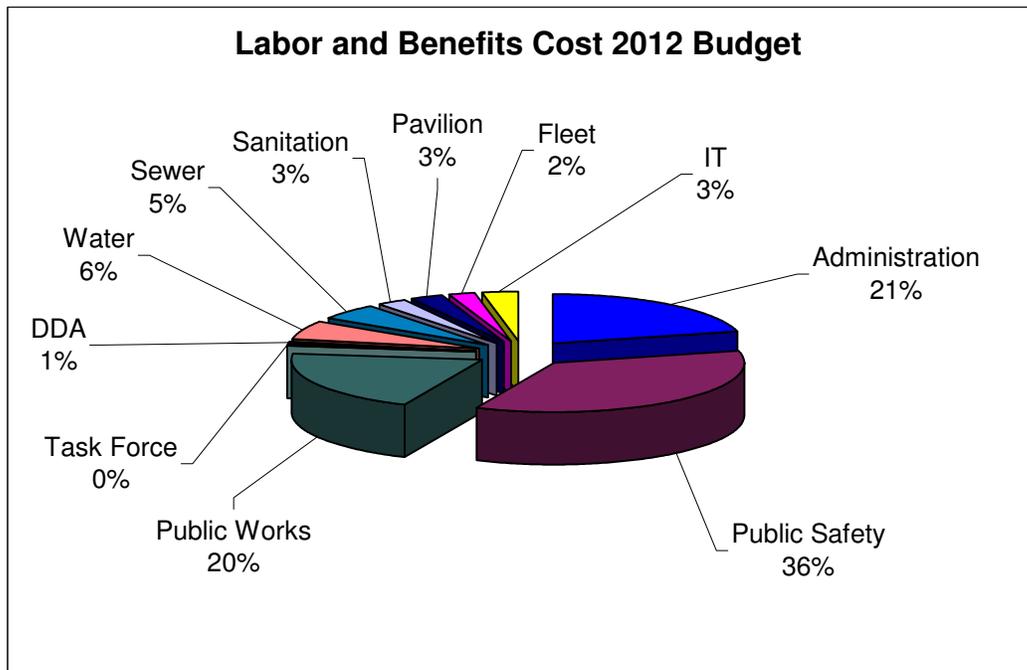
2012 BUDGET

Department	ACTUAL 2010	BUDGET 2011	BUDGET 2012
INTERNAL SERVICE FUNDS			
Fleet Management	\$2,033,115	\$1,501,477	\$2,086,713
IT Department	924,909	935,142	997,027
Employee Benefit	2,736,303	2,575,500	2,871,000
TOTAL INTERNAL SERVICE FUNDS	\$5,694,328	\$5,012,119	\$5,954,740
PERMANENT FUNDS			
Demoret Trust Fund	\$500	\$50,500	\$50,500
Cemetery Perpetual Care	221	400	150
TOTAL PERMANENT FUNDS	\$721	\$50,900	\$50,650
TOTAL ALL FUNDS	\$39,208,781	\$49,455,697	\$41,046,930



LABOR AND BENEFITS COST
2012 Budget

Department	Labor and Benefits
Administration	\$2,611,285
Pavilion	337,437
Public Safety	4,357,474
Public Works	2,492,217
General Fund Total	\$9,798,413
7th Judicial District Drug Task Force	\$58,010
Downtown Development Authority	\$85,148
Special Revenue Fund Total	\$143,158
Water	\$745,407
Sewer	655,528
Sanitation	322,069
Enterprise Fund Total	\$1,723,004
Fleet Management	\$247,638
Information Technology	390,991
Internal Fund Total	\$638,629
TOTAL LABOR AND BENEFITS	\$12,303,204



SUMMARY OF TRANSFERS

	Transfer from Account	Transfer to Account	2011
Special Revenue Funds			
7th Judicial District Drug Ts	100-5180-750-000	207-4900-900-000	\$63,120
Capital Projects	100-5180-750-000	235-4900-900-000	\$871,682
Repayment of Energy Perf	100-5180-750-000	235-4900-900-000	\$40,329
Conservation Trust Fund	100-5180-750-000	250-4900-900-000	\$50,000
Debt Service Fund			
Excise Tax Revenue Bonds	100-5180-750-000	370-4900-900-000	\$375,075
Permanent Funds			
Cemetery Perpetual Care	420-9020-750-000	100-4900-900-000	\$150
Fleet Fund			
Fleet Equity	600-8005-750-000	100-4900-900-000	\$458,507
Fleet Equity	600-8005-750-000	500-4900-900-000	67,836
Fleet Equity	600-8005-750-000	510-4900-900-000	48,699
Fleet Equity	600-8005-750-000	550-4900-900-000	109,403
			684,445
TOTAL OF TRANSFERS			\$2,084,801
ADMINISTRATIVE REIMBURSEMENT			
Water Fund Transfer	500-7020-751-000	100-4700-701-000	447,818
Sewer Fund Transfer	510-7035-751-000	100-4700-701-000	469,670
Sewer Fund Transfer	510-7035-751-000	500-4700-701-000	104,198
Sanitation Fund Transfer	550-7100-751-000	100-4700-701-000	357,794
Sanitation Fund Transfer	550-7100-751-000	500-4700-701-000	69,466
TOTAL ADMINISTRATIVE REIMBURSEMENT			1,448,946

City of Montrose 2012 Projected Revenues, Expenditures and Fund Balance

	2010 Actuals	2011 Original Budget	2011 Actual through 7/31/11	2011 Projected 12/31/2011	2012 Proposed Budget
GENERAL FUND					
Unreserved FUND BALANCE 1/1	\$4,316,975			\$6,070,048	\$5,782,198
REVENUES					
SALES TAX	\$13,938,981	\$13,577,661	\$6,563,846	\$13,294,000	\$13,301,000
LICENSES & PERMITS	\$226,774	\$248,107	\$113,905	\$199,600	\$210,100
INTERGOVERNMENTAL REV	\$1,114,859	\$933,751	\$462,585	\$1,070,400	\$1,119,400
CHARGES FOR SERVICES	\$190,908	\$342,894	\$150,912	\$311,400	\$331,000
FINES & FORFEITURES	\$163,896	\$183,400	\$112,907	\$194,500	\$163,500
MISCELLANEOUS REVENUES	\$237,242	\$330,250	\$191,597	\$295,350	\$149,450
TRANSFERS FROM OTHERS	\$1,029,463	\$1,174,731	\$587,361	\$1,174,700	\$1,275,282
INCOME FROM INVESTMENTS	\$2,871	\$5,000	\$2,812	\$4,800	\$2,000
OTHER FINANCING SOURCES	\$363,697	\$400	\$198	\$400	\$458,658
TOTAL REVENUES	\$17,268,690	\$16,796,194	\$8,186,122	\$16,545,150	\$17,010,390
EXPENDITURES					
CITY COUNCIL	\$67,856	\$84,943	\$49,485	\$70,000	\$76,042
WASHINGTON DC CONSULT	45,000	54,000	26,000	36,000	6,000
COMMUNITY PROGRAM SUPPORT	40,688	55,000	12,800	30,000	0
ECONOMIC DEVELOPMENT	325,000	292,500	245,500	290,000	255,000
MONTROSE MUSEUM	1,055	3,060	2,936	3,500	0
PUBLIC RELATIONS/MARKETING	144,622	150,218	74,670	138,000	0
UNCOMPAHGRE VALLEY LDR	224	0	0	0	0
CITY ATTORNEY	399,410	375,545	225,101	375,500	374,828
CITY MANAGER	342,412	337,054	226,227	352,000	362,957
HUMAN RESOURCES	295,509	245,875	164,367	253,000	333,380
PAVILION	4,195	573,753	329,479	571,000	586,202
GIS	224,233	236,389	146,377	236,000	234,795
FINANCE	648,657	642,316	361,582	581,000	607,972
MUNICIPAL COURT	190,118	183,178	106,144	183,000	193,232
TEEN COURT	4,626	7,285	6,000	8,000	6,285
COMMUNITY DEVELOPMENT	509,564	547,316	306,332	486,000	469,922
ADMINISTRATIVE SERVICES	227,809	202,354	243,451	417,000	270,688
CITY CLERK	216,397	703,967	79,122	174,000	143,999
MUNICIPAL COMPLEX	254,162	388,878	139,702	338,000	392,640
POLICE PATROL	3,007,673	3,524,927	2,007,209	3,250,000	3,425,573
POLICE ADMINISTRATION	1,841,874	1,621,124	978,547	1,610,000	1,720,600
ANIMAL CONTROL	558,245	592,992	337,083	577,000	627,289
CODE COMPLIANCE	325,878	273,508	165,109	277,000	268,590
ENGINEER	355,793	343,739	173,120	318,000	368,902
PUBLIC WORKS ADMIN	515,547	506,300	282,461	491,000	522,087
STREET MAINTENANCE	2,399,071	2,620,803	1,450,236	2,605,800	2,636,676
STREET CLEANING	312,283	313,483	210,580	313,000	330,405
GREEN WASTE DISPOSAL	8,492	10,375	4,783	9,500	9,915
PARKS	1,116,773	1,050,264	668,464	1,050,000	1,080,777
TREE PROGRAM	7,209	10,500	9,504	12,000	15,000
CEMETERY	92,044	92,932	56,032	92,000	90,428
MONTROSE LIONS BLDG	5,364	5,712	2,431	5,500	0
TRANSFERS TO OTHERS	852,910	1,516,200	831,719	1,516,200	1,400,206
PROPERTY CASUALTY INSURANCE	174,924	200,000	123,475	164,000	200,000
TOTAL EXPENDITURES	\$15,515,617	\$17,766,490	\$10,046,026	\$16,833,000	\$17,010,390
Unreserved FUND BALANCE 12/31	\$6,070,048			\$5,782,198	\$5,782,198
RETAIL SALES ENHANCEMENT					
FUND BALANCE 1/1	\$49,140.18			\$42,179.48	\$42,179.48
REVENUES					
TAXES	\$240,554.76	\$232,000.00	\$91,860.44	\$239,000.00	\$224,000.00
EXPENDITURES					
RETAIL SALES ENHANCE	\$247,515.46	\$232,000.00	\$91,860.44	\$239,000.00	\$224,000.00
FUND BALANCE 12/31	\$42,179.48			\$42,179.48	\$42,179.48

	2010 Actuals	2011 Original Budget	2011 Actual through 7/31/11	2011 Projected 12/31/2011	2012 Proposed Budget
METH INITIATIVE					
FUND BALANCE 1/1	\$0.00			\$0.00	\$0.00
REVENUES					
INTERGOVERNMENTAL REV	\$58,623.46	\$0.00	\$5,465.00	\$30,752.76	\$0.00
TRANSFERS FROM OTHERS	\$23,541.59	\$0.00	\$0.00		\$0.00
EXPENDITURES					
METH INITIATIVE	\$82,165.05	\$0.00	\$24,378.07	\$30,752.76	\$0.00
FUND BALANCE 12/31	\$0.00			\$0.00	\$0.00
PD TECHNOLOGY GRANTS					
FUND BALANCE 1/1	\$0.00			\$0.00	\$0.00
REVENUES					
INTERGOVERNMENTAL REV	\$18,459.29	\$0.00	\$0.00	\$0.00	\$0.00
EXPENDITURES					
PD TECHNOLOGY GRANTS	\$18,459.29	\$0.00	\$0.00	\$0.00	\$0.00
FUND BALANCE 12/31	\$0.00			\$0.00	\$0.00
TEA 21 DOWNTOWN STREETScape					
FUND BALANCE 1/1	\$27,224.40			\$3,745.66	\$0.00
REVENUES					
INTERGOVERNMENTAL REV	\$0.00	\$0.00	\$0.00		\$0.00
INCOME FROM INVESTMENTS	0.00	0.00	0.00		0.00
OTHER FINANCING SOURCES	0.00	0.00	0.00		0.00
EXPENDITURES					
	\$23,478.74	\$0.00	\$0.00	\$3,745.66	\$0.00
FUND BALANCE 12/31	\$3,745.66			\$0.00	\$0.00
METHAMPHETAMINE GRANT					
FUND BALANCE 1/1	\$0.00			\$0.00	\$0.00
REVENUES					
INTERGOVERNMENTAL REV	\$5,737.06	\$280,000.00	\$2,803.20	\$166,100.00	\$100,000.00
EXPENDITURES					
	\$5,737.06	\$280,000.00	\$14,560.74	\$166,100.00	\$100,000.00
FUND BALANCE 12/31	\$0.00			\$0.00	\$0.00
7TH JUDICIAL DRUG TASKFORCE					
FUND BALANCE 1/1	\$17,425.52			\$54,550.55	\$58,046.55
REVENUES					
INTERGOVERNMENTAL REV	\$843.08	\$0.00	\$0.00		\$0.00
MISCELLANEOUS REVENUE	\$96,026.50	\$60,000.00	\$6,030.70	\$60,000.00	\$36,000.00
OTHER FINANCING SOURCES	35,095.36	45,896.00	17,478.00	45,896.00	63,120.00
TOTAL REVENUES	\$131,964.94	\$105,896.00	\$23,508.70	\$105,896.00	\$99,120.00
EXPENDITURES					
	\$94,839.91	\$105,896.00	\$59,152.54	\$102,400.00	\$99,120.00
FUND BALANCE 12/31	\$54,550.55			\$58,046.55	\$58,046.55
HAZARDOUS ELIMINATION GRANT					
FUND BALANCE 1/1	\$304,637.67			\$835.00	\$0.00
REVENUES					
INTERGOVERNMENTAL REV	\$119,076.66	\$0.00	\$0.00		\$0.00
OTHER FINANCING SOURCES	0.00	0.00	0.00		0.00
TOTAL REVENUES	\$119,076.66			\$0.00	\$0.00
EXPENDITURES					
	\$422,879.33	\$0.00	\$0.00	\$835.00	\$0.00
FUND BALANCE 12/31	\$835.00			\$0.00	\$0.00

	2010 Actuals	2011 Original Budget	2011 Actual through 7/31/11	2011 Projected 12/31/2011	2012 Proposed Budget
HUD/SBA GRANTS					
FUND BALANCE 1/1	\$13,889.75			-\$742.70	\$0.00
REVENUES					
INTERGOVERNMENTAL REV	\$0.00	\$0.00	\$0.00		\$470,000.00
OTHER FINANCING SOURCES	0.00	0.00	0.00	742.70	0.00
TOTAL REVENUES	\$0.00	\$0.00	\$0.00	\$742.70	\$470,000.00
EXPENDITURES	\$14,632.45	\$0.00	\$0.00		\$470,000.00
FUND BALANCE 12/31	-\$742.70			\$0.00	\$0.00
DOWNTOWN DEVELOPMENT AUTHORITY					
FUND BALANCE 1/1	\$0.00			\$17,218.14	\$113,428.14
REVENUES					
INTERGOVERNMENTAL REV	\$30,100.21	\$30,000.00	\$30,000.00	\$30,000.00	\$0.00
PROPERTY TAX	\$0.00	\$141,000.00	\$111,698.47	\$140,000.00	\$128,000.00
INCOME FROM INVESTMENTS	\$0.60	\$0.00	\$0.20		\$0.00
OTHER FINANCING SOURCES	\$0.00	\$0.00	\$7,998.00	\$16,000.00	\$0.00
TOTAL REVENUES	\$30,100.81	\$171,000.00	\$149,696.67	\$186,000.00	\$128,000.00
EXPENDITURES	\$12,882.67	\$183,720.00	\$36,444.18	\$89,790.00	\$128,000.00
FUND BALANCE 12/31	\$17,218.14			\$113,428.14	\$113,428.14
PUBLIC/EDUCATION/GOVERNMENT					
FUND BALANCE 1/1	\$0.00			\$0.00	\$0.00
REVENUES					
PEG FEE	\$0.00	\$0.00	\$0.00	\$0.00	\$21,000.00
EXPENDITURES				\$0.00	\$21,000.00
FUND BALANCE 12/31	\$0.00			\$0.00	\$0.00
SURPLUS & DEFICIENCY					
FUND BALANCE 1/1	\$153,648.42			\$153,875.40	\$154,075.40
REVENUES					
INCOME FROM INVESTMENTS	\$226.98	\$500.00	\$66.60	\$200.00	\$300.00
EXPENDITURES					
FUND BALANCE 12/31	\$153,875.40			\$154,075.40	\$154,375.40
CAPITAL IMPROVEMENT FUND					
FUND BALANCE 1/1	\$2,501,221.42			\$1,505,004.33	\$531,133.33
REVENUES					
INTERGOVERNMENTAL REV	\$397,768.44	\$1,400,000.00	\$36,251.80	\$1,382,000.00	\$300,000.00
MISCELLANEOUS REVENUES	\$204,500.00	\$0.00	\$0.00		\$0.00
INCOME FROM INVESTMENTS	5,684.62	2,000.00	463.32	800.00	500.00
OTHER FINANCING SOURCES	0.00	1,820,329.00	507,666.00	1,015,329.00	912,011.00
TOTAL REVENUES	607,953.06	3,222,329.00	544,381.12	2,398,129.00	1,212,511.00
EXPENDITURES	\$1,604,170.15	\$3,668,000.00	\$2,108,296.56	\$3,372,000.00	\$553,000.00
FUND BALANCE 12/31	\$1,505,004.33			\$531,133.33	\$1,190,644.33

	2010 Actuals	2011 Original Budget	2011 Actual through 7/31/11	2011 Projected 12/31/2011	2012 Proposed Budget
CONSERVATION TRUST FUND					
FUND BALANCE 1/1	\$362,594.02			\$150,380.75	\$165,880.75
REVENUES					
INTERGOVERNMENTAL REV	\$78,027.77	\$83,000.00	\$43,725.63	\$85,000.00	\$80,000.00
MISCELLANEOUS REVENUES	8,500.00	0.00	-1,500.00	0.00	0.00
TRANSFERS FROM OTHERS					50,000.00
INCOME FROM INVESTMENTS	1,840.09	2,000.00	267.88	500.00	800.00
TOTAL REVENUES	\$88,367.86	\$85,000.00	\$42,493.51	\$85,500.00	\$130,800.00
EXPENDITURES	\$300,581.13	\$190,000.00	\$51,408.86	\$70,000.00	\$0.00
FUND BALANCE 12/31	\$150,380.75			\$165,880.75	\$296,680.75
PAVILION SENIOR CENTER					
FUND BALANCE 1/1	\$10,596.29			\$12,579.80	\$14,179.80
REVENUES					
MISCELLANEOUS REVENUE	\$4,483.32	\$4,000.00	\$2,036.53	\$4,000.00	\$4,200.00
EXPENDITURES	\$2,499.81	\$4,100.00	\$1,150.71	\$2,400.00	\$4,175.00
FUND BALANCE 12/31	\$12,579.80			\$14,179.80	\$14,204.80
SPECIAL BENEFIT FUND					
FUND BALANCE 1/1	\$36,290.47			\$43,709.54	\$46,211.54
REVENUES					
INTERGOVERNMENTAL REV	\$5,000.00	\$0.00	\$0.00	\$0.00	\$0.00
CHARGES FOR SERVICES	11,638.97	3,675.00	7,875.00	10,000.00	3,675.00
MISCELLANEOUS REVENUES	12,549.89	5,000.00	3,974.46	9,000.00	8,000.00
INCOME FROM INVESTMENTS	14.94	100.00	0.62	2.00	50.00
TOTAL REVENUES	29,203.80	8,775.00	11,850.08	19,002.00	11,725.00
EXPENDITURES	\$10,145.76	\$22,125.00	\$2,662.43	\$16,500.00	\$12,160.00
RESTRICT FEE IN LEU OF LAND	11,638.97				
FUND BALANCE 12/31	\$43,709.54			\$46,211.54	\$45,776.54
TOURISM PROMOTIONAL FUND					
FUND BALANCE 1/1	\$0.00			\$0.00	\$0.00
REVENUES					
EXCISE TAX	\$360,840.06	\$359,600.00	\$166,056.61	\$353,800.00	\$344,300.00
EXPENDITURES	\$360,840.06	\$359,600.00	\$131,442.61	\$353,800.00	\$344,300.00
FUND BALANCE 12/31	\$0.00			\$0.00	\$0.00
2010 EXCISE TAX REVENUE BONDS					
FUND BALANCE 1/1	\$60,444.10			\$60,443.23	\$59,693.23
REVENUES					
INCOME FROM INVESTMENTS	\$0.00	\$100.00	\$0.00	\$0.00	\$0.00
	\$2,570,000.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$111,594.30	\$0.00	\$0.00	\$0.00	\$0.00
OTHER FINANCING SOURCES	376,525.00	374,075.00	179,760.00	374,075.00	375,075.00
TOTAL REVENUES	3,058,119.30	374,175.00	179,760.00	374,075.00	375,075.00
EXPENDITURES	\$3,058,120.17	\$374,225.00	\$37,787.50	\$374,825.00	\$375,225.00
FUND BALANCE 12/31	\$60,443.23			\$59,693.23	\$59,543.23
EIA FIREFLOW LOAN					
FUND BALANCE 1/1	\$14,444.32			\$14,448.24	\$14,448.24
FIRE FLOW CONNECTION FEE	\$12,188.85	\$12,189.00	\$0.00	\$12,188.85	\$12,189.00
INCOME FROM INVESTMENTS	3.92	20.00	0.00	0.00	10.00
TOTAL REVENUES	\$12,192.77	\$12,209.00	\$0.00	\$12,188.85	\$12,199.00
EXPENDITURES	\$12,188.85	\$12,190.00	\$12,188.85	\$12,188.85	\$12,189.00
FUND BALANCE 12/31	\$14,448.24			\$14,448.24	\$14,458.24

	2010 Actuals	2011 Original Budget	2011 Actual through 7/31/11	2011 Projected 12/31/2011	2012 Proposed Budget
DEMORET TRUST FUND					
FUND BALANCE 1/1	\$71,380.01			\$71,322.50	\$71,122.50
INCOME FROM INVESTMENTS	\$442.49	\$400.00	\$156.69	\$300.00	\$400.00
EXPENDITURES	\$500.00	\$50,500.00	\$250.00	\$500.00	\$50,500.00
FUND BALANCE 12/31	\$71,322.50			\$71,122.50	\$21,022.50
CEMETERY PERPETUAL CARE					
FUND BALANCE 1/1	\$103,471.45			\$105,391.45	\$105,393.45
REVENUES					
CHARGES FOR SERVICES	\$1,920.00	\$1,200.00	\$800.00		\$1,200.00
INCOME FROM INVESTMENTS	220.88	400.00	70.38	200.00	150.00
TOTAL REVENUES	\$2,140.88	\$1,600.00	\$870.38	\$200.00	\$1,350.00
EXPENDITURES	\$220.88	\$400.00	\$198.00	\$198.00	\$150.00
FUND BALANCE 12/31	\$105,391.45			\$105,393.45	\$106,593.45
SPECIAL IMPROVEMENTS REVOLVING					
FUND BALANCE 1/1	\$0.00			\$144,568.90	\$254,371.90
REVENUES					
MISCELLANEOUS REVENUES	\$145,297.12	\$112,800.00	\$4,601.33	\$119,800.00	\$111,100.00
INCOME FROM INVESTMENTS	13.36	0.00	1.59	3.00	0.00
TRANSFERS FROM OTHERS					
TOTAL REVENUES	\$145,310.48	\$112,800.00	\$4,602.92	\$119,803.00	\$111,100.00
EXPENDITURES	\$741.58	\$0.00	\$9,859.54	\$10,000.00	\$0.00
FUND BALANCE 12/31	\$144,568.90			\$254,371.90	\$365,471.90
GRAND/RIO GRANDE					
FUND BALANCE 1/1	\$2,392,354.15			\$2,066,223.97	\$2,066,723.97
REVENUES					
INTERGOVERNMENTAL REV	\$17,573.60	\$3,800,000.00	\$361,330.39	\$1,700,000.00	\$2,000,000.00
INCOME FROM INVESTMENTS	15,980.44	0.00	2,657.10	1,000.00	1,000.00
TOTAL REVENUES	\$33,554.04	\$3,800,000.00	\$363,987.49	\$1,701,000.00	\$2,001,000.00
EXPENDITURES	\$359,684.22	\$3,800,000.00	\$138,510.50	\$1,700,500.00	\$2,400,000.00
FUND BALANCE 12/31	\$2,066,223.97			\$2,066,723.97	\$1,667,723.97
CIVIC CAMPUS UPGRADES					
FUND BALANCE 1/1	\$67,392.53			\$137,884.69	\$137,884.69
REVENUES					
INTERGOVERNMENTAL REV	\$76,162.28	\$0.00	\$0.00		\$0.00
INCOME FROM INVESTMENTS	29.58	0.00	0.00		0.00
OTHER FINANCING SOURCES					
TOTAL REVENUES	\$76,191.86	\$0.00	\$0.00	\$0.00	\$0.00
EXPENDITURES	\$5,699.70	\$0.00	\$0.00		\$0.00
FUND BALANCE 12/31	\$137,884.69			\$137,884.69	\$137,884.69

	2010 Actuals	2011 Original Budget	2011 Actual through 7/31/11	2011 Projected 12/31/2011	2012 Proposed Budget
WATER FUND					
CASH & CASH EQUIVALENTS 1/1	\$6,400,617.41			\$8,141,225.95	\$8,769,070.95
REVENUES					
INTERGOVERNMENTAL REV	\$90,360.65	\$505,000.00	\$480.13	\$100,000.00	\$402,000.00
WATER REVENUES	5,233,548.28	5,134,500.00	2,202,902.25	5,097,500.00	5,206,400.00
MISCELLANEOUS REVENUES	61,257.25	90,500.00	22,603.77	42,000.00	47,500.00
TRANSFERS FROM OTHERS	145,035.00	167,616.00	83,808.00	167,616.00	241,499.00
INCOME FROM INVESTMENTS	29,094.72	46,000.00	7,237.97	15,000.00	5,000.00
TOTAL REVENUES	\$5,559,295.90	\$5,943,616.00	\$2,317,032.12	\$5,422,116.00	\$5,902,399.00
TRANSFER EQUITY					
RECORDS & COLLECTIONS	326,938.22	335,232.00	196,593.17	335,000.00	\$1,163,406.00
WATER DIST & ADMIN	3,181,593.25	6,927,175.00	2,326,689.57	3,934,847.00	347,328.00
WATER DEBT SERVICE	310,155.89	307,836.00	333,908.27	524,424.00	6,476,402.00
TOTAL EXPENDITURES	\$3,818,687.36	\$7,570,243.00	\$2,857,191.01	\$4,794,271.00	\$7,065,805.00
CASH & CASH EQUIVALENTS	\$8,141,225.95			\$8,769,070.95	\$7,605,664.95

SEWER FUND					
CASH & CASH EQUIVALENTS 1/1	\$8,442,133.20			\$7,932,122.50	\$3,620,316.50
REVENUES					
INTERGOVERNMENTAL REV	\$0.00	\$0.00	\$8,539.68	\$8,540.00	\$0.00
SEWER REVENUES	2,809,695.57	2,924,400.00	1,324,874.92	2,756,500.00	2,777,000.00
MISCELLANEOUS REVENUES	160,179.60	198,200.00	99,039.83	124,700.00	137,700.00
INCOME FROM INVESTMENTS	43,732.82	1,000.00	5,816.23	7,000.00	1,000.00
TRANSFERS FROM OTHERS					48,699.00
TOTAL REVENUES	\$3,013,607.99	\$3,123,600.00	\$1,438,270.66	\$2,896,740.00	\$2,964,399.00
TRANSFER EQUITY					
SEWER LINE MAINT & ADMIN	1,120,263.34	6,277,285.00	2,971,935.15	4,660,177.00	\$1,709,188.00
96 BOND DEBT	182,932.00	183,254.00	799,695.80	799,696.00	3,302,223.00
SEWER TREATMENT	1,960,588.17	1,400,872.00	702,292.24	1,476,372.00	0.00
INDUSTRIAL PRETREATMENT	57,887.57	73,119.00	35,839.82	73,115.00	1,106,018.00
SEWER DEBT SERVICE	201,947.61	199,186.00	43,309.68	199,186.00	67,285.00
TOTAL EXPENDITURES	\$3,523,618.69	\$8,133,716.00	\$4,553,072.69	\$7,208,546.00	198,061.00
CASH & CASH EQUIVALENTS	\$7,932,122.50			\$3,620,316.50	\$1,911,128.50

SANITATION FUND					
CASH & CASH EQUIVALENTS 1/1	\$667,421.70			\$490,307.41	\$329,495.41
CHARGES FOR SERVICES					
MISCELLANEOUS REVENUE	\$1,442,384.35	\$1,502,000.00	\$762,522.21	\$1,528,151.00	\$1,530,000.00
INCOME FROM INVESTMENTS	830.47	500.00	77.00	200.00	500.00
TRANSFERS FROM OTHERS	301.70	200.00	56.72	120.00	200.00
TOTAL REVENUES	\$1,443,516.52	\$1,502,700.00	\$762,655.93	\$1,528,471.00	\$1,640,103.00
SANITATION OPER & ADMIN	\$1,463,915.45	\$1,498,427.00	\$877,680.94	\$1,497,133.00	\$1,548,589.00
RECYCLE OPERATIONS	156,715.36	191,946.00	112,084.38	192,150.00	0.00
TOTAL EXPENDITURES	\$1,620,630.81	\$1,690,373.00	\$989,765.32	\$1,689,283.00	\$1,548,589.00
CASH & CASH EQUIVALENTS	\$490,307.41			\$329,495.41	\$421,009.41

PAVILION FUND					
CASH & CASH EQUIVALENTS 1/1	\$99,049.71				
TOTAL REVENUES	\$625,886.39				
TOTAL EXPENDITURES	\$542,652.91				
CASH & CASH EQUIVALENTS	\$182,283.19				

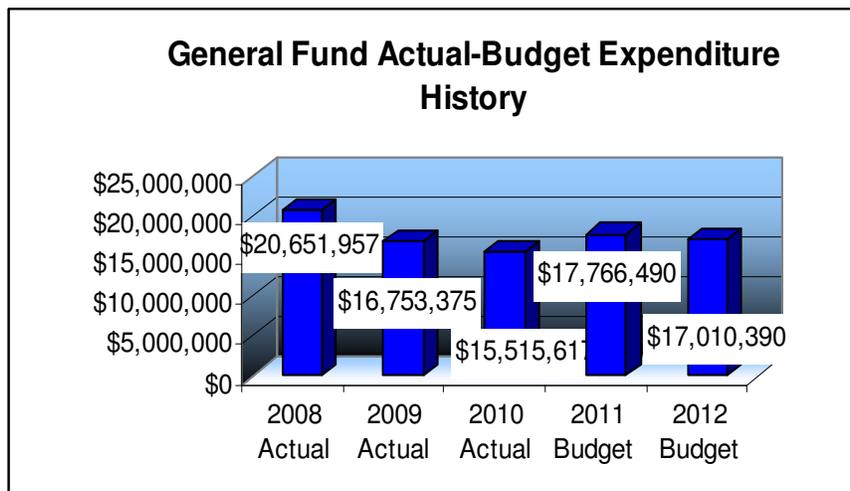
	2010 Actuals	2011 Original Budget	2011 Actual through 7/31/11	2011 Projected 12/31/2011	2012 Proposed Budget
FLEET MANAGEMENT					
CASH & CASH EQUIVALENTS 1/1	\$1,495,553.57			\$2,163,469.69	\$2,431,409.69
MISCELLANEOUS REVENUES	\$1,811,751.80	\$1,591,900.00	\$861,106.20	\$1,646,140.00	\$1,581,900.00
INCOME FROM INVESTMENTS	1,609.44	1,800.00	1,105.21	1,800.00	2,000.00
TOTAL REVENUES	\$1,813,361.24	\$1,593,700.00	\$862,211.41	\$1,647,940.00	\$1,583,900.00
TRANSFER EQUITY					\$502,813.00
TOTAL EXPENDITURES	\$1,145,445.12	\$1,501,477.00	\$787,174.69	\$1,380,000.00	\$2,086,713.00
CASH & CASH EQUIVALENTS	\$2,163,469.69			\$2,431,409.69	\$1,928,596.69
INFORMATION TECHNOLOGIES					
CASH & CASH EQUIVALENTS	\$877,991.65			\$939,559.06	\$764,609.06
FRANCHISE FEES	\$0.00	\$0.00	\$7,309.70	\$24,000.00	\$0.00
INTERGOVERNMENTAL REVENUES	\$38,365.00	\$0.00	\$0.00		\$0.00
CHARGES FOR SERVICES	\$0.00	\$0.00	\$4,296.50	\$8,500.00	\$8,400.00
MISCELLANEOUS REVENUES	892,502.45	699,993.00	346,818.01	692,050.00	968,826.00
INCOME FROM INVESTMENTS	475.04	840.00	275.57	500.00	500.00
TOTAL REVENUES	\$931,342.49	\$700,833.00	\$358,699.78	\$725,050.00	\$977,726.00
TRANSFER EQUITY					19,301.00
TOTAL EXPENDITURES	\$825,669.08	\$935,142.00	\$499,641.48	\$900,000.00	\$997,027.00
Restricted for 800 Mhz	44,106.00				
CASH & CASH EQUIVALENTS	\$939,559.06			\$764,609.06	\$745,308.06
EMPLOYEE INSURANCE FUND					
CASH & CASH EQUIVALENTS	\$153,570.03			\$110,514.18	\$91,699.18
MISCELLANEOUS REVENUES	\$578,632.86	\$401,100.00	\$384,270.05	\$1,198,000.00	\$445,000.00
INCOME FROM INVESTMENTS	207.22	600.00	3.95	10.00	300.00
OTHER FINANCING SOURCES	2,114,407.41	2,211,700.00	1,038,968.02	2,212,600.00	2,464,500.00
TOTAL REVENUES	\$2,693,247.49	\$2,613,400.00	\$1,423,242.02	\$3,410,610.00	\$2,909,800.00
TOTAL EXPENDITURES	\$2,736,303.34	\$2,575,500.00	\$2,221,691.50	\$3,429,425.00	\$2,871,000.00
CASH & CASH EQUIVALENTS	\$110,514.18			\$91,699.18	\$130,499.18
TOTAL REVENUES	\$38,396,033	\$41,044,327	\$16,937,830	\$37,972,766	\$38,235,797
TOTAL EXPENSES	\$36,366,606	\$49,455,697	\$24,674,715	\$42,780,060	\$41,046,930

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GENERAL FUND



- City Council*
- Washington DC Consultant*
- Economic Development/Community Support*
- City Attorney*
- City Manager*
- Human Resources*
- Pavilion*
- GIS*
- Finance*
- Municipal Court*
- Teen Court*
- Community Development*
- Administrative Services*
- City Clerk*
- Municipal Complex*
- Police Patrol*
- Police Administration*
- Animal Control*
- Code Compliance*
- Engineer*
- Public Works Administration*
- Street Maintenance*
- Street Cleaning*
- Green Waste Disposal*
- Parks*
- Tree Program*
- Cemetery*
- Property Casualty*



