



# CITY COUNCIL WORKSHOP

Aurora City Council

Saturday, February 20, 2021

8:30 a.m.

VIRTUAL MEETING

City of Aurora, Colorado

15151 E Alameda Parkway

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## AGENDA

### 8:30 am 1. Budget Update

Presenter: Greg Hays, Budget Officer

#### 1.a. Enterprise Resource Planning

Presenters: Terri Velasquez, Director of Finance / Scott Newman, Chief Information Officer / Dianna Giordano, Director of Human Resources

### 9:15 am 2. Strategic Plan

Presenter: Wayne Sommer, Manager of Internal Audit

----- **Break 10:45 am to 11:00 am** -----

### 11:00 am 3. Capital Planning

Presenters: Jim Twombly, City Manager / Greg Hays, Budget Officer / Cindy Colip, Director of Public Works

#### 3.a. Road Maintenance

Presenters: Cindy Colip, Director of Public Works / Tom McMinimee, Street Operations Manager

----- **Lunch Break 11:45 am - 12:15 pm** -----

### 12:15 pm 4. TABOR

Presenters: Greg Hays, Budget Officer / Terri Velasquez, Director of Finance

### 12:45 pm 5. Mental Health Ballot Initiative

Sponsor: Council Member Angela Lawson

Presenter: Jessica Prosser, Housing and Community Services Director

# MEMORANDUM



City of Aurora

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**TO:** Mayor Coffman and Members of City Council  
**FROM:** Greg Hays, Budget Officer  
**DATE:** February 9, 2021  
**SUBJECT:** 2021 Winter Workshop Presentation: 2020 Revenue and Expense Results

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At the February 20 Winter Workshop, Council will get a presentation with a preliminary review of the results of 2020 General Fund revenues and expenses. There will also be a list of one-time funding ideas, as well as a discussion of ongoing needs.

CITY OF AURORA,  
COLORADO

# 2021 Winter Workshop

## Early 2020 Revenue Actual/Projection Variances and Impacts

# Summary

- **2020 General Fund Revenues better than Leeds projection**
  - Multiple reasons for this
  - Does not mean that the projection was faulty
- **Unsure about ongoing nature of additional revenue**
- **Bringing forth ideas for one-time funds**

# A Reminder About the Leeds Projection



- The Leeds projection assumed 4 quarters of decline after several good quarters in 2019 and the start of 2020.
- It is basically 10% off during that time, with a deeper drop in the third quarter corresponding to a monster quarter we had in 2019.

2020Q1	11%
2020Q2	-10%
2020Q3	-16%
2020Q4	-11%
2021Q1	-12%
2021Q2	4%
2021Q3	8%
2021Q4	5%

YEAR	SALES TOTAL
2018	4.52
2019	8.65
2020	-6.77
2021	0.73
2022	6.75
2023	6.24
2024	4.40
2025	3.52

# Review of How We Balanced 2020

- Held positions
- Used savings
  - Utilities, lease, fleet savings, travel and training
  - Strategic Court Assessment
  - Capital bond program
  - Technology projects
- 2 Furlough days, although \$250 bonus offset this somewhat
- Capital cuts
  - Mostly existing funds available
  - Moved one project to future years
  - Cut completed and lower priority projects
- New Revenue (CARES, Marijuana Fund Transfer)

# Always wrong...

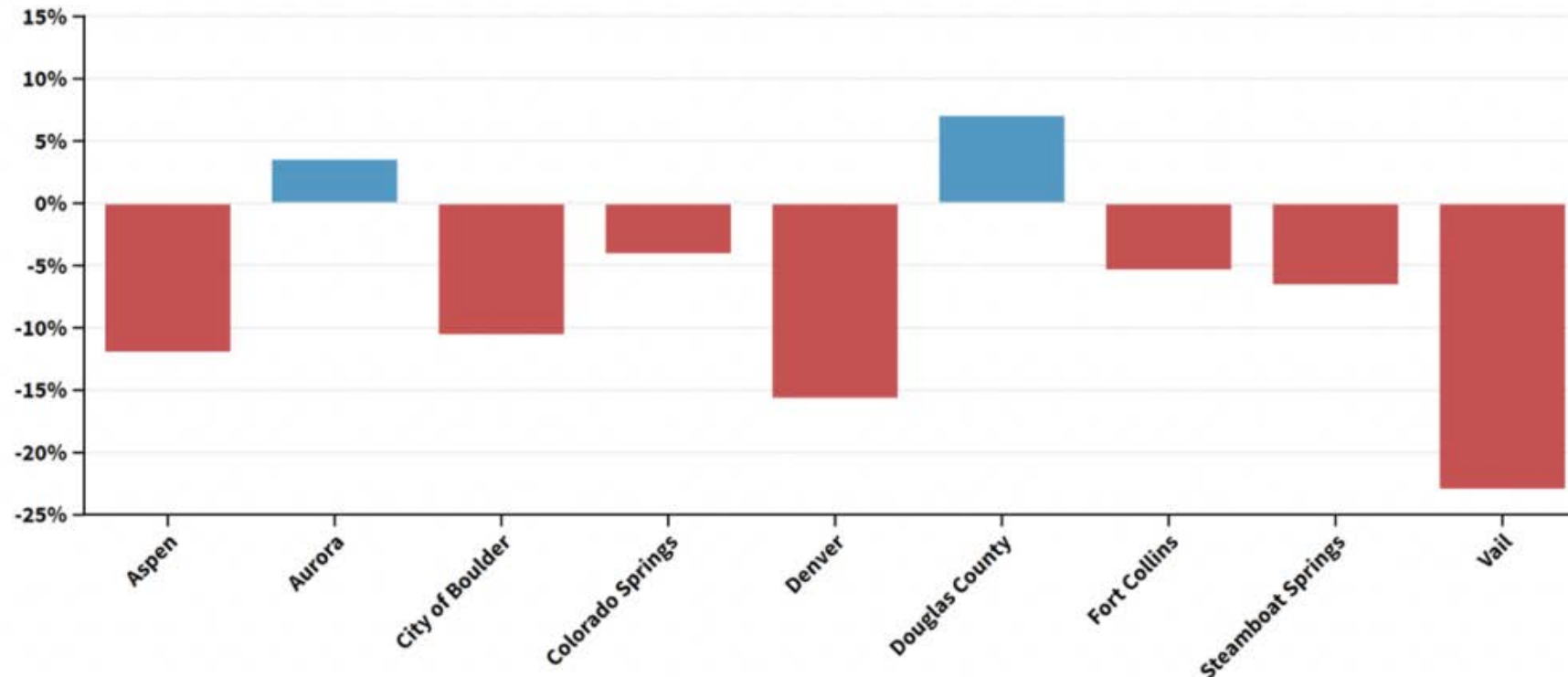
- Projection Assumptions
  - Large decreases in sales tax and drop in one-time revenues
  - Worry about fall/winter flu season looking like May
  - Worry about passing of property tax vote
  - Assumed no significant bump from third party marketplace facilitator revenue in 2020
- What happened
  - Basically flat ongoing revenue and significant increases in one-time revenues
    - Significant 1-time technology revenue
    - Shoppers kept shopping, but went online
    - Aurora doing better than other cities suggest typical job outflow didn't happen / paused
  - Fall/winter flu season not as bad as May
  - Property tax vote passed
  - \$500K + per month from marketplace facilitator revenue

# Projection Right On in Some Places

- Other cities seeing shortfalls

## What Do Tax Collections Look Like in Colorado Amidst A Pandemic?

These bars show the differences in cumulative tax collections from January through August of 2020 relative to the same period in 2019. A negative value indicates that the 2020 year-to-date collections are lower than the 2019 YTD collections for the same months.



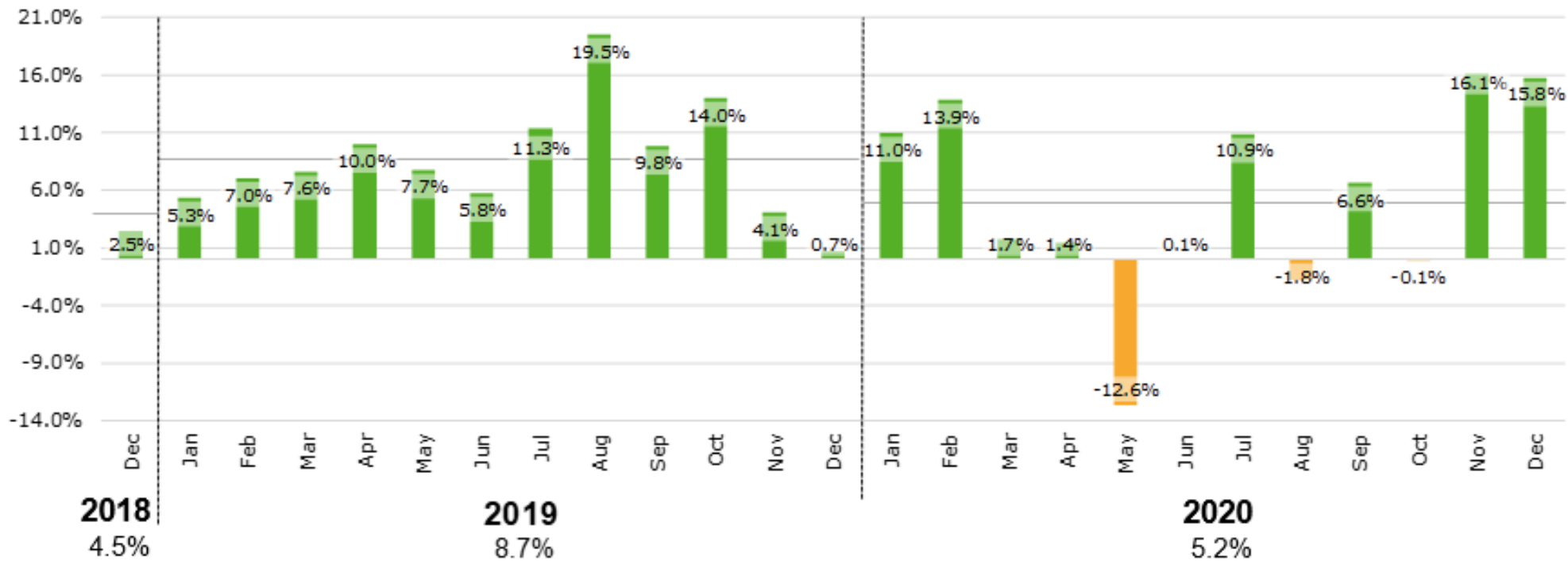
Source: Local Finance Departments • Common Sense Institute