Revenue by Source - General Fund

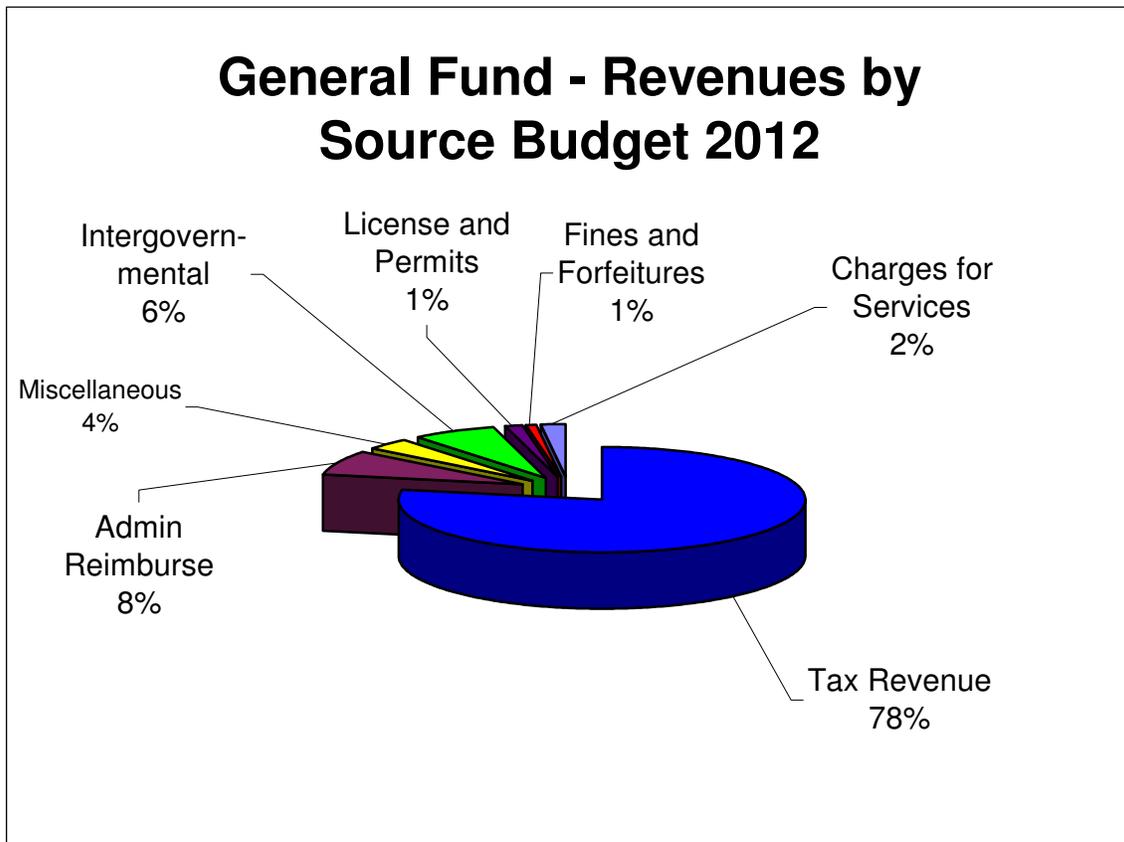
GENERAL FUND	ACTUAL	BUDGET	BUDGET	
	<u>2010</u>	<u>2011</u>	<u>2012</u>	
TAX REVENUE				
100-4100-131-000	Sales Tax	\$11,863,587	\$11,600,000	\$11,368,000
100-4100-132-000	Use Tax	787,239	615,000	700,000
100-4100-133-000	Construction Use Tax	152,516	200,000	125,000
100-4100-137-000	Audit Assessments	77,485	85,000	80,000
100-4100-161-000	Electrical Franchise	521,308	576,588	525,000
100-4100-162-000	Gas Franchise	375,541	360,000	360,000
100-4100-163-000	Telephone Franchise	24,322	32,143	28,000
100-4100-164-000	Cable TV Franchise	103,697	80,000	85,000
100-4100-192-000	Tax Penalty and Interest	33,287	28,930	30,000
	Total Sales Tax Revenue	<u>\$13,938,981</u>	<u>\$13,577,661</u>	<u>\$13,301,000</u>
LICENSE AND PERMITS				
100-4200-211-000	Liquor License	\$21,352	\$19,581	\$20,000
100-4200-212-000	Gas License	2,650	3,000	2,500
100-4200-213-000	Plumbing License	825	800	800
100-4200-214-000	General License	1,747	1,944	1,800
100-4200-215-000	Sales Tax License	26,055	29,000	29,000
100-4200-221-000	Building Permits	148,955	170,000	130,000
100-4200-222-000	Gas Permits	3,447	4,000	3,500
100-4200-223-000	Plumbing Permits	4,140	4,000	4,000
100-4200-225-000	Sign Permits	3,355	3,500	3,500
100-4200-230-000	Right-of-Way Permits	10,956	10,000	12,000
100-4200-260-000	Misc Permits	3,292	2,282	3,000
	Total License and Permits	<u>\$226,774</u>	<u>\$248,107</u>	<u>\$210,100</u>
INTERGOVERNMENTAL REVENUES				
100-4300-344-000	Motor Vehicle	\$70,533	\$72,000	\$70,000
100-4300-350-000	Cigarette Tax	83,473	90,000	85,000
100-4300-351-000	Highway Users Tax	704,083	600,000	725,000
100-4300-352-000	Highway Maintenance	11,803	11,803	11,800
100-4300-353-000	Road & Bridge	17,762	16,911	17,000
100-4300-354-000	Severance Tax	92,534	50,000	90,000
100-4300-356-000	Montrose County S.O.	2,597	2,597	2,600
100-4300-357-000	METSA - 911 Coord	66,436	65,000	68,000
100-4300-372-000	State Governments	15,132	5,000	30,000
100-4300-372-135	VOCA State Reim	40,493	12,700	20,000
100-4300-372-225	Hazardous Driving Grant	3,268	0	0
100-4300-372-255	State Governments	892	0	0
100-4300-373-000	Portal Website Maint	5,853	7,740	0
	Total Intergovernmental	<u>\$1,114,859</u>	<u>\$933,751</u>	<u>\$1,119,400</u>

City of Montrose - Revenue by Source

GENERAL FUND	ACTUAL	BUDGET	BUDGET
	<u>2010</u>	<u>2011</u>	<u>2012</u>
CHARGES FOR SERVICES			
100-4400-400-000 Pavilion Fees	\$0	\$170,000	\$160,000
100-4400-407-000 Annexation Fees	900	1,000	1,000
100-4400-410-000 Off Site Imp Fee	0	0	0
100-4400-411-000 Filing Fees	8,200	8,000	8,000
100-4400-412-000 Pet Relinquishment	3,390	3,200	3,500
100-4400-412-090 Pet Adoption Fees	34,717	32,000	32,000
100-4400-412-100 Impound Fees	4,626	5,519	4,500
100-4400-412-115 Pet License Fees	3,687	4,800	4,000
100-4400-412-450 Olathe Use of Pound	400	500	500
100-4400-412-660 County Animal Control	69,925	50,000	52,000
100-4400-413-000 Charges for Services	14,663	15,000	15,000
100-4400-415-000 NSF Fees	2,970	2,500	2,900
100-4400-416-000 Vehicle Inspection Fees	7,735	8,300	8,000
100-4400-418-000 Developer Fees	0	500	0
100-4400-419-000 MACT Admin Fee	16,843	17,600	17,100
100-4400-430-000 Impound Vehicles	9,647	12,000	10,000
100-4400-461-000 Grave Openings	9,625	7,100	8,000
100-4400-462-000 Cemetery Lots	3,580	4,875	4,500
Total Charges for Services	<u>\$190,908</u>	<u>\$342,894</u>	<u>\$331,000</u>
FINES AND FORFEITURES			
100-4500-500-000 Civil Liquor Violations	\$367	\$5,000	\$500
100-4500-511-000 Court Revenue	157,217	170,000	160,000
100-4500-516-000 Forfeitures	350	900	500
100-4500-518-000 Parking Ticket	5,600	6,000	2,000
100-4500-520-000 Teen Court	363	1,500	500
Total Fines and Forfeitures	<u>\$163,896</u>	<u>\$183,400</u>	<u>\$163,500</u>
MISCELLANEOUS REVENUES			
100-4600-600-000 Sales of Supplies	\$4,805	\$5,000	\$5,000
100-4600-605-000 Sale of Equipment	2,674	0	0
100-4600-606-000 Sale of Land	0	0	0
100-4600-620-620 Lions Community Building	10,267	9,500	10,000
100-4600-650-000 Ins Damage Reim	7,798	15,000	15,000
100-4600-670-000 Donations	153,464	230,700	52,000
100-4600-680-000 Misc Revenue	45,438	50,000	45,000
100-4600-681-000 CBI Liquor License Fees	440	0	400
100-4600-682-000 UVLP Fees	25	0	0

City of Montrose - Revenue by Source

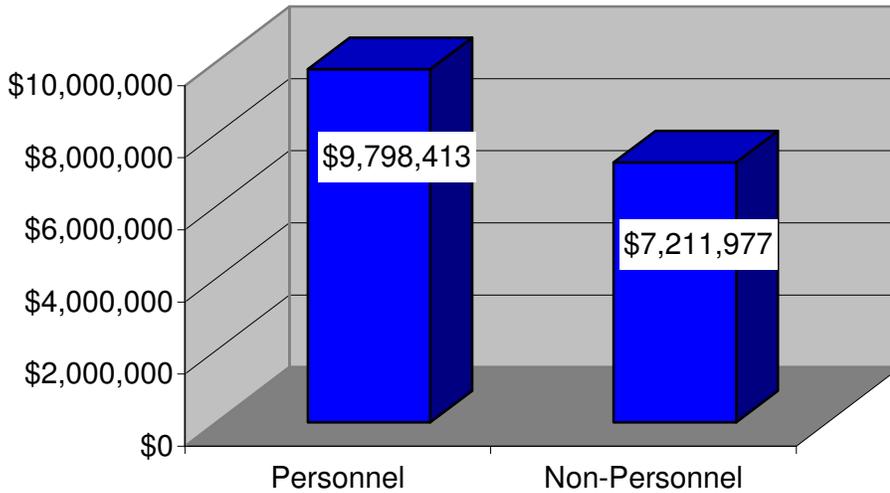
GENERAL FUND		ACTUAL	BUDGET	BUDGET
		2010	2011	2012
100-4600-683-000	Cash Over	142	50	50
100-4600-684-000	Capital Credits	12,189	0	0
100-4600-685-000	Pavilion Misc Revenue	0	20,000	22,000
	Total Misc Revenues	\$237,242	\$330,250	\$149,450
100-4700-701-000	Transfer Cost Allocation	\$1,029,463	\$1,174,731	\$1,275,282
100-4800-800-000	Interest Income	2,871	5,000	2,000
100-4900-900-000	Transfer from Others	363,697	400	458,658
	Total Other	\$1,396,031	\$1,180,131	\$1,735,940
	Total General Fund	\$17,268,690	\$16,796,194	\$17,010,390



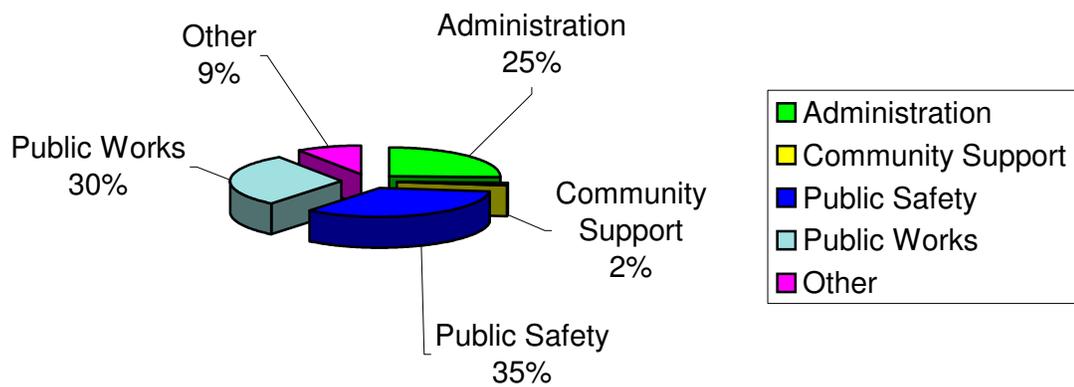
General Fund Expenditure Summary by Department

Department	ACTUAL 2010	PERSONNEL AND BENEFITS		TOTAL BUDGET 2012
		BUDGET 2012	NON-PERSONNEL BUDGET 2012	
City Council	\$67,856	\$18,476	\$57,566	\$76,042
Washington D.C. Consultant	45,000	0	6,000	\$6,000
Public Relations/Marketing	144,622	0	0	\$0
City Attorney	399,410	320,113	54,715	\$374,828
City Manager	342,412	340,257	22,700	\$362,957
Human Resources	295,509	194,980	138,400	\$333,380
Pavilion	4,195	337,437	248,765	\$586,202
G.I.S.	224,233	191,245	43,550	\$234,795
Finance	648,657	511,892	96,080	\$607,972
Municipal and Teen Court	194,744	161,902	37,615	\$199,517
Community Development	509,564	399,682	70,240	\$469,922
Admin. Services	227,809	206,893	63,795	\$270,688
City Clerk	216,397	76,579	67,420	\$143,999
Municipal Complex	254,162	111,983	280,657	\$392,640
Code Compliance	325,878	239,185	29,405	\$268,590
Montrose Museum	1,055	0	0	\$0
Montrose Lions Community Bld	5,364	0	0	\$0
Admin Total	\$3,906,867	\$3,110,624	\$1,216,908	\$4,327,532
Community Program Support	\$40,688	\$0	\$0	\$0
Economic Development	325,000	0	255,000	\$255,000
Uncompahgre Valley Leadership	224	0	0	\$0
Economic Dev/Comm Support	\$365,912	\$0	\$255,000	\$255,000
Police Patrol	\$3,007,673	\$2,538,715	\$886,858	\$3,425,573
Police Administration	1,841,874	1,240,521	480,079	\$1,720,600
Animal Control	558,245	416,336	210,953	\$627,289
Public Safety Total	\$5,407,792	\$4,195,572	\$1,577,890	\$5,773,462
Engineer	\$355,793	\$303,272	\$65,630	\$368,902
Public Work Administration	515,547	366,169	155,918	\$522,087
Street Maintenance	2,399,071	910,496	1,726,180	\$2,636,676
Street Cleaning	312,283	157,305	173,100	\$330,405
Green Waste Disposal	8,492	7,950	1,965	\$9,915
Parks	1,116,773	668,037	412,740	\$1,080,777
Tree Program	7,209	0	15,000	\$15,000
Cemetery	92,044	78,988	11,440	\$90,428
Public Works Total	\$4,807,212	\$2,492,217	\$2,561,973	\$5,054,190
Transfer to Others	\$852,910	\$0	\$1,400,206	\$1,400,206
Property Casualty Insurance	0	0	200,000	\$200,000
Clearing Account	174,924	0	0	\$0
Other Total	\$1,027,834	\$0	\$1,600,206	\$1,600,206
TOTAL GENERAL FUND	\$15,515,617	\$9,798,413	\$7,211,977	\$17,010,390

General Fund Expenditures Personnel vs Non-Personnel 2012



General Fund Expenditures Budget 2012



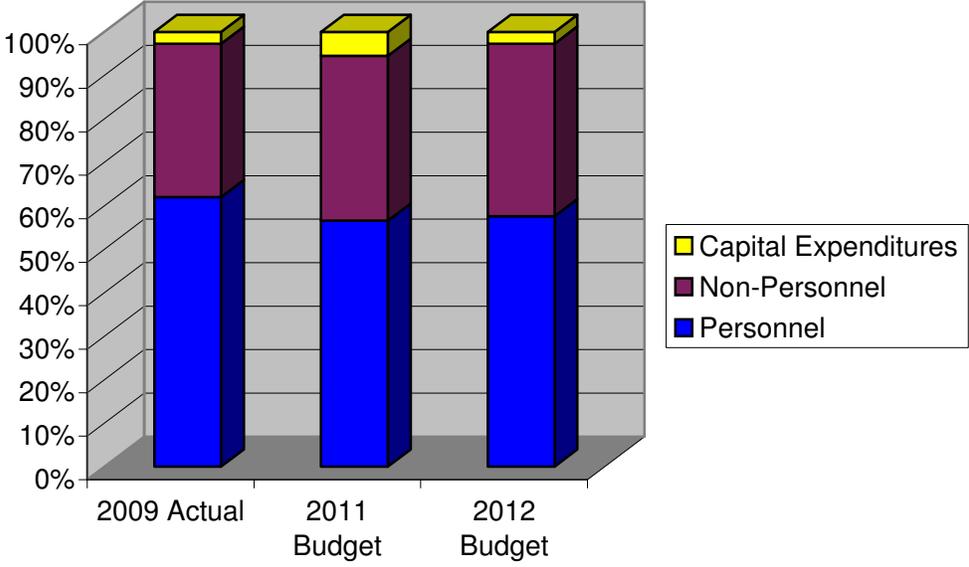
General Fund Expenditure by Detail

Expenditures by Detail	ACTUAL 2010	BUDGET 2011	BUDGET 2012
PERSONNEL			
111 Salaries & Wages Regular	\$6,470,844	\$6,625,472	\$6,320,530
112 Salaries & Wages Temp.	214,049	208,782	248,527
116 Fringe Benefits	48,350	47,580	48,450
121 Overtime Regular	236,492	230,500	228,500
122 Temp Overtime	0	0	0
141 Social Security/Medicare	365,276	393,449	378,831
142 Pension Contribution	339,360	357,425	338,256
143 Police Pension	292,497	305,962	292,182
144 Group Insurance	1,339,403	1,525,800	1,615,668
145 Worker's Compensation	200,164	245,529	236,729
146 Unemployment Insurance	28,342	15,000	0
148 Disability Insurance	63,391	66,380	64,340
150 Wellness	26,345	27,800	26,400
Total Personnel Expenses	\$9,624,513	\$10,049,679	\$9,798,413
NON-PERSONNEL			
210 Office Supplies	\$15,318	\$25,050	\$20,500
211 Postage	18,569	30,785	26,203
212 Printing	18,599	28,500	24,300
214 Computer Supplies	117	600	600
215 Cash Support	77	50	50
221 Operating Supplies	330,256	417,022	428,159
222 Uniforms	26,206	39,600	47,110
223 Asphalt	50,297	250,000	250,000
225 Concrete	0	0	10,000
226 Christmas Decorations	282	1,700	1,700
231 Fuel and Oil	29,266	50,000	50,000
232 Equipment Repairs	8,723	15,700	12,950
241 Tools	1,451	2,850	3,850
331 Advertising	11,816	28,700	25,200
332 Dues/Membership/Subs	63,474	66,989	69,961
333 Permit Fees	1,070	1,850	1,250
341 Utilities	788,493	828,090	834,099
342 Street Lights Installation	0	1,400	1,400
344 Communications	10,752	12,715	6,435
348 Spay and Neuter	38,889	27,431	38,889
349 Election Expenses	0	15,000	27,000
351 Audit	21,553	22,199	22,875
353 Other Professional Services	598,057	888,915	758,034
355 Towing	8,231	15,500	10,000

General Fund Expenditure by Detail

Expenditures by Detail	ACTUAL 2010	BUDGET 2011	BUDGET 2012
NON-PERSONNEL			
356 Contract Services	389,000	316,500	261,000
357 Investigations	0	1,000	1,000
358 Landfill Fees	0	1,500	1,000
359 Legal Fees	38,534	15,000	15,000
361 Community Support	0	45,000	0
362 Office Equipment Repairs	0	0	0
365 Computer Maint Contract	0	0	0
366 Building Repairs	5,504	41,929	63,600
370 Training/Conference/Travel	72,169	110,420	113,490
371 Meeting Expense	5,778	8,450	6,375
488 Community Programming	0	0	4,100
489 CIRSA	0	0	0
490 Employee Recognition	2,585	15,000	94,000
491 Council Initiatives	688	10,000	0
492 Council/Staff Initiatives	0	5,000	0
495 Miscellaneous Expense	15,932	20,975	600
500 Claims	6,066	5,000	0
510 Insurance	174,924	201,000	186,000
515 Deductible on Claims	0	0	15,000
530 Rentals	6,994	24,465	24,885
544 Equipment/Furniture Non-Cap	24,017	58,603	55,214
750 Transfer to Others	852,910	1,516,200	1,400,206
851 Interfund Lease	1,060,559	963,150	993,313
852 Radio Rent	43,519	35,861	54,796
853 IT Interfund Lease	722,511	567,159	792,500
Total Non-Personnel	\$5,463,186	\$6,732,858	\$6,752,644
CAPITAL OUTLAY			
910 Land	\$104,683	\$583,000	\$0
942 Computer Equipment	0	0	0
943 Vehicle Equipment	0	50,000	0
944 Operating Equipment	0	57,353	79,333
950 Lease Payments	0	0	0
951 Interest Lease Payment	0	0	0
962 Capital Improvements	323,235	293,600	380,000
Total Capital	\$427,918	\$983,953	\$459,333
TOTAL GENERAL FUND	\$15,515,617	\$17,766,490	\$17,010,390

General Fund Expenditure Trends



PERFORMANCE MEASURE ICONS

Each department's performance measures are linked to the City Council goals and Comprehensive Plan Guiding Principles. The following is a guide to the icons used in the performance measures tables.

CITY COUNCIL GOALS

Goal 1 – Provide leadership and support in advancing business development efforts in Montrose. 

Goal 2 – Meet the community's present and future infrastructure needs. 

Goal 3 – Support efforts to revitalize the shopping districts. 

Goal 4 – Implement the community vision and actions contained in the Comprehensive Plan. 

Goal 5 – Encourage civic awareness and participation. 

GUIDING PRINCIPLES OF THE COMPREHENSIVE PLAN

1. Plan long range, implement consistently in the short-term. 

2. Strengthen our role as a regional center and attract quality jobs to sustain us. 

3. Grow efficiently. 

4. Develop convenient "centers". 

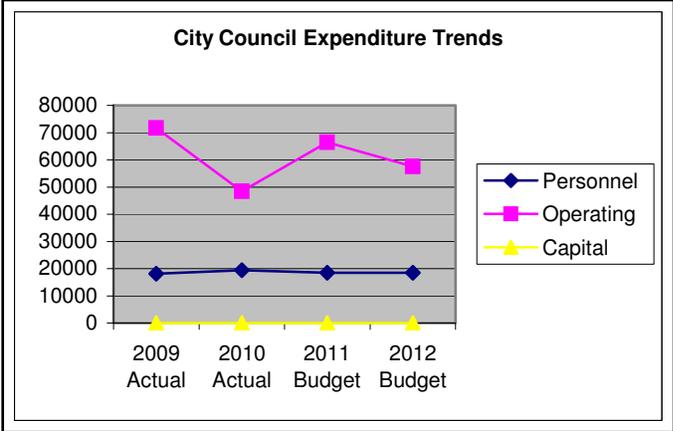
5. Provide a broad range of housing choice. 

6. Protect, and provide access to, important environmental resources. 

7. Connect roads and be transit-friendly. 

8. Provide public services and facilities necessary for health, safety and welfare. 

Department Description:
 All of the legislative powers of the city are vested in the City Council. The council consists of five members and, at its first meeting in April, elects the Mayor and Mayor Pro-Tem. The council meets regularly on the first and third Tuesdays of each month.



2011 Accomplishments:

- Hired a new city manager, Bill Bell, to continue leading the city organization in the carrying out of the council goals.
- Implemented live broadcasting and streaming of city council meetings.
- Provided over \$400,000 in funding to the Colorado Mesa University for campus expansion and equipment purchase.

2012 Objectives:

- Provide leadership and support in advancing business development efforts in Montrose.
- Meet the community’s present and future infrastructure needs.
- Support efforts to revitalize the shopping districts.
- Implement the community vision and actions contained in the Comprehensive Plan.
- Encourage civic awareness and participation.

Significant Changes:

- None

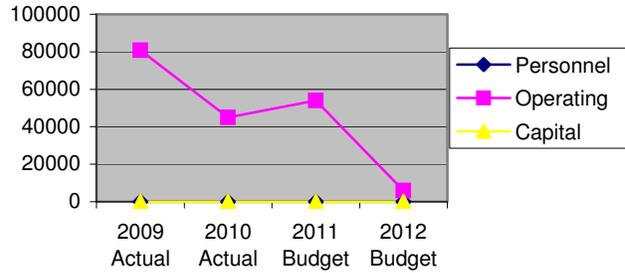
Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Resolutions Adopted			38	42	47	44
Ordinances Adopted			22	22	30	25

Comprehensive Plan Guiding Principles and Council Goals with icons are listed on page 94.

Department Description:

This account group was created in 1996 to record expenditures for consulting/lobbying services as directed by City Council. The consultant was initially hired to minimize the effect of Western Area Power Association moving out of the City of Montrose. The consultant was instrumental in acquiring federal funding for the construction of the Northside Arterial as well as the Grand/Rio Grande improvement project. The consultant continues to monitor and lobby on a variety of issues, including appropriation bills, potential housing funds, and HUD-EDI special projects and funding.

Washington DC Consultant Expenditure Trends



2011 Accomplishments:

- Continued lobbying efforts.

2012 Objectives:

- Work in conjunction with Montrose County efforts.

Significant Changes:

- Eliminated the monthly retainer expense.

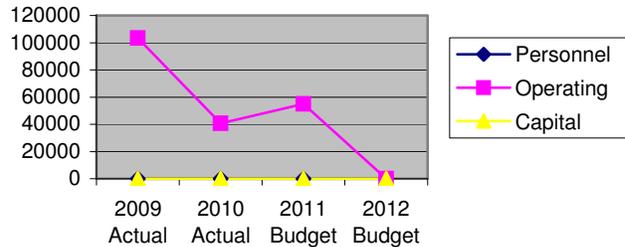
Council Goal	Comp Plan
	

COMMUNITY PROGRAM SUPPORT GENERAL FUND 100-5010

Department Description:

This account has been set up for the support of projects and non-profit agencies specifically designated by the City Council. These projects and programs provide a broad benefit to the Montrose community.

Community Program Support Expenditure Trends



2011 Accomplishments:

- Funded \$15,000 for All Points Transit
- Gave \$3,670 to Rotary for Fourth of July fireworks.
- Provided \$3,000 to the Sharing Ministries food bank.

2012 Objectives:

- Continue to rely on the Montrose Association of Commerce and Tourism for the majority of community event funding.

Significant Changes:

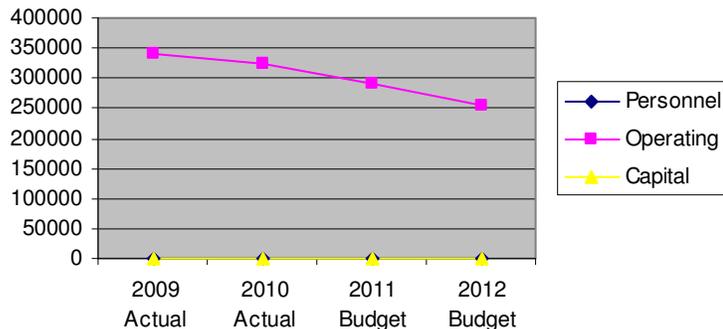
- Combined this budget with the Economic Development line item.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Agencies/Events Supported			25	10	4	0
Increase in Agencies Supported			-40%	-50%	-60%	0

Department Description:

This account represents assistance to other agencies with economic development efforts in the area.

Economic Development Expenditure Trends



2011 Accomplishments:

- Continued support of the city’s economic development partners, including funding an additional \$50,000 to TMRAO for air service.

2012 Objectives:

- Continue supporting economic development partners within the region.

Significant Changes:

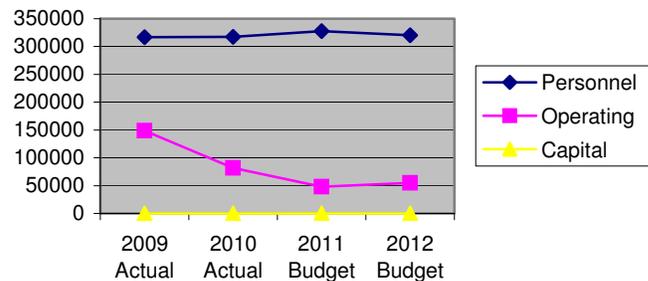
- Reduction in support amount. In 2012, Community Support was added to this line item.

Council Goal	Comp Plan

Department Description:

The City Attorney's Office answers directly to the City Council, although a significant amount of time is spent working with and advising the city department heads and employees on legal issues.

City Attorney Expenditure Trends



Personnel: City Attorney, Assistant City Attorney, Legal Assistant
Part time: Attorney of Council

2011 Accomplishments:

- Successfully acquired deeds to Abundant Life property.
- Successfully oversaw the acquisition of properties for the Grand/Rio Grande project.
- Successfully negotiated acquisition of all properties necessary for Ogden/Woodgate intersection.
- Successfully achieved dismissal of the City as a party from the *Seasons* litigation.
- Host and sit as a director of the Juvenile Planning Board.
- Provide legal representation at all City Council and Planning Commission meetings.
- Prosecuted all Municipal Court cases.
- Assisted in development of river corridor master plan.
- Assisted in handling the airport runway issues.
- Handle or oversee all ongoing litigation.
- Supported the formation of the DDA.

2012 Objectives:

- Support the DDA in its efforts to revitalize downtown.
- Continue to provide legal representation to City Council and Planning Commission.
- Continue to prosecute all Municipal Court cases.
- Assist in execution of Comprehensive Plan and River Corridor Master Plan.
- Continue to oversee all ongoing litigation.
- Continue to host and act as a director of Juvenile Planning Board.
- Continue to negotiate the acquisition of all rights-of-way and other City land transactions.

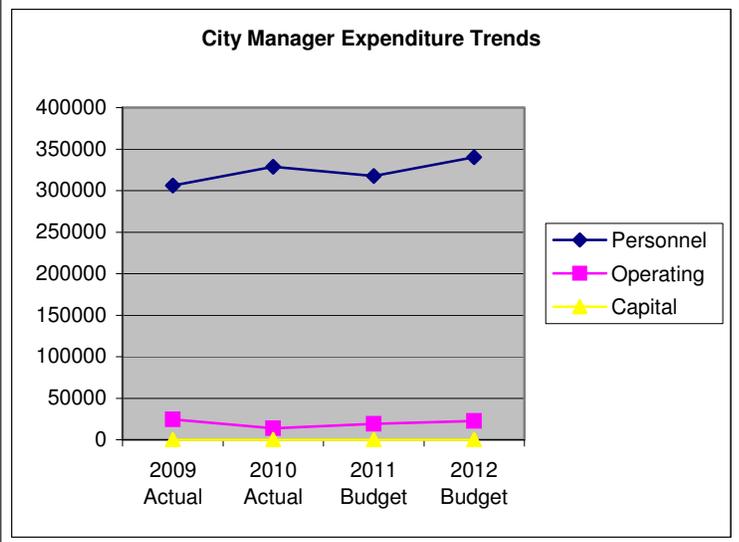
Significant Changes:

- None.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Subdivision Plats			20	17	10	17
Annexations			1	2	2	2
Zoning & Rezoning, CUP & VAR			24	26	24	26
Jury Trials			3	1	5	1
Municipal Court Cases/Trials/Dispositions			240	250	270	250
Leases & Contracts			70	65	70	65
Liquor Enforcement			10	8	10	8
Real Estate			10	13	15	13
Law Enforcement			210	190	225	190
Finance Related Legal Issues			65	70	70	70

Department Description:

The City Manager is the chief executive officer for the city and has the responsibility for seeing that the council’s policies and procedures are administered effectively and efficiently. The City Manager supervises all city personnel except the City Attorney and Municipal Judge. The City Manager often represents the city at regional, state, and federal functions as well as in community projects.



Personnel: City Manager, Assistant City Manager

2011 Accomplishments:

- Implemented a 4-10 workweek catalyzing enhanced employee morale and an annual savings of \$15,000.
- Created a youth council to engage local youth in public service and provide representation to the city council.
- Administered the 2011 Household Survey to establish the price of government.

2012 Objectives:

- Continue to be responsive to the budget and fluctuations in the economy.
- Provide leadership and support in advancing business development efforts in Montrose.
- Support the DDA in its efforts to revitalize downtown.

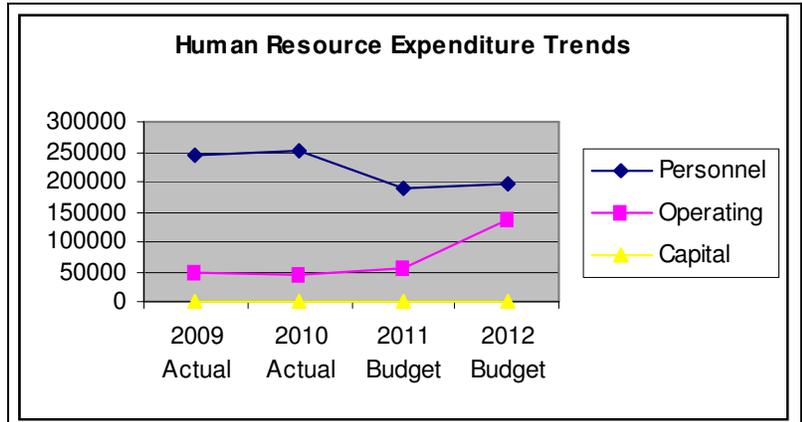
Significant Changes:

- Bill Bell has been named the new City Manager.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Monthly Administrative Reports			12	52	12	52
Objectives for City Council Goals			155	23	25	23

Department Description:

The Human Resources Department plans and carries out policies related to all phases of personnel management: recruitment, interviews, and recommendations of employees for hire; plans and conducts new employee orientations; maintain current job descriptions and classifications; conduct pay and benefit studies, administer welfare insurance plans; handle worker’s compensation and property damage & loss control standards program; coordinates an employee assistance program; Investigates employee grievances; and coordinates city wide training.



Personnel: HR Director/Risk Manager, HR Administrator

2011 Accomplishments:

- Designed and implemented a new evaluation form to replace Taleo.
- Successfully defended unemployment claims.
- Continued employee awareness of City’s safety culture.
- Completed successful CIRSA audit.
- Successful hire of city manager.
- Managed employee health and welfare plans.

2012 Objectives:

- Review employee regulations.
- Improve CIRSA audit score.
- Plan and implement mandatory employee training.

Significant Changes:

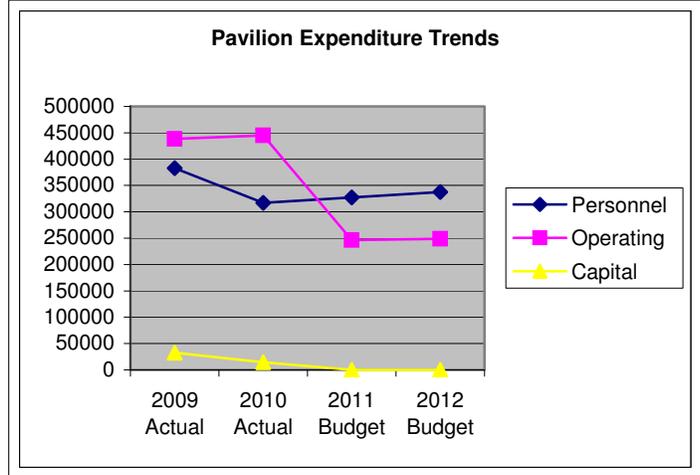
- 22 terminations/resignations: 18 full time, 2 cont part time, 2 Pavilion bartenders.
- Added funds for employee recognition.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Recruitment – Fulltime			4	9	2	4
Recruitment - Part-time and Seasonal			12	6	6	6
Employee Turnover Percentage			4.16%	11%	1%	2%

MONTROSE PAVILION OPERATION AND MAINTENANCE – GENERAL FUND 100-5041

Department Description:

It is the mission of the City of Montrose Pavilion to provide excellence in customer service, facility, and event support for each guest, every day. The Pavilion staff will promote, maintain, and operate the Pavilion as caring stewards of a valuable resource for the community. The Pavilion is a 36,000 square foot facility located on 11.45 acres.



Personnel: Pavilion Manager, Pavilion Technicians (3)
Part-time: Bartenders (3)

2011 Accomplishments:

- Implemented new event form for event planning.
- Spent remaining grant money.
- Continued to manage the work schedule to avoid overtime.
- Implement Preventative Maintenance program throughout the building.

2012 Objectives:

- Begin to develop a marketing plan.
- Monitor advertising dollars
- Review costs of different types of events.
- Continue to sponsor Pavilion events.
- Continue working relationships with entities sharing space.
- Completely clean and refurbish the main kitchen.

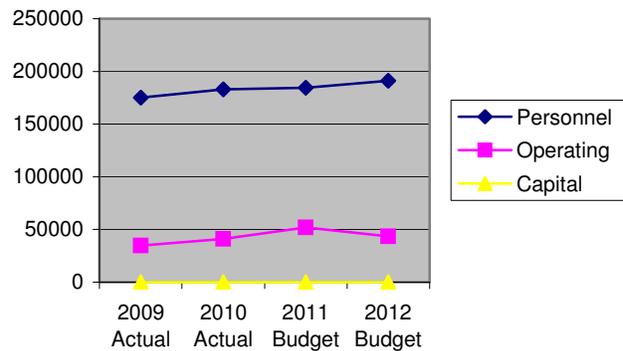
Significant Changes:

- Reduction of personnel.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Visitor Use Days			98,435	88,442	110,000	98,000
Events Scheduled			246	213	250	225
Gross Revenue Generated			\$187,526	\$182,271	\$190,000	\$182,000

Department Description:

The Geographic Information System Department's purpose is to support the City of Montrose and its employees by supplying data analysis and maps to assist in making informed decisions. This support is achieved through accurate data collection, editing, and manipulation of the data. METSA reimburses the city for wages and benefits of the 911 system administrator.