# Sales Tax Performance

## Percent Change from Prior Year By Month

**Dec. 2020 YTD Variance to:**  
 Projection - \$20.8m (10.8%)  
 2019 - \$10.6m (5.2%)



# 2020 Revenue Summary

- \$21.7 million more operating revenue
  - Sales tax is \$20.8 million of this
  - Net \$0.9 million for remaining revenue streams, with audit revenue, auto use tax and lodger's tax doing better and franchise fees and property tax doing worse
- \$4 million more in capital revenue
  - Building continues happening, greater than 2019

# A Note on 2020 Expenses

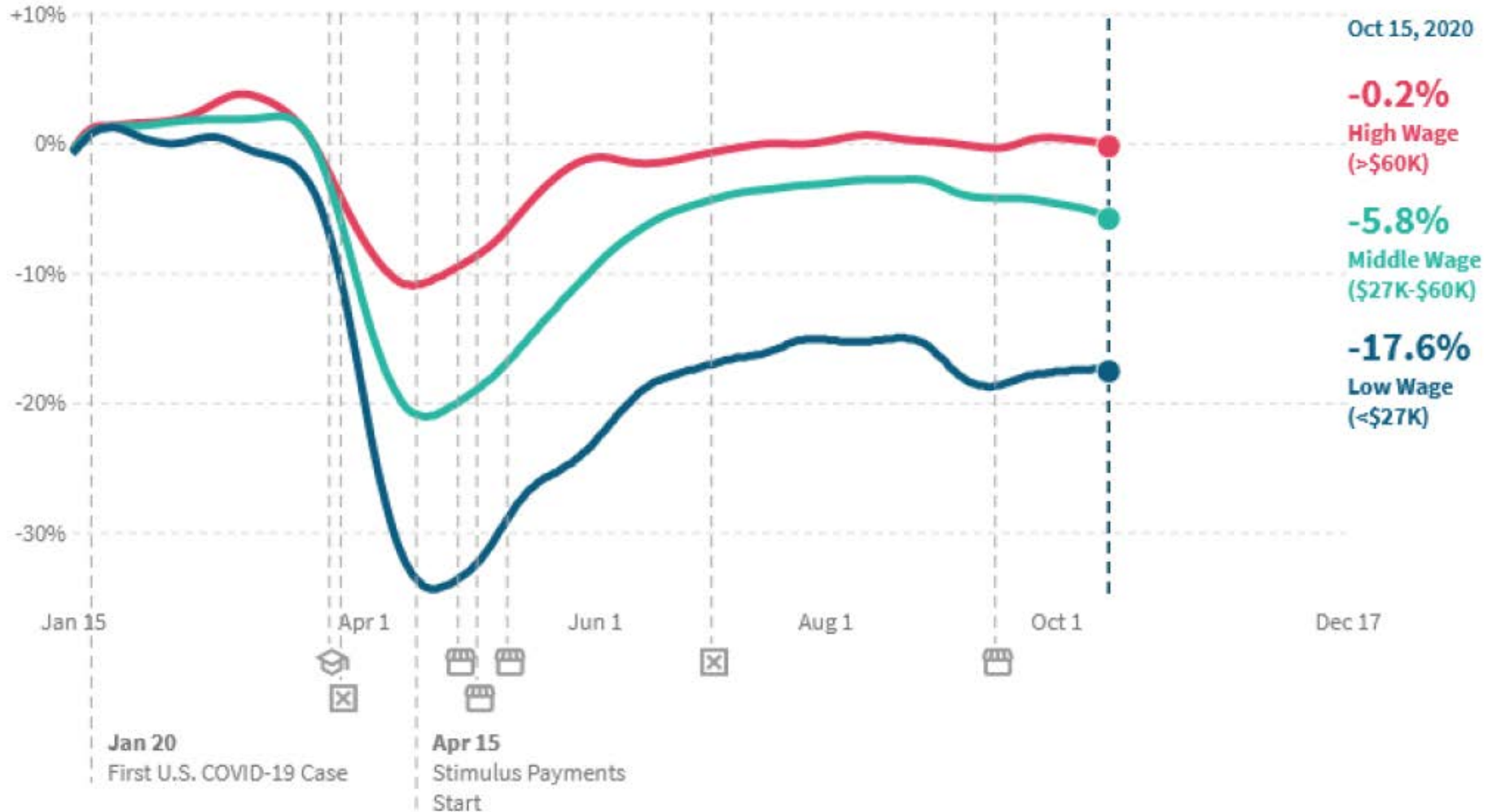
- Expenditures will probably end 2020 around projection, but how much remains to be seen
  - Year-end final actions take a while
  - CARES impact making this more difficult

# If 2020 was better, will 2021 be better as well (is it ongoing)?

- Answer is we don't know, too early to tell.
- Good news
  - \$500K + per month from marketplace facilitator revenue, we projected \$700K for the whole year
  - January sales tax over January of 2020 (pre-COVID)
- Uncertain news
  - We didn't drop like Leeds projection, but probably won't grow like it either
  - Uncertainty concerning what world looks like post-COVID
  - Uncertainty about effect of stimulus activities (or lack thereof)
  - Talks of K-shaped recovery
    - The "K-shaped recovery" refers to the way that wealthier people's fortunes have rebounded while the pain continues for people in low-wage jobs from retail to entertainment and hospitality.

# K-Shaped Recovery

## Percent Change in CO employment since January 2020



# What is Plan for Additional \$22 Million in One-Time Funds?

- Re-fill operating reserve back to 3 percent (\$7.5 million)
- Obtain better Enterprise Resource Planning (ERP) System \$12 million estimate (\$5.5M set aside already)
  - (ERP) systems improve the management of tasks such as core accounting, human resources, and payroll
- Additional one-time funds from negotiations / 2 fewer furlough days (\$1.2 million)
- Extra Risk Insurance (\$700,000) (needs ongoing solution)
- Leaves around \$6 million for other ideas, including recent Council thoughts
- Remaining I-70/Picadilly match also an outstanding need
  - Depends on ARTA financing plan – Could cost as much as \$25 million, in addition to \$16 million set-aside

# Recently discussed Council Ideas

- Transportation (\$20 million ongoing)
- Military differential pay (\$100,000 ongoing)
- Eliminate treat-no-transport fee (\$450,000 ongoing)
- Equity initiatives (\$1.5 million GF, \$2.0 million all funds)

# Thoughts About Ongoing Funds

- Will be coming back to you in the spring
- IF we have additional ongoing funds, these will need to be discussed:
  - Balancing 2022 shortfall (\$3.4 million)
  - Effect of Equal Pay Act / Equity Compensation (\$1.5 million GF, \$2.0 million all funds)
  - Funding Items Previously Cut (\$6.1 million)
  - Additional Risk costs (\$700,000+)
  - Ongoing ERP Costs (\$2.5 million)



# Question for Council

- What are your thoughts on use of one-time funds?



# ENTERPRISE RESOURCE PLANNING (ERP)

City of Aurora  
City Council  
Winter Workshop  
February 20, 2021



# Background & Desired STATE

- ❑ Outgrown Current Solution – Purchased in 1994
- ❑ Secure an enterprise-wide ERP solution, to include Human Capital Management, Finance and Purchasing modules/functionality
- ❑ Our current systems approach requires complex interfaces, manual data transfers & missing business capabilities
- ❑ Existing ERP solution components and business processes are inadequate to support current & future needs
- ❑ An ERP system would create an efficient use of resources to address the current integration challenges; not just application integration but the management of data, information and end-to-end process integrity
- ❑ Seeking a SaaS/Cloud based solution v. current on-prem solution

# HCM ERP Enhancements

## ❑ Digital Transformation – Hire to Retire through an Integrated Solution

- People Management
- Position Management
- Recruiting/Onboarding
- Benefits (Actives & Retirees)
- ✓ Compensation
- Performance Management
- Talent/Learning & Development
- ✓ Payroll
- Timekeeping (Multiple Systems)
- Leave Administration
- Succession Planning
- ✓ Employee Self-Serve (Limited)
- Manager Self-Serve

### Standard: Analysis (Lagging Indicators)

#### Difficult to Produce in Current System

- Retirement/Turnover
- Demographics/EEO Reporting
- Time to Hire/Fill
- Position Management
- Recruitments
- Total Compensation

### Exciting: Predictive Analysis (Leading Indicators)

#### Desired Analytics in ERP Solutions

- Forecast people/position movement
- Total Compensation –Cost Drivers; Modeling
- Probability of Turnover
- Skill Gaps & Succession Factors
- Retention Factors
- Workforce Planning & Modeling

# Finance & Procurement

## Challenges of Current ERP

- ✓ Lack of functionality
  - Outdated technology with upgrades have taken away functionality rather than improve the system.
  - No contract management functionality and purchasing features are limited.
- ✓ Report Writing
  - Vendor announced elimination of delivered reports in future releases without an assisted path forward.
  - Access to system data requires IT skills.
  - Requires hiring consultants and limited knowledge of ERP and availability of resources.
- ✓ Unreliable Vendor Updates
  - Most recent update was not implemented in 2020 due to issues with payroll and purchasing.

# IT Overview of need for new ERP platform

- Specialized resources to maintain OneSolution, 11 legacy HCM systems, 7 timekeeping solutions and 50 complex integrations between the systems; no true integrations
- OneSolution is a financial solution extended to perform HR & Procurement functions
- No business intelligence dashboards
- Solutions and legacy applications built on technologies that are end of life, with basic functionality
- Inefficient, semi-automated ERP processes and inconsistent processes between departments
- No single source of true data for operational and management reporting
- Routine ERP processes lack automation or workflow
- Citizens expecting greater and faster services from local governments and 24x7 interaction; e.g., job seekers can't wait 4 weeks for the city to make a hiring decision or 4 weeks to onboard staff;

# Summary

- 3<sup>rd</sup> Largest City in Colorado; 54<sup>th</sup> Largest City in US
- Integrated Enterprise Solution to cover core HCM, Financial & Procurement Functionality
- 2-3 Year Implementation with internal & external resources (w/on-going staffing & maintenance costs)
- Business Case for Investment:
  - System Integration; reduction of duplication & errors
  - Provide long term support and enhancements with a dedicated ERP Program Team (non-IT Dept. FTEs)
  - Contribute to Aurora Smart City Initiatives
  - Data driven decision making
  - Reinvent government's digital engagement
  - Leverage our greatest assets - "people"
  - Business process centralization & standardization
  - Automation of routine processes
  - Standard Analysis, Reporting, Predictive Analytics
- Positive & Consistent Employee & Manager Experience; Enhance Self-Serve Modules
- Dashboard Data and Transition to Open Government (Greater visibility & accountability)
- Aurora 1<sup>st</sup> in Class Employer



CITY OF AURORA

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STRATEGIC PLAN

FRAMEWORK

For City Council Review and Comment

A strategic plan allows organizations to foresee their future and to prepare accordingly. It helps to define the direction in which an organization must travel, and aids in establishing realistic objectives and goals that are in line with the vision and mission charted out for it.





# The Development of Aurora's Strategic Plan Framework

In late 2019 the decision was made to embark on the development of a strategic plan for the City. The plan, based upon the work performed developing the City's Comprehensive Plan, *Aurora Places*, was intended to be a guiding document for the City and a basis for resource allocation decisions.

Staff, through a competitive process, contracted with the services of The Novak Consulting Group, a part of Raftelis, to facilitate the process. The original approach was intended to involve City Council, management and staff, and extensive public input. When the Covid-19 pandemic struck, plans were altered to compensate for the pandemic's limitations. Input changed from in-person sessions to virtual meetings and surveys. This lengthened the Plan's development time.

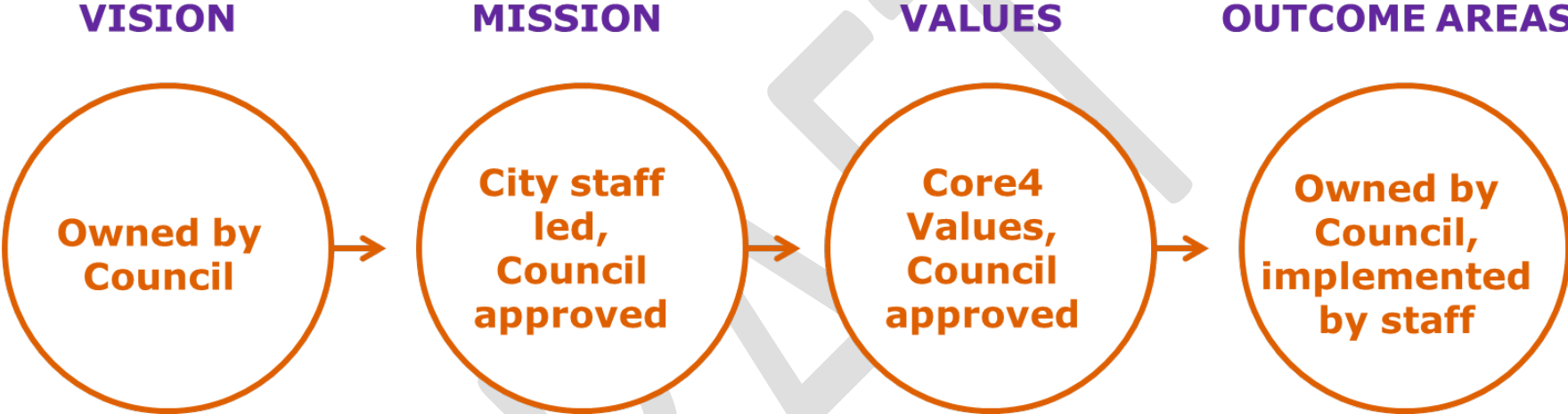
Staff developed the draft framework with input from:

1. City Council
2. City Management and Department Directors
3. City Staff
4. Public outreach:
  - a. Virtual summits with:
    - i. Chairs of the Boards and Commissions
    - ii. Representatives from Aurora Community Organizations
    - iii. Aurora residents
    - iv. Immigrant and Refugee Commission
  - b. Surveys to City residents in both English and Spanish via Auroragov.org.

We now have a draft framework to place before the City Council.

Staff is bringing the draft framework before Council to:

- Obtain their comments on the work performed to date
- Recommend substantive adjustments to the draft components (see graphic below)
- Provide any other direction City Council deems appropriate to guide the creation of the final plan



Staff has also provided "Next Steps" following the draft framework.

# City of Aurora DRAFT Strategic Plan Framework

As of February 1, 2021

## VISION STATEMENT

*A vision statement articulates a desired future state, what we believe Aurora will become as a result of our efforts under this strategic plan. It is aspirational in nature and worded accordingly. The proposed vision statement embodies the spirit of the Aurora Places community vision in a memorable condensed format.*

Aurora will be the safest, most livable city in Colorado, boasting a unique and diverse community identity, vibrant economy, and an inspired future.

## MISSION STATEMENT

*A mission statement describes, in overarching terms, how we will achieve the desired vision. The mission statement presented below was developed largely through the efforts of the PACE committee<sup>1</sup> and representatives from the various departments known as Aurora Champions.*

We are Aurora, connecting people and businesses with innovative and efficient services, unique places and experiences, and equitable, affordable access to public resources to enhance our diverse community's quality of life.

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<sup>1</sup> **P**artnership of **A**urora **C**ity **E**mloyees. The mission of the PACE Committee is "to enrich City employees by connecting them with the Aurora community and by serving as a voice to management within the organization."

# VALUES

*Values are the set of guiding principles and fundamental beliefs that help us function together as a team and work toward our common vision. While they are not an exhaustive list of possibilities, they are unique to our City government and our experiences as City staff. They are simple to understand and remember. We call them **Core 4 Values**.*

*They are:*

- RESPECT
  - We live RESPECT by valuing the worth of others; practicing empathy; honoring diversity and differences; and practicing the Golden Rule.
- INTEGRITY
  - We live INTEGRITY by telling the truth; being consistent; and doing the right thing when no one is looking.
- PROFESSIONALISM
  - We live PROFESSIONALISM by treating everyone equally; embracing best and safe practices; and collecting data that guides decision-making for accomplishing our goals.
- CUSTOMER SERVICE
  - We live CUSTOMER SERVICE by “going the extra mile”; being responsive, courteous, and fair; and delivering quality, efficient, and cost-effective services.

## OUTCOMES AND STRATEGIC PRIORITIES

*The eight outcomes represent those areas in which we believe we need to be successful as a City to achieve our stated vision. The strategic priorities listed below each outcome statement are the strategic priorities we intend to employ to achieve these outcomes. Departments will develop departmental strategic plans that will embody the tactical approaches for implementing the strategic priorities. Identical strategic priorities may appear under different outcomes. The tactics employed under each one will be different and geared toward the specific outcome desired.*

### Thriving

The authentic Aurora character creates opportunities and physical places for community members, organizations, and businesses to grow and succeed.

#### Strategic Priorities

1. Develop smart partnerships with businesses, non-profits, arts organizations, and community members to facilitate connections and investment in the City.
2. Develop an Economic Development Plan focused on attracting and retaining diverse, innovative, multi-size employers.
3. Leverage opportunities to further define Aurora's sense of place-making and develop unique and diverse districts within the City.
4. Collaborate with non-profits, small businesses, and public health partners throughout the City to address issues related to homelessness.
5. Create effective and forward-looking resource and infrastructure plans on which to build community foundations.

## Safe

Aurora is a place where the community comes together to plan and create approaches to safety that reduce fear of injury and violence and promote community well-being.

### Strategic Priorities

1. Initiate programs to improve service delivery and gain the public's trust in the City of Aurora Public Safety Departments and Civil Service.
2. Develop an understanding of the community's public safety needs and preferences. Identify innovative approaches and appropriate alternatives to traditional police or fire responses to protecting and serving the community.
3. Create and maintain a safe, clean, and approachable environment.

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## Planned and Maintained

The community's needs and aspirations lead Aurora to develop, maintain, and modernize integrated infrastructure, facilities, systems, and processes that support a strong economy and community wellness.

### Strategic Priorities

1. Develop and implement a Capital Infrastructure Master Plan.
2. Implement the comprehensive plan.
3. Become a Smart City, using advanced technology and infrastructure such as utilities, lighting, traffic signals, communication networks, and other related items.
4. Inform the community on Aurora's needs to build community understanding and support.



## Diverse

Aurora champions and celebrates diversity of interests, backgrounds, and perspectives in the people and organizations that make our community strong.

### Strategic Priorities

1. Identify and provide amenities that are needed to attract and retain a full range of diversity (age, race, ethnicity, interests, etc.) in our community.
2. Establish a City organizational ethos that values and reflects the benefits of diversity.
3. Develop a community engagement strategy that encourages participation from diverse members of our community.

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## Wellness

Aurora provides an environment that allows our community members to live an active lifestyle, with open spaces, clean air and water, walkable neighborhoods and commercial areas, and recreational programming that promotes physical and mental well-being.

### Strategic Priorities

1. Develop a Community wellness campaign to support physical and mental well-being.
2. Develop a comprehensive environmental stewardship plan for the protection and sustainability of our natural resources and open spaces.

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## Engaged

Aurora staff and elected officials reach out, listen to, foster active participation by Aurora's diverse communities in developing better solutions and making better decisions related to community issues.