GIS Expenditure Trends

Personnel: GIS Coordinator, 911 System Administrator,
Part-time: GIS Analyst

2011 Accomplishments:

- Aerial photography acquisition, with participation from Montrose County.
- Upgrade Intranet mapping system.
- Assist Fire Department with creation of new service area for Station 3.

2012 Objectives:

- Continue upgrading mapping system including data cleanup and optimization.
- Systematic cleanup of the Master Street Address Guide (MSAG)

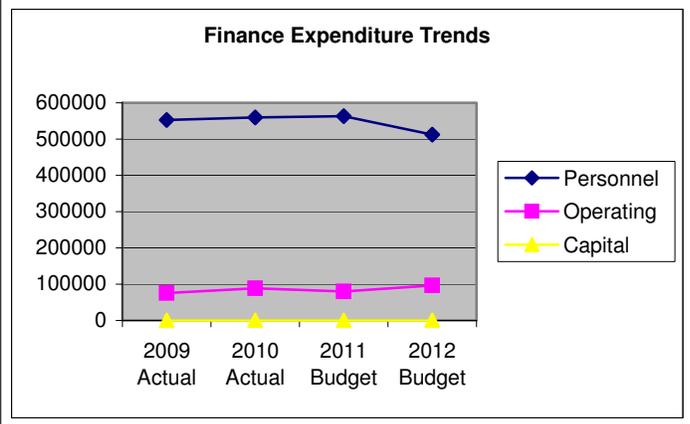
Significant Changes:

- Summer intern.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Departments Assisted by GIS			27	27	27	27
Agencies Assisted by 911 System Administrator			40	41	41	41

Department Description:

This department maintains the city’s financial records, including the general ledger, investments, budget, payroll, accounts payable, sales tax accounting and auditing, bond ledgers, accounts receivable, purchasing, and grants. The department is also responsible for preparing financial reports for State and Federal Governments, City Council and management.



Personnel: Finance Director, Assistant Finance Director, Budget Analyst, Sales Tax Accountant, Finance Analyst, Payroll Technician, Finance Admin Clerk
 Part-time: Sales Tax Auditor

2011 Accomplishments:

- 2010 Financial Statement audit found no instance of non-compliance.
- GFOA Distinguished Budget Presentation Award was received for the 2011 Budget.
- Procured goods and services for all departments of the City.
- Financial reports were completed for the grants awarded to the City.
- Several businesses were audited for compliance of the City’s Sales & Use Tax Ordinance.

2012 Objectives:

- Continue to provide financial reports for the city organization and explore ways to become more efficient by utilizing technology.

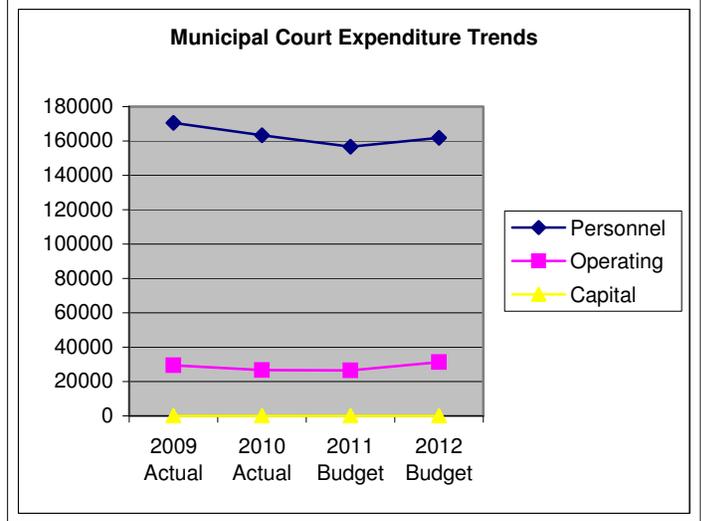
Significant Changes:

- Reduced personnel in the department by one full time position for 2012.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Revenue Received			\$36,224,650	\$38,396,034	\$41,044,327	\$38,235,797
Sales Tax Licenses			1848	1795	1900	1900
New Businesses Licensed			211	230	230	215
Grants Administered			18	17	18	18

Department Description:

The Montrose Municipal Court must function as the judicial component of the three branches of city government. The court is a service-oriented limited jurisdiction court, established to hear and resolve violations for the city of Montrose. A core governmental function is the administration of justice. At the city government level, that function is carried out jointly by the court, city attorney, code enforcement and police department. Municipal Court is also the supervisory court for the Montrose Area Teen Court Program



Personnel: Court Administrator, Deputy Court Clerk
Part-time: Judge, Interpreter

2011 Accomplishments:

- Hosted Court Management Training for 13 Municipal Courts from Colorado.
- Updated Review Forms and created a table for full court retrieval.
- Created Restitution process form for full court retrieval.
- Developed a Continuity of Operations Plan for the Court.

2012 Objectives:

- Implementation of COOP plan.
- Continue to provide fair and impartial service to all users.
- Continue to promote quality of life in the community with case monitoring for enforcement.
- Continue to monitor number of prisoners and length of jail sentence.

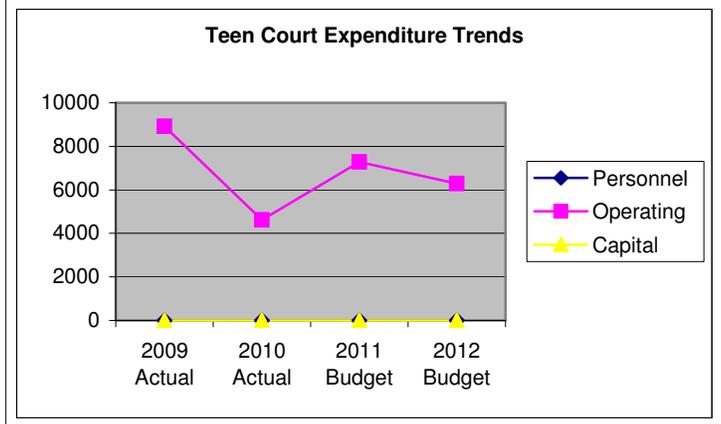
Significant Changes:

- None

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
New Cases Opened			2,160	1,815	2,800	2,800
Cases Closed			2,197	1,788	2,600	2,600
In Court/Counter Services			12,090	11,809	14,500	14,000
Total Court Collections			\$194,452	\$163,530	\$178,400	163,000
Inc/Dec in Revenue Generated			-12%	-16%	9%	-9%
Household survey – satisfied w/court system			NA	N/A	90%	N/A

Department Description:

Teen Court is a unique justice program for middle and high school offenders of misdemeanor crimes occurring within the school community. Cases are referred by the School Resource Officer or by school administrators at Montrose High, Centennial Middle School or Columbine Middle School. It is designed to give youthful offenders who have broken the law a second chance. Teen Court enhances respect for the rules and laws of the community and each participant, whether a teen juror, teen attorney, teen bailiff, teen defendant or adult volunteer, is involved in a positive and meaningful way.



2011 Accomplishments:

- Handled the maximum number of student cases allowable by time.
- Successfully changed the format of the program.

2012 Objectives:

- Continuously improve the quality of the program.

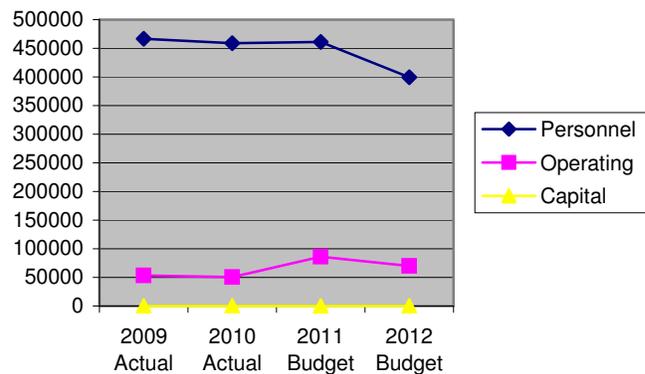
Significant Changes:

- None.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Total Offenses			24	26	20	20
Student Hours – Attorney, Clerk, Juror			745	702	740	740
Adult Hours - Attorney, Coordinator, Instructor, Judge			303	206	250	250
Trial Hours			16	16	18	18

Department Description:

This department takes care of the long-range and current planning functions for the city and works very closely with the Planning Commission on subdivision review, zoning, variances, conditional uses, special requests and master plan updates. Other duties of the department include sign code administration, grant administration, and parks planning.

Community Development Expenditure Trends

Personnel: Community Development Director, Senior Planner, Parks Planner, Planning Technician
Part-time: Grant Coordinator

2011 Accomplishments:

- Completed the Uncompahgre Riverway Master Plan.
- Completed an overview of the development process in a five-brochure format for the public.
- Conducted training for the City Planning Commission.
- Successfully completed and received numerous grants, such as the Safe Routes to School grant, South Townsend Sidewalk grant, Hilltop Office Building Renovation grant and others.
- Adopted outdoor dining standards.
- Conducted a series of Developer Roundtable meetings and received valuable input.
- Adopted new highway classification standards with CDOT.
- Land acquisition for the Ogden/Woodgate roundabout and the south side water tank.
- Managed and administered multiple land use leases.
- Involvement with the Montrose Improvement Team and the Gunnison Valley Transportation Planning Region.
- Responsible for the design of the Downtown Improvements.
- Various zoning, subdivision, and sign code amendments.
- Process all current planning applications such as annexation, rezones, and subdivisions.

2012 Objectives:

- Implement Riverway Master Plan.
- Adopt a new downtown plan and access control plans for North Townsend and East Main Street.
- Training and certification as needed.

Significant Changes:

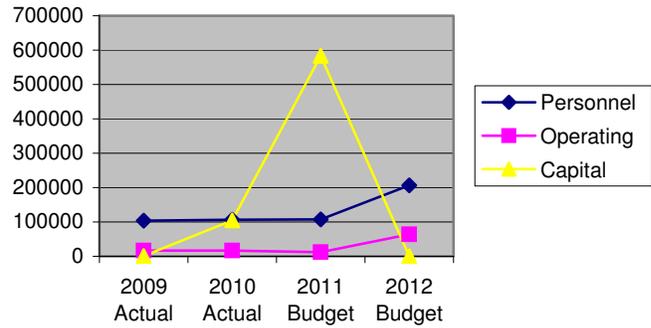
- Added administrative duties such as the sidewalk replacement program and encroachment permits.
- Added the responsibility of land acquisition, property management and administration of lease agreements.
- Reduced personnel within the department by one for 2012.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Annexations			4	1	3	2
Subdivisions			27	10	30	20
Zoning			4	1	3	2
Rezoning			5	5	5	5
Conditional Use Permit			4	2	5	4
Variances			9	5	15	6
Intergovernmental Agreements			3	2	4	2

Department Description:

The Administrative Services department oversees the operations of three other departments. Information Technology, GIS, and Municipal Building Maintenance. In addition, the department provides management of municipal-owned vacant lands, land acquisition efforts and property leases.

Administrative Services Expenditure Trends



Personnel: Administrative Services Director, Records and Communications Manager,
Part-time: Records Clerk

2011 Accomplishments:

- Completed land acquisition for Grand/Rio Grande.
- Purchase of 514 South First Street property as expansion to Civic Campus.
- Completed abatement of hazardous materials on 502 and 504 South First Street Properties.
- Completed a facilities condition assessment and reserve study on City’s facilities.
- Assisted Colorado Mesa University in the assignment of three federal grants for renovation of the Montrose Campus.
- Completed the 2011 Household Survey.

2012 Objectives:

- Produce three issues of the City Beat newsletter for distribution with utility bill and one City Beat/Annual report for general distribution.

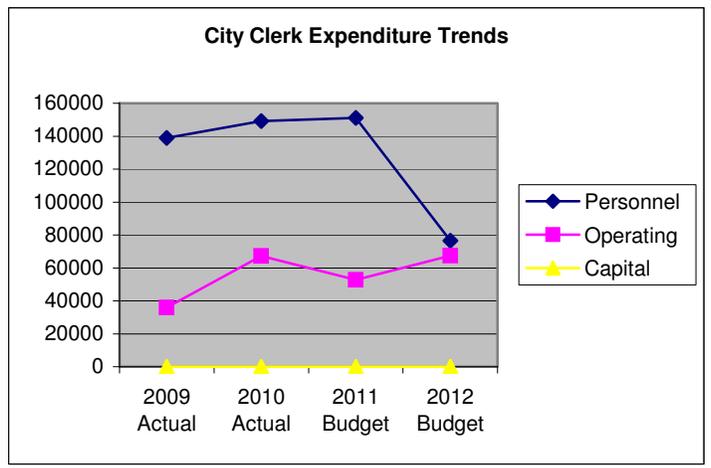
Significant Changes:

- Combined Public Relations Department with Administrative Services Department.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Property Acquisitions			2	5	3	0
Issues of City Beat Newsletter			3	4	4	3
Utility Bill Inserts			1	4	1	1
Household Survey			NA	NA	1	NA
Number of News Releases	5		26	21	20	24

Department Description:

This department manages expenditures associated with the City Clerk’s Office and regular and special elections. The City Clerk is responsible for council meeting agendas and minutes, liquor licensing in the city, municipal election administration, public notices, reservations and fees associated with municipal facilities, and other licenses and permits.



Personnel: City Clerk, Deputy City Clerk

2011 Accomplishments:

- Prepared agendas, packets and minutes, as well as handled posting and publishing requirements for 18 regular City Council meetings and 16 regular work sessions, as well as special meetings and pre-council meetings. Also arranged meals and beverages as needed.
- Recruited applicants for 1 Montrose Pavilion Senior Center Advisory Committee vacancy, 2 Downtown Development Authority Board openings, and 1 Planning Commission vacancy.
- Tracked 55 events, and processed 222 park shelter reservations and 481 individual and recurring Lions Community Building reservations, including fee collection and deposit refunds. Also coordinated use of the Centennial Meeting Room by 8 outside recurring user groups.
- Processed the documentation for 4 annexations and 1 special improvement district.
- Processed 4 new and transfer liquor license applications, with another 4 pending before the end of 2011. Processed applications for 17 Special Events Permits, 1 Art Gallery Permit, 1 Manufacturer Off-Site Sales Room Permit, and renewals for 64 liquor licenses.
- Processed and monitored required documentation for 36 plumbers, 45 gas fitters, 7 pawn brokers, 3 police alarm licensees, and 4 tree trimmers.

2012 Objectives:

- Conduct an accurate and efficient municipal election.
- Streamline the process used to track events.
- Continue to provide the services required of the City Clerk’s Office.

Significant Changes:

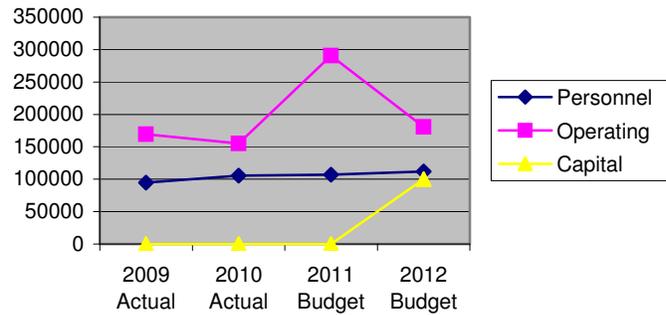
- The City Clerk department was reduced from 2.5 positions to one. Though some department duties were divided among other departments, the City Clerk handled the majority of walk-in and telephone traffic for event and facility use applications.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Existing Liquor Licenses			61	69	65	68
Existing Licenses			103	103	110	105

Department Description:

This department is responsible for the following facilities: City Hall, City Hall Annex (historic First Station No.1) Police Department, 431 South Second Building, Elks Civic Building, Lions Community Clubhouse. In addition, the department provides exterior building maintenance for the Depot Museum and Robert A. Brown Center for Youth.

Municipal Complex Expenditure Trends



Personnel: Facilities Supervisor, Building Custodian

2011 Accomplishments:

- Renovation of offices at City Hall.
- Upkeep for municipal complex buildings.
- Coordination of office move at City Hall.
- Installation of bullet resistant materials and remodel at Police Department.

2012 Objectives:

- Remodel of restroom and break room in Annex building.
- Roof replacement over Annex building basement entrance.
- Remodel projects at Police Department.
- Continue seeking efficiency measures.

Significant Changes:

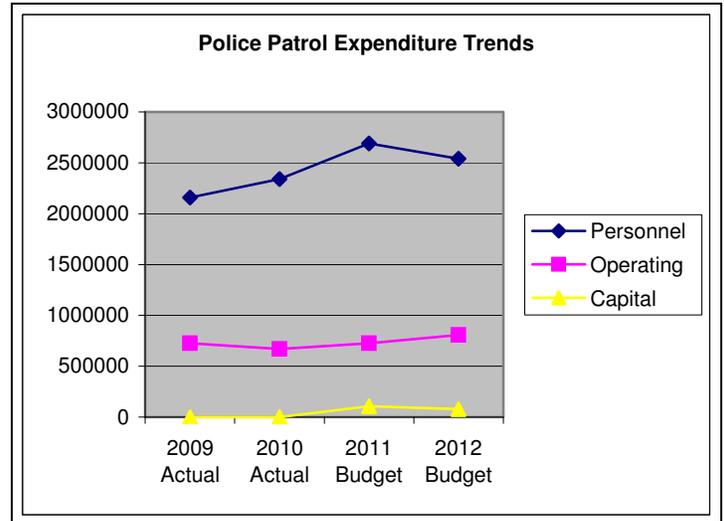
- Increase in building repairs due to remodel projects.
- Montrose Museum and Lions Clubhouse integrated into Municipal Complex budget.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Building Area Maintained (Sq. Ft.)			45,050	45,050	45,050	45,050
Cost per Sq Ft to Maintain			\$5.59	\$5.64	\$5.30	\$6.50
Lions Clubhouse User Events			485	504	500	500

Department Description:

The Patrol Division of the Montrose Police Department serves and protects the citizens from the criminal element of society. The mission statement is as follows: “The Montrose Police Department is committed to serving our public through integrity, accountability, teamwork and respect.”

The Patrol Division’s primary function is to respond to calls for service and investigate crimes against persons and property. Patrol enforces traffic laws and investigates traffic accidents that occur within the city limits. Parking Enforcement enforces parking laws and checks for abandoned vehicles within the city limits.



Personnel: Police Chief (.50), Patrol Commander, Lieutenant, Sergeants (6), Police Officers (22),
 Part-time: Parking Patrol, Detective

2011 Accomplishments:

- Spent an increased amount of time on directed patrol around the schools.
- Worked successfully with Partners on a fund raiser.
- Made numerous drug and alcohol arrests.
- Handled a significant increase in juvenile drug and alcohol arrests.
- Have been involved in an increased number of special events.

2012 Objectives:

- To increase the number of hours spent on traffic violation enforcement.
- Increase the number of liquor enforcement operations.
- Increase the number of man hours spent on community policing projects.
- The patrol division would also like to be more visible to the public.

Significant Changes:

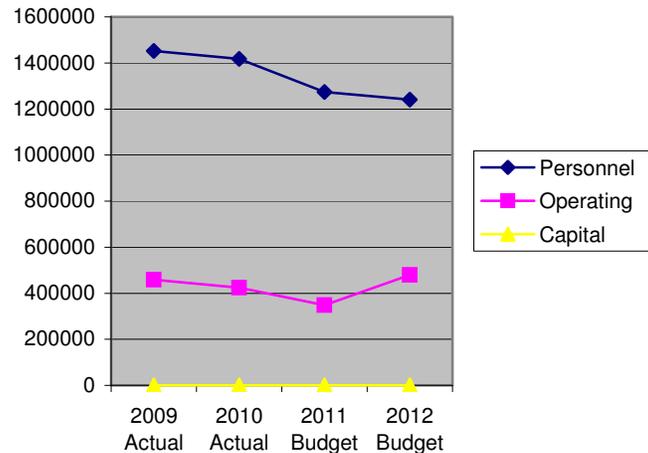
- Have experienced a significant increase in juvenile drug and alcohol arrests for the first part of 2011.
- Have experienced a greater number of extra patrol requests to work special events.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Calls for Service			23,786	23,345	25,000	25,000
DUI Observed			158	150	220	220
Traffic Citations			1,979	1,714	2,275	2,275
Traffic Accidents			744	671	750	750

Department Description:

The Administrative Services Division provides support for the Patrol Division. The detectives investigate all felony and major misdemeanor cases inside the City as well as conduct background checks for pre-employment. The Administrative Sergeant is responsible for providing the safekeeping of evidence and property as well as conducting internal personnel investigations. The administrative supervisor and records technicians are responsible for entry of data, filing and record keeping for the department. The Administrative Services Division provides support for the school resource officers.

Police Administration Expenditure Trends



Personnel: Police Chief (.50), Admin Commander, Evidence Custodian, Police Records Technician (6), Sergeants (2), Detectives (5), Victims Advocate

2011 Accomplishments:

- Successfully completed our 17th annual Citizens Police Academy.
- Detective Division was very successful in solving several high profile cases, which included a homicide and a bank robbery.
- Completed 2nd annual Police Officers Ball which was a huge success in community relations. This enabled us to raise money for training and police equipment.
- Completed the remodel of the front reception area, which included installing ballistic windows and door to the front lobby area.

2012 Objectives:

- To provide support to the Patrol Division.
- To continue to serve our citizens and to provide them with a safe place to live and work.

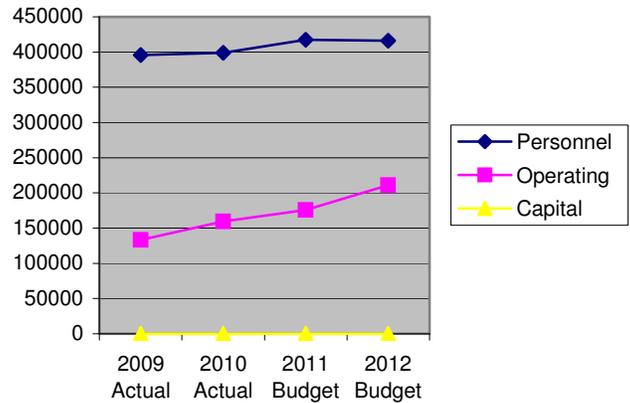
Significant Changes:

- None.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Classes by SRO Evidence Grp			40	40	45	45
Crime Free Housing Session			2	3	3	4
Alcohol Server classes in English and Spanish			4	4	4	4
Safety Motorcycle driving class for public			3	2	2	3
Household survey – satisfied with police services			NA	NA	85	NA

Department Description:

Animal Control responds to requests for services in enforcement of livestock and domestic animal ordinances within the city limits and provides contractual services to Montrose County, the Town of Olathe, Ridgway State Park, and Sweitzer Lake State Park. Educational materials and instruction in the care and handling of domestic animals are provided to area schools and community organizations. Humane care is provided for all domestic animals. The State of Colorado Animal Control Association certifies officers in the field of animal control and animal care. Reduced cost spay/neuter, vaccination, microchip clinics are now provided to the public at the Animal Shelter.

Animal Control Expenditure Trends

Personnel: Animal Control Supervisor, Animal Control Officer (3), Animal Shelter Manager Officer, Shelter Technician (2),
Part-time: Shelter Technician (2)

2011 Accomplishments:

- Were able to maintain our “Adoption Only” (no-kill) status due to volunteers transferring companion animals to adoption guarantee agencies.
- Participated in “Main in Motion” and adopt-a-thons at Petco and Murdochs stores to display pets for adoption.
- Continued to host low cost spay/neuter, vaccination, and microchip clinics bi-monthly at the Animal Shelter.
- Participated in public education programs, such as partnering with MAPA to speak in elementary schools for “Be Kind to Animals Week”, and participating in the Citizens Police Academy, Public Youth Academy, Career Options Student Program, Colorado Mountain Community College volunteer training, “Hug-a-Bear Pet Talks”, and Career Day at the Middle School.
- We remain active participants in State animal legislation through Colorado Federation of Animal Welfare Agencies (CFAWA).

2012 Objectives:

- Painting the interior of the Animal Shelter.
- Installation of security surveillance system.
- Emergency Management training.
- Continue to offer low cost spay/neuter and vaccination clinics to the public.
- Maintain “adoption only” (no-kill) status.
- Pursue next phase of Maddie’s Fund grant
- Continue to enhance and develop the Volunteer Program at the Animal Shelter.

Significant Changes:

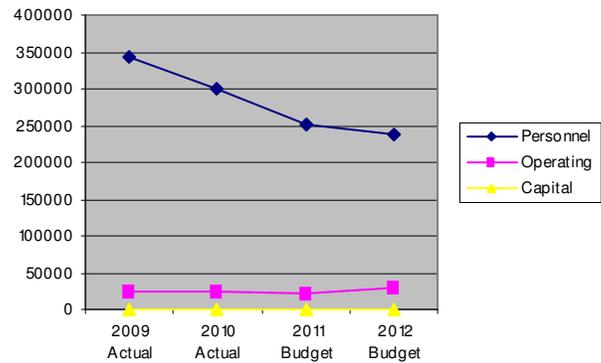
- We have turned over most of our Wildlife Management to the State Division of Wildlife, saving the City of Montrose, the cost of relocating and disposing wildlife within the City Limits.
- City Dog Licenses are now sold to customers by local veterinarians. The license term matches the term of the rabies vaccination, which provides savings and convenience to City residents.
- PD Officers are now assisting with after-hours calls, saving Animal Control Officer call-outs and overtime.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Calls for Service			3082	2357	3316	2500
Animals Cared For			1702	1732	1699	1750
Public Low Cost Spay/Neuter Clinics			7	7	7	7
Household survey – satisfied with animal control			NA	NA	85%	NA

Department Description:

Code Compliance is responsible for reviewing building permit applications, inspecting new construction and issuing certificates of occupancy within the city limits. Additionally, the department enforces zoning codes and other city ordinances related to such items as weeds, junk vehicles and the removal of snow from sidewalks.

Code Compliance Expenditure Trends



Personnel: Chief Building Official, Code Compliance Officer (2)

2011 Accomplishments:

- Processed building and site development permits, averaging approximately 90 – 100 building inspections per month.
- Processed an average of approximately 150 code violations each month.

2012 Objectives:

- Adopt the 2009 International Building Codes

Significant Changes:

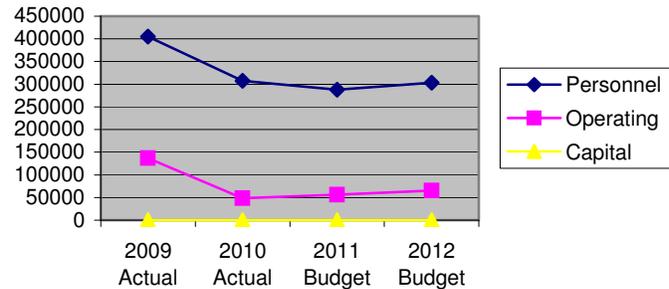
- While building permit numbers are significantly lower than several years ago, we have shifted to a more proactive in Code Enforcement such as alley clean-up and other nuisance violations.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Water Taps Issued	 	  	77	38	110	70
Sewer Taps Issued	 	  	80	31	110	70
Gas Permits Issued	 	  	89	57	110	80
Plumbing Permits Issued	 	  	79	54	90	80
Building Permits Issued	 	  	146	145	180	180
E-1 Pumps	 	  	4	6	4	6

Department Description:

This department is responsible for the supervision of water and sewer distribution, infrastructure projects, wastewater treatment plant, coordination with the Community Development Department on new subdivision reviews, and infrastructure inspections of subdivisions

City Engineer Expenditure Trends



Personnel: Project Manager (2), Public Improvement Inspector, Engineering Specialist

2011 Accomplishments:

- Completed grant funded Safe Routes to School Project.
- Completed grant funded Downtown Traffic Improvements Project.
- Completed ADA Ramp Replacement Project.
- Completed West Main Trailhead with Conservation Trust funding.
- Completed third phase of the Waste Water Treatment Plant paving.
- Completed the Ogden Woodgate Intersection improvements.
- Began construction of the West Side Arterial.
- Awarded contract for the design/build of the Sunshine Road Water Tank and began design.

2012 Objectives:

- Complete in-house designs of the South Townsend Trail Extension and All Points Transit Transfer Station projects.
 - Complete construction of Phase I of the West Side Arterial.
 - Complete construction of the Sunshine Road Water Tank.
 - Begin in-house design of second Safe Routes to School project.
 - Refine Stormwater/Water Quality Program.

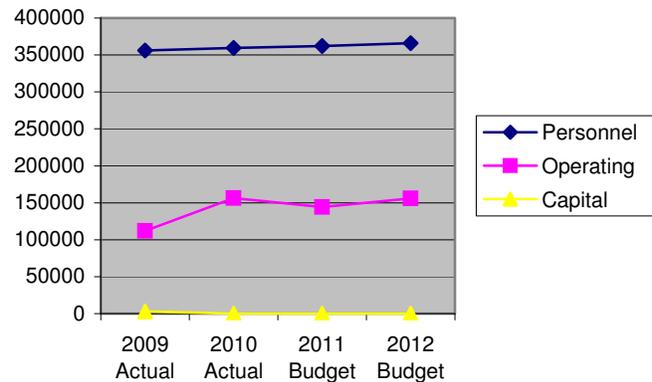
Significant Changes:

- Upgrade position.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Subdivision, Com/Indus Site Review	 	     	8	8	6	6
Development Inspections	 	     	20	15	12	12
Capital Project in Progress	 	     	8	6	9	4
Capital Projects Complete	 	     	4	5	6	2
Stormwater Inspections		  	36	42	120	120

Department Description:

Public Works Administration is responsible for developing, operating, and maintaining all City-owned infrastructure: streets, water, sewer, wastewater treatment, storm water management, parks, and fleet management. Public Works Administration division provides a wide range of services and administration in this area. This department also contains all costs related to the Public Works building and fleet repair shop space.

Public Works Administration Expenditure Trends

Personnel: Municipal Services Director, Public Works Manager, Shop Inventory Specialist, Administrative Assistant, Building Custodian

2011 Accomplishments

- Maintained a high level of safety with no serious injuries or major property damage.
- Maintained a high level of customer service and internal support.

2012 Objectives:

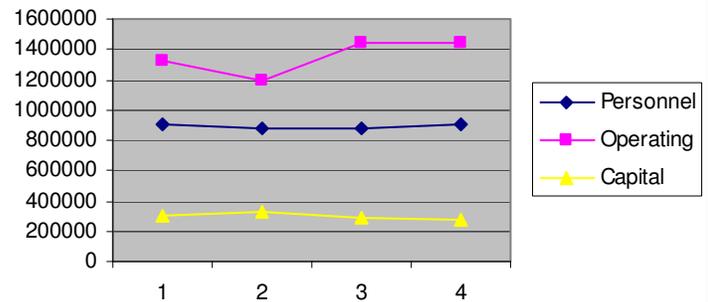
- Maintain a high level of safety
- Continue to maintain a high level of service.

Significant Changes:

- None.

Department Description:

This department is responsible for the maintenance of all city streets, alleys and storm drains, including grading, patching, crack seal, chip and seal overlays, paving, SID projects, and special projects. Costs for street lighting, installing and replacing street signs, crosswalk and turn lane painting and storm drains are included in this budget. The department is responsible for snow removal from streets.

Street Maintenance Expenditure Trends

Personnel: Street Superintendent, Street Foreman, Maintenance Worker (11)

2011 Accomplishments:

- Milled and repaved of South Hillcrest.
- Milled and repaved North Cascade and North Uncompahgre Avenue
- Conducted Spring Cleanup.
- Removed 2 culverts and replaced with open pans and ADA ramps.
- Paved 6700 Road from Hwy. 50 to East Oak Grove Road

2012 Objectives:

- As recommended by the transportation asset management system: 5 paving projects; 6 chip seal projects; 4 intersection improvements.

Significant Changes:

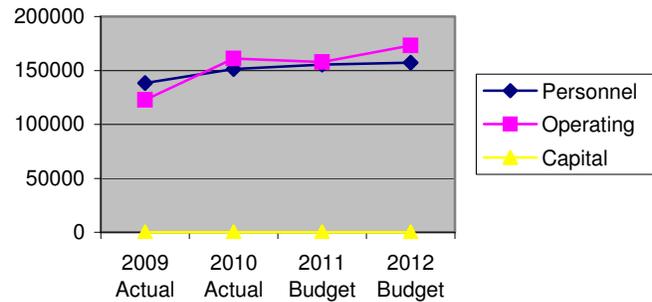
- None

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Miles of Streets Maintained			145	145	145	145
Tons of Asphalt Produced			5,344	5,237	10,000	10000
Blocks of Chip Sealed			58	42	42	42
Cost/Mile Maintained			\$15,461	\$14,316	\$16,050	\$16,253
Household survey – satisfied w/street maint/repair			NA	NA	71%	71%

Department Description:

This department cleans, sweeps and flushes city streets, asphalt alleys, parking lots and state highways.

Street Cleaning Expenditure Trends



Personnel: Maintenance Workers (3)

2011 Accomplishments:

- Organized the routes, in order for all City streets to be consistently swept.
- Kept the downtown town area clean without inconveniencing other routes.

2012 Objectives:

- To compile statistics on the highway and City streets, in order to track miles swept on a month to month basis.

Significant Changes:

- Added a third sweeper to the fleet, making it easier to get sand cleaned up in the spring, and leaves cleaned up in the fall.

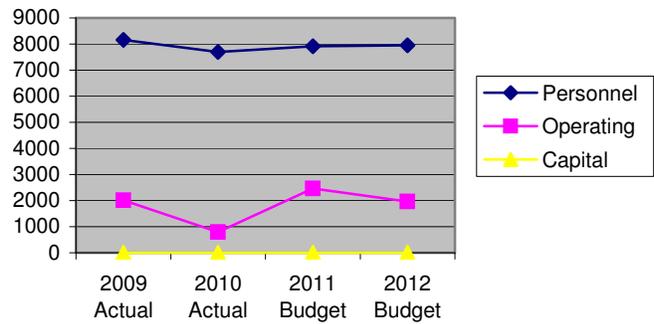
Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Miles of Streets Cleaned	 		145	145	145	145
Frequency of Alley Cleaning			Monthly	Monthly	Monthly	Monthly
Frequency of Business District Cleaning	 		Daily	Daily	Daily	Daily
Frequency of subdivision cleaning			Monthly	Bi-Monthly	Bi-Monthly	Bi-Monthly
Cleaning Cost per Mile	 		\$1,801	\$2,154	\$2,162	\$2,279
Household survey – satisfied with street sweeping	 		NA	NA	88%	88%

GREEN WASTE GENERAL FUND 100-5130

Department Description:

This department was established to process green waste to reduce the amount of waste and weight of materials going to the landfill. Green waste is processed at a location close to the public works shop area and is offered to the public free of charge for mulching material. City residents may drop off grass clippings, tree limbs/hedge clippings and weeds.

Green Waste Expenditure Trends



Personnel: Seasonal worker

2011 Accomplishments:

- Assessed and changed the hours of operation in order to better serve the public.
- Opened on Saturdays in May and November to expand access for the public.
- Took no green waste material to the landfill.

2012 Objectives:

- Continue to maintain the new hours of operation.
- Continue to process green waste without taking product to the landfill.