### Strategic Priorities

1. Develop a community engagement strategy that encourages participation from all members of our diverse community.

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## Equitable

Aurora provides equitable access to all city services and collaborates with partners to ensure access to quality housing, education, and other services to people across all social and economic backgrounds, cultures, and stages of life.

### Strategic Priorities

1. Partner with the community and businesses to provide equitable access to quality-of-life needs, resources and amenities, removing barriers and creating opportunities.
2. Incorporate components of diversity, equity and inclusion into employee performance standards.
3. Manage City assets to ensure broader access to programs and resources and become more purposeful across departments to address gaps.

## Resilient

Aurora responsibly manages the City's economic, human, financial, natural and manufactured resources to protect the community's well-being against the effects of disasters, major disruptions, and other adverse conditions.

### Strategic Priorities

1. Assure continued focus on the City's financial planning, policy adherence, and long-term financial viability.
2. Invest in emergency preparedness for the community including moving beyond natural disasters to other types of crises and disruptions.
3. Foster community resilience through neighborhood focused programs that build capacity, trust and relationships among neighbors.
4. Developing a comprehensive environmental stewardship plan for protection and sustainability of resources and open spaces.
5. Continue to attract a diverse business and industrial base.

# Next Steps in Developing the Strategic Plan

## Draft Framework

1. Obtain City Council input on draft framework at February 20 Winter Workshop.
2. Make any necessary adjustments based upon City Council input.
3. Produce a final draft version for Council approval.
4. Share approved plan with Budgeting for inclusion in the Priority Based Budgeting initiative and with Departments for developing departmental plans.

## Department Strategic Plans

1. Train Department Champions on the departmental template.
2. Departments complete their departmental plans.
3. Ensure departmental plans align with the City plan.

## Develop Key Performance Indicators

1. Develop key performance indicators for each outcome. These will be the mechanism by which we measure progress toward achieving each outcome.
2. Share Key Performance Indicators with Departments to aid them in developing measures for the departmental plans.
3. Ensure departmental measures align with City measures

## Obtain and Implement Dashboard Application

To aid in the tracking and reporting on progress within the strategic plan, the City will acquire a performance management platform that will allow for external and internal dashboards. The external dashboards will allow us to report progress against the Strategic Plan to the public. The internal dashboards will allow staff to better manage their tactical responsibilities for accomplishing the strategic priorities.

1. Issue an RFP for the platform. Review submissions, execute demonstrations and select a platform.
2. Customize the platform to our needs and load in strategic plans (City and departmental) and key performance indicators.
3. Begin monitoring and reporting progress.

The Communications Department will create a communications plan to keep the public appropriately informed on the development, implementation, and progress of the Strategic Plan.

## Strategic Plan Review Cycle

City Council and Management should regularly review progress against the plan and consider when adjustments may be necessary. A typical cycle might look like the following:

### Quarterly

Review progress against the City and department plan tactics and key performance indicators.

### Annually

1. Review progress against the City and department plan tactics and key performance indicators.
2. Conduct an environmental scan to identify the need for possible adjustments. These discussions usually include:
3. A review of current conditions and an assessment of any major issues that have arisen during the past year
4. A consideration of potential issues on the horizon that may affect our operations

### Wholesale Review

Every few years, the plan should undergo a wholesale review to ensure its relevancy. The pace of change in an industry usually dictates this frequency. Industries that change rapidly will review their plans more frequently; industries that are slower to undergo changes can endure longer periods between wholesale reviews. Wholesale reviews usually include contracting with an outside party to facilitate the process and ensure a more objective conversation.

# MEMORANDUM



City of Aurora

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**TO:** Mayor Coffman and Members of City Council  
**FROM:** Greg Hays, Budget Officer  
**DATE:** February 9, 2021  
**SUBJECT:** 2021 Winter Workshop Presentation: Capital Infrastructure Master Plan (CIMP)

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At the February 20 Winter Workshop, Council will get a presentation regarding resuming the CIMP process that was shelved due to COVID-19. This will include a discussion about the \$20 million road maintenance shortfall.



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COLORADO

# 2021 Winter Workshop

# Capital Infrastructure Master Plan Discussion

# CIMP: A Brief History

- **Trying to find a solution to fund capital needs in the city**
  - 1) Maintain current assets for current levels of service
  - 2) Replace assets as needed to maintain current service levels
  - 3) Construct or create new assets with growth of City
- **Discussed at Winter and Spring Workshops, October 2019 Study Session**
  - Council gave staff approval to start process
- **\$500,000 added in 2020 budget for capital bond process**
  - Awarded, then rescinded, budget not used in 2020
- **COVID-19 put this on hold**

# A look back at Methods for addressing Master plan

1) Update comprehensive 'facilities master plan.' Last done at citywide level in 2008.

- **Project lists submitted by departments**
  - **Currently performing internal vetting and refining of project list with department / executive staff task force**
    - **\$2.4 billion in projects, some examples:**
      - **Mostly transportation-related, including smaller projects such as \$700,000 traffic signal installation to \$60 million grade-separated rail track crossings**
        - **Includes \$20 million road maintenance shortfall**
      - **Public Safety (Police, Fire, Courts) projects include fire stations, Police HQ replacement, firing range, and Courtroom 10**
      - **PROS projects include Sports Park II and Signature Park**
      - **Facilities Projects, Technology, Housing and Community Services, Library & Cultural, and Planning-related projects included as well**
      - **Initial prioritization by departments and project cost validation**

# A look back at Methods for addressing Master plan

## 2) Update and monitor capital impact fees

- All but transportation done, infrastructure list will be used for that; currently hiring consultant
- Will provide funding source for some growth-related projects

## 3) Have an engaged community.

- Adopt an Engagement Plan that:
  - Includes residents and business owners
  - Provides for input and dialogue
  - Helps with prioritization
  - Informs Council decisions

## 4) Explore various funding sources.

- What is the community willing to pay for and from what sources?

## 5) Deliberate assessment of impacts on City and community

# Question for Council

- **Does Council support resuming this process?**
  - **Note: If yes, staff will need to re-budget \$500,000 one-time for capital process which will take approximately 18 months.**
- **The Mayor has requested staff to explore ways to identify funding to begin to close the road maintenance funding gap. Should there be further discussion regarding the capability of doing that and how that might impact an overall strategy for funding the City's multiple capital needs?**

# Public Works, Street Operations

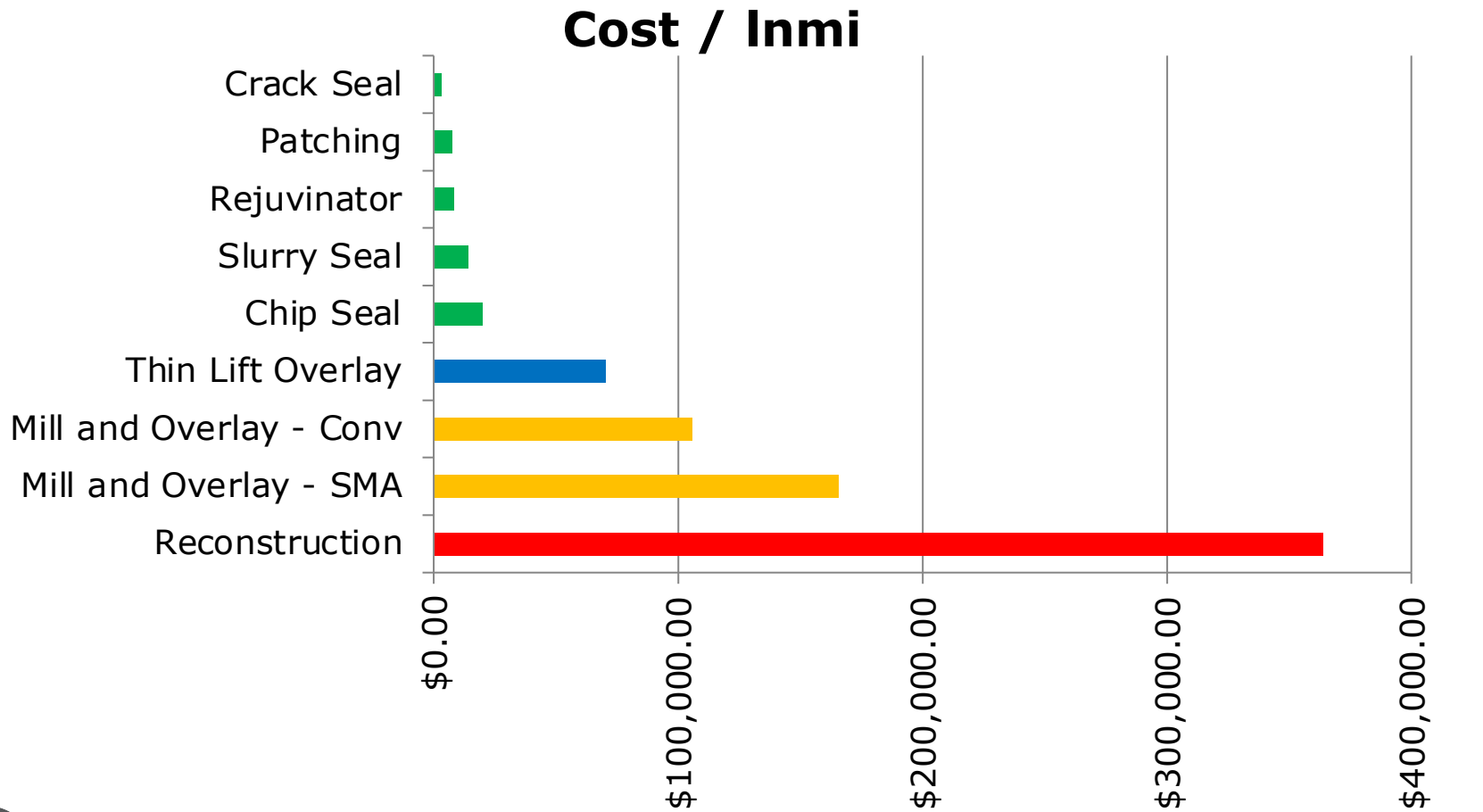
Presents:

## WINTER WORKSHOP: 2021 ROADWAY INFRASTRUCTURE MAINTENANCE PROGRAM

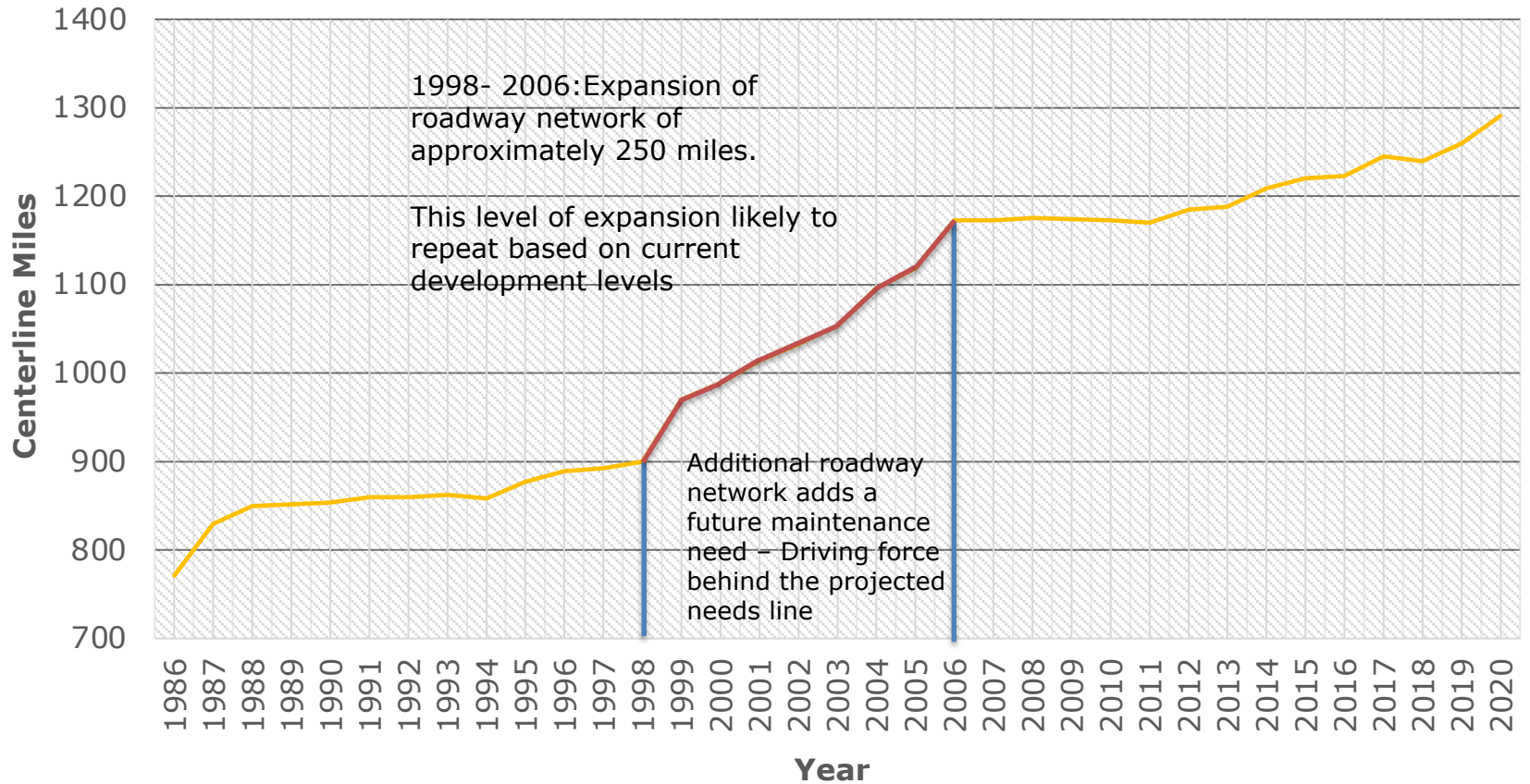


Thomas McMinimee PE, Street Operations Manager  
Public Works – Street Operations