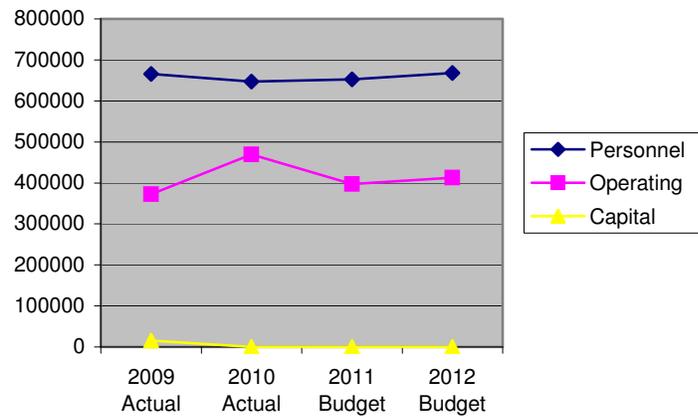
Significant Changes:

- Made commitment to not take material to the landfill.
- Changed hours of operation.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Customers Utilizing Site			4,858	5320	5,534	5700
Increase in Utilization			23%	10%	4%	3%

Department Description:

The Parks Department maintains all of the turf, playgrounds and structures in city parks. This department maintains bike trails, downtown corners, medians and is responsible for projects funded through grants involving parks. The Weed Control department was combined with Parks in 2010 and will maintain and control the weeds on right of ways along major roads, recreation trails and alleys. The department also performs jobs related to code enforcement issues.

Parks Expenditure Trends

Personnel: Parks Superintendent, Parks Foreman, Parks Worker (7), Weed Specialist
Seasonal Workers: Six

2011 Accomplishments:

- Finished West Main Trail Headed and added the maintenance to our operations.
- Designed and installed irrigation system for the Botanical Gardens/
- Installed irrigation system and grass on vacant land at Pavilion entrance.
- Maintained high standard of grounds maintenance with existing crew.
- Replaced 32 wooden picnic tables with more durable plastic coated ones.
- Will install playground at Colorado West Park, making this the 10th playground in the Parks System.
- Maintained Pavilion and dog pound areas.

2012 Objectives:

- Sustain current maintenance standards.
- Remove Tamarisk and Russian Olive from two acres at power line area in Cerise Park.
- Create east ditch at Cerise Park.
- Trim all downtown trees.

Significant Changes:

- Reduction in personnel by one.
- Maintenance of dog park.
- Maintenance of pump park.

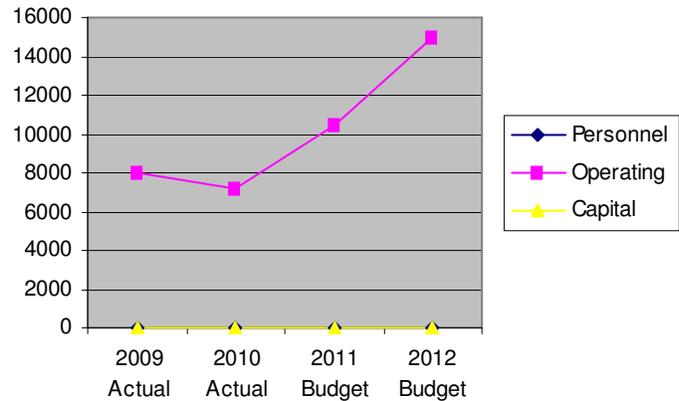
Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Developed Acres Maintained	 	 	155.5	159	162.0	164
Open Space Acres			<u>117.0</u>	<u>138.6</u>	<u>138.6</u>	<u>138.6</u>
Total Acres			272.5	297.6	300.6	302.6
Number of Parks Maintained	 	 	26	27	28	28
Parks Cost per Acre to Maintain**	 	 				
Developed (70%)			\$4,338	\$4,917	\$4,538	\$4,613
Open Space (30%)			\$2,471	\$2,417	\$2,273	\$2,339
Miles of City Right of Way Maintained – Weed Control		 	110	110	110	110
Miles of Alleys Maintained – Weed Control			20	20	20	20
Miles of Recreation Trails Maintained		 	25.3	25.3	25.88	25.88
Medians Maintained		 	13	15	16	16
Shelter Reservations	 	 	242	284	260	275
Household survey – Satisfied with appearance of city parks	 	 	NA	NA	94%	94%

**includes weed control and all related costs, care of 12 restrooms, 10 playgrounds, trash, snow removal, trail repair, tree trimming, pruning, pedestrian lighting, flowers, graffiti removal, etc.

Department Description:

This program represents expenditures associated with purchasing new trees and the city’s participation in the care of trees in the city right-of-ways. A cost share program was instituted in which the city’s participation is 50% of tree trimming cost for approved projects up to \$200 per tree, 75% of cost up to \$600 per tree for tree removal, and 75% of cost up to \$200 per tree for replacement.

Tree Program Expenditure Trends



Personnel: None, support through City Clerk and Parks

2011 Accomplishments:

- Active participation in the cost share program.

2012 Objectives:

- Continuation of the defective tree assistance program to manage removal of older trees.
- Continue to manage defective trees to maintain the beauty of the city.

Significant Changes:

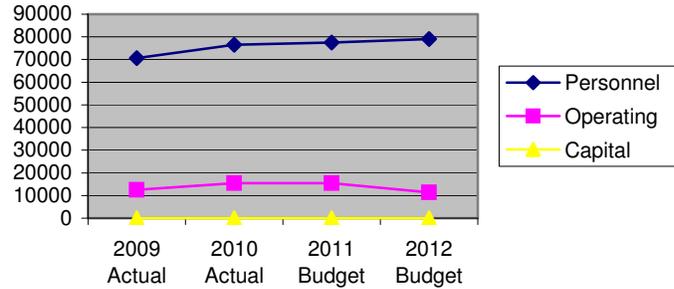
- Increase due to active participation in tree assistance program.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Defective Tree Program- Cost Share Participants	 	 	14	11	20	20
Decrease/Increase in Participants	 	 	-55%	-21%	82%	0%

Department Description:

This department provides for the maintenance of Cedar Cemetery. The sexton also prepares the plots for funerals.

Cemetery Expenditure Trends



Personnel: Sexton
Seasonal Worker

2011 Accomplishments:

- Maintained high level of grounds care.

2012 Objectives:

- Maintain high level of grounds maintenance.
- Meet the needs of families coping with the loss of loved ones.

Significant Changes: maintenance.

- None

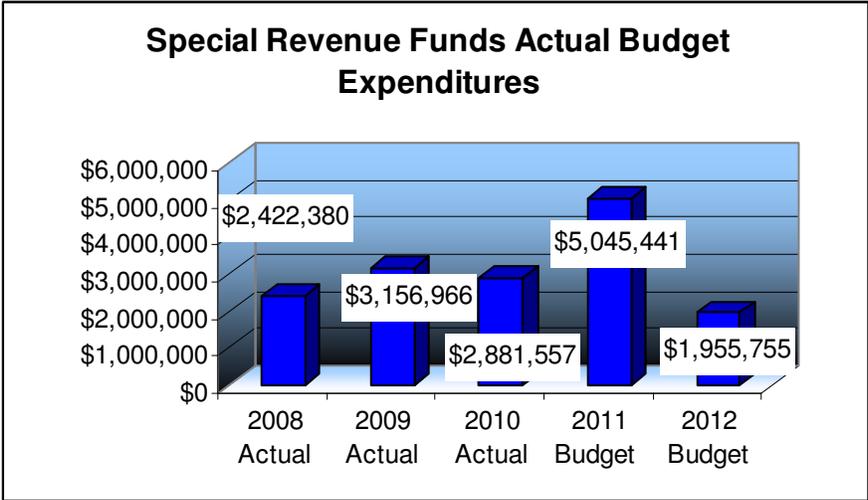
Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Grave Openings & Closings			26	36	30	25
Acres Maintained			20	20	20	20
Lot Sales			10	14	20	20
Cost per Acre to Maintain			\$4,160	\$4,602	\$4,646	\$4,521

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SPECIAL REVENUE FUNDS



- Retail Sales Enhancement*
- Methamphetamine Grant*
- 7th Judicial District Drug Task Force*
- HUD/SBA Grants*
- Downtown Development Authority*
- Public Education Government*
- Capital Improvement Fund*
- Conservation Trust Fund*
- Pavilion Senior Center Fund*
- Special Benefit Fund*
- Tourism Promotion Fund*



Revenue by Source - SPECIAL REVENUE FUND

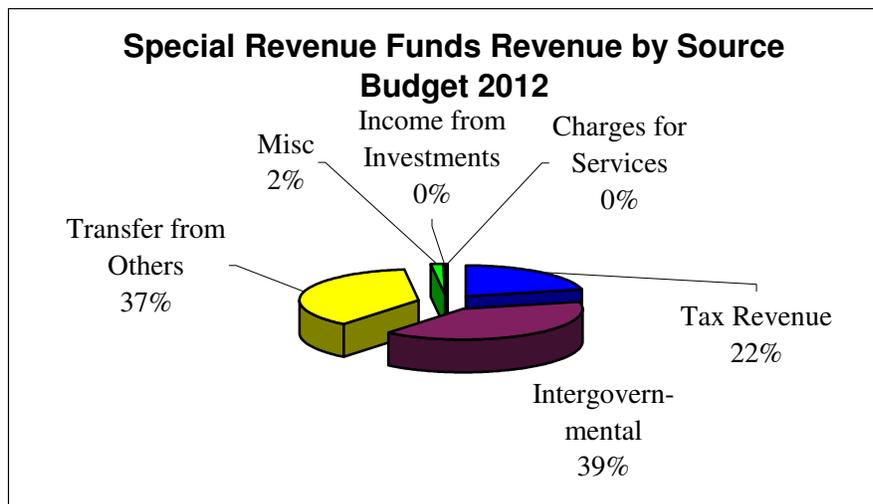
	ACTUAL 2010	BUDGET 2011	BUDGET 2012
Special Revenue			
Retail Sales Enhancement			
TAX REVENUE			
200-4100-134-000 Retail Sales Enhancement	\$240,555	\$232,000	\$224,000
Total	<u>\$240,555</u>	<u>\$232,000</u>	<u>\$224,000</u>
Meth Grant (ID 061453)			
INTERGOVERNMENTAL REVENUES			
202-4300-372-000 State Governments	\$58,623	\$0	\$0
202-4900-900-000 Transfers from Others	23,542	0	\$0
Total	<u>\$82,165</u>	<u>\$0</u>	<u>\$0</u>
PD Technology Grants			
INTERGOVERNMENTAL REVENUES			
204-4300-372-000 State Governments	\$18,459	\$0	\$0
Total	<u>\$18,459</u>	<u>\$0</u>	<u>\$0</u>
Methamphetamine Grant			
INTERGOVERNMENTAL REVENUES			
206-4300-372-000 State Governments	\$5,737	\$280,000	\$100,000
Total	<u>\$5,737</u>	<u>\$280,000</u>	<u>\$100,000</u>
7th Judicial District Drug Task Force			
INTERGOVERNMENTAL REVENUES			
207-4300-372-000 State Governments	\$843	\$0	0
MISCELLANEOUS REVENUES			
207-4600-680-000 Miscellaneous Revenue	96,027	60,000	36,000
OTHER FINANCING SOURCES			
207-4900-900-000 Transfers from Others -D/M	35,095	45,896	63,120
Total	<u>\$131,965</u>	<u>\$105,896</u>	<u>\$99,120</u>
Hazardous Elimination Grant			
INTERGOVERNMENTAL REVENUES			
217-4300-372-000 State Governments	\$119,077	\$0	\$0
Total	<u>\$119,077</u>	<u>\$0</u>	<u>\$0</u>
Hud/SBA Grants			
INTERGOVERNMENTAL REVENUES			
218-4300-372-000 State Governments	\$0	\$0	\$470,000
Total	<u>\$0</u>	<u>\$0</u>	<u>\$470,000</u>

Revenue by Source - SPECIAL REVENUE FUND

Special Revenue	ACTUAL 2010	BUDGET 2011	BUDGET 2012
Downtown Development Authority			
INTERGOVERNMENTAL REVENUES			
220-4300-374-000 MACT Contributions	\$30,100	\$30,000	\$0
220-4300-375-000 PROPERTY TAX	\$0	\$141,000	128,000
INCOME FROM INVESTMENTS			
220-4800-800-000 Interest Income	1	0	0
Total	<u>\$30,101</u>	<u>\$171,000</u>	<u>\$128,000</u>
 Public/Education/Government			
TAX REVENUE			
225-4100-164-000 Peg Fee	\$0	\$0	\$21,000
Total	<u>\$0</u>	<u>\$0</u>	<u>\$21,000</u>
 Surplus & Deficiency Fund			
INCOME FROM INVESTMENTS			
230-4800-800-000 Interest Income	\$227	\$500	\$300
Total	<u>\$227</u>	<u>\$500</u>	<u>\$300</u>
 Capital Improvement Fund			
INTERGOVERNMENTAL REVENUES			
235-4300-372-000 State Governments	\$397,768	\$1,400,000	\$300,000
SOURCE 4600			
235-4600-680-000 Miscellaneous Revenue	204,500	0	0
INCOME FROM INVESTMENTS			
235-4800-800-000 Interest Income	5,685	2,000	500
OTHER FINANCING SOURCES			
235-4900-900-000 Transfers from Others	0	1,820,329	912,011
Total	<u>\$607,953</u>	<u>\$3,222,329</u>	<u>\$1,212,511</u>
 Conservation Trust Fund			
INTERGOVERNMENTAL REVENUES			
250-4300-371-000 Lottery Funds	\$78,028	\$83,000	\$80,000
MISCELLANEOUS REVENUES			
250-4600-670-000 Donations	8,500	0	0
INCOME FROM INVESTMENTS			
250-4800-800-000 Interest Income	1,840	2,000	800
OTHER FINANCING SOURCES			
250-4900-900-000 Transfers from Others	0	0	50,000
Total	<u>\$88,368</u>	<u>\$85,000</u>	<u>\$130,800</u>

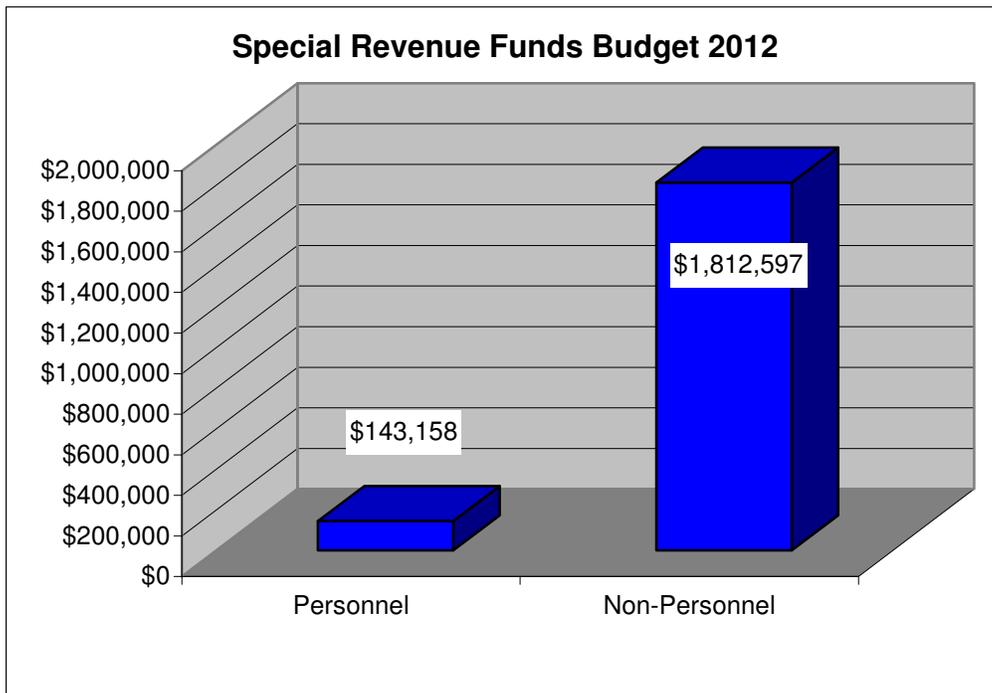
Revenue by Source - SPECIAL REVENUE FUND

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>BUDGET</u>
	2010	2011	2012
Special Revenue			
Pavilion Senior Center			
MISCELLANEOUS REVENUES			
255-4600-680-000 Senior Programs and Activi	\$4,483	\$4,000	\$4,200
Total	<u>\$4,483</u>	<u>\$4,000</u>	<u>\$4,200</u>
Special Benefit Fund			
INTERGOVERNMENTAL REVENUES			
270-4300-372-000 State Governments	\$5,000	\$0	\$0
CHARGES FOR SERVICES			
270-4400-408-000 Parks Development	11,639	3,675	3,675
MISCELLANEOUS REVENUES			
270-4600-670-000 Donations	12,550	5,000	8,000
INCOME FROM INVESTMENTS			
270-4800-800-000 Interest Income	15	100	50
Total	<u>\$29,204</u>	<u>\$8,775</u>	<u>\$11,725</u>
Tourism Promotional Fund			
EXCISE TAX			
290-4100-135-000 Hotel Room Tax	\$70,139	\$70,000	\$68,000
290-4100-136-000 Restaurant Tax	289,558	288,000	275,000
290-4100-193-000 Hotel Room Tax P&I	119	800	500
290-4100-194-000 Restaurant Tax P&I	1,025	800	800
Total	<u>\$360,840</u>	<u>\$359,600</u>	<u>\$344,300</u>
Total Special Revenue Funds	<u>\$1,719,134</u>	<u>\$4,469,100</u>	<u>\$2,745,956</u>

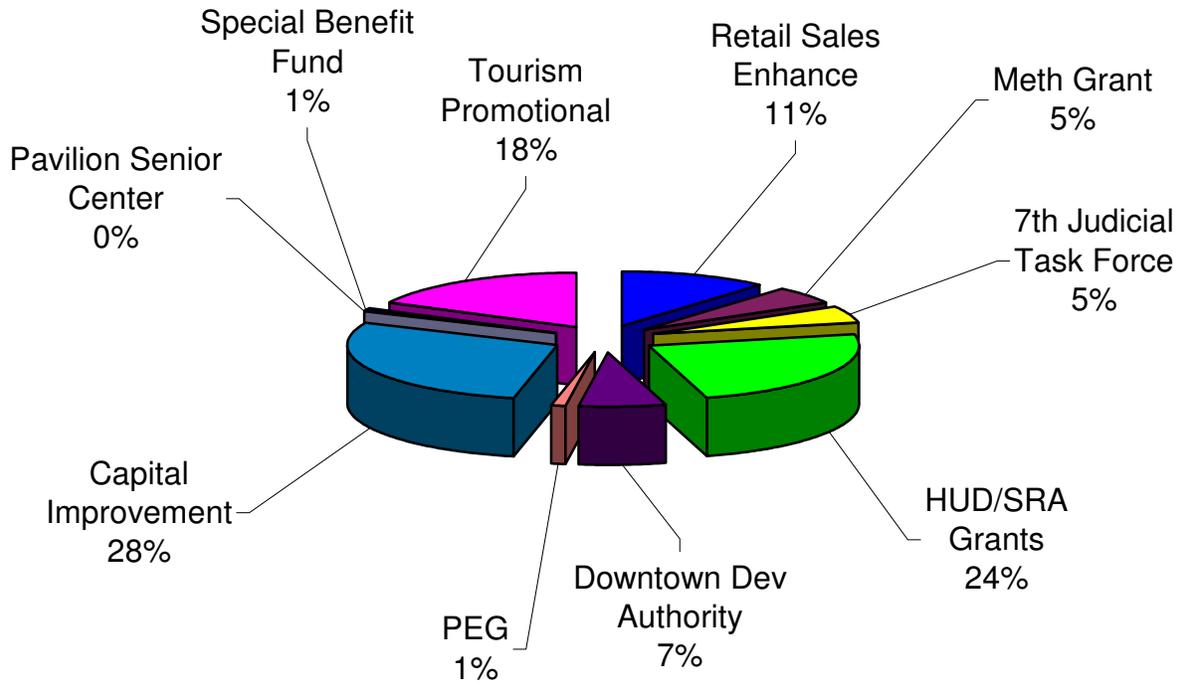


Special Revenue Expenditure Summary

Fund	Actual 2010	Personnel		Total Budget 2012
		and Benefits Budget 2012	Non-personnel Budget 2012	
Retail Sales Enhancement	\$247,515	\$0	\$224,000	\$224,000
Meth Initiative	\$82,165	\$0	\$0	\$0
PD Technology Grants	\$18,459	\$0	\$0	\$0
TEA 21 Downtown Streetscape	\$23,479	\$0	\$0	\$0
Methamphetamine Grant	\$5,737	\$0	\$100,000	\$100,000
7th Judicial Distr Drug Task Force	\$94,840	\$58,010	\$41,110	\$99,120
Hazardous Elimination Grant	\$118,242	\$0	\$0	\$0
HUD/SRA Grants	\$0	\$0	\$470,000	\$470,000
Downtown Development Auth	\$12,883	\$85,148	\$42,852	\$128,000
Public/Education/Government	\$0	\$0	\$21,000	\$21,000
Capital Improvement	\$1,604,170	\$0	\$553,000	\$553,000
Conservation Trust Fund	\$300,581	\$0	\$0	\$0
Pavilion Senior Center	\$2,500	\$0	\$4,175	\$4,175
Special Benefit Fund	\$10,146	\$0	\$12,160	\$12,160
Tourism Promotional Fund	\$360,840	\$0	\$344,300	\$344,300
SPECIAL REVENUE FUND	\$2,881,557	\$143,158	\$1,812,597	\$1,955,755



Special Revenue Expenditures by Fund Budget 2012

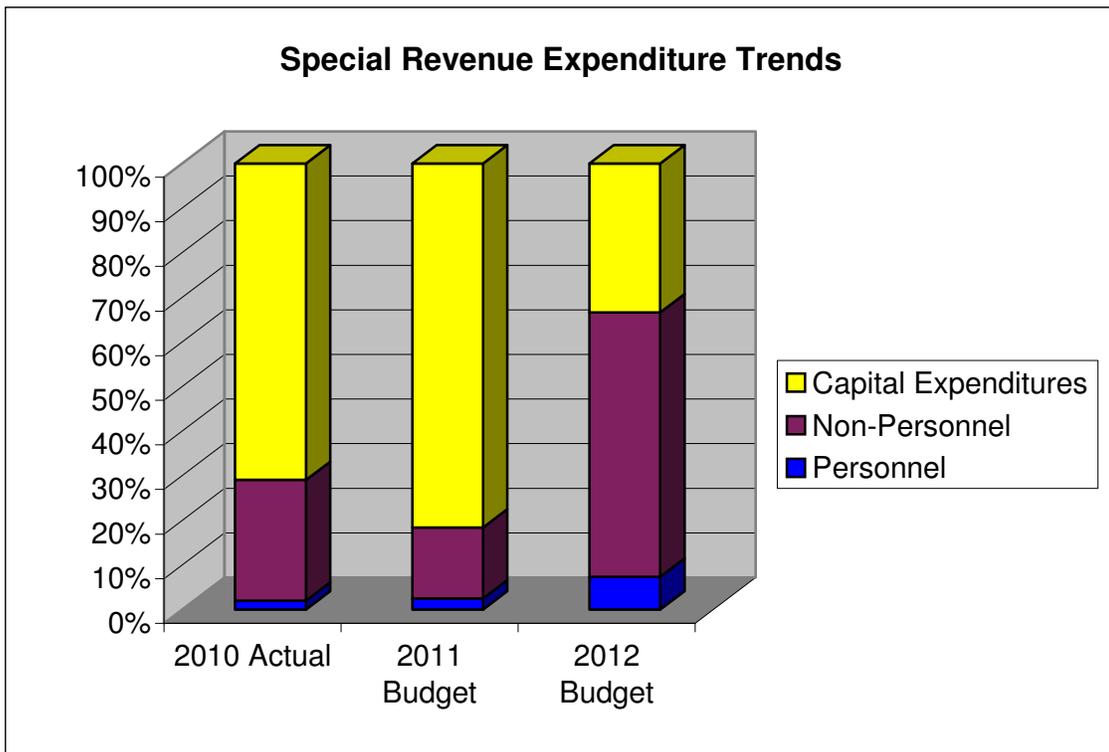


Special Revenue Fund Expenditure by Detail

Expenditures by Detail	ACTUAL 2010	BUDGET 2011	BUDGET 2012
PERSONNEL			
111 Salaries & Wages Regular	\$38,849	\$92,696	\$96,746
112 Salaries & Wages Temp.	0	0	0
121 Overtime Regular	732	0	0
141 Social Security/Medicare	2,824	7091	7401
142 Pension Contribution	3,080	7412	7732
144 Group Insurance	10,645	18309	30144
145 Worker's Compensation	122	151	368
146 Unemployment Insurance	896	0	0
148 Disability Insurance	147	147	367
150 Wellness	200	200	400
Total Personnel Expenses	\$57,493	\$126,006	\$143,158
NON-PERSONNEL			
210 Office Supplies	\$1,633	\$2,250	\$2,325
211 Postage	843	2,600	900
212 Printing	33	0	0
221 Operating Supplies	2,151	24,075	3,150
331 Advertising	0	12,500	0
332 Dues/Membership/Subs	0	1,000	0
341 Utilities	0	0	0
344 Communications	4,604	3,700	3,700
348 Spay and Neuter	0	10,000	0
353 Other Professional Services	293,679	667,750	1,049,010
355 Towing	730	1,500	1,500
356 Contract Services	0	0	0
357 Investigations	0	15,000	20,000
370 Training/Conference/Travel	17,575	10,500	0
371 Meeting Expense	70	0	0
491 Council Initiatives	6,961	0	0
495 Miscellaneous Expense	17,102	27,650	43,002
530 Rentals	0	2,880	2,880
544 Equipment/Furniture <\$5,000	36,331	7,800	25,000
740 Aid to Other Governments	360,840	0	0
750 Transfer to Others	27,144	0	0
853 IT Interfund Lease	10,280	12,230	8,130
Total Non-Personnel	\$779,976	\$801,435	\$1,159,597

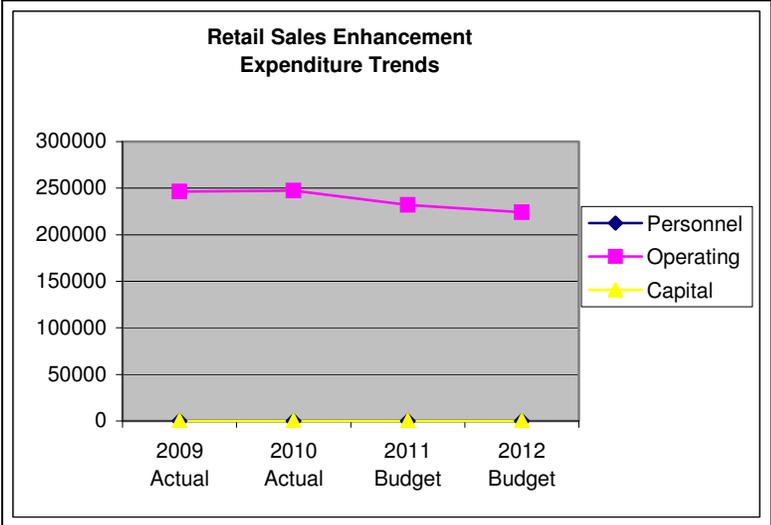
Special Revenue Fund Expenditure by Detail

Expenditures by Detail	ACTUAL 2010	BUDGET 2011	BUDGET 2012
CAPITAL OUTLAY			
941 Office Equipment/Furniture	\$0	\$0	\$0
942 Computer Equipment	0	0	0
944 Operating Equipment	24,760	260,000	100,000
962 Capital Improvements	<u>2,019,328</u>	<u>3,858,000</u>	<u>553,000</u>
Total Capital	2,044,088	4,118,000	653,000
TOTAL SPECIAL REVENUE FUNDS	<u><u>\$2,881,557</u></u>	<u><u>\$5,045,441</u></u>	<u><u>\$1,955,755</u></u>



Program Description:

This fund receives the 2% vendor fee retained when a sales tax return is filed on time. City of Montrose Ordinance 1410 created a Retail Sales Enhancement Program to enhance retail sales within the City of Montrose. Per a contractual agreement, the revenue collected, less an administrative fee, will be directed to the Montrose Association of Commerce and Tourism and that agency shall administer those funds.



Personnel: None

2011 Accomplishments:

- Fiscal year program budget prepared.
- Report of activities and financial statements presented to City Council quarterly.

2012 Objectives:

- Continue service agreement to enhance retail sales within the City of Montrose.

Significant Changes:

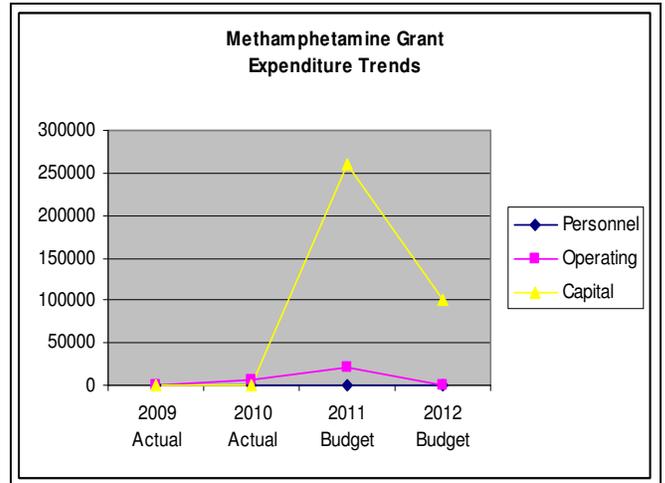
- Anticipated decrease in funding due to economic conditions.

Council Goal	Comp Plan

Comprehensive Plan Guiding Principles and Council Goals are listed with icons on page 94.

Program Description:

The City of Montrose applied for and accepted a grant through the US Department of Justice for \$350,000 by Resolution No. 2009-33. This grant will cover expenses related to surveillance training, a surveillance vehicle with equipment and operating costs for the Seventh Judicial District Methamphetamine/Drug Task Force.



Personnel: None

2011 Accomplishments:

- Purchase of surveillance vehicle.

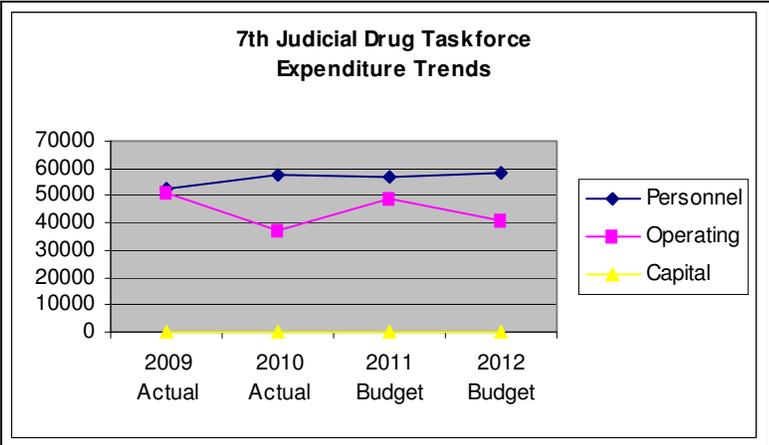
2012 Objectives:

- Continued use of funds to combat methamphetamine use in the 7th Judicial District area.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Percent Complete	 	 		2%	49%	78%

7th JUDICIAL DISTRICT DRUG TASK FORCE - SPECIAL REVENUE 207

Program Description:
 This fund is designed to track expenditures and revenues related to the drug taskforce. The taskforce fights the battle against drugs in the seventh judicial district.



Personnel: Records Technician

2011 Accomplishments:

- Continued efforts in removing illegal weapons and illegal drugs from the 7th Judicial area.

2012 Objectives:

- To disrupt illegal drug activity in the 7th Judicial area.
- Expand operations to a wider area in the district.

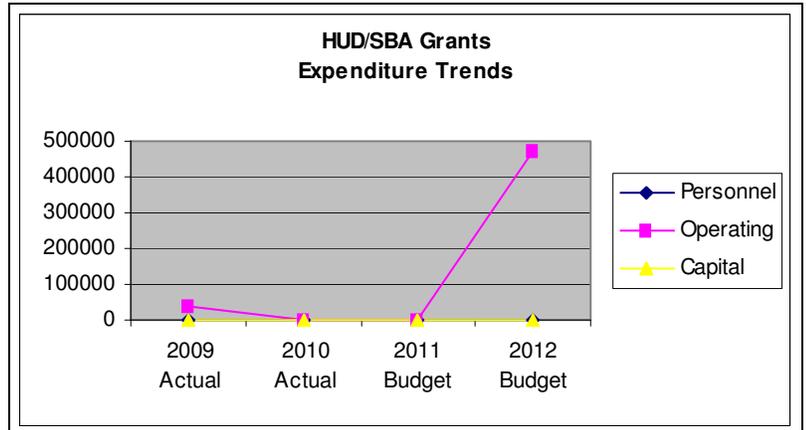
Significant Changes:

- None

Council Goal	Comp Plan
	

Program Description:

To meet community needs, the City of Montrose wishes to advance economic development and assist in developing higher education opportunities by providing grant funds. These funds will assist in expansion of the Colorado Mesa University, Montrose Center, to add classroom space for expanded educational opportunities for Montrose residents.



Personnel: None

2011 Accomplishments:

- Continued support of this project.

2012 Objectives:

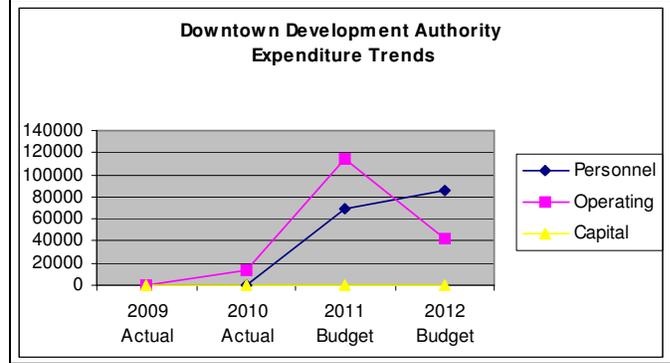
- Monitor grant funding.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Percent Complete	   	   	0%	0%	0%	100%

DOWNTOWN DEVELOPMENT AUTHORITY SPECIAL REVENUE 220

Program Description:

The Downtown Development Authority was established by a successful campaign in the City's April, 2010 election.



Personnel: DDA Director

2011 Accomplishments:

- Extensive survey conducted in January and February.
- Successful, well-attended public meeting held in February.
- Supported 7 events with nearly \$15,000 in funding.
- Brought Farmer's Market downtown and supported advertising efforts.
- Significant work done towards the finalization of the Plan of Development.
- Annual meeting held in October.
- Far-reaching marketing campaign launched in late 2011.

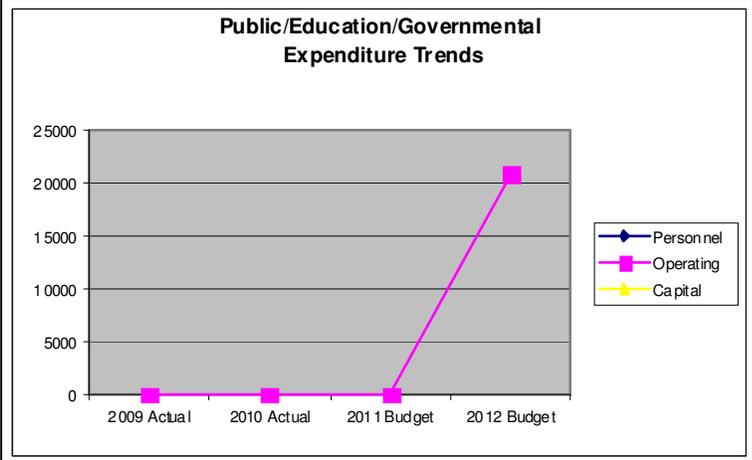
2012 Objectives:

- Finish and adopt a Plan of Development.
- Implement sales tax TIF.
- In partnership with other economic development entities, investigate the possibility of a co-working and/or small scale business incubation center in downtown.
- Establish a small business and facade improvement revolving loan program in partnership with the City and Region 10.
- Design and install downtown kiosks and signage.
- Launch www.montrosedowntown.com.
- Clarify role in supporting and funding special events.
- Work with the City and the Farmer's Market to enhance the space on and around S. 1st Street.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Plan Completed			NA	NA	NA	1
Website Hits			NA	NA	NA	Establish Baseline
Loans Approved			NA	NA	NA	3-5
Kiosks and signs installed			NA	NA	NA	2-3

PUBLIC/EDUCATION/GOVERNMENT SPECIAL REVENUE 220

Program Description:
 Ordinance 2255 established an access fee (PEG Access) of forty five cents per month per cable television customer for access related expenditures was established effective January 1, 2011. The fee enables the City of Montrose to provide expanded programming on the public, education and government channel to further the health, safety, and welfare of the people of the City of Montrose.



Personnel: Support though other departments.

2011 Accomplishments:

- Began receiving fee revenues from Optimum on a quarterly basis.
- Relocated broadcast facilities to the Elks Civic Building, including a new fiber optic line to transmit content to Optimum, and acquired additional programming control equipment from Eagle County.
- Installed equipment and infrastructure needed for live broadcast of City Council meetings. The first live broadcast took place on June 7.

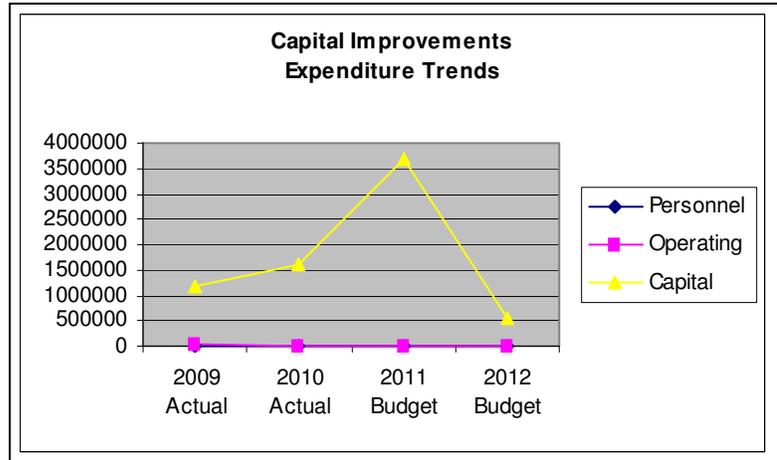
2012 Objectives:

- Acquire camera, lighting and studio equipment for in-house production of city programming.
- Extend capabilities for including programming from other local agencies.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Hits on Council On-line Meetings			NA	NA	NA	500

Program Description:

This fund was created in 1986 and provides for capital construction projects in the areas of curb/gutter/sidewalk and arterial construction. People’s Ordinance No. 1986-1 dictated that revenues from sales and use tax of \$400,000 each year be appropriated to the fund.



Personnel: None – support through other departments

2011 Accomplishments:

- Cost share sidewalk program continued.
- ADA construction.
- Completion of Downtown Traffic Improvements with assistance of Energy and Mineral Impact Grant funds of \$1,150,000.
- Safe Routes to School sidewalk project completion.
- Completion of the Ogden/Woodgate intersection project.

2012 Objectives:

- Continue with sidewalk cost share program.
- ADA construction.
- Parking lot and streetscape on South First and Uncompahgre.
- Completion of South Townsend Sidewalks with assistance of Transportation Enhancement grant.

Significant Changes:

- Reduction in expenditures.

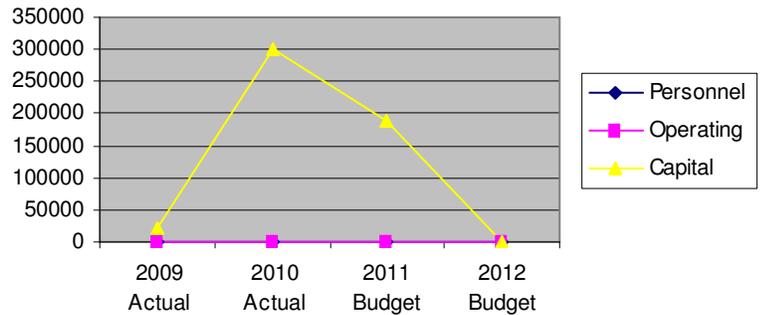
Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Grant Award – EMI Percent Complete	  	  	NA	35%	100%	NA
Grant Award Trans. Enh – Percent Complete	  	  	NA	NA	NA	100%

CONSERVATION TRUST FUND SPECIAL REVENUE 250

Program Description:

The City of Montrose utilizes this fund to record proceeds from the Colorado Lottery. These funds are to be invested in the state's parks, wildlife, open space and recreational areas. Funds have been used to match grants for recreation trails, park picnic shelters, skate park and Sunset Mesa Recreation Trail.

Conservation Trust Expenditure Trends



Personnel: None – support through other departments

2011 Accomplishments:

- Completion of the West Main Trailhead.
- Purchase of picnic tables.
- Playground at Colorado West Park.

2012 Objectives:

- Transfer from the General Fund of \$50,000 to build fund reserve for a future project.

Significant Changes:

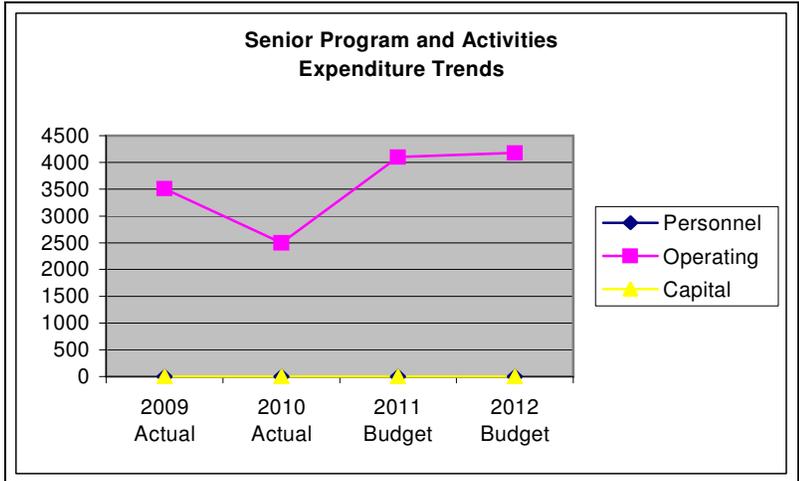
- No project planned for this fund in 2012.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Use of Funds			\$21,570	\$300,581	\$190,000	\$0

PAVILION SENIOR CENTER SPECIAL REVENUE 255

Program Description:

This account was initiated to handle revenues and expenditures for senior programs and activities at the Montrose Pavilion Senior Center. The Montrose Pavilion Senior Center Advisory Committee is responsible for authorizing expenditures from this account.



Personnel: None – support through other departments

2011 Accomplishments:

- Senior newsletter printed and published.

2012 Objectives:

- Continue the publication of the senior newsletter.

Significant Changes:

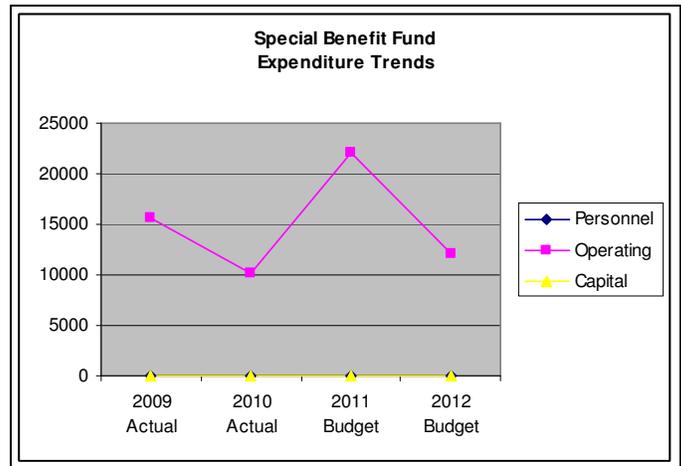
- No significant changes.

Council Goal	Comp Plan
	

SPECIAL BENEFIT FUND SPECIAL REVENUE 270

Program Description:

This fund was created in 1995 to accommodate donations made by individuals who specifically asked that contributions remain separate from the operations and maintenance of the city. The fund contains donations for the Animal Shelter as well as the fee in lieu of park land.



Personnel: None – support through other departments

2011 Accomplishments:

- Funds were used for the care of special needs animals, spay/neuter, and per special request.
- Roof over kennel installed.

2012 Objectives:

- Continued use of donations as requested to care for animals at the shelter.
- Continuation of kennel roof project.

Significant Changes:

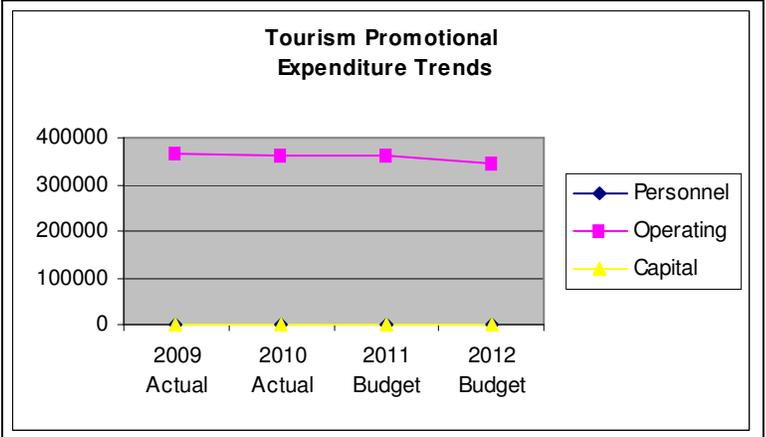
- No significant changes.

Council Goal	Comp Plan
	

TOURISM PROMOTIONAL FUND SPECIAL REVENUE 290

Program Description:

Revenue from an excise tax of .9% on sales of hotel/motel accommodations and .8% on restaurant sales supports this fund. Proceeds are to be used for the purpose of promoting tourism, advertising the community, attracting conferences, conventions and meetings, or for other purposes relating to attracting tourists, visitors, or businesses. Per contractual agreement, the revenue collected, less an administrative fee, will be directed to the newly formed Montrose Association of Commerce and Tourism.



Personnel: Montrose Association of Commerce and Tourism

2011 Accomplishments:

- Quarterly reports of activities, financial statements and budget reports presented to Council.
- Funding to Telluride/Montrose Regional Summer Air Services Program.
- Funding to Montrose Downtown Development Authority.

2012 Objectives:

- Renewal of MACT agreement.
- Continued use of funds to promote the Montrose area.

Significant Changes:

- Anticipated decrease in funding due to economic conditions.

Council Goal	Comp Plan
	



*West Main Trailhead Construction
with the assistance of
Conservation Trust Funds*

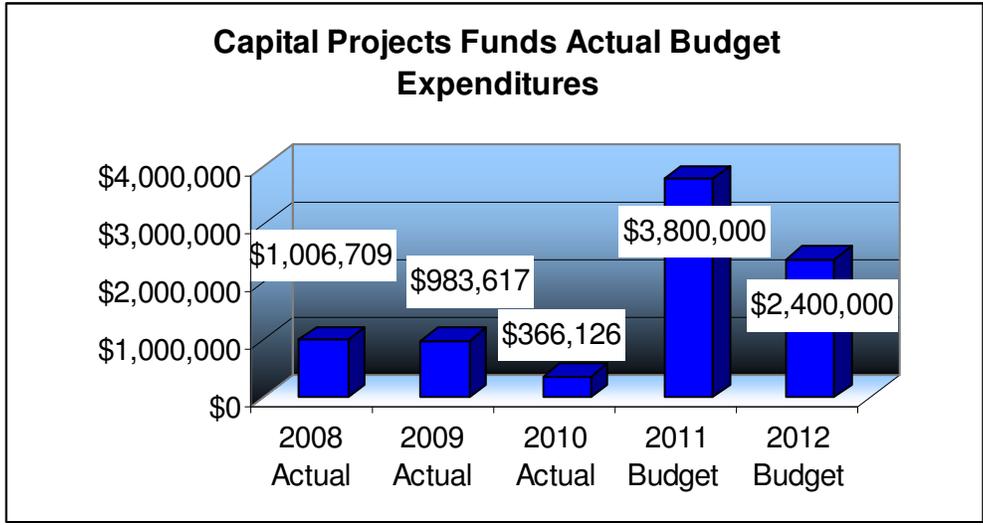


CAPITAL PROJECTS FUNDS



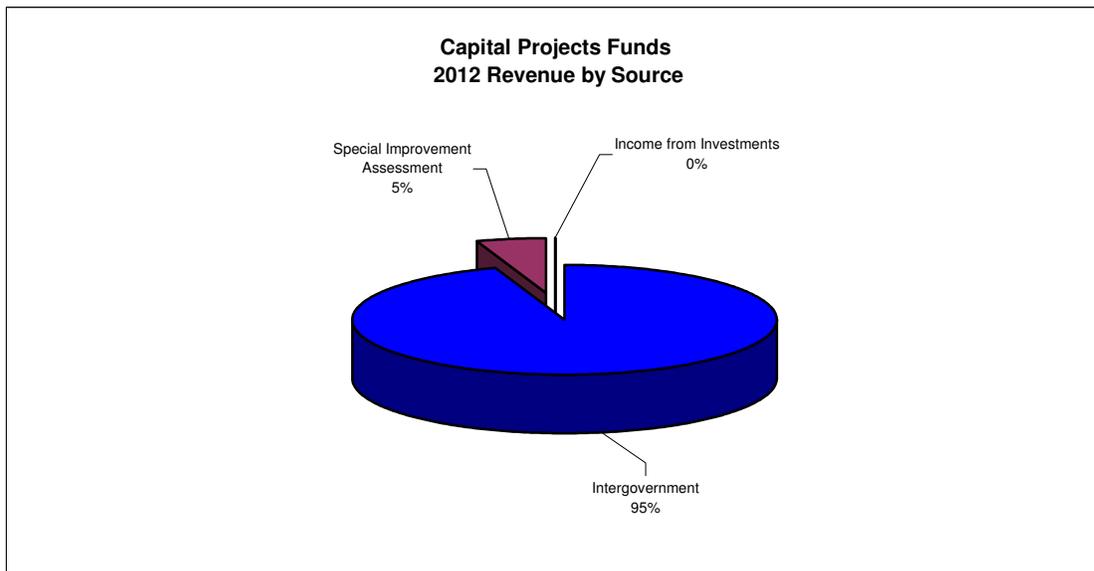
*Special Improvements Revolving
Grand/Rio Grande Project*

*Fluctuations arise from specific project
construction*



Revenue by Source - CAPITAL PROJECTS FUND

Capital Projects		<u>ACTUAL 2010</u>	<u>BUDGET 2011</u>	<u>BUDGET 2012</u>
Special Improvements Revolving				
MISCELLANEOUS REVENUES				
440-4600-628-000	Assessment Revenue	\$98,620	\$75,000	\$85,000
440-4600-630-000	Assessment Interest	46,677	37,800	26,100
INCOME FROM INVESTMENTS				
440-4800-800-000	Interest Income	13	0	0
TRANSFERS FROM OTHER FUNDS				
440-4900-900-000	Transfers from Others	0	0	0
Total		<u>\$145,310</u>	<u>\$112,800</u>	<u>\$111,100</u>
 Grand/Rio Grande				
INTERGOVERNMENTAL REVENUES				
460-4300-372-000	State Governments	\$17,574	\$3,800,000	\$2,000,000
INCOME FROM INVESTMENTS				
460-4800-800-000	Interest Income	15,980	0	1,000
Total		<u>\$33,554</u>	<u>\$3,800,000</u>	<u>\$2,001,000</u>
 Civic Campus Upgrades				
INTERGOVERNMENTAL REVENUES				
470-4300-372-000	State Governments	\$76,162	\$0	\$0
INCOME FROM INVESTMENTS				
470-4800-800-000	Interest Income	30	0	0
OTHER FINANCING SOURCES				
470-4900-900-000	Transfer from Others	0	0	0
Total		<u>\$76,192</u>	<u>\$0</u>	<u>\$0</u>
Total Capital Projects		<u><u>\$255,056</u></u>	<u><u>\$3,912,800</u></u>	<u><u>\$2,112,100</u></u>



Capital Projects Expenditure Summary

Fund	ACTUAL	PERSONNEL AND BENEFITS	NON-PERSONNEL	TOTAL
	2010	BUDGET 2012	BUDGET 2012	BUDGET 2012
Special Improvements/Niagara	\$0	\$0	\$0	\$0
Grand Rio Grande	359,684	0	2,400,000	2,400,000
Civic Campus Upgrades	5,700	0	0	0
Special Impr. Misc Exp	742	0	0	0
TOTAL CAPITAL PROJECTS	<u>\$366,126</u>	<u>\$0</u>	<u>\$2,400,000</u>	<u>\$2,400,000</u>

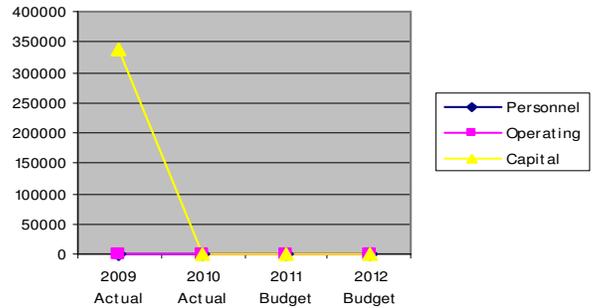
Capital Projects Expenditure by Detail

Expenditures by Detail	ACTUAL 2010	BUDGET 2011	BUDGET 2012
210 Office Supplies	\$0	\$0	\$0
211 Postage	0	0	0
371 Meeting Expense	0	0	0
495 Miscellaneous Expense	742	0	0
Total Non-Personnel	\$742	\$0	\$0
CAPITAL OUTLAY			
910 Land	\$86,068	\$0	\$0
962 Capital Improvements	279,316	3,800,000	2,400,000
Total Capital	\$365,384	\$3,800,000	\$2,400,000
TOTAL CAPITAL PROJECTS	<u>\$366,126</u>	<u>\$3,800,000</u>	<u>\$2,400,000</u>

Project Description:

The fund was utilized in 2007, 2008, and 2009 for the extension of Niagara Road from 6700 Road to Ravens Crest Drive. The road was constructed through a Special Improvement District. Final construction of the full width road has been accomplished and is in use.

Special Improvements Revolving Expenditure Trends



Personnel: None – support from other departments

2011 Accomplishments:

- Alley improvements at Block 51 Selig were completed.

2012 Objectives:

- No improvements through the Special Improvement Revolving are budgeted for 2012..

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Projects in Process			1	0	1	0

Comprehensive Plan Guiding Principles and Council Goals with icons are listed on page 94.

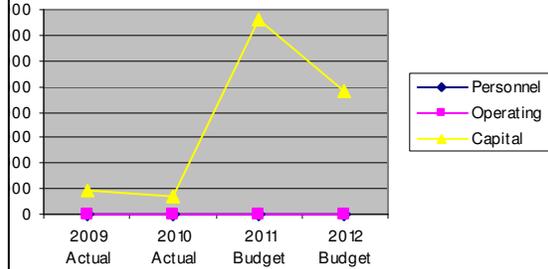
Project Description:

This fund is utilized for expenditures related to the Grand/Rio Grande project. The purpose of the Grand/Rio Grande project is to provide an additional, continuous north-south arterial route through the City of Montrose, improving system connectivity and mobility for all users, while relieving traffic congestion along Townsend Avenue.

The first phase of the project has been completed which was to conduct environmental studies and community involvement activities as required by the National Environmental Policy Act of 1969 (NEPA). Jacobs Carter Burgess completed the NEPA study and designed the roadway.

The city has been awarded \$4.86 million in federal funding for the project. Matching funds from the city's 1998 Revenue Bonds bring the total project budget to \$6.08 million.

Grand/Rio Grande Project Expenditure Trends



Personnel: None – support from other departments

2011 Accomplishments:

- Completed bid process for construction of Phase 1.
- Initial construction of Phase 1.

2012 Objectives:

- Completion of Phase 1 construction in spring of 2012..

Significant Changes:

- Final appropriation of federal funds.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Percent Complete – South 1 st to North 9th			15%	15%	50%	100%

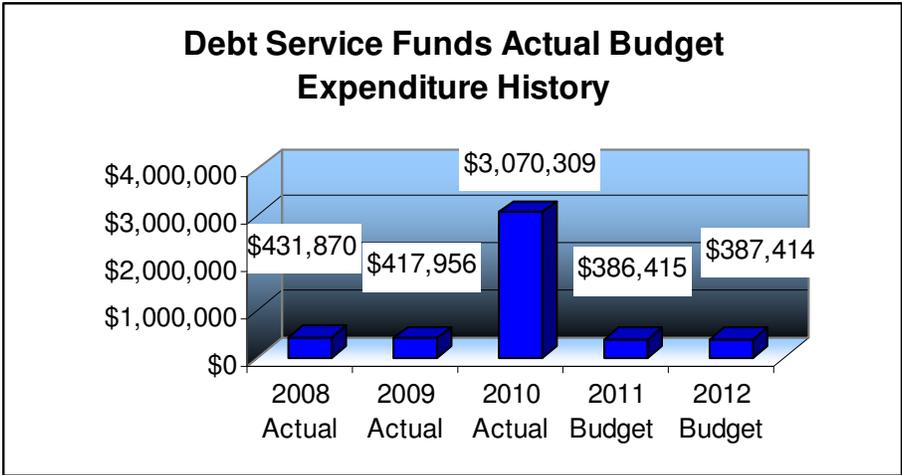


Grand/Rio Grande Project

DEBT SERVICE FUNDS

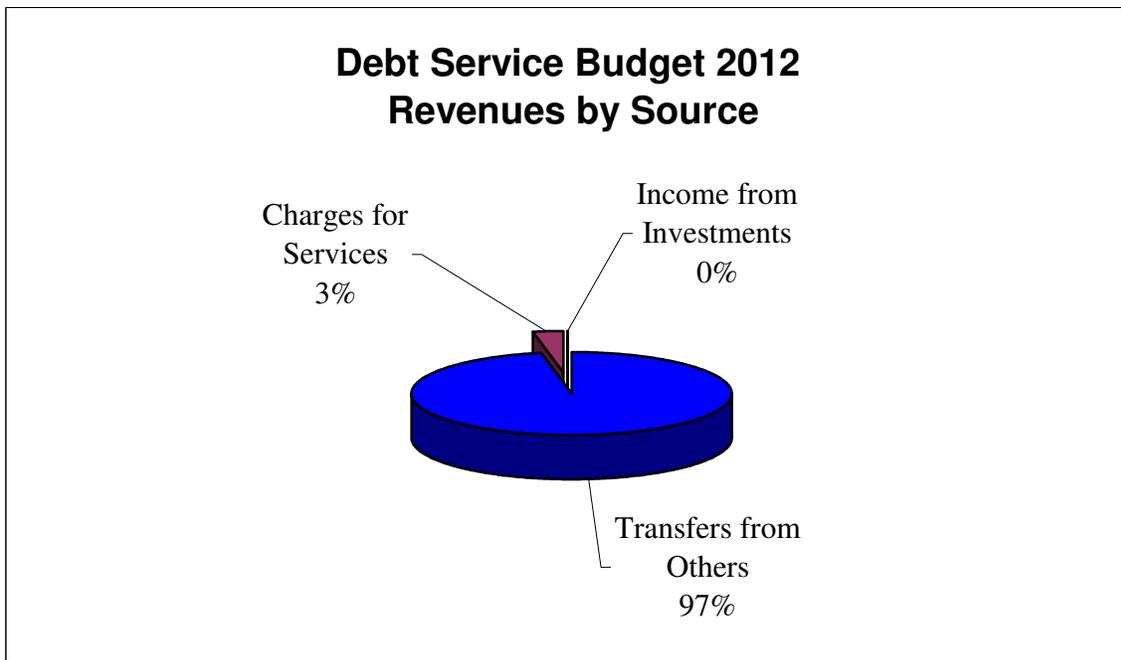


*2010 Excise Tax Revenue Bonds
EIA Fireflow Loan*



Revenue by Source - DEBT SERVICE FUND

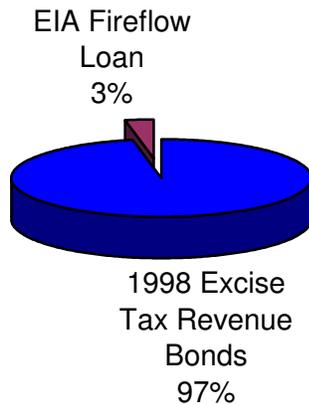
Debt Service	<u>ACTUAL 2010</u>	<u>BUDGET 2011</u>	<u>BUDGET 2012</u>
1998 Excise Tax Revenue Bonds			
INCOME FROM INVESTMENTS			
370-4800-800-000 Interest Income	\$0	\$100	\$0
370-4800-900-000 Proceeds from Issuance	\$2,570,000	0	0
370-4800-901-000 Bond Premiums	\$111,594	0	0
OTHER FINANCING SOURCES			
370-4900-900-000 Transfer from Others	376,525	374,075	375,075
Total	<u>\$3,058,119</u>	<u>\$374,175</u>	<u>\$375,075</u>
EIA Fireflow Loan			
CHARGES FOR SERVICES			
375-4440-478-000 Fireflow Connection Fees	\$12,189	\$12,189	\$12,189
INCOME FROM INVESTMENTS			
375-4800-800-000 Interest Income	4	20	10
Total	<u>\$12,193</u>	<u>\$12,209</u>	<u>\$12,199</u>
Total Debt Service	<u><u>\$3,070,312</u></u>	<u><u>\$386,384</u></u>	<u><u>\$387,274</u></u>



Debt Service Expenditure Summary

Fund	ACTUAL 2010	PERSONNEL & BENEFITS BUDGET 2012	NON-PERSONNEL BUDGET 2012	TOTAL BUDGET 2012
1998 Excise Tax Revenue Bonds	\$3,058,120	\$0	\$374,225	\$375,225
EIA Fireflow Loan	12,189	0	12,190	\$12,189
TOTAL DEBT SERVICE	<u><u>\$3,070,309</u></u>	<u><u>\$0</u></u>	<u><u>\$386,415</u></u>	<u><u>\$387,414</u></u>

Debt Services Expenditures Budget 2012



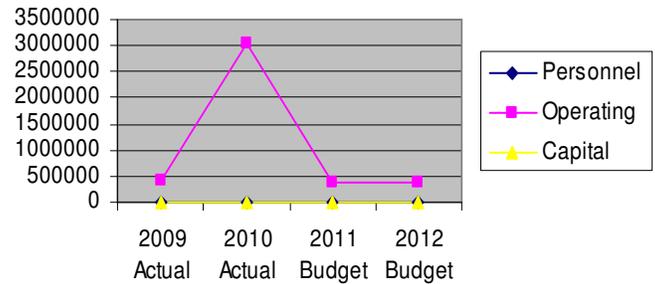
Debt Service Expenditure by Detail

Expenditures by Detail	ACTUAL 2010	BUDGET 2011	BUDGET 2012
495 Miscellaneous Expense	\$0	\$150	\$150
601 Principle Payment	292,670	307858	318250
602 Interest Payment	96,045	78407	69014
603 Escrow payment	2,625,357	0	0
604 Issuance Costs	56,238	0	0
750 Transfer to Others	0	0	0
Total Non-Personnel	<u><u>\$3,070,309</u></u>	<u><u>\$386,415</u></u>	<u><u>\$387,414</u></u>

Fund Description:

This fund was created to handle the bond payments associated with the \$5,000,000 General Fund Excise Tax revenue bonds that were issued in 1998 for the purpose of financing the construction, installation and improvement of the Northside arterial and other streets. In 2010, Ordinance 2248 approved the issuance of sales and use tax revenue refunding bonds, Series 2010, for the purpose of generating savings to the city through decreased interest payments. These bonds will be paid in full in 2017.

2010 Excise Tax Revenue Bonds Expenditure Trends



2011 Accomplishments:

- Paid bond principal and interest.

2012 Objectives:

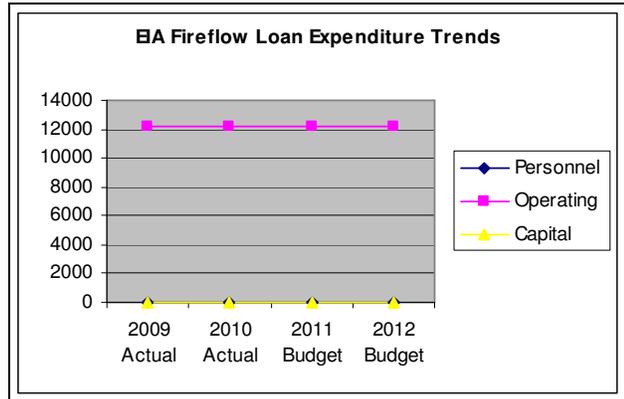
- Continue payments on bond...

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Percentage Paid			47%	54%	60%	67%

Comprehensive Plan Guiding Principles and Council Goals with icons are listed on page 94.

Project Description:

This fund was created to handle the payments associated with the \$151,900 Energy Impact Assistance Loan received in 1999 to help construct a water line to Airport Industrial Park for fire flow purposes. Montrose Economic Development Corporation makes the annual payment on this loan. The final payment will be made in 2019.



2011 Accomplishments:

- Completed 2011 payment.

2012 Objectives:

- Complete 2012 payment...

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Percentage Paid			38%	43%	48%	54%

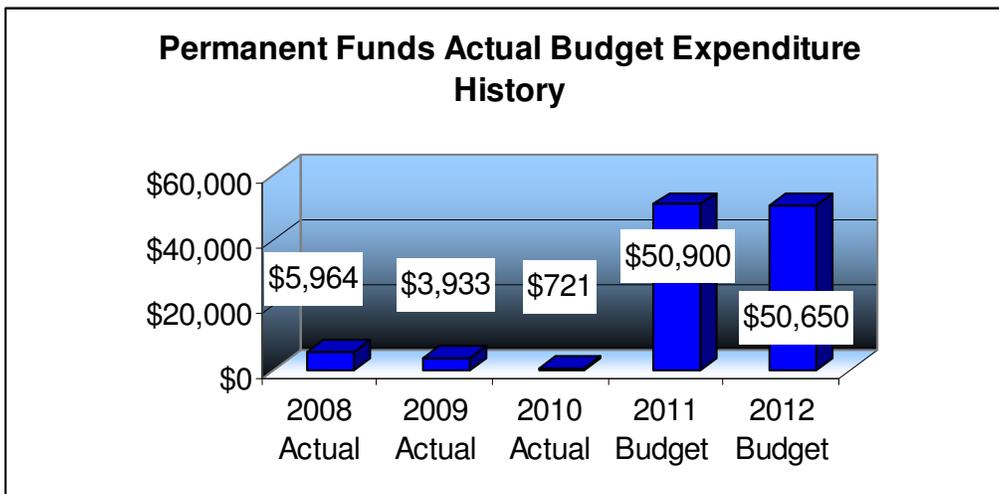


Newly developed West Main Trailhead

PERMANENT FUNDS

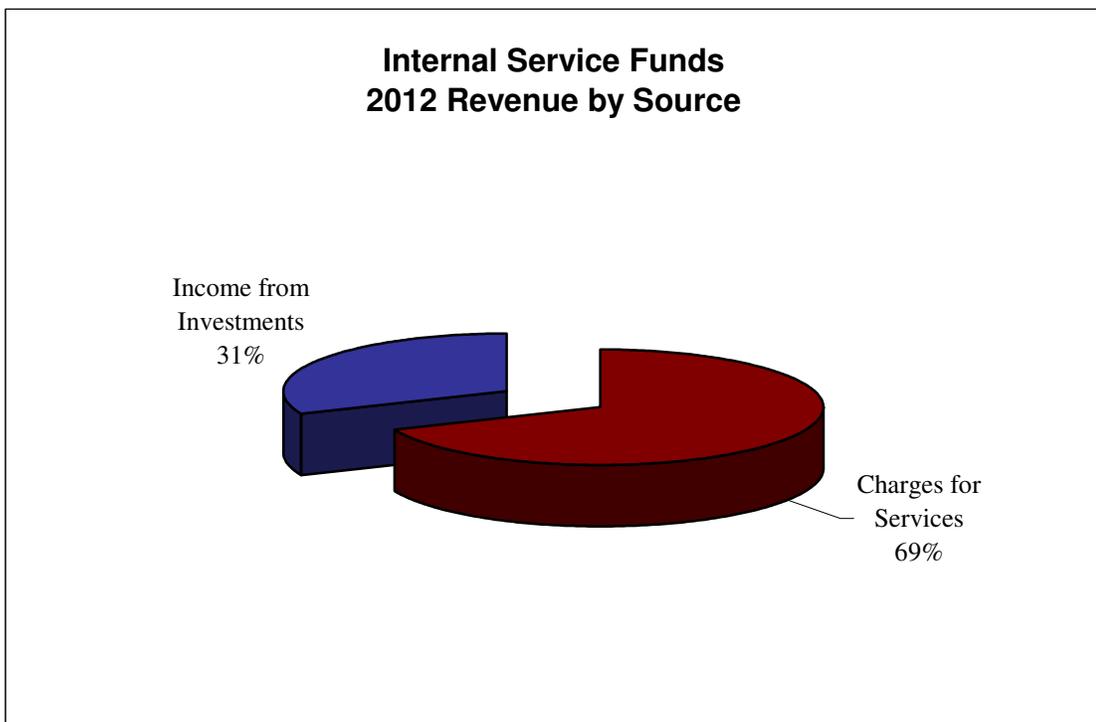


*Demoret Trust
Cemetery Perpetual Care*



Revenue by Source - PERMANENT FUNDS

Permanent Funds	<u>ACTUAL</u>	<u>BUDGET</u>	<u>BUDGET</u>
	2010	2011	2012
Demoret Trust Fund			
INCOME FROM INVESTMENTS			
400-4800-800-000 Interest Income	<u>\$442</u>	<u>\$400</u>	<u>\$400</u>
Total Demoret Trust Fund	\$442	\$400	\$400
Cemetery Perpetual Care Fund			
CHARGES FOR SERVICES			
420-4400-462-000 Sale of Cemetery Lots	\$1,920	\$1,200	\$1,200
INCOME FROM INVESTMENTS			
420-4800-800-000 Interest Income	<u>221</u>	<u>400</u>	<u>150</u>
Total Cemetery Perpetual Care Fund	\$2,141	\$1,600	\$1,350
Total Permanent Funds	<u><u>\$2,583</u></u>	<u><u>\$2,000</u></u>	<u><u>\$1,750</u></u>

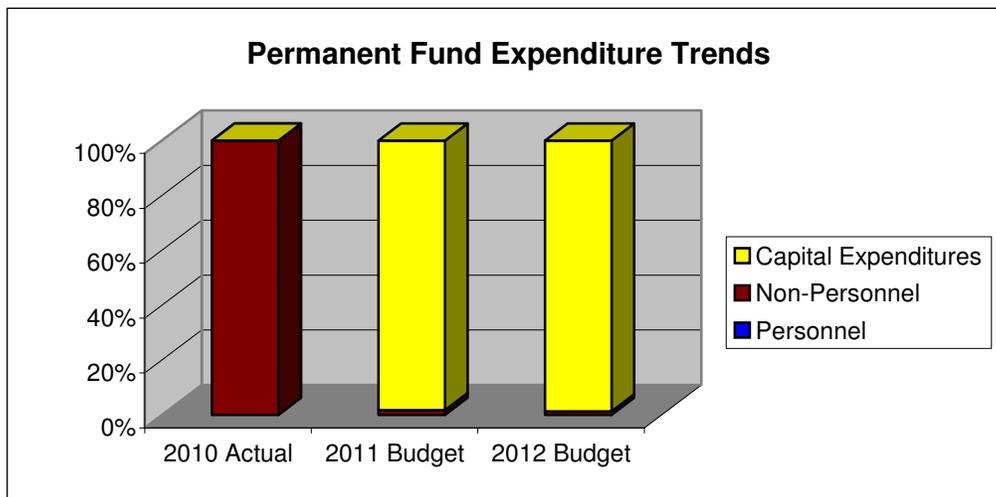


Permanent Funds Expenditure Summary

Fund	ACTUAL 2010	PERSONNEL AND BENEFITS		TOTAL BUDGET 2012
		BUDGET 2012	NON-PERSONNEL BUDGET 2012	
Demoret Trust Fund	\$500	\$0	\$50,500	\$50,500
Cemetery Perpetual Care Fund	221	0	150	150
TOTAL PERMANENT FUNDS	\$721	\$0	\$50,650	\$50,650

Permanent Funds Expenditure by Detail

Expenditures by Detail	ACTUAL 2010	BUDGET 2011	BUDGET 2012
NON-PERSONNEL			
221 Operating Supplies	\$0	\$0	\$0
505 Trustee Fees	500	500	500
544 Equipment/Furnitue >\$5,000	0	0	0
750 Transfer to Others	221	400	150
Total Non-Personnel	\$721	\$900	\$650
CAPITAL OUTLAY			
962 Capital Improvements	0	\$50,000	\$50,000
Total Capital	\$0	\$50,000	\$50,000
TOTAL PERMANENT FUNDS	\$721	\$50,900	\$50,650



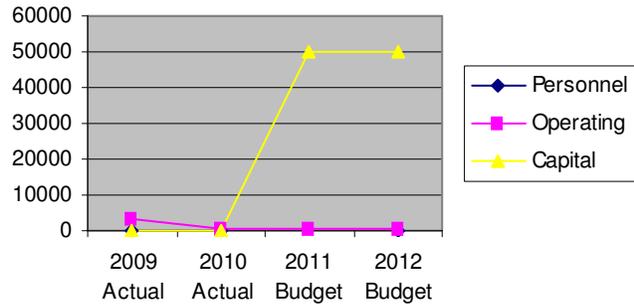
DEMORET TRUST FUND

PERMANENT FUND 400-9000

Fund Description:

The Demoret Memorial Montrose Beautification Trust was set up from the estate of Ruby Demoret. In accordance with the agreement, only the earnings on the principal sum may be expended. The City of Montrose is limited to spending the net income for the purpose of planting trees, grass and flowers, including the cost of sprinkling systems and advance soil preparation on public property.