# Pavement Maintenance - Strategies vs Relative Cost



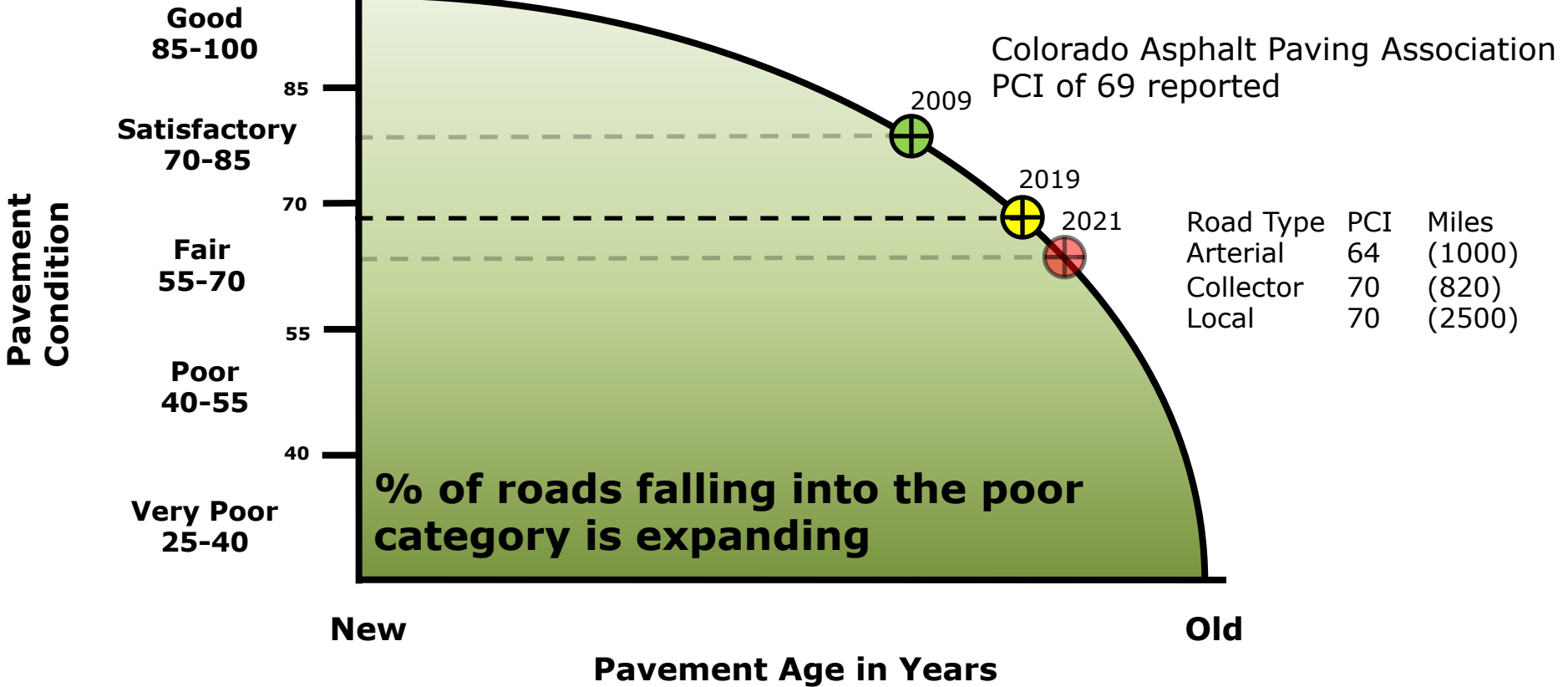
# Network Expansion Over Time



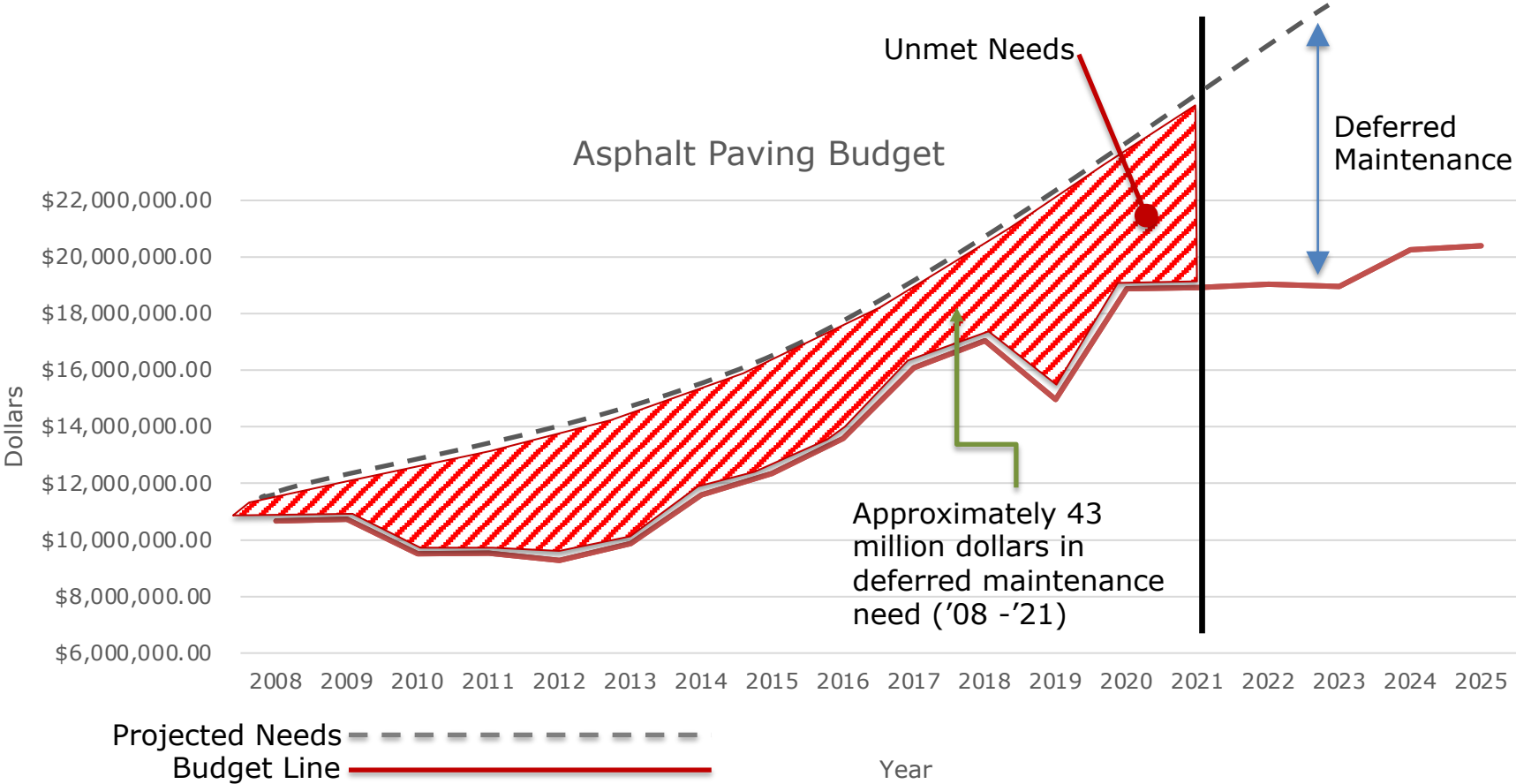


# Roadway Condition Curve

## Average pavement condition of all roads 2019



# Budget Analysis





# Public Works

## PROPOSED BUDGET 15-20-25 PLAN

### Current Paving Cycle

Arterial Streets	29 years
Collector Streets	17 years
Residential Streets	61 years

### Desired Paving Cycle

Arterial Streets	15 years
Collector Streets	20 years
Residential Streets	25 years

Program	"15-20-25" Plan Budget	2021 Working Budget as presented at TAPC	Unfunded Difference
Street Overlay	\$ 29,117,910.00	\$ 14,460,000.00	\$ 14,657,910.00
Concrete Repair	\$ 4,815,000.00	\$ 1,974,000.00	\$ 2,841,000.00
Street Reconstruction	\$ 1,391,000.00	\$ 1,110,000.00	\$ 281,000.00
Street Maintenance Asphalt	\$ 898,800.00	\$ 840,848.00	\$ 57,952.00
Slurry and Chip	\$ 1,967,590.90	\$ 1,400,000.00	\$ 567,590.90
Inspection Services	\$ 1,498,000.00	\$ 850,000.00	\$ 648,000.00
2020 Council Addition		\$ 500,000.00	\$ (500,000.00)
Totals	\$ 39,688,300.90	\$ 21,134,848.00	\$ 18,553,452.90

# Questions or Concerns???



# MEMORANDUM



City of Aurora

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**TO:** Mayor Coffman and Members of City Council  
**FROM:** Greg Hays, Budget Officer  
**DATE:** February 9, 2021  
**SUBJECT:** 2021 Winter Workshop Presentation: Property Tax / TABOR Discussion

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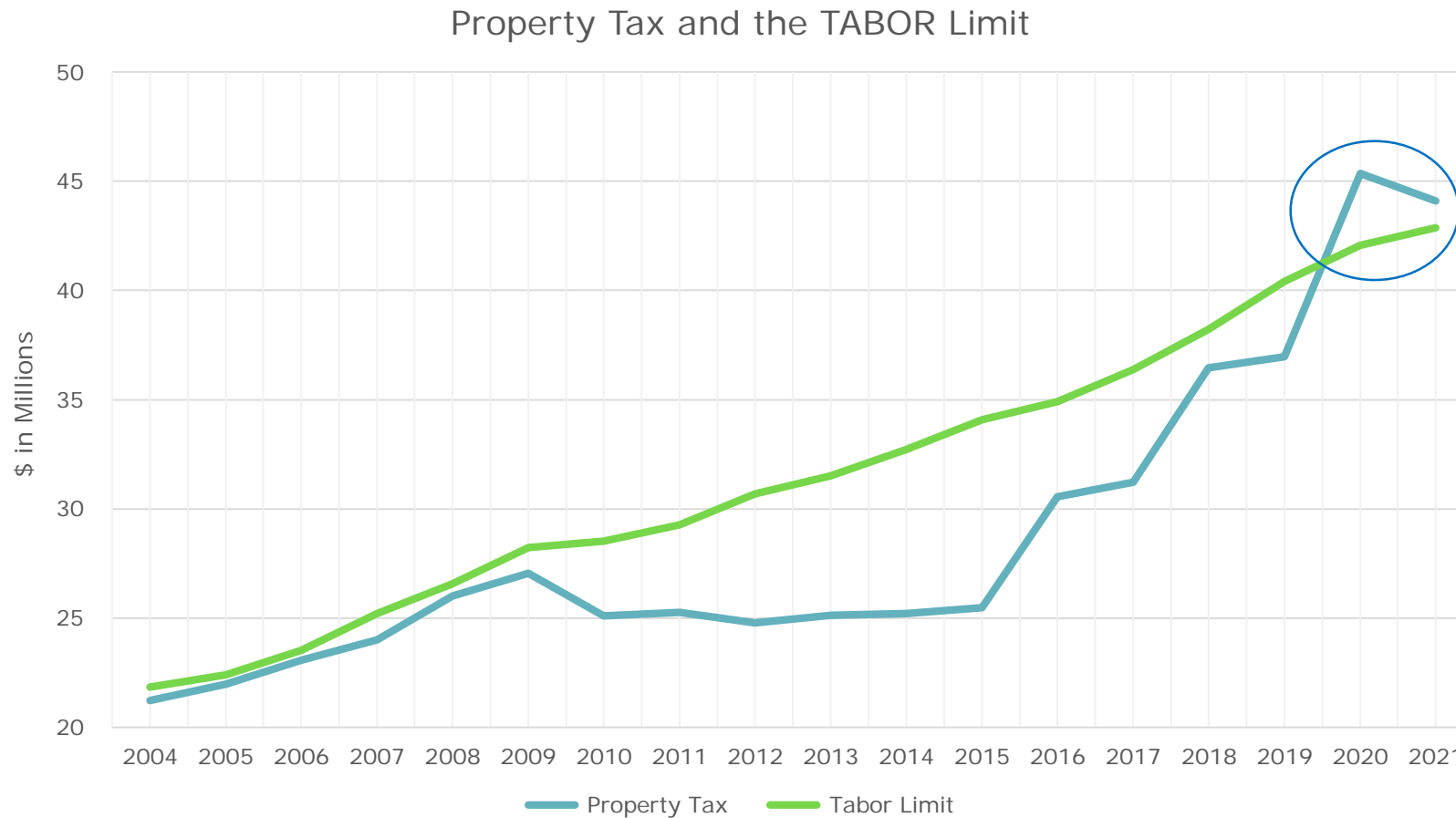
At the February 20 Winter Workshop, Council will get a presentation the effect of TABOR on the city's property tax for 2021 and the possibility of asking the voters to "de-bruce" property tax.

**CITY OF AURORA,  
COLORADO**

# **2021 Winter Workshop**

## **Property Tax / TABOR discussion**

# Property tax currently over TABOR limit



# Property tax currently over TABOR limit

- **Property tax currently over TABOR limit**
  - **\$2.9 million refunded in 2021 Certification of Mill Levies**
  - **Council has been interested in initiating a ballot question requesting the City be allowed to retain 2020 property taxes collections in excess of the TABOR cap, although they chose not to do so in 2020 due to COVID-19 (May 18, 2020 Study Session).**



# Question for Council

- Does the Council wish to bring an ordinance forward allowing the City to permanently exempt property taxes from TABOR and retain all revenues in excess of the TABOR cap?
- If yes, when should it come forth?
- Should it be earmarked for specific needs?

# MEMORANDUM



City of Aurora

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**TO:** Mayor and City Council

**THROUGH:** Roberto Venegas, Deputy City Manager

**FROM:** Jessica Prosser, Director of Housing and Community Services

**DATE:** February 11, 2021

**SUBJECT:** Mental Health Ballot Initiative

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In 2018 a ballot initiative called Caring4Denver was passed as part of a comprehensive package to fund mental health services and those that have a clear nexus to mental health. Beginning in 2019, the sales tax in Denver, Colorado, was raised by 0.25 percent with the expectation of a 45-million-dollar revenue increase per year. The following were included in the ballot language:

- **Alternatives to Jail:** Greater supports, connections, practices, and opportunities to redirect people with mental health and substance misuse crises away from the criminal justice system.
- **Community-Centered Solutions:** Use community knowledge, strengths, and resources to foster local connectedness and support.
- **Youth (0-26):** The earlier and more resources we can provide Denver's youth, the less crisis and need for costly services later in life.
- **Care Provision:** Better support access to quality mental health and substance misuse care at the right time.

During the early part of 2020 Aurora Mental Health started conversations with the City related to running a similar ballot initiative in Aurora. The draft ballot language is below, and associated ordinance is attached to this memo.

SHALL AURORA SALES AND USE TAXES BE INCREASED BY \$16.2 MILLION DOLLARS ANNUALLY, AND BY WHATEVER ADDITIONAL AMOUNTS ARE RAISED AFTER THE FIRST FULL FISCAL YEAR, FROM A ¼ OF 1% SALES AND USE TAX (25 CENTS ON A \$100-DOLLAR PURCHASE) TO FUND:

- MENTAL HEALTH PREVENTION SERVICES AND TREATMENT FOR CHILDREN, YOUTH, ADULTS, SENIORS AND VETERANS;
- SUICIDE PREVENTION PROGRAMS;
- A CO-RESPONDER PROGRAM FOR MENTAL HEALTH PROFESSIONALS TO ASSIST FIRST RESPONDERS; AND
- OPIOID AND SUBSTANCE ABUSE PREVENTION, TREATMENT AND RECOVERY PROGRAMS;

Due to COVID and concerns around how the money would be administered the conversations were paused. During the past several weeks Mayor Coffman and Councilmember Lawson have met with staff to discuss a possible ballot initiative that the City would take the lead on in 2021. Staff has also had very general conversations with Aurora Mental Health about gaps they see in services throughout the community. Those conversations have centered around the needs for more school-based programs, improved facilities, more street outreach teams, dedicated funding sources that aren't reliant on unstable funding, more substance misuse services and more coordinated approach to the housing continuum.