Demoret Trust Fund Expenditure Trends



Personnel: None – support from other departments

2011 Accomplishments:

- No projects completed from this fund.

2012 Objectives:

- Funds budgeted for beautification project.

Significant Changes:

- None

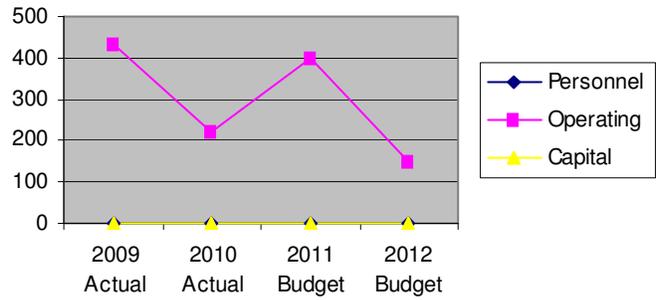
Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Earnings used compared to earnings available for spending			5%	1%	1%	71%

Comprehensive Plan Guiding Principles and Council Goals with icons are listed on page 94.

Fund Description:

This fund was created to account for the assets that assure for perpetual care of Cedar Cemetery. Interest earnings can be transferred to the General Fund.

Cemetery Perpetual Care Expenditure Trends



Personnel: None – support from other departments

2011 Accomplishments:

- Cemetery grounds are well groomed and maintained.

2012 Objectives:

- Continued care of the cemetery grounds in an efficient manner.

Significant Changes:

- Transfer amount reduced due to lower interest rates.

Council Goal	Comp Plan
	



Demoret Park

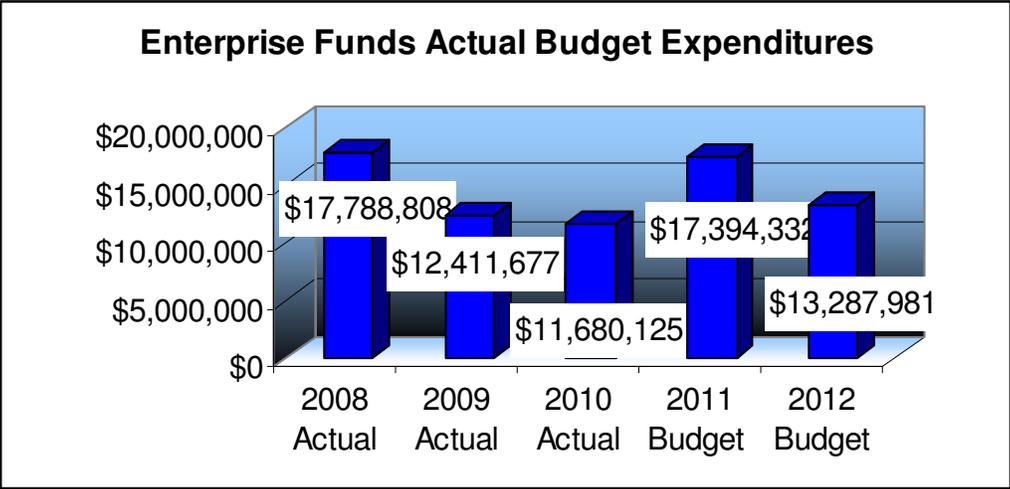
Cedar Creek Cemetery



ENTERPRISE FUNDS

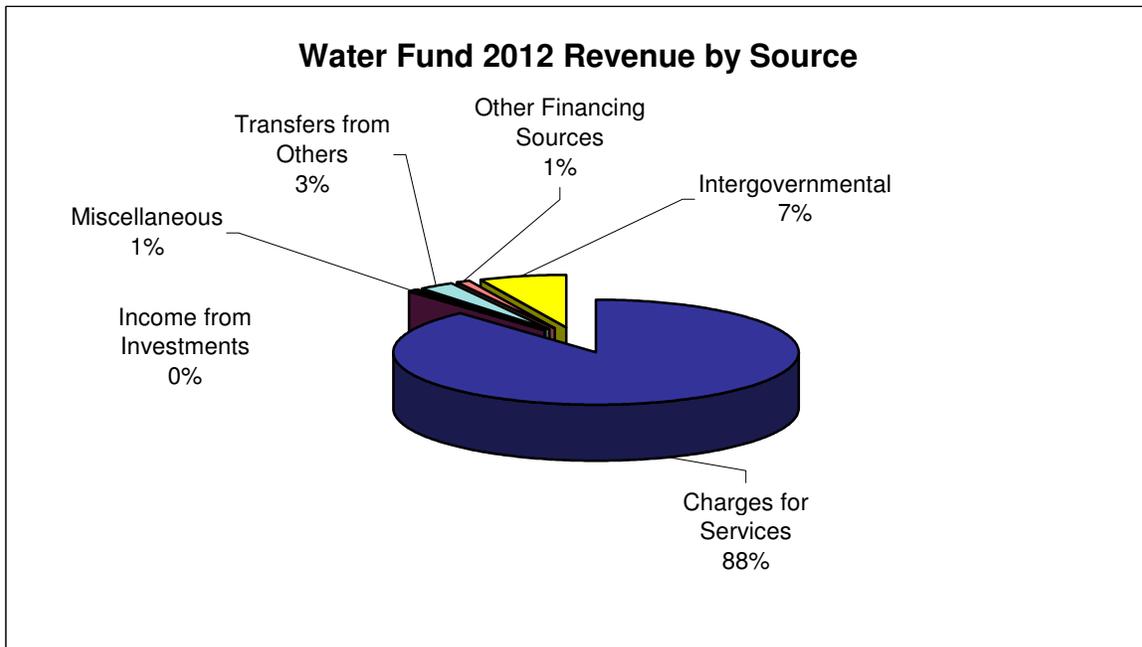


*Water Fund
Sewer Fund
Sanitation Fund*



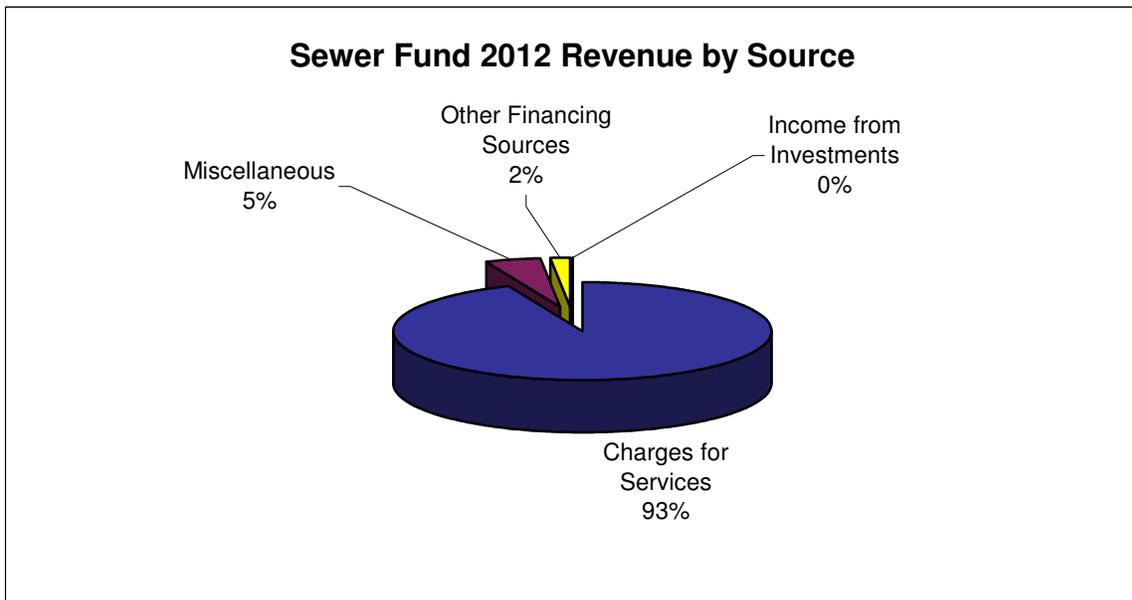
Revenue by Source - ENTERPRISE FUNDS

Enterprise Fund		<u>ACTUAL 2010</u>	<u>BUDGET 2011</u>	<u>BUDGET 2012</u>
Water Fund				
INTERGOVERNMENTAL REVENUES				
500-4300-340-000	Tri-County Rev	\$89,968	\$5,000	\$2,000
500-4300-372-000	State Governments	392	500,000	400,000
WATER REVENUES				
500-4440-470-000	Metered Water	5,125,564	5,000,000	5,100,000
500-4440-470-022	Fire Systems	17,250	16,000	16,000
500-4440-471-000	Services	54,257	60,000	58,000
500-4440-472-000	Misc Water	2,301	2,500	2,400
500-4440-473-000	Water Taps	34,176	56,000	30,000
MISCELLANEOUS REVENUES				
500-4600-660-000	Capacity Fees	55,460	90,000	45,000
500-4600-680-000	Misc Revenue	5,797	500	2,500
TRANSFERS FROM OTHER FUNDS				
500-4700-701-000	Transfer Cost Alloc	145,035	167,616	173,664
INCOME FROM INVESTMENTS				
500-4800-800-000	Interest Income	29,095	46,000	5,000
OTHER FINANCING SOURCES				
500-4900-900-000	Transfers from Others	<u>0</u>	<u>0</u>	<u>67,835</u>
	Total Water Fund	\$5,559,296	\$5,943,616	\$5,902,399



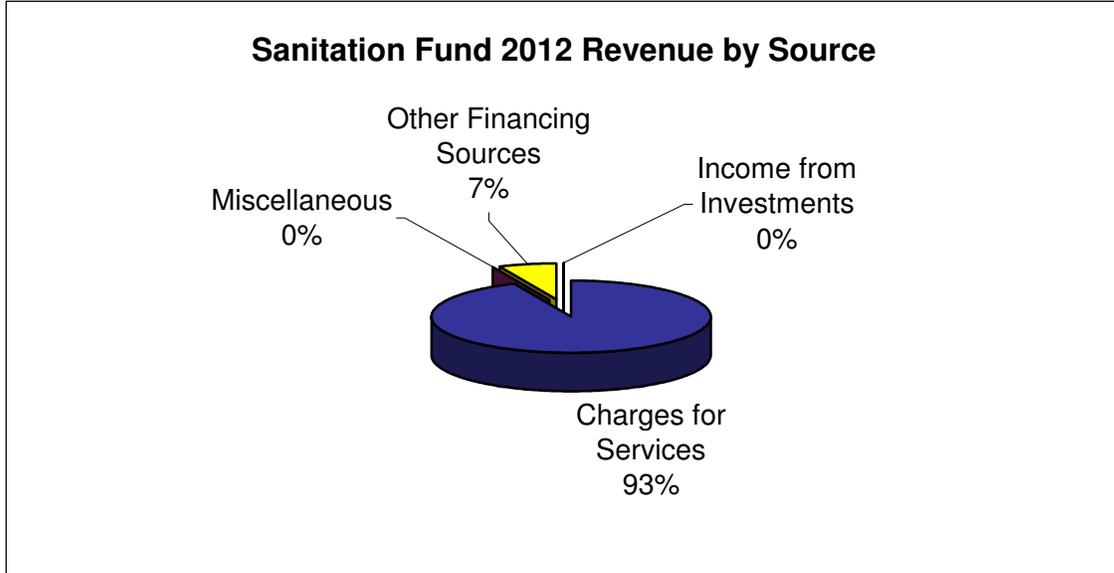
Revenue by Source - ENTERPRISE FUNDS

Enterprise Fund	<u>ACTUAL</u> 2010	<u>BUDGET</u> 2011	<u>BUDGET</u> 2012
Sewer Fund			
INTERGOVERNMENTAL REVENUES			
510-4300-372-000 State Governments	\$0	\$0	\$0
CHARGES FOR SERVICES			
510-4400-477-000 Sewer Surcharges	0	10,000	5,000
510-4400-479-000 E-1 Pump Maint	12,770	11,500	12,000
SEWER REVENUES			
510-4440-474-000 Sewer Charges	2,489,444	2,480,000	2,480,000
510-4440-474-024 BOD Charges	256,610	332,900	250,000
510-4440-475-000 Septage Receiving	25,863	40,000	10,000
510-4440-476-000 Sewer Taps	25,009	50,000	20,000
MISCELLANEOUS REVENUES			
510-4600-620-000 Rentals	0	200	0
510-4600-635-000 Lease Payments	20,700	20,000	20,700
510-4600-661-000 Capacity Fees	128,441	176,000	115,000
510-4600-680-000 Misc Revenue	11,039	2,000	2,000
INCOME FROM INVESTMENTS			
510-4800-800-000 Interest Income	43,733	1,000	1,000
SOURCE: 4900			
510-4900-900-000 Transfers from Others	0	0	48,699
Total Sewer Fund	<u>\$3,013,608</u>	<u>\$3,123,600</u>	<u>\$2,964,399</u>



Revenue by Source - ENTERPRISE FUNDS

Enterprise Fund	ACTUAL 2010	BUDGET 2011	BUDGET 2012
Sanitation Fund			
CHARGES FOR SERVICES			
550-4400-410-000 Sanitation Charges	\$1,441,324	\$1,500,000	\$1,528,000
550-4400-411-000 Recycle Fee	\$0	\$0	\$0
550-4400-413-000 Charge for Services	1,060	2,000	2,000
MISCELLANEOUS REVENUES			
550-4600-680-000 Misc Revenue	830	500	500
INCOME FROM INVESTMENTS			
550-4800-800-000 Interest Income	302	200	200
OTHER FINANCING SOURCES			
550-490-900-000 Transfers from Others	0	0	109,403
Total Sanitation Fund	\$1,443,517	\$1,502,700	\$1,640,103



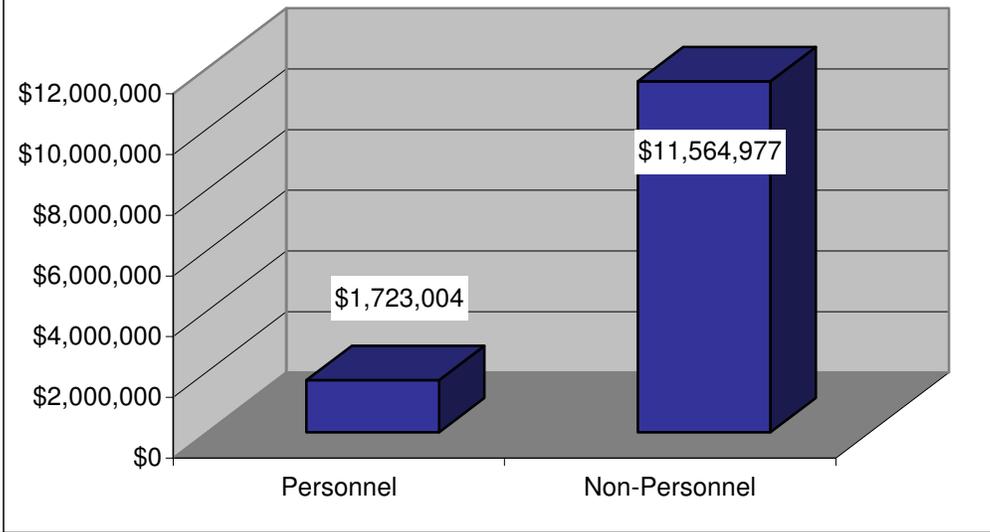
Revenue by Source - ENTERPRISE FUNDS				
		<u>ACTUAL</u>	<u>REVISED</u>	<u>BUDGET</u>
		<u>2010</u>	<u>2011</u>	<u>2012</u>
Pavilion				
INTERGOVERNMENTAL REVENUES				
560-4300-372-000	State Governments	\$25,902	\$0	\$0
CHARGES FOR SERVICES				
560-4400-400-000	Pavilion Fees	155,515	0	0
560-4400-400-030	Space Rentals	-250	0	0
MISCELLANEOUS REVENUES				
560-4600-680-000	Miscellaneous Revent	26,731	0	0
TRANSFERS FROM OTHERS				
560-4900-900-000	Transfers from Others	417,989	0	0
	Total Pavilion	<u>\$625,886</u>	<u>\$0</u>	<u>\$0</u>
	Total Enterprise Fund	<u><u>\$10,642,307</u></u>	<u><u>\$10,569,916</u></u>	<u><u>\$10,506,901</u></u>

This department was moved to the General Fund in 2011.

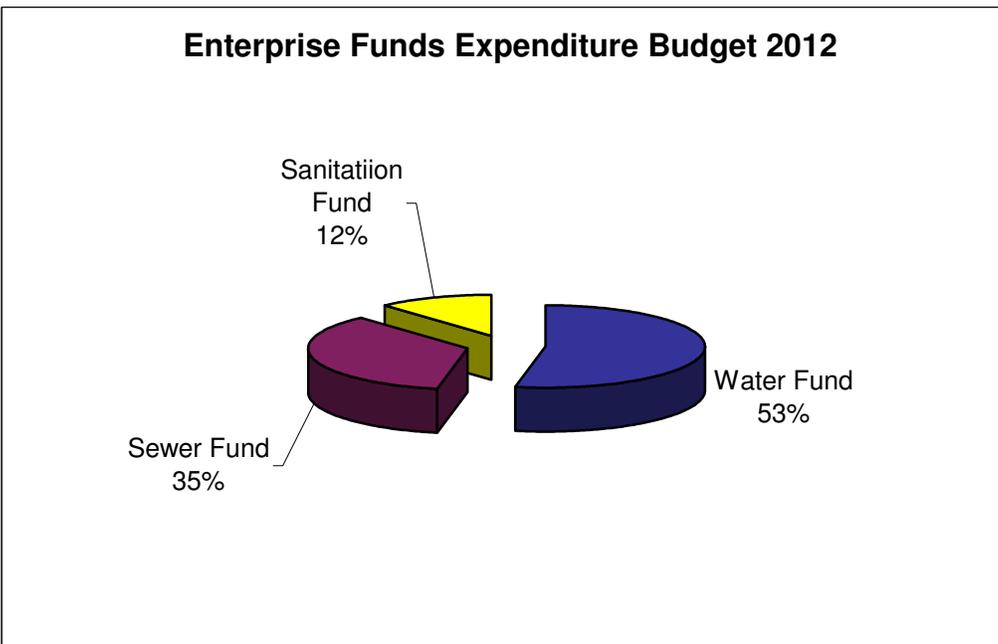
Enterprise Funds Expenditure Summary

Fund	ACTUAL 2010	PERSONNEL AND BENEFITS BUDGET 2012	NON-PERSONNEL BUDGET 2012	TOTAL BUDGET 2012
Water Fund				
Records & Collections	\$326,938	\$231,748	\$115,580	\$347,328
Water Dist & Admin	4,100,497	513,659	5,962,743	6,476,402
Water Debt Service	245,888	0	242,075	242,075
96 Bond Project	64,269	0	0	0
Water Fund Total	<u>\$4,737,592</u>	<u>\$745,407</u>	<u>\$6,320,398</u>	<u>\$7,065,805</u>
Sewer Fund				
Sewer Line Maint & Admin	\$2,565,501	\$244,730	\$3,057,493	\$3,302,223
Sewer Treatment	1,960,588	357,013	749,005	1,106,018
Industrial Pretreatment	57,888	53,785	13,500	67,285
Sewer Debt Service	384,880	0	198,061	198,061
Sewer Fund Total	<u>\$4,968,857</u>	<u>\$655,528</u>	<u>\$4,018,059</u>	<u>\$4,673,587</u>
Sanitation Fund				
Sanitation Oper & Admin	\$1,463,007	\$322,069	\$1,226,520	\$1,548,589
Recycle Operations	156,715	\$0	\$0	\$0
Sanitation Fund Total	<u>\$1,619,722</u>	<u>\$322,069</u>	<u>\$1,226,520</u>	<u>\$1,548,589</u>
Pavilion Fund				
Pavilion Oper & Maint	\$773,954	\$0	\$0	\$0
Pavilion Fund Total	<u>\$773,954</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL ENTERPRISE FUND	<u><u>\$12,100,125</u></u>	<u><u>\$1,723,004</u></u>	<u><u>\$11,564,977</u></u>	<u><u>\$13,287,981</u></u>

Enterprise Funds Expenditures Budget 2012



Enterprise Funds Expenditure Budget 2012



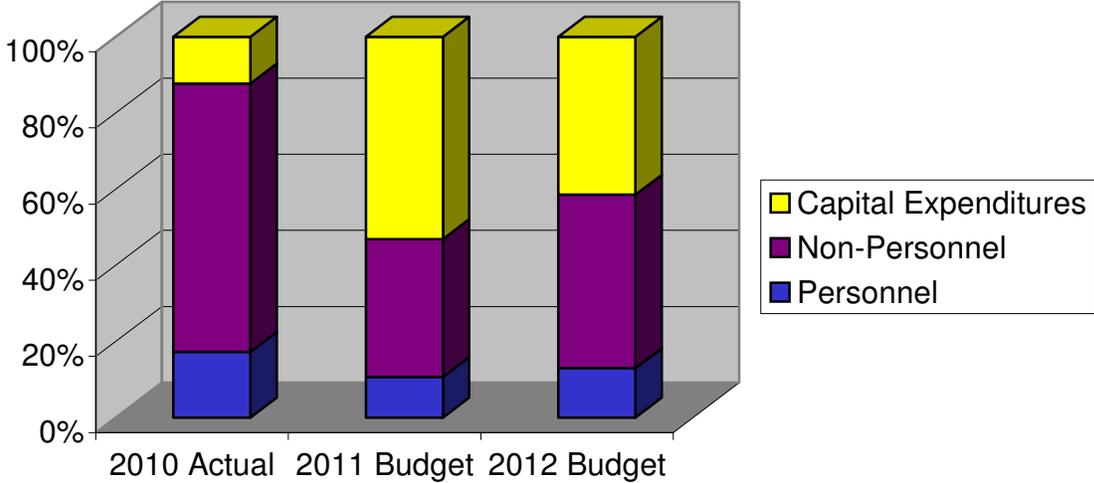
Enterprise Funds Expenditure by Detail

Expenditures by Detail	ACTUAL 2010	BUDGET 2011	BUDGET 2012
PERSONNEL			
111 Salaries & Wages Regular	\$1,456,331	\$1,236,980	\$1,121,359
112 Salaries & Wages Temp.	13,748	0	0
116 Fringe Benefits	1,540	1,320	1,155
121 Overtime Regular	14,414	18,450	18,450
131 Vacation Pay	-2,746	0	0
141 Social Security/Medicare	107,609	96,138	87,278
142 Pension Contribution	108,259	98,807	89,054
144 Group Insurance	318,225	330,732	334,128
145 Worker's Compensation	57,996	66,764	61,645
146 Unemployment Insurance	779	0	0
148 Disability Insurance	5,313	4,699	4,235
150 Wellness	6,928	6,400	5,700
Total Personnel Expenses	\$2,088,397	\$1,860,290	\$1,723,004
NON-PERSONNEL			
210 Office Supplies	\$2,984	\$2,500	\$3,400
211 Postage	43,145	49,000	46,400
212 Printing	1,623	3,300	0
221 Operating Supplies	253,578	349,500	303,000
222 Uniforms	3,018	4,200	4,150
223 Asphalt	0	55,000	55,000
224 Water Treatment	1,060,335	1,200,000	1,200,000
225 Concrete	3,336	0	0
227 Raw Water Purchase	845,735	845,735	850,735
234 Equipment Repairs	15,597	36,000	36,000
241 Tools	4,854	7,900	7,800
331 Advertising	5,585	0	0
332 Dues/Membership/Subs	4,685	3,020	2,850
333 Permit Fees	13,242	13,500	13,500
341 Utilities	333,415	242,000	240,000
344 Communications	1,695	2,000	1,000
353 Other Professional Services	232,033	251,900	263,000
358 Landfill Fees	451,976	475,000	475,000
360 Recycle Fees	26,151	25,000	0
362 Office Equipment Repairs	0	0	200
366 Building Repairs	8,957	600	600
370 Training/Conference/Travel	4,527	10,280	10,590
371 Meeting Expense	58	0	100

Enterprise Funds Expenditure by Detail

Expenditures by Detail	ACTUAL 2010	BUDGET 2011	BUDGET 2012
NON-PERSONNEL			
480 Depreciation Expense	\$2,597,281	\$0	\$0
488 Community Programming	\$0	\$0	\$500
495 Miscellaneous Expense	39,059	32,550	150
500 Claims	3,193	11,000	11,000
510 Insurance	1,065	0	0
530 Rentals	13,860	1,000	0
544 Equipment Furniture under \$5,000	30,795	0	0
601 Bond Principal Payment	420,000	440,000	255,000
602 Interest Payment	\$268,268	253,726	187,986
750 Transfer to Others	17,303	0	0
751 Administrative Reimbursement	1,174,498	1,342,348	1,448,946
800 Bond Related Expenses	8,523	0	0
851 Interfund Lease	553,580	591,250	561,400
852 Radio Rent	15,949	15,086	15,900
853 IT Interfund Lease	64,937	27,647	61,370
Total Non-Personnel	\$8,524,840	\$6,291,042	\$6,055,577
CAPITAL OUTLAY			
910 Land	\$0	\$0	\$0
941 Office Equipment/Furniture	0	0	0
942 Computer Equipment	0	0	5,400
943 Vehicle Equipment	0	0	0
944 Operating Equipment	1,111,168	365,000	184,000
962 Capital Improvements	375,721	8,878,000	5,320,000
Total Capital	\$1,486,888	\$9,243,000	\$5,509,400
TOTAL ENTERPRISE FUND	\$12,100,125	\$17,394,332	\$13,287,981

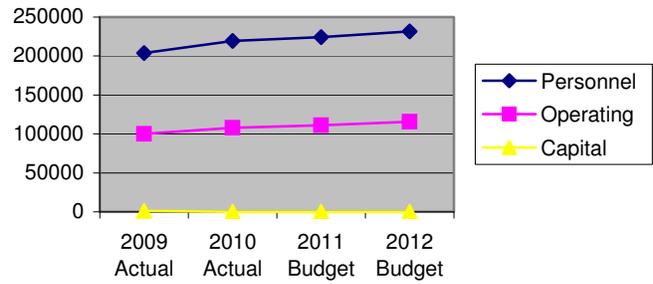
Enterprise Funds Expenditure Trends



Department Description:

This department was established to record the costs of billing, collection and record keeping for the water, sewer and sanitation systems.

Records and Collections Expenditure Trends



Personnel: Customer Service Technicians (4)

2011 Accomplishments:

- Work orders processed range from new owners to extra garbage pickups.
- Promote electronic payments.
- Identified and corrected issues with billing/not billing for services.

2012 Objectives:

- Strive to serve customers with 100% accuracy.
- Continue to maintain the utility database to account for landlords and tenant accuracy.

Significant Changes:

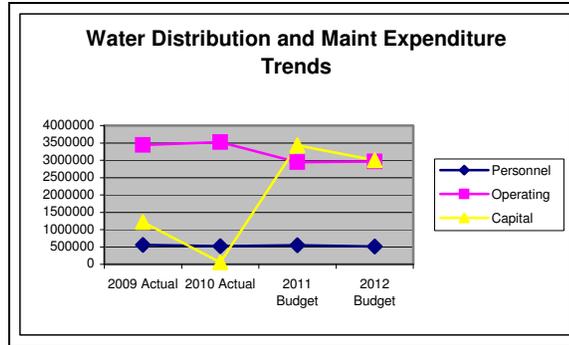
- None.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Utility Customers Served			7637	7779	7800	7880
Work Orders Processed			4488	4246	4600	4200
Cost per Utility Customer			\$39.80	\$42.03	\$42.98	\$44.08

Comprehensive Plan Guiding Principles and Council Goals with icons are listed on page 94.

Department Description:

This department is responsible for maintaining existing water lines, installing new services, maintaining the city reservoir, and purchase of raw and treated water. It also contains the administrative costs of the Water Department.



Personnel: Utility Superintendent, Cross Connection Inspector, Utility Maintenance (7)

2011 Accomplishments:

- State health compliance 100%.
- Completed the Sunset Mesa pump exchange.
- Completed SCADA upgrade.
- Install and employee training on the Caselle backflow program.

2012 Objectives:

- Completion of the Sunshine Road water tank project with pipeline connection to current water line.
- Continue monitoring water quality to insure 100% compliance.

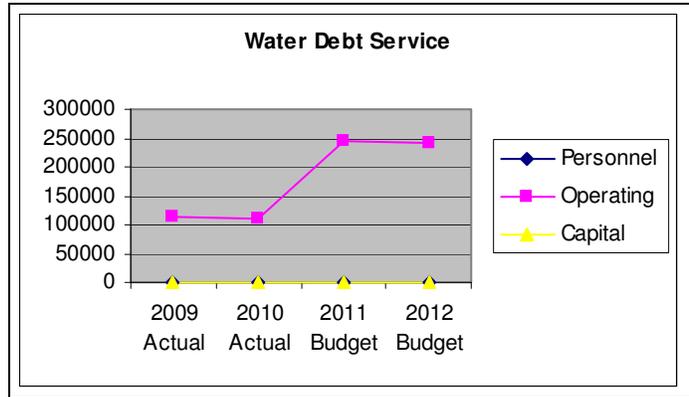
Significant Changes:

- Reduction of one employee.
- Increase in administrative reimbursement.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
State Health Compliance – water samples			100%	100%	100%	100%
Miles of water line			152.8	152.8	153	155
Meters serviced			7380	7412	7400	7420
Number of regulating valves			10	11	11	11
Operating Cost/meter			\$427	\$422	\$473	\$469
Cerro Water Supplied to Project 7 (1,000 gal)			348,054	266,140	300,000	300,000
Treated Water Purchased (1,000 gal)			1,239,070	1,247,453	1,320,000	1,320,000

Department Description:

Budgeted funds are to pay the principal and interest on the Water and Sewer Revenue Refunding and Improvement Bonds Series 2004 in the amount of \$6,045,000 for the purpose of refunding City’s outstanding 1993 water and sewer revenue refunding bonds and financing \$4,000,000 in improvements to the City’s water and sewer systems. The debt is paid from the net revenue derived from the operation and use of the City’s water and sewer enterprise system. Interest rate on bonds is 2.0%-4.3% payable semi-annually. The paying agent is UMB Bank. The debt attributed to the water department is 55%.



2011 Accomplishments:

- Paid bond principal and interest.

2012 Objectives:

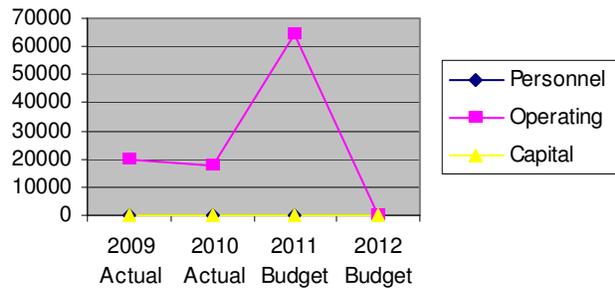
- Continue payments on bond.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Percentage Paid			20%	24%	29%	33%

Department Description:

Budgeted funds are to pay for the principal and interest on the Water and Sewer Revenue Bonds Series 1996 in the amount of \$3,060,000 for acquisition, construction, reconstruction, improvements, betterment, or extension of the city's water and sewer facilities. The debt is paid from the net revenue derived from the City of Montrose Water and Sewer Enterprise Funds. Interest rate on the bonds is 3.85-5.4% payable semiannually. The paying agent is UMB Bank. The debt attributed to the water department is 26%.

1996 Bond Projects Expenditure Trends



2011 Accomplishments:

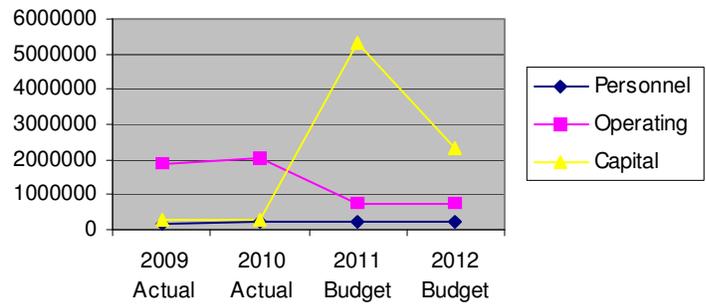
- Bond was paid in full.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Percentage Paid			59%	65%	100%	NA

Department Description:

This department repairs sewer lines and lift stations, raises and lowers manholes and flushes sewer mains. It also includes administrative costs of the Sewer Department.

Sewer Line Maint and Collection Expenditure Trends



Personnel: Sewer Maintenance Worker (4)

2011 Accomplishments:

- Cleaned over 50% of the sewer system.
- Kept claims to a minimum.
- Completed system survey with the State of Colorado on lift stations.

2012 Objectives:

- Camera 20% of the sewer system.
- Clean 50% of the sewer system.

Significant Changes:

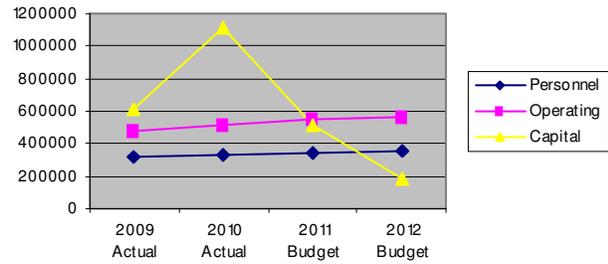
- Increase in administrative reimbursement costs.
- Reduction in fleet interfund lease.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Miles of Sewer Line Maintained			134	134	134	134
Number of Lift Stations			10	10	10	10
Operating cost per mile of sewer line			\$5,479	\$6,094	\$7,293	\$7,330

Department Description:

This department is responsible for operating and maintaining an extended air-activated sludge wastewater treatment plant with an aerobic digester. Bio-solids are trucked to CB Industries in Delta, Colorado

Sewer Treatment Expenditure Trends



Personnel: WWTP Superintendent, Chief Plant Operator, Plant Operator (2), Lab Analyst

2011 Accomplishments:

- Centrifuge installed for sludge dewatering.
- Replaced rotors on the oxidation ditches built in 1984.
- Replaced two sections of original motor control center.
- Completed final phase of concrete paving.
- Sand blasted and painted polyurea on metal surfaces of Clarifier #2.
- Installed new polymer system for centrifuges.

2012 Objectives:

- SCADA upgrade
- Sand blast and paint metal surfaces on Clarifier #1.
- Install rotor VFD's on one oxidation ditch.
- Replace return sludge valve controls for Clarifiers 2 and 3.

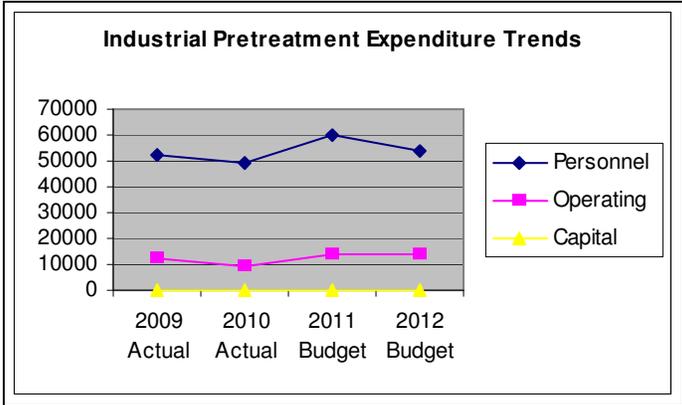
Significant Changes:

- Increase in interfund lease amounts.
- Continued upgrade of older plant equipment.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Wastewater treated (million gallons)			786	789	803	800
Bio-solids dewatered and removed (tons)			425	420	420	420
Biochemical oxygen demand removal			98%	98%	98%	98%
Total suspended solids removal			99%	99%	99%	99%
Avg daily flow (MGD)			2.15	2.16	2.20	2.20

Department Description:

This department was established to record the costs of the pretreatment program; assisting industrial users; inspecting various industries, sampling and analyzing of domestic and commercial users, and ultimately insuring, through program implementation and user education, that hazardous and toxic substances do not enter the city sewer system, thus protecting the wastewater treatment facility.



Personnel: Pre-treatment Operator

2011 Accomplishments:

- Improved procedures manual required by EPA.
- Improved cataloging and classification process for new and existing industrial users through a updated database.
- Kept all industrial users compliant with Discharge Authorization Orders with the exception of an untimely filing violation of one vendor.

2012 Objectives:

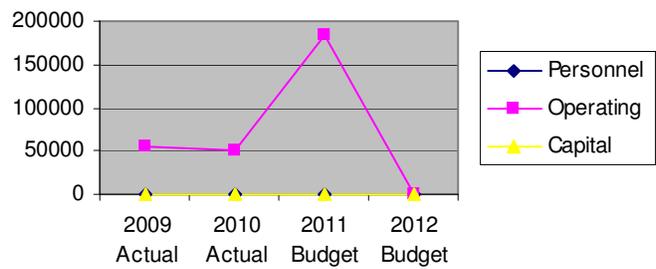
- No pass through or interference from industrial users.
- Continue to improve and update the pretreatment database.
- Continue DAO compliance with industrial users while maintaining quality relationships.
- Foster good relationship with Region 8 EPA.
- Start a public awareness program for the City.
- Start a Positive Reinforcement Program for restaurants in Montrose.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Total Commercial Users on File			1251	1320	1270	1330
Significant Industrial Users			5	5	5	5
Industries Inspected Formally			16	14	20	20
Industries Inspected Informally			35	44	55	60
Industrial User Assists			19	23	28	30
Permitted			6	5	6	6
Industries in Reportable Non-Compliance			1	1	1	1

Department Description:

Budgeted funds are to pay for the principal and interest on the Water and Sewer Revenue Bonds Series 1996 in the amount of \$3,060,000 for acquisition, construction, reconstruction, improvements, betterment, or extension of the city’s water and sewer facilities. The debt is paid from the net revenue derived from the City of Montrose Water and Sewer Enterprise Funds. Interest rate on the bonds is 3.85-5.4% payable semiannually. The paying agent is UMB Bank. The debt attributed to the sewer department is 74%.

1996 Bond Projects Expenditure Trends



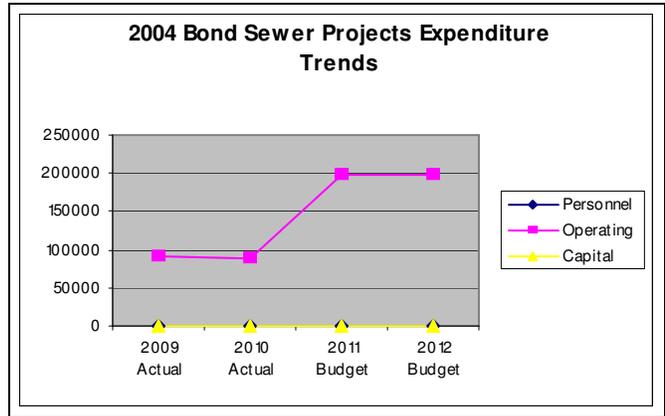
2011 Accomplishments:

- Bond was paid in full.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Percentage Paid			59%	65%	100%	NA

Department Description:

Budgeted funds are to pay for the principal and interest on the Water and Sewer Revenue Refunding and Improvement Bonds Series 2004 in the amount of \$6,045,000 for the purpose of refunding City’s outstanding 1993 water and sewer revenue refunding bonds and financing \$4,000,000 in improvements to the City’s water and sewer systems. The debt is paid from the net revenue derived from the operation and use of the City’s water and sewer enterprise system. Interest rate on bonds is 2.0%-4.3% payable semi-annually. The paying agent is UMB Bank. The debt attributed to the Sewer Fund is 45%.



2011 Accomplishments:

- Paid bond principal and interest.

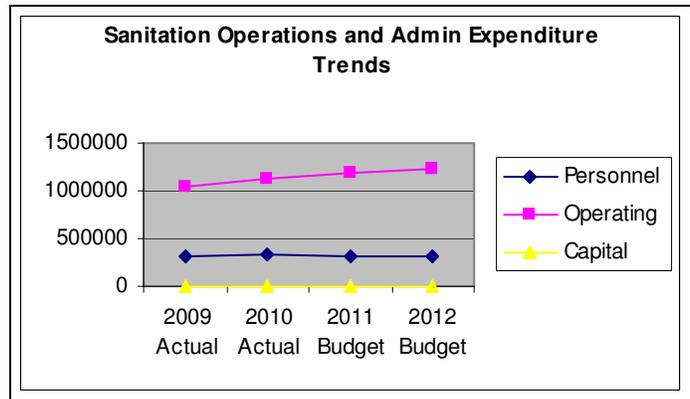
2012 Objectives:

- Continue payments on bond.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Percentage Paid			20%	24%	29%	33%

Department Description:

This department provides sanitation collection to all city residents once a week and two to five times a week for non-residential accounts.



Personnel: Sanitation Superintendent, Sanitation Operator (5)

2011 Accomplishments:

- Completed container exchange from Main Street to South 12th.
- Planned exchange complete at 95%.
- Placed Bridgeport Sanitation truck into full operation.

2012 Objectives:

- Continue to look for efficiency measures.
- Continue to improve customer service.

Significant Changes:

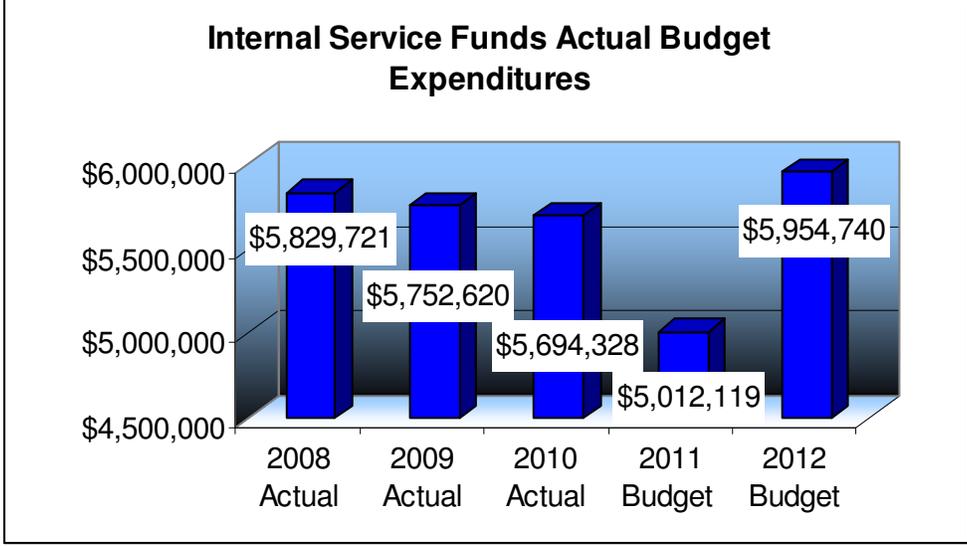
- Remove recycle from the sanitation fund effective January 1, 2012.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Residential Customers			6200	6395	6400	6400
Commercial Customers			329	360	350	350
Complaints handled in timely manner			100%	100%	100%	100%
Satisfactory Service Requests			100%	100%	100%	100%
Household Survey satisfied in Trash Collection			NA	NA	95%	NA

INTERNAL SERVICE FUNDS

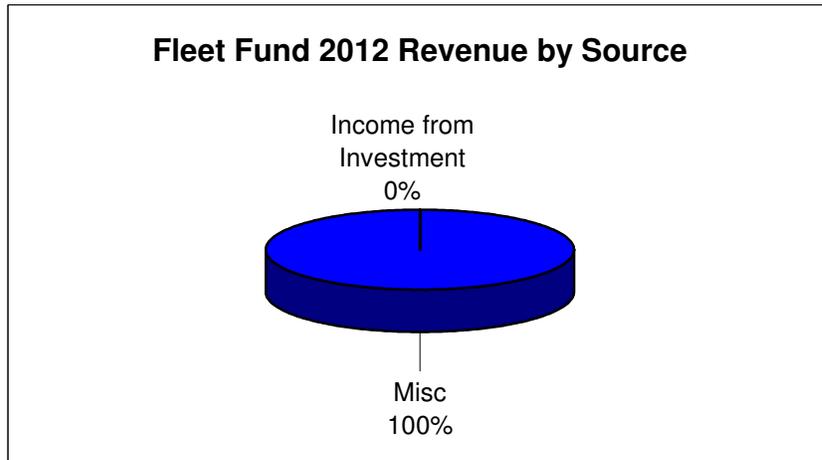


*Fleet Management
Information Technology
Employee Insurance Fund*



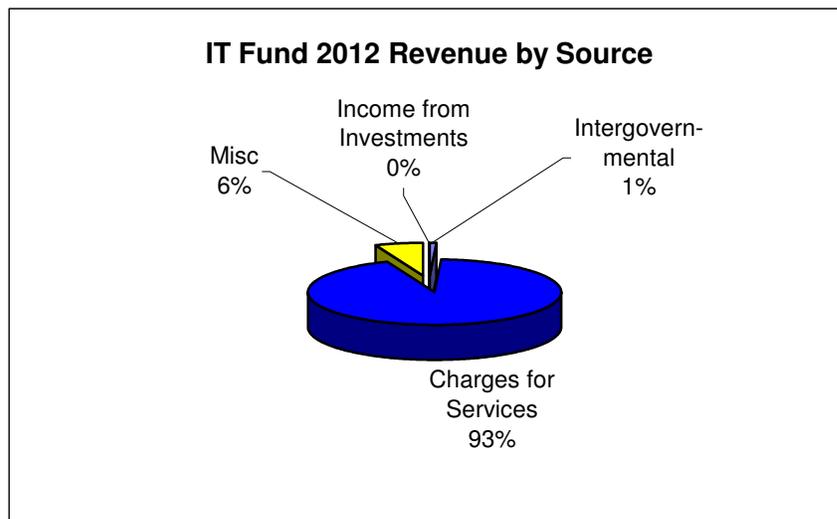
Revenue by Source - INTERNAL SERVICE FUNDS

Internal Service Fund	ACTUAL 2010	BUDGET 2011	BUDGET 2012
Fleet Service Fund			
MISCELLANEOUS REVENUES			
600-4600-600-000 Sale of Supplies	\$0	\$0	\$0
600-4600-605-000 Sale of Equipment	10,045	20,000	20,000
600-4600-650-000 Insurance Damage Reimbursemer	11,250	0	0
600-4600-670-000 Donations	160,743	0	0
600-4600-680-000 Miscellaneous Revenue	177	2,500	200
600-4600-690-000 Equipment Usage	1,629,537	1,569,400	1,561,700
INCOME FROM INVESTMENTS			
600-4800-800-000 Interest Income	1,609	1,800	2,000
OTHER FINANCING SOURCES			
600-4900-900-000 Transfers from Others	0	0	-
Total Fleet	\$1,813,361	\$1,593,700	\$1,583,900



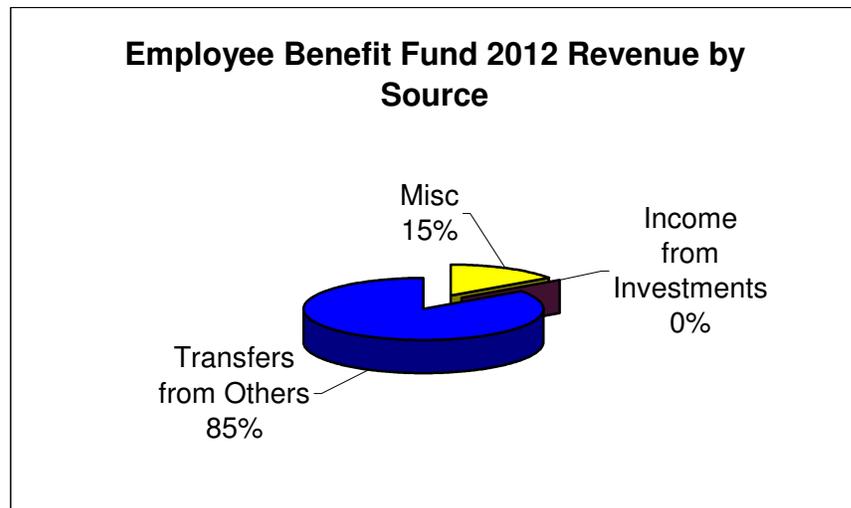
Revenue by Source - INTERNAL SERVICE FUNDS

Internal Service Fund	ACTUAL 2010	BUDGET 2011	BUDGET 2012
IT Equipment and Services Fund			
FRANCHISE FEES			
605-4100-164-000 Cable TV Franchise/Peg Fee	\$0.00	\$0.00	\$0.00
INTERGOVERNMENTAL REVENUES			
605-4300-372-000 State Revenues	38,365	0	0
605-4300-373-000 Quarterly Website Maintenance	0	0	8,400
CHARGES FOR SERVICES			
605-4400-414-000 Copies	46	0	0
605-4400-690-000 Equipment Usage	823,334	648,604	\$908,226
MISCELLANEOUS REVENUES			
605-4600-605-000 Sale of Equipment	300	0	\$500
605-4600-670-000 Donations	8,199	0	0
605-4600-680-000 Miscellaneous Revenue	673	0	200
605-4600-690-000 Equipment Usage Radio Rent	59,950	51,389	59,900
INCOME FROM INVESTMENTS			
605-4800-800-000 Interest Income	475	840	500
SOURCE: 4900			
605-4900-900-000 Transfers from Others	0	0	0
Total IT Equipment	\$931,342	\$700,833	\$977,726



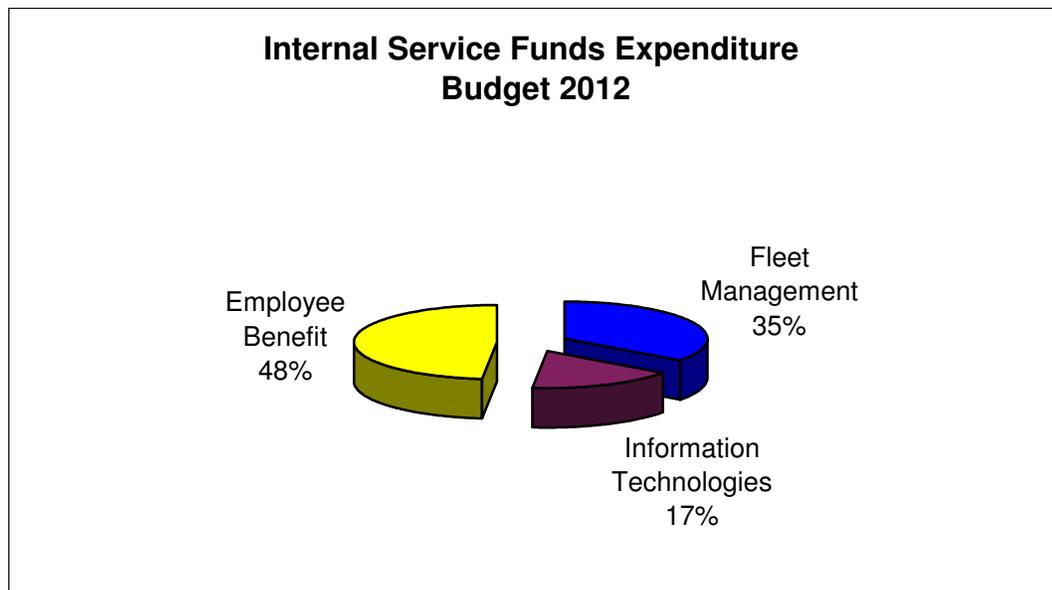
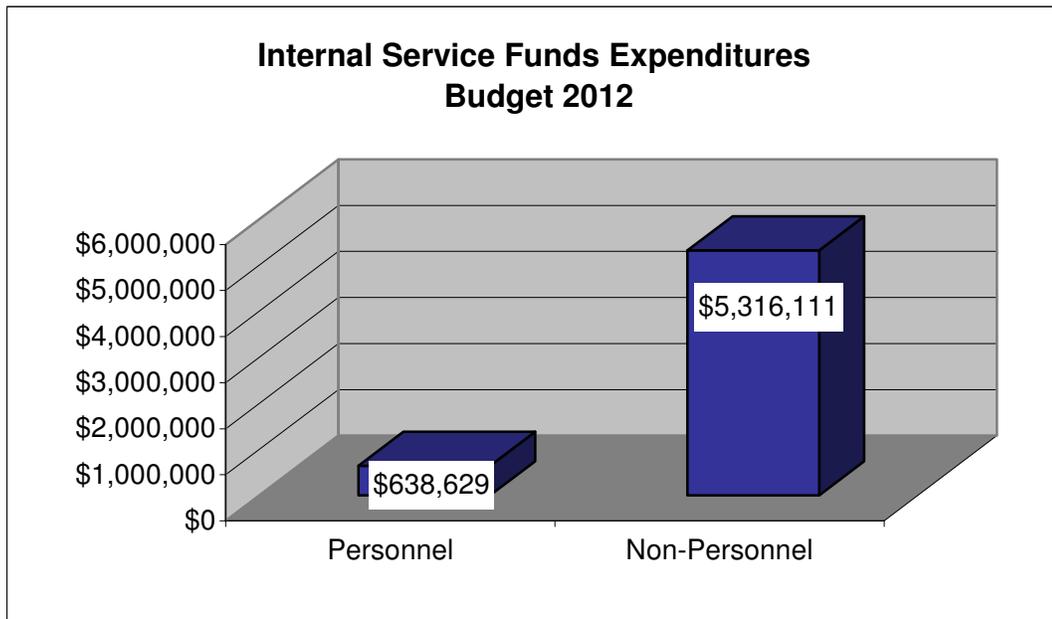
Revenue by Source - INTERNAL SERVICE FUNDS

Internal Service Fund	ACTUAL 2010	BUDGET 2011	BUDGET 2012
Employee Insurance Fund			
MISCELLANEOUS REVENUES			
610-4600-610-000 Flex Contributions	\$114,152	\$151,100	\$130,000
610-4600-680-000 Miscellaneous Revenue	464,481	250,000	315,000
INCOME FROM INVESTMENTS			
610-4800-800-000 Interest Income	207	600	300
TRANSFERS FROM OTHERS			
610-4900-905-000 Operating Transfers In	2,112,870	2,208,700	2,462,000
610-4900-905-460 Cobra	1,537	3,000	2,500
Total Internal Service	\$2,693,247	\$2,613,400	\$2,909,800
Total Internal Service Funds	\$5,437,951	\$4,907,933	\$5,471,426



Internal Service Funds Expenditure Summary

Fund	ACTUAL	PERSONNEL	NON-PERSONNEL	TOTAL
	2010	AND BENEFITS BUDGET 2012	BUDGET 2012	BUDGET 2012
Fleet Management	\$2,033,115	\$247,638	\$1,839,075	\$2,086,713
Information Technology	924,909	390,991.00	606,036.00	997,027.00
Employee Benefit	<u>2,736,303</u>	<u>0.00</u>	<u>2,871,000.00</u>	<u>2,871,000.00</u>
INTERNAL SERVICE FUND	<u><u>\$5,694,327</u></u>	<u><u>\$638,629</u></u>	<u><u>\$5,316,111</u></u>	<u><u>\$5,954,740</u></u>

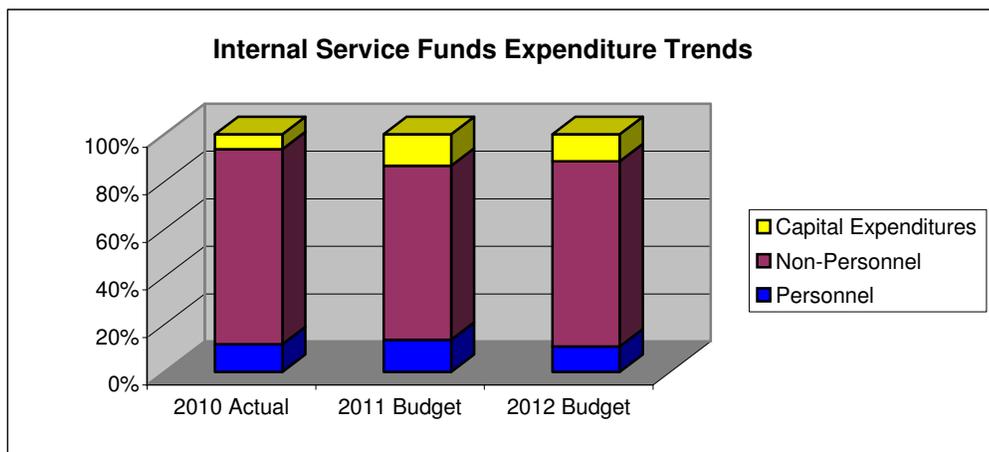


Internal Service Funds Expenditure by Detail

Expenditures by Detail	ACTUAL 2010	BUDGET 2011	BUDGET 2012
PERSONNEL			
111 Salaries & Wages Regular	\$477,748	\$474,846	\$430,204
112 Salaries & Wages Temp.	0	0	17,176
116 Fringe Benefits	3,301	3,300	3,300
121 Overtime Regular	228	0	0
131 Vacation Pay	-3,168	0	0
141 Social Security/Medicare	33,815	36,578	34,478
142 Pension Contribution	37,792	37,940	34,370
144 Group Insurance	103,596	113,652	107,964
145 Worker's Compensation	7,704	8,922	7,705
148 Disability Insurance	1,802	1,801	1,632
150 Wellness	1,800	1,800	1,800
	<hr/>	<hr/>	<hr/>
Total Personnel Expenses	\$664,617	\$678,839	\$638,629
NON-PERSONNEL			
210 Office Supplies	\$167	\$650	550
211 Postage	414	900	900
212 Printing	363	0	0
214 Computer Supplies	23,465	25,000	25,000
221 Operating Supplies	8,671	8,000	8,000
222 Uniforms	657	600	600
231 Fuel and Oil	278,303	350,000	350,000
232 Equipment Repairs	151,453	150,000	150,000
241 Tools	1,458	2,135	2,200
331 Advertising	0	0	0
332 Dues/Membership/Subs	880	810	900
333 Permit Fees	0	70	70
341 Utilities	13,628	10,800	13,500
344 Communications	68,831	87,000	87,000
353 Other Professional Services	5,530	4,500	4,500
356 Contract Services	0	0	0
362 Office Equipment Repairs	180	0	0
365 Computer Maintenance Contr	197,912	210,000	220,000
368 Radio Replacement	1,213	0	0
369 800 MHZ Radio Equip Rep	8,584	4,800	4,800
370 Training/Conference/Travel	247	3,790	4,500
371 Meeting Expense	19	100	220

Internal Service Funds Expenditure by Detail

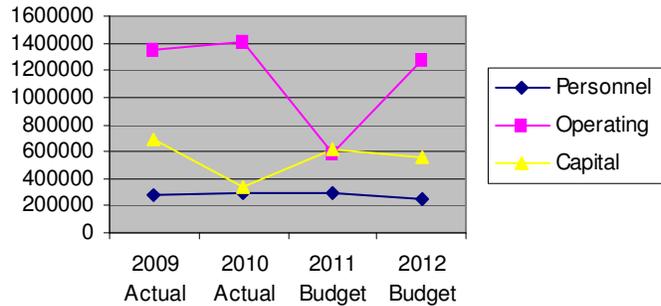
Expenditures by Detail	ACTUAL 2010	BUDGET 2011	BUDGET 2012
NON-PERSONNEL			
480 Depreciation Expense	\$990,078	\$0	\$0
494 Flex Adm Fee	4,558	5,900	5,600
495 Miscellaneous Expense	5,310	6,000	5,200
496 Administration Fees	64,295	69,300	71,000
497 Life/Accident Premium	6,135	6,300	6,500
498 Medical Prremium	340,630	312,000	353,000
500 Prescriptions	1,000	0	0
510 Insurance	34,792	35,000	38,000
530 Rentals	23,734	25,000	15,000
544 Equipment/Furniture <5000.00	79,729	120,000	95,000
550 Claims	2,198,760	2,019,800	2,297,000
560 CNIC Flex Claims	114,464	154,000	130,000
575 COBRA	2,498	2,700	2,700
750 Transfer to Others	0	0	684,445
851 Interfund Lease	15,398	15,000	18,200
852 Radio Rent	482	442	500
853 IT Interfund Lease	25,607	41,568	46,226
Total Non-Personnel	\$4,669,444	\$3,672,165	\$4,641,111
CAPITAL OUTLAY			
942 Computer Equipment	\$16,334	\$20,000	\$92,000
943 Vehicle Equipment	0	180,000	90,000
944 Operating Equipment	336,643	439,115	471,000
945 800 Mhz Radio Replacement	7,290	22,000	22,000
Total Capital	\$360,267	\$661,115	\$675,000
TOTAL INTERNAL SERVICES	<u>\$5,694,328</u>	<u>\$5,012,119</u>	<u>\$5,954,740</u>



Department Description:

This department is used to account for the expenses associated with the replacement, operation and maintenance of City-owned vehicles and equipment and the related charges for those items. This fund operates on a cost-reimbursement basis for services and accumulates funds for equipment replacement through monthly charges to departments.

Fleet Management Expenditure Trends



Personnel: Fleet Manager, Mechanic (2)

2011 Accomplishments:

- Replaced seven patrol cars, two dump trucks, one pickup, one nine wheel roller, and added one Vactor sewer jet vacuum truck.
- Moved welding and fabricating operations from shop to old paint shop, eliminating welding flash and fumes.
- Upgraded snow removal operations by transferring plows and sanders to newer dump trucks.
- Improved WWTP solid waste unloading time by replacing truck bed.
- Attained Certified Public Fleet Professional from APWA.

2012 Objectives:

- Upgrade aging fuel dispensers and install diesel exhaust fluid dispenser.
- Replace SUV, two pickups, five mowers, sanitation truck, and dump truck.
- Develop ten year replacement plan.

Significant Changes:

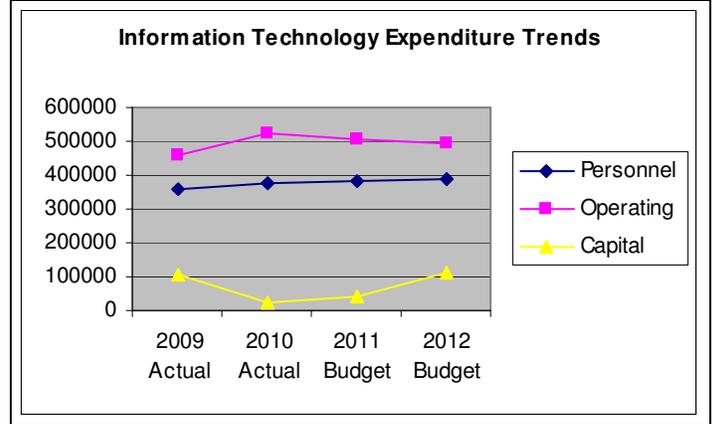
- Reduction in staff by one mechanic.

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Vehicles Serviced			171	171	174	177
Vehicles beyond service life			10%	10%	10%	10%

Comprehensive Plan Guiding Principles and Council Goals with icons are listed on page 94.

Department Description:

The IT Department coordinates all of the information technology functions for the city, and assists various departments in analyzing their computer equipment and program needs. IT purchases computer hardware, purchases or designs and writes computer software, and is responsible for keeping all computer equipment up and running. IT is responsible for the wide area network and the city phone system. The fund operates on a cost-reimbursement basis for services and accumulates funds through monthly equipment charges to departments.



Personnel: IT Manager, Network Administrator, Network Analyst, Police Systems (2)

2011 Accomplishments:

- Installed application allowing for three internet providers with seamless failover between providers for increased reliability.
- Installed over 2,500 feet of cable in Elks Building allowing for live television broadcast of the council meetings.
- Updated the City SQL Database to 2008

2012 Objectives:

- Install and deploy a replacement Storage Area Network.
- Enhance data backups by moving daily backups to a disk backup system from tape.
- Install fiber to the shop to aid on connectivity and eliminate storage requirements.

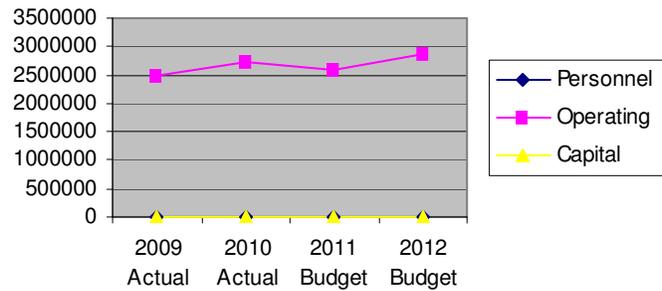
Significant Changes:

- Increase in capital expenditure

Performance Measures	Council Goal	Comp Plan	Actual 2009	Actual 2010	Budget 2011	Budget 2012
Number of Computers Supported			193	185	195	195
Number of Printers Supported			82	82	83	83
Telephones Supported			150	150	150	150
Copiers Supported			12	12	12	12

Program Description:

The purpose of this fund is to account for expenses associated with providing the City of Montrose's self-insured pool for health and dental insurance for city employees.

Employee Benefit Fund Expenditure Trends**2011 Accomplishments:**

- Maintained coverage for city employees.

2012 Objectives:

- Explore health insurance alternatives.
- Maintain a healthy reserve balance.

Significant Changes:

- Increase of employer and employee premiums.

PHYSICAL AND DEMOGRAPHIC

LOCATION

Southwest Colorado

Longitude: 38°30'01"N
Latitude: 107°53'40"W
City area: 17.7 square miles
County area: 2,246 square miles

Public lands: 68% of county area
City elevation: 5,794 ft.
County elevation:
Low - 4,700 ft. High - 11,453 ft.