Revenue raised from the City led ballot initiative could be used to supplant some existing mental health related programs that the City currently funds (list of programs with mental health nexus attached) as well as new programs and services. Mayor Coffman and Councilmember Lawson have discussed three general categories to be included on the ballot. These categories would be formulated into ballot language based on focus groups, polling and feedback from key community partners. The three categories are:

1. Expansion and sustainable funding source for programs that respond to individuals in crisis or experiencing mental health and/or substance misuse. Mental health training for all first responders
2. Mental health and substance misuse prevention and treatment services for youth, adults and seniors
3. Mental health, substance misuse and housing solutions

During the Winter Workshop on February 20 staff will be seeking feedback from Council regarding their interest in pursuing a Caring 4 Aurora type of ballot initiative.

**Discussion Questions:**

General interest in working towards a ballot initiative related to mental health and substance misuse services?

Amount of increase to request and source of revenue?

Is Council supportive of the components of a ballot initiative outlined above?

**Attachments:**

Caring 4 Aurora Draft language and ordinance from Aurora Mental Health

List of existing programs the City funds related to mental health

Fact Sheet with statewide data around mental health needs

CITYWIDE MENTAL HEALTH FUNDING

2021 Funding	Designated Revenues Fund Court Surcharge Programs			General Fund			Marijuana Tax Revenue Fund	Gifts and Grants Fund			HOME	Total
	Wellness/Teen Court	Public Safety Assistance	Victim Services	Homeless-ness Assistance	Community Engagement	Police	Homeless-ness Assistance	Emergency Solutions Grant	Emergency Solutions Grant CV	Police	Rental Assistance	2021 Funding
Youth Violence Prevention					700,000							700,000
New Co-Responder Program					265,000							265,000
Crisis Response Team						734,251						734,251
Aurora Flexible Housing Fund							575,000					575,000
Problem-Solving Courts (personnel, supplies)	348,353											348,353
Victim Assistance (personnel, supplies)			653,593									653,593
APD Victim Services Unit ER Fund			30,000									30,000
Aurora @ Home							177,000		107,800		200,000	484,800
Aurora Mental Health	60,000	106,200					207,520		123,130			496,850
AUMHC/Outreach							70,980					70,980
AUMHC/Detox		106,200										106,200
AUMHC/Ursula Street Housing	60,000											60,000
AUMHC/Homeless Prevention and Rapid Rehousing							136,540		123,130			259,670
Aurora Warms the Night							125,000		220,000			345,000
Bridge House - Ready to Work							143,245					143,245
Gateway Domestic Violence		109,100	17,500				50,000		249,215			425,815
Mile High Behavioral Healthcare	75,000		20,000	260,000			1,262,025		1,475,000			3,092,025
MHBHC/Comitis	75,000		20,000	260,000			262,025		50,000			667,025
MHBHC/Emergency Shelter									885,000			885,000
MHBHC/CCN							220,000					220,000
MHBHC/Day Resource Center							680,000		250,000			930,000
MHBHC/Outreach							100,000		290,000			390,000
Mosaic Church							80,000					80,000
Project Safeguard			10,000									10,000
Ralston House			7,500									7,500
Salvation Army									844,127			844,127
Second Chance Center							100,000		489,600			589,600
Servicios de la Raza									43,000			43,000
Sungate Kids		52,000	15,000									67,000
<b>Total by Program</b>	<b>483,353</b>	<b>267,300</b>	<b>753,593</b>	<b>260,000</b>	<b>965,000</b>	<b>734,251</b>	<b>2,719,790</b>	<b>231,882*</b>	<b>3,551,872</b>	<b>0</b>	<b>200,000</b>	<b>10,167,041</b>



**ACT4**  
MentalHealth

# in Colorado

**832,000 ADULTS**  
in Colorado  
**HAVE A MENTAL  
HEALTH CONDITION\***

That's more than **5 TIMES**  
**THE POPULATION** of Fort Collins

**50%**  
**75%**

of mental  
illness begins  
by age 14

by age 24\*



**1 out of every 8**

**emergency department visits**  
involves a mental health or  
substance use condition\*

ONLY ABOUT  
**4 in 10 people**



in Colorado with a mental health  
condition received any treatment  
in the past year\*

Schizophrenia usually  
develops early in life  
and costs the U.S.  
economy an estimated

**\$155.7 BILLION**  
a year\*



About **2 MILLION PEOPLE**  
with mental illness are

**BOOKED INTO JAILS**

every year\*—many because they  
didn't get the treatment they needed

**2,171,476 PEOPLE**  
in Colorado live in a  
**mental health professional  
shortage area\***

Depression is the  
**#1 LEADING CAUSE OF  
DISABILITY**

in the world and mental illness costs  
Americans **\$193.2 BILLION**  
in lost earnings per year\*

**1 AMERICAN DIES BY SUICIDE  
EVERY 12 MINUTES\***

In Colorado, the 2016 rate of  
suicide for the general public  
was **24.9 DEATHS** per  
100,000\*

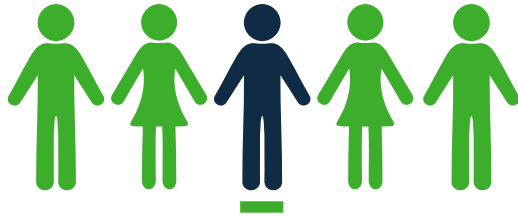
For veterans, the rate was  
**38.7 DEATHS** by suicide  
per 100,000\*



NAMI, the National Alliance on Mental Illness, is the nation's largest grassroots mental health organization dedicated to building better lives for the millions of Americans affected by mental illness. Join our movement at [nami.org/policy](http://nami.org/policy).

\*References can be found at [www.nami.org/policystats](http://www.nami.org/policystats).





# 1 in 5 Americans

## HAS A MENTAL HEALTH CONDITION

**12.8 MILLION ADULTS** LIVE WITH A **SEVERE MENTAL ILLNESS**

**48.1 MILLION ADULTS**  
LIVE WITH  
**ANXIETY DISORDERS**

Anxiety disorders are conditions characterized by feelings of persistent, excessive fear or worry in situations that are not threatening.

**17.1 MILLION ADULTS**  
LIVE WITH  
**MAJOR DEPRESSION**

Depression is a condition that is characterized by changes in mood, sleep, appetite, concentration and energy.

**10 MILLION ADULTS**  
LIVE WITH  
**ATTENTION DEFICIT HYPERACTIVITY DISORDER**

Attention deficit hyperactivity disorder (ADHD) is a condition that is characterized by inattention, hyperactivity and impulsivity.

**9.1 MILLION ADULTS**  
LIVE WITH  
**POST TRAUMATIC STRESS DISORDER**

Post-traumatic stress disorder (PTSD) is a condition that is characterized by changes in sleep, thinking, and mood, and can include symptoms such as intrusive memories, hypervigilance and outbursts of anger.

**7.1 MILLION ADULTS**  
LIVE WITH  
**BIPOLAR DISORDER**

Bipolar disorder is a condition that is characterized by dramatic shifts in mood and energy, such as periods of mania and depression, and can also include symptoms of psychosis, such as delusions.

**3.5 MILLION ADULTS**  
LIVE WITH  
**BORDERLINE PERSONALITY DISORDER**

Borderline personality disorder (BPD) is a condition characterized by difficulty regulating emotions and instability in behavior, self-image and functioning, impulsive actions and unstable relationships.

**1.6 MILLION ADULTS**  
LIVE WITH  
**SCHIZOPHRENIA**

Schizophrenia is a condition characterized by an interruption of a person's thought processes, perceptions and emotional responses. Symptoms may include psychosis, delusions, hallucinations, reduced emotional expressiveness and disorganized thinking.

Discover more at  
[nami.org/policy](https://nami.org/policy).

## Caring 4 Aurora -- Ballot Title

SHALL AURORA SALES AND USE TAXES BE INCREASED BY \$16.2 MILLION DOLLARS ANNUALLY, AND BY WHATEVER ADDITIONAL AMOUNTS ARE RAISED AFTER THE FIRST FULL FISCAL YEAR, FROM A ¼ OF 1% SALES AND USE TAX (25 CENTS ON A \$100-DOLLAR PURCHASE) TO FUND:

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PROVIDED THAT THE NEW FUND SHALL SUPPLEMENT EXISTING CITY FUNDING SOURCES FOR MENTAL HEALTH PROGRAMS; THAT GRANTS FROM THE NEW FUND SHALL BE MADE THROUGH AN INDEPENDENT NON-PROFIT ENTITY WHOSE BOARD MEMBERS ARE APPOINTED BY THE ~~MAYOR~~ CITY MANAGER AND CITY COUNCIL; THAT BOARD MEMBERS SHALL BE APPOINTED DUE TO THEIR POSITIONS AS ELECTED OR APPOINTED PUBLIC OFFICIALS WITH EXPERIENCE OR INTEREST IN MENTAL HEALTH SERVICES OR THE JUSTICE SYSTEM; ADDITIONAL BOARD MEMBERS SHALL BE APPOINTED WHO HAVE EXPERIENCE WITH MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES AND FIRST RESPONDERS; THAT THE BOARD SHALL COMPLY WITH OPEN MEETINGS AND OPEN RECORDS LAWS, AND PROVIDE AUDITED FINANCIAL STATEMENTS TO THE CITY, TO ASSURE ACCOUNTABILITY; AND REQUIRING THAT REVENUES FROM THESE INCREASED TAXES SHALL BE COLLECTED AND SPENT ON CITY OF AURORA PROGRAMS WITHOUT REGARD TO ANY EXPENDITURE, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?