U.S. Highway Distances (miles)

Colorado cities:

Colorado Springs 234
Denver..... 269
Durango 107

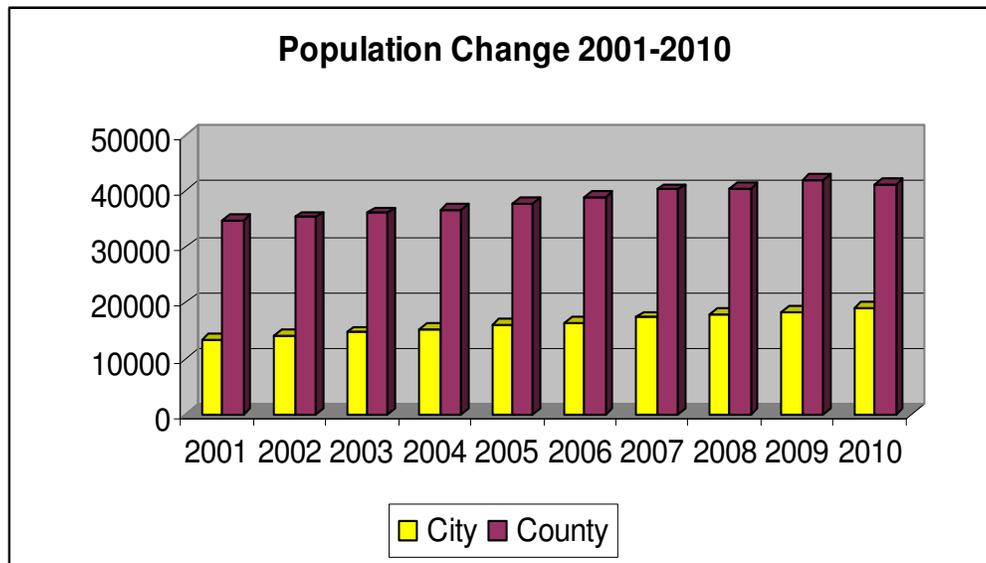
Grand Junction..... 67
Pueblo 226
Telluride..... 68

Source: Rand McNally Atlas

POPULATION

<u>Year</u>	<u>City</u>	<u>% change</u>	<u>County</u>	<u>% change</u>
2001	13,498	9%	34,614	3%
2002	14,075	5%	35,239	2%
2003	14,740	4%	36,101	2%
2004	15,272	4%	36,744	2%
2005	16,025	5%	37,774	3%
2006	16,470	3%	38,865	3%
2007	17,369	5%	40,263	4%
2008	17,834	3%	40,539	1%
2009	18,281	3%	42,065	4%
2010	19,132	5%	41,276	-2%

Source: Division of Local Affairs, State Demography Office (www.colorado.gov)



Ethnicity Distribution, (City)		Ethnicity Distribution, (County)	
White	75.2%	White	77.5%
Hispanic	21.6%	Hispanic	19.7%
Black	0.5%	Black	0.4%
Native American	1.2%	Native American	1.1%
Asian	0.7%	Asian	0.6%
Other	0.8%	Other	0.7%

Source: US Census Bureau

POPULATION

Gender Distribution (City)

Male 48.1%
 Female 51.9%

Gender Distribution (County)

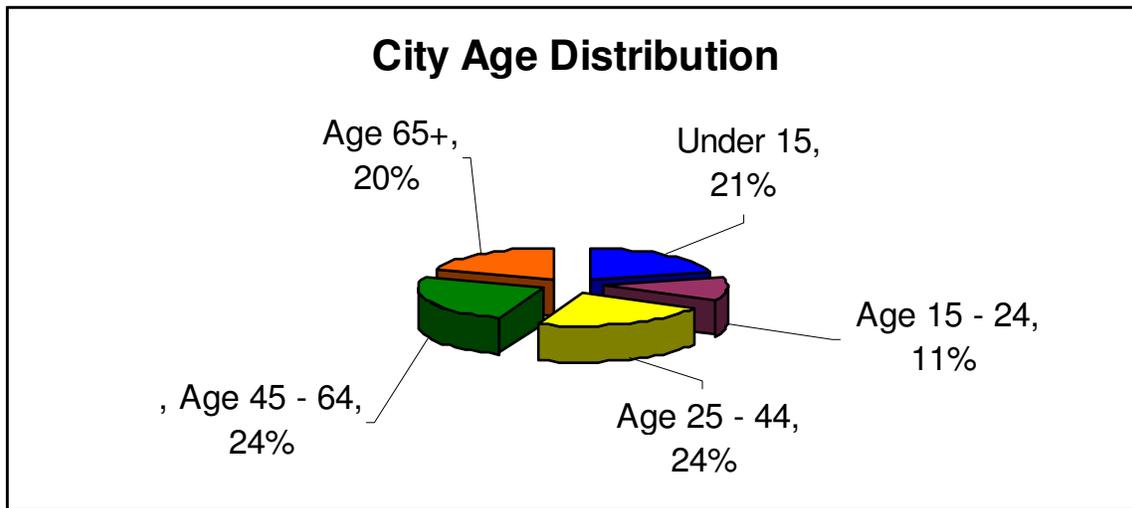
Male 49.2%
 Female 50.8%

Source: US Census Bureau

Age Distribution

2010 Census	Age Distribution City	Age Distribution County
Under 15	20.6%	20.4%
Age 15 - 24	11.2%	10.7%
Age 25 - 44	24.1%	22.5%
Age 45 - 64	24.5%	28.6%
Age 65+	19.5%	17.8%
Median Age	39.9	42

Source: US Census Bureau



Educational Attainment

	<u>High School Graduate</u>	<u>Some College – no degree</u>	<u>Associate’s Degree</u>	<u>Bachelor Degree</u>	<u>Graduate or Prof Degree</u>
City	33.7%	23.7	6.4	13.3%	7.2%
County	34.9%	22.3%	7.3%	13.8%	6.5%
Colorado*	23.7%	22.1%	7.6%	22.9%	12.6%
U.S.*	29.3%	20.3%	7.4%	17.4%	10.1%

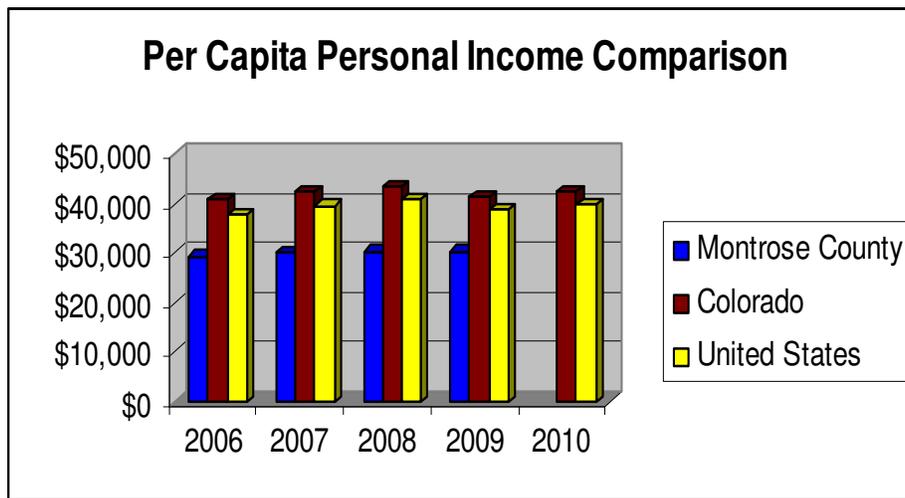
*Percent of Population over 25

Source: US Census Bureau

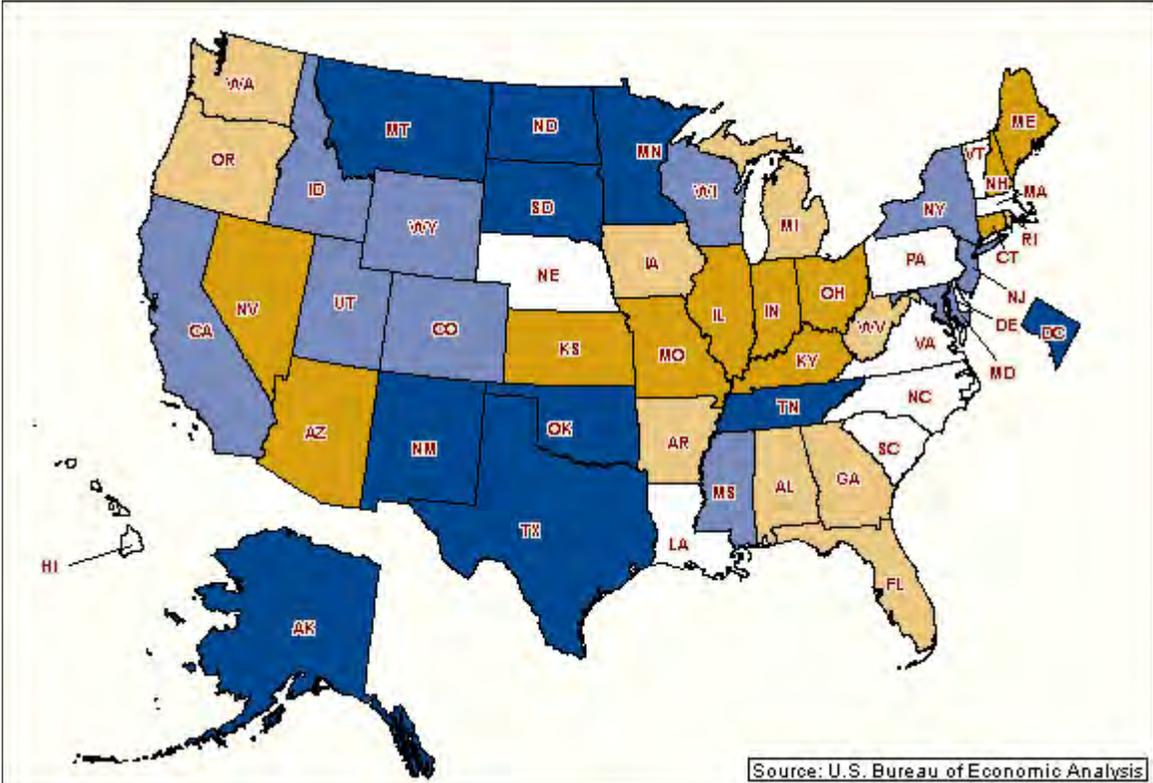
Per Capita Personal Income	2006	2007	2008	2009	2010
Montrose County	\$29,289	\$30,079	\$30,318	30,264	*
Colorado	\$40,898	\$42,367	\$43,509	\$41,317	\$42,226
United States	\$37,698	\$39,458	\$40,673	\$38,846	\$39,945

*Not available

Source: Bureau of Economic Analysis, <http://www.bea.gov/regional>



Personal Income
Average Annual Growth
2009 to 2010



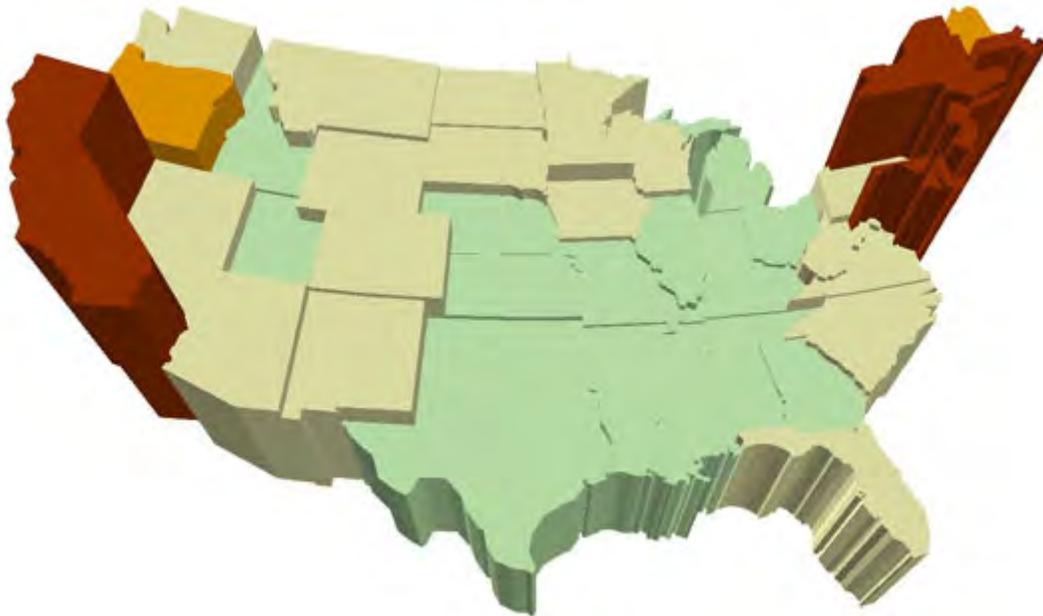
Source: Bureau of Economic Analysis, <http://www.bea.gov/>

Cost of Living Second Quarter 2011

State	Index	Rank	State	Index	Rank
Colorado	101.10	32	Arizona	103.40	35
Kansas	91.98	8	Nebraska	92.45	10
New Mexico	99.25	30	Oklahoma	89.72	1
Utah	91.32	4	Wyoming	97.92	27

Source: http://www.missourieconomy.org/indicators/cost_of_living/index.stm

**Composite Cost of Living
2nd Quarter 2011**



Source: http://www.missourieconomy.org/indicators/cost_of_living/index.stm

HOUSING

Real Property Sales – City of Montrose
2nd Quarter 2011

Number of Single Family Residential Sales 2006-2010

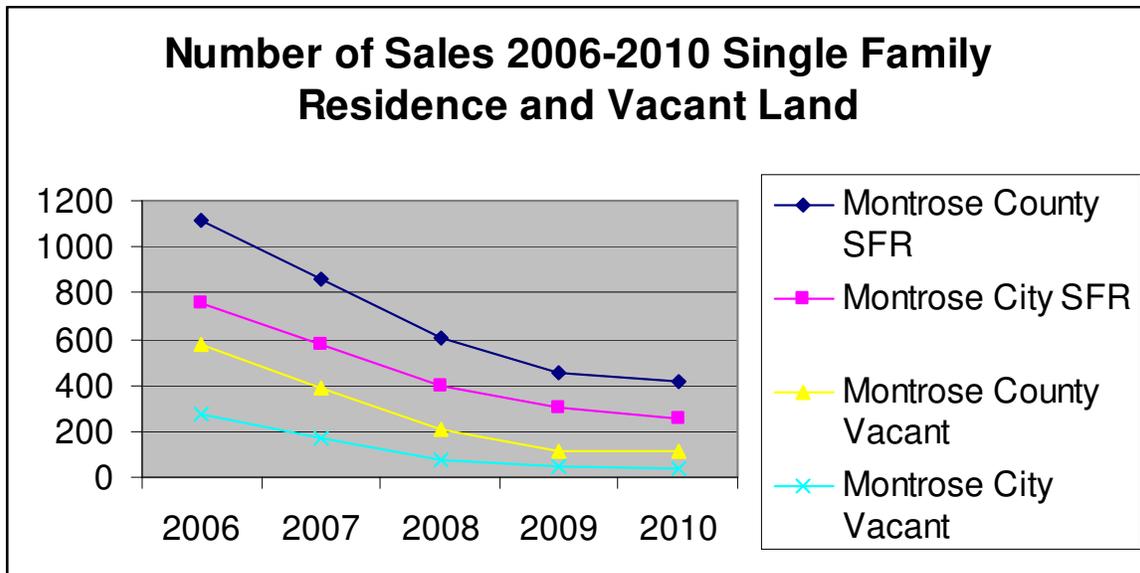
Area	2006	2007	2008	2009	2010
Montrose County Total	1,111	861	601	452	415
Montrose City	759	577	396	299	257

Source: Lynn Vogel, Comparable Sales Research (970)596-8716, copyright 2011 all rights reserved.

Number of Vacant Land Sales 2006-2010

Area	2006	2007	2008	2009	2010
Montrose County Total	579	385	209	116	113
Montrose City	273	169	78	47	34

Source: Lynn Vogel, Comparable Sales Research (970)596-8716, copyright 2011 all rights reserved.



Source: Lynn Vogel, Comparable Sales Research (970)596-8716, copyright 2011 all rights reserved.

HOUSING

Real Property Sales – City of Montrose
2nd Quarter 2011

Single Family Residential Median Sales Price 2006-2010

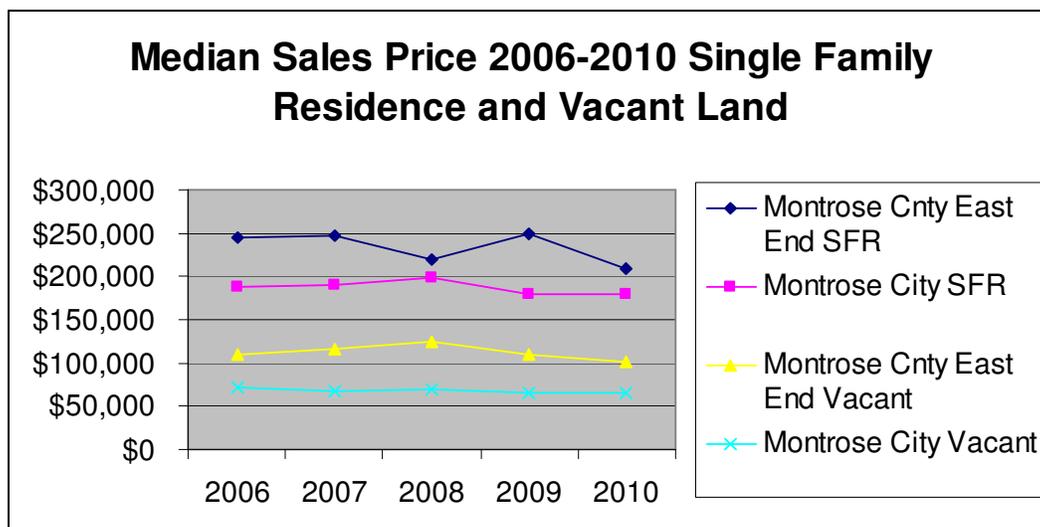
Area	2006	2007	2008	2009	2010
Montrose County (East End)	\$245,000	\$247,350	\$219,000	\$249,500	\$208,500
Montrose City	\$187,750	\$191,000	\$197,938	\$180,000	\$179,900

Source: Lynn Vogel, Comparable Sales Research (970)596-8716, copyright 2011 all rights reserved.

Vacant Land Median Sales Price 2006-2010

Area	2006	2007	2008	2009	2010
Montrose County (East End)	\$110,000	\$115,900	\$125,000	\$110,000	\$102,000
Montrose City	\$72,500	\$67,500	\$70,000	\$65,000	\$64,900

Source: Lynn Vogel, Comparable Sales Research (970)596-8716, copyright 2011 all rights reserved.



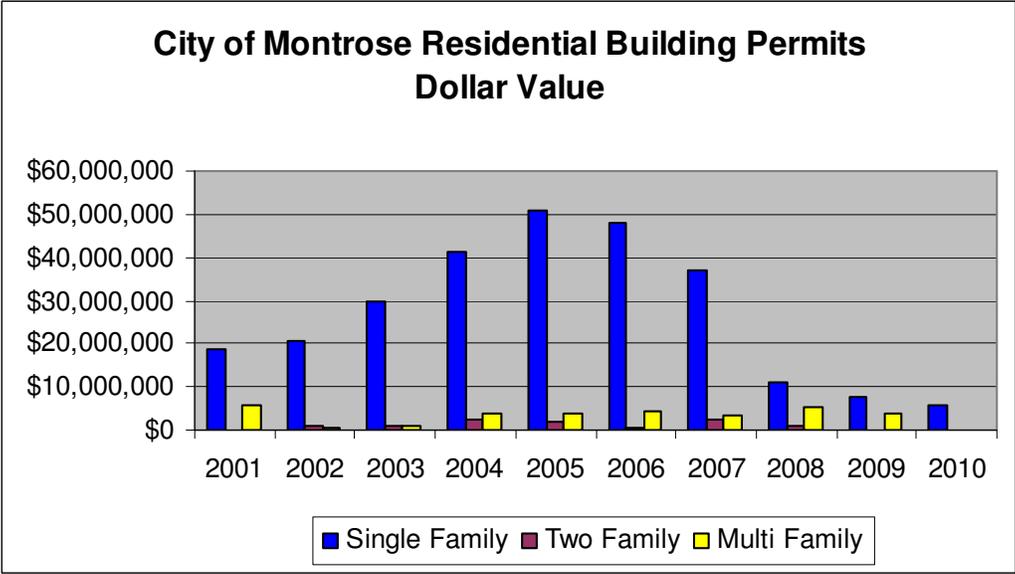
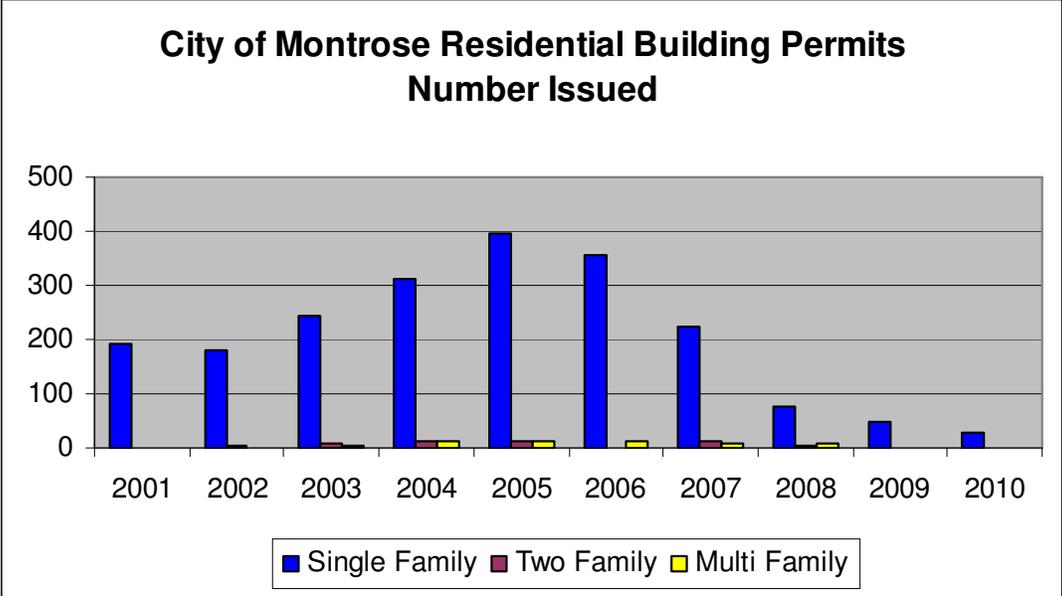
Source: Lynn Vogel, Comparable Sales Research (970)596-8716, copyright 2011 all rights reserved.

HOUSING (cont.)

City of Montrose Residential Building Permits

	<u>Single family</u>	<u>Two family</u>	<u>Multi-family</u>
2001			
Number	194	2	1
Value	\$18,842,298	\$187,400	\$5,856,663
2002			
Number	181	6	1
Value	\$20,823,005	\$816,954	\$250,000
2003			
Number	245	7	3
Value	\$29,905,140	\$1,043,662	\$943,950
2004			
Number	313	14	11
Value	\$41,406,441	\$2,315,620	\$3,649,465
2005			
Number	397	12	12
Value	\$50,906,882	\$2,012,540	\$3,666,873
2006			
Number	356	2	11
Value	\$48,226,232	\$278,180	\$4,170,955
2007			
Number	226	12	8
Value	\$37,097,249	\$2,373,820	\$3,258,169
2008			
Number	76	5	9
Value	\$11,061,661	\$1,190,840	\$5,152,810
2009			
Number	47	0	1
Value	\$7,896,343	0	\$3,668,375
2010			
Number	30	0	2
Value	\$5,789,938	0	\$174,920

Source: City of Montrose Community Development Department

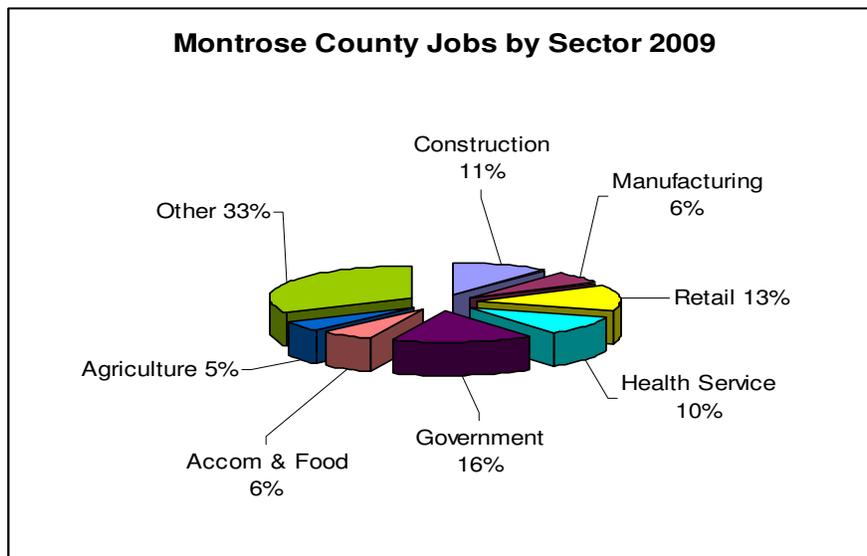


MONTROSE COUNTY EMPLOYMENT

2009 Jobs by Sector (NAICS based)

<u>Industry</u>	<u>Employment</u>	<u>Percent</u>
Agriculture	955	5.0
Construction	2,179	11.0
Manufacturing	1,272	6.0
Retail	2,552	13.0
Health Services	1,967	10.0
Accommodation and Food	1,244	6.0
Government	3,229	16.0
Other		
Mining	168	1.0
Utilities	223	1.0
Wholesale	514	3.0
Transportation, warehousing	625	3.0
Information	204	1.0
Finance, insurance	494	2.0
Real Estate	744	4.0
Professional & business services	948	5.0
Management of companies & enterprise	62	0.0
Administrative & waste services	710	4.0
Education	100	1.0
Arts	269	1.0
Other, except Public Administration	<u>1,344</u>	<u>7.0</u>
Total employment	19,803	100.0

Source: Colorado Department of Local Affairs, <http://www.dola.state.co.us>



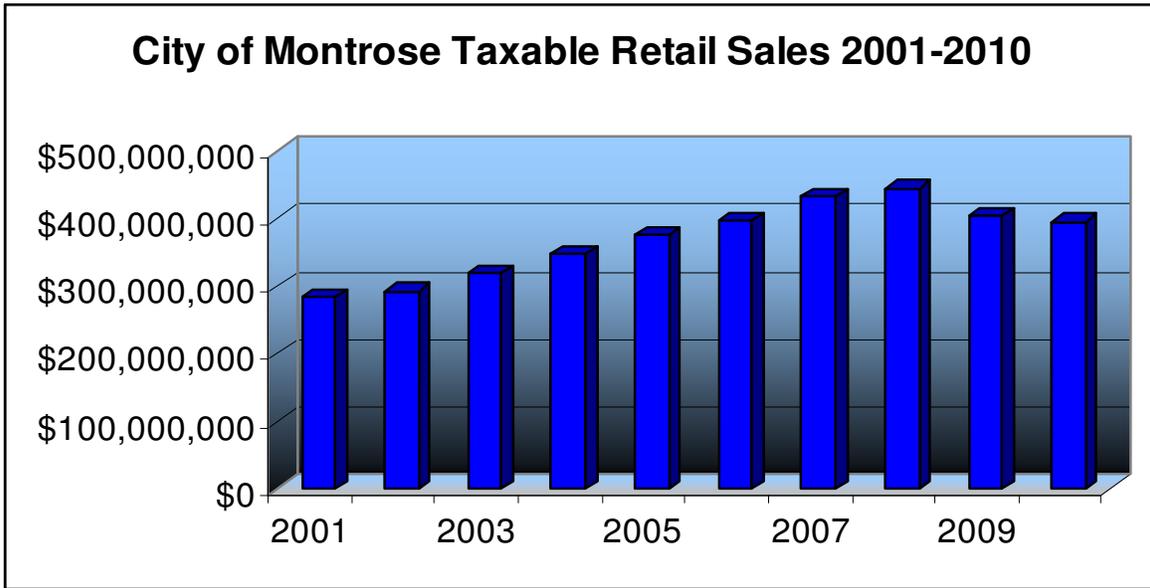
MONTROSE COUNTY EMPLOYMENT

Montrose County Major Employers

Major Employers	# of Employees
Montrose County School District	850
Montrose Memorial Hospital	530
Russell Stover Candies	400
Wal-Mart Supercenter	380
Volunteers of America	350
Montrose County	340
City Market	210
Hansen Weather Port	175
City of Montrose	162
Community Options	160
Home Depot	120
Delta Montrose Electric Association	115
Western Skyways	86
Wells Fargo	72
Rocky Mountain Steel	70
Gordon Composites	77
Tri State Generation - Nucla	59
West End Public Schools	55
Safeway	45
Best Sign Systems	44

Source: Montrose Economic Development Corporation
<http://co-montroseedc.civicplus.com>

TAXABLE RETAIL SALES



This chart represents taxable retail sales for the City of Montrose.

City Taxable Retail Sales, 2001-2010

2001	\$284,308,265
2002	\$291,986,854
2003	\$318,842,740
2004	\$346,739,366
2005	\$375,954,364
2006	\$396,615,900
2007	\$431,898,700
2008	\$443,873,833
2009	\$403,911,467
2010	\$395,452,900

LOCAL TAXES

Top 10 Tax Filers in 2010 (*Listed by business type*)

Discount Store
Grocery
Discount Store
Grocery
Lumber/Home Improvements
Utility
Department Store
Utility
Farm Goods
Grocery

Sales and Use Taxes

The City of Montrose levies a 3 percent sales and use tax. Montrose County levies a 1.75 percent sales and use tax. Local sales taxes added to the state sales tax of 2.9 percent bring the sales tax in the City of Montrose to 7.65 percent.

Motel and Restaurant Excise Tax

The City of Montrose levies an additional 0.9 percent hotel room tax and a 0.8 percent restaurant tax to fund tourism promotion, meeting/convention support and special event funding and promotion in the Montrose area.

GLOSSARY

Accounting Policies: Guidelines followed in budget accounting in accordance with governmental accounting standards, City Charter and Colorado State law.

Accrual Basis of Accounting: The method of accounting under which revenues are recorded when they are earned (whether or not cash is received at the time) and expenditures are recorded when goods and service are received at the time liabilities are incurred.

Appropriation: Legal authorization granted by the City Council that allows the City to expend funds and incur obligations.

Assessed Valuation: A value placed upon real estate or other property as a basis for levying taxes. The Montrose County Assessor's office determines this value for Montrose County.

Audit: A comprehensive investigation of the manner in which the government's resources were actually utilized. A financial audit is a review of the accounting system and financial information to determine how government funds were spent and whether expenditures are in compliance with the legislative body's appropriations. A performance audit consists of a review of how well the government met its stated goals.

Balanced Budget: A budget is balanced when budgeted expenditures are equal to or less than the amount of budgeted revenues plus other available sources.

Benefits: Employee health insurance, dental insurance, basic life insurance, Social Security and Medicare coverage, long-term disability, worker's compensation, unemployment insurance, wellness monies, and the ICMA retirement plan.

Biennial: Something that happens every two years.

Bond: A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payment and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for construction of large capital projects, such as buildings, streets and bridges.

Budget: Plan of financial operations, embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Upon approval by the City Council, the budget appropriation ordinance is the legal basis for expenditures in the budget year.

Budget Document: The instrument used by the budget-making authority to present a comprehensive financial plan to the appropriate governing body.

Budget Process: The City organization's process of budget preparation from requesting information from Department Heads through Council and public work sessions until Council adopts the budget document.

Budget Year: A consecutive 12-month period for recording financial transactions. The City of Montrose budget and fiscal year is January 1 through December 31.

GLOSSARY

Capital Improvements Plan (CIP): The CIP is a tool to plan, compile, prioritize, and finance capital improvements that are responsive to the needs and demands of the public and city government, and supportive of the long and short range goals of the City of Montrose.

Capital Projects Fund: Funds used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Cash Accounting: A basis of accounting in which transactions are recorded when cash is either received or expended for goods and services.

Cash Management: The management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflow and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in order to achieve the highest interest and return available for temporary cash balances.

CFAWA: Colorado Federation of Animal Welfare Agencies. The agency focuses on State legislation that affects all Colorado animal agencies.

Clearing Account: An account used to accumulate total charges or credits so that they can be distributed later among the accounts to which they are allocable or so that the net differences can be transferred to the proper account.

Contingency: An appropriation of funds to cover unforeseen events that occur during the budget year.

Contracted Services: Contracted Services is compiled from the following items: Professional Contracts, Rental Contracts, Processing, Construction Contracts, Contract Maintenance Service, and Other Contracted Services.

DDA: Downtown Development Authority. A legal authority defined by Colorado Statute Title 31, Article 25, Part 8, designed to halt or prevent deterioration of property values or structures within the central business district. The authority also has the power to develop or redevelop such areas, and may use municipal bonds to finance capital projects.

Debt Service Fund: Funds used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Debt Service: Payment of principal and interest related to long-term debt.

Debt Service Requirements: The amount of revenue that must be provided for a Debt Service Fund so that all principal and interest payments can be made in full and on schedule.

Deficit: The excess of expenditures and encumbrances over revenues during an accounting period; or in the case of Enterprise and Internal Service Funds, the excess of expense over revenue during an accounting period.

GLOSSARY

Defeased Debt: Debt is considered defeased in substance for accounting and financial reporting purposes if the debtor irrevocably places cash or other assets with an escrow agent in a trust to be used solely for satisfying scheduled payments of both interest and principal of the defeased debt, and the possibility that the debtor will be required to make future payments on that debt is remote.

Department: A major administrative division of the city that has overall management responsibility for an operation or a group of related operations within a functional area.

Depreciation: The process of estimating and recording the lost usefulness expired useful life or diminution of service from a fixed asset that cannot or will not be restored by repair and will be replaced. The cost of the fixed asset's lost usefulness is the depreciation or the costs to reserve in order to replace the item at the end of its useful life.

Designated: Equity that is unreserved but set aside by the governing board is *designated*, as opposed to equity that is committed or otherwise tied up beyond the control of the governing board, which is *reserved*.

Disbursement: Payment for goods or services in cash or by check.

Encumbrance: The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a future expenditure.

Enterprise Fund: Funds used to account for functions presented as business-type activities, where the intent is that the cost of providing goods or services to the general public on a continuing basis be financed or received primarily through user charges or determination of net income is appropriate for accountability purposes.

Estimated Revenue: The amount of projected revenue to be collected during the fiscal year.

Expenditures: Decreases in net financial resources. Included (a) current operating expenses which require the current or future use of net current assets, (b) debt service, and (c) capital outlays.

Expenses: Charges incurred (whether paid immediately or unpaid) for operation, maintenance, interest and other charges.

Financial Audit: Provides an auditor's opinion that financial statements present fairly an entity's financial position and results of operations in conformity with generally accepted accounting principles.

Fiscal Year: The time period designated by the City signifying the beginning and ending period for recording financial transactions. The City of Montrose fiscal year is January 1 to December 31.

Fringe Benefits: Employee compensation that is in addition to wages or salaries. Examples: retirement, health insurance, and life insurance.

GLOSSARY

Fund Balance: Excess of assets over liabilities. A negative fund balance is sometimes called a deficit.

Fund: A grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Montrose uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Generally Accepted Accounting Principles (GAAP): Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

GAAP Basis of Accounting: General Accepted Accounting Principles (GAAP) basis as primarily defined by the Governmental Accounting Standards Board (GASB)

Government Accounting Standards Board (GASB): The ultimate authoritative accounting and financial reporting standard-setting body for state and local government.

GASB Statement 34: Is a new financial reporting model, as required by the provisions of GASB Statement 34, *Basic Financial Statement and Management's Discussion and Analysis for State and Local Governments*, as of January 1, 2002. The new reporting model significantly changed the presentation of the Financial Statements, focused on long-term governmental activities, infrastructure, reporting and narrative analysis by management.

General Obligation Bonds: Bonds that finance a variety of public projects such as streets, buildings, and improvements; the repayment of these bonds is usually made from the General Fund, and these bonds are backed by the full faith and credit of the issuing government.

General Fund: The general fund is the chief operating fund of a government. The fund is used to account for all financial resources except those required to be accounted for in another fund. All of a government's activities are reported in the general fund unless there is a compelling reason to report an activity in some other fund type.

General Ledger: A file that contains a listing of the various accounts necessary to reflect the financial position of the government.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year

Grant: A contribution by a government or other organization to be expended for a specified purpose, activity, or facility.

Improvement Districts Bonds and Notes Payable: Funds that are used to account for the financing of public improvements deemed to benefit the properties against which special assessments are levied.

Interfund Transfers: Amounts transferred from one fund to another.

Intergovernmental Revenue: Revenue received from another government for a specified purpose.

GLOSSARY

Internal Service Fund: Funds used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units, on a cost-reimbursement basis.

Lease - Purchase Agreement: Contractual agreements which are termed “leases”, which are used to purchase equipment and machinery on a short -term basis.

Legal Debt Limitation: Amount set by the City of Montrose Charter establishing a legal debt limitation of 5% of the assessed valuation of taxable property in the City of Montrose.

Line - Item Budget: A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately, along with the dollar amount budgeted for each specified category.

Long Term Debt: Debt with a maturity of more than one year after the date of issuance.

MACT: Montrose Association of Commerce and Tourism (Montrose ACT). Montrose ACT serves as the voice for businesses in Montrose, CO. The purpose of Montrose ACT is to promote the Montrose area as a tourism - retail shopping destination.

Major Funds: A fund whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10 percent of the revenues or expenditures of the appropriated budget.

Mill Levy: Rate applied to Assessed Valuation to determine property taxes. A mill is 1/10th of a penny, or \$1.00 of tax for each \$1,000 of assessed valuation.

Non-major Funds: A fund whose revenues or expenditures, excluding other financing sources and uses, constitute less than 10 percent of the revenues or expenditures of the appropriated budget.

Non - Personnel Services: Operating expenditures for supplies, utilities, training, interfund lease, other professional services and miscellaneous expenses.

Objective: Desired accomplishments that can be measured and achieved within a given time frame. Achievement of the objective advances the activity and organization toward a corresponding goal.

Operating Budget: The portion of the budget that pertains to daily operations that provides basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, travel, and fuel.

Operating Expenditure: Costs required for the daily process of providing services, including the administrative and overhead costs to support these services.

Overtime: Hours worked in excess of 40 hours per workweek as defined by Fair Labor Standards.

Performance Measures: Specific quantitative and qualitative measures of work performed as an objective of the department.

Permanent Funds: Funds used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for the benefit of the city or its citizenry.

GLOSSARY

Personnel Services: Salaries and related costs of employees.

Property Tax: An “ad valorem” tax on real property, based upon the value of the property.

Property Tax Assessment: The process of setting the official valuation of property for taxation; the valuation placed upon property as a result of this process.

Projected: Estimation of revenues and expenditures based on past trends, current economic conditions and future financial forecast.

Proprietary Funds: Funds which account for the operation and maintenance of government facilities and services that are entirely self-supported by user charges.

Purchased Water: Water purchased from other agencies.

Requisition: A written request for approval to purchase specific goods or services.

Reserve: An account used to indicate that a portion of a fund’s balance is legally restricted for a specific purpose and is not available for general appropriation.

Resolution: A special or temporary order of a legislative body requiring less legal formality than an ordinance or statute.

Resources: Total amounts available for appropriation.

Revenue: Funds that the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues, and interest income.

Retained Earnings: The accumulated earnings of an enterprise or internal service fund that have been retained in the fund and are not reserved for any specific purpose.

Revenue Bonds: Bonds usually sold for constructing a project that will produce revenue for the government. Bonds related to the City of Montrose are: Water and Sewer Revenue Bonds Series 1996, General Fund Excise Tax Revenue Bonds, Series 1998, Water and Sewer Revenue Refunding and Improvement Bonds Series 2004.

Revenue Estimate: A formal estimate of how much revenue will be earned from a specific revenue source for some future period; typically a future fiscal year.

Salaries: The amount of money paid to City of Montrose employees for the performance of services.

SCADA: Supervisory control and data acquisition.

Source of Revenue: Revenues are classified according to the source or point of origin.

Special Revenue Fund: Funds used to account for the proceeds of specific revenue sources, other than major capital projects, that are legally restricted to expenditure for specified purposes.

Special Assessment: A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Surplus: The excess of assets over liabilities.

GLOSSARY

TABOR: Taxpayer's Bill of Rights. An amendment to the Colorado State Constitution passed on November 3, 1992, limiting state and local government fiscal year spending.

Transfers From: Budget line item used to reflect transfers of financial resources into one fund from another fund.

Transfers To: Budget line item used to reflect transfers of financial resources out of one fund to another fund.

Unappropriated Fund Balance: The excess of a fund's assets and estimated revenue for a period over its liabilities, reserves, and available appropriations for the period.

Unrestricted Net Assets: That portion of net assets that is neither restricted nor invested in capital assets.

User Fees: The payment of a fee for direct receipt of a public service by the party benefiting from the service.

WeCARE: Western Colorado Animal Resource Coalition. A 13 county Western Slope coalition of Animal Welfare agencies organized to provide a network for sharing information and resources with one another.



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