Caring for Aurora - Text of Measure

**BE IT ENACTED BY THE PEOPLE OF THE CITY AURORA:**

**Section 1.** Subsection (b) of section 130-32, A.R.M.C. concerning sales and use tax allocation shall be amended to read as follows:

(b) The purpose of the ~~remaining~~ next one-fourth percent of the sales and use tax imposed by this article shall be for the production of revenue to defray the costs associated with:

**Section 2.** Section 130-32 shall be amended by the addition of a new subsection e, to read as follows:

e. The purpose of the remaining one-fourth percent of the sales and use tax imposed by this article shall be to fund the Caring for Aurora Fund as found in Chapter 74, Article IV.

**Section 3.** Subsection (a) of section 130-161, A.R.M.C., concerning sales taxes, shall be amended to read as follows:

(a) There is hereby imposed, upon all sales of tangible personal property other than retail marijuana and retail marijuana products and services specified in section 130-156, a sales tax at a rate of ~~3.75~~ 4.00 percent.

**Section 4.** Section 130-161, A.R.M.C., concerning sales taxes shall be amended by the addition of a new subsection (e) to read as follows:

(e) In addition to the sales tax otherwise imposed by this section, a tax .25 percent shall be imposed upon all sales of tangible personal property other than retail marijuana and retail marijuana products and services specified in section 130-156, beginning January 1, 2021. The revenue from such additional tax shall be used for the sole purpose of funding the Caring for Aurora Fund pursuant to article IV of chapter 74.

**Section 5.** Subsection (a) of section 130-196, A.R.M.C., concerning use taxes, shall be amended to read as follows:

(a) There is levied and there shall be collected from every person in the city a tax for the privilege of using, storing, distributing, or consuming in the city any tangible personal property other than retail marijuana and retail marijuana products or taxable service purchased, leased or rented and not subjected to the city sales tax, without regard to whether the property is purchased from sources within or without the city, at a tax rate of ~~3.75~~ 4.00 percent.

**Section 6.** Section 130-196, A.R.M.C., concerning use taxes shall be amended by the addition of a new subsection (e) to read as follows:

(e) In addition to the use tax otherwise imposed by this section, there is levied and



shall be collected a tax of twenty-five one-hundredths of one percent (.25) from every person in the city for the privilege of using, storing, distributing, or consuming in the city any tangible personal property other than retail marijuana and retail marijuana products or taxable service purchased, leased or rented and not subjected to the city sales tax, without regard to whether the property is purchased from sources within or without the city, beginning January 1, 2021. The revenue from such additional tax shall be used for the sole purpose of funding the Caring for Aurora Fund pursuant to article IV of chapter 74.

**Section 7.** Chapter 74, A.R.M.C., concerning Health and Sanitation, shall be amended by the addition of a new Article IV, to read as follows:

**ARTICLE IV. CARING FOR AURORA FUND**

**Sec. 74-61. Legislative Intent.** The purpose of this Article IV is to provide for the governance and administration of the dedicated sales and use tax increase approved by the voters on November 3, 2020, and as provided in sections 130-161 (e) and 130-196 (e) of this code (hereinafter referred to as the “Caring for Aurora tax”), for the purpose of funding the Caring for Aurora Fund in order to increase mental health and substance use disorder prevention, treatment, and recovery, available in Aurora. The people hereby determine that the expenditure of the Caring for Aurora tax and the establishment of the Caring for Aurora Fund serve important public and municipal purposes, and are matters of local concern for which the citizens of Aurora enjoy the full right of self-government. The Caring for Aurora Fund shall supplement, rather than supplant the total of City, County, State and Federal annual funding for mental health and substance use disorder services collected and administered by the City of Aurora as of February 1, 2020.

**Sec. 74-62. Expenditures of Caring for Aurora tax.**

(a) Expenditures of the Caring for Aurora tax shall be made through the Aurora Department of Finance (“Department”) and shall be distributed monthly. The Department shall contract with an entity as provided in subsection (b) of this section.

(b) The designated entity for this purpose shall be a non-profit corporation that meets the following criteria and requirements:

(1) The non-profit corporation shall be duly incorporated and in good standing under the Colorado Revised Nonprofit Corporation Act and shall possess the power to commit, through grants of tax revenue, monies collected as the Caring for Aurora tax. The non-profit corporation shall have the authority to contract in its own name and to hire its own employees who shall not be considered officers or employees of the city.

(2) The non-profit corporation's board of directors shall be composed of eleven members appointed in the following fashion:

The City Manager of Aurora shall appoint ~~three~~ **six** board members who have the

following qualifications:

1. The chief executive officer of the community mental health center in Aurora, as designated by the Colorado Department of Human Services Office of Behavioral Health, or his or her designee;
2. A person with professional experience as a first responder and/or co-responder with experience and/or interest in mental health services;
3. An elected or public official in Aurora with experience and/or interest in mental health services and/or the justice system.

~~The Mayor of Aurora shall appoint three board members who have the following qualifications:~~

- ~~1.~~ 4. One member of the Aurora City Council with experience and/or interest in mental health services;
- ~~2.~~ 5. A representative of commercial business interests in Aurora with an interest in mental health or substance use disorders;
- ~~3.~~ 6. A representative of veterans interests in Aurora with an interest in mental health or substance use disorders.

The City Council of Aurora shall appoint five board members who have the following qualifications:

1. A person with professional experience addressing workforce development programs for low-income populations in Aurora;
2. A person who has experienced, or is in recovery from, a mental health or substance use disorder;
3. A mental health or substance use treatment provider;
4. A person with expertise in child and youth mental health services;
5. A person with experience addressing the mental and/or substance use needs of underserved populations.

The initial appointments made by the City Manager ~~and Mayor~~ shall have a first term of three years, the appointments of the City Council shall have a first term of two years. All subsequent appointments shall be for terms of three years. Members of the board may serve no more than three full terms in total. If an appointment remains vacant for more than sixty days, the remainder of the board, by a majority vote, shall fill the vacancy with a person that will represent the interests of the vacant member's seat; provided, however, that before the nonprofit corporation has been formed and, if necessary, before its status as a tax exempt entity has been approved by the Internal Revenue Service ("IRS"), it shall be sufficient that a majority of the board members has been appointed and that majority acts to achieve the aforementioned formation and IRS approval. Nothing

in this section shall prevent the board from removing a member as authorized by its bylaws.

- (3) The board shall delegate administrative authority to a management committee which shall oversee the legal governance and financial management policies of the non-profit organization.
- (4) Meetings of the board shall be treated as open meetings. Information shared at the board meetings of the non-profit corporation and final grant awards shall be treated as public records and subject to the provisions of the Colorado Open Records Act, §§ 24-72-201, et seq., C.R.S., as amended.
- (5) Commencing January 1, 2022, not less than once annually and no later than the end of the third month of the city's fiscal year, the non-profit corporation shall report to the ~~mayor~~ city manager, the city council, the auditor, and the public the following information from the prior fiscal year:
  - (i) Audited financial statements for the non-profit corporation, conducted by an independent auditor, including full reports on expenditures for the prior fiscal year and anticipated budgets and work plans for the ensuing fiscal year.
  - (ii) An annual report that sets forth, at a minimum, a strategic plan progress evaluation, the grants made in each of the funding areas identified, the names of the grantees, the dollar amounts granted to each grantee, the boards of directors and officers of each grantee, and the purposes and proposed impacts of those grants.
- (6) In administering the Caring for Aurora Fund, or expending any monies derived from the Caring for Aurora tax, the non-profit corporation shall not discriminate against any person on the basis of any class listed in Sec. 82-56.
- (7) The non-profit corporation will share its policy on conflicts of interest with the City and the public. Persons affected by the conflict of interest policy are required to abide by the City of Aurora's conflict of interest standards as defined in Sec. 2-668, A.R.M.C. No board members shall personally benefit from any grant made by the non-profit corporation for the provision of services. A person who is employed by or serves in a governmental department, division, or agency that provides such services will not be deemed to have "personally benefited" if his or her agency receives monies from the Caring for Aurora Fund.
- (8) The board of the non-profit corporation shall develop a strategic plan to determine funding priorities. The strategic plan shall be updated no less than every three years and shall include public input into the use of the Caring for Aurora Fund.
- (9) The Caring for Aurora Fund shall supplement rather than supplant the total of City, County, State and Federal annual funding for mental health and

substance use disorder services collected and administered by the City of Aurora as of February 1, 2020.

**Sec 74-63. Spending limitations to be included in contract.** Any contract between the city and the non-profit corporation for disbursement of the Caring for Aurora tax revenues shall include the following provisions and requirements:

(1) The Caring for Aurora tax revenue in any year shall be awarded for the following purposes, for expenditure by qualifying grant recipients serving people in the City of Aurora:

- (i) mental health prevention services and treatment for children, youth, adults, seniors and veterans;
- (ii) suicide prevention programs;
- (iii) a co-responder program for mental health professionals to assist first responders; and
- (iv) opioid and substance abuse prevention, treatment and recovery programs.

(2) No more than 9% of the Caring for Aurora tax revenue in any year shall be spent on administrative expenses. For purposes of this limitation, “administrative expenses” shall mean salaries and office expenses related to any staff or employees of the non-profit corporation; any expenses reimbursed to members of the board of directors; expenses related to conducting mental health and substance use disorder needs assessments for people in the City of Aurora; expenses related to program evaluation, development and updating of the strategic plan, and annual report; routine business expenses such as insurance, accounting, an independent audit, and legal expenses; and any similar overhead expenses incurred by the non-profit corporation. Upon agreement between the City of Aurora and the non-profit corporation, up to 1.5% of the Caring for Aurora tax revenue in any year may be used to offset reasonable administrative expenses incurred by the City of Aurora related to oversight and monitoring of the contract, but in no case shall the total administrative expenses exceed 9% of the Caring for Aurora tax revenue in any year. The non-profit corporation may seek additional funding streams, such as gifts, grants, or donations, to pay for additional administrative expenses. Such non-tax funds will not reduce the 9% of Caring for Aurora tax revenue that the non-profit corporation may use for administrative expenses.

**Section 8.** This ordinance shall be effective January 1, 2021.