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## 2020 Budget Message

The City of Leadville's budget should represent who we are and what is important to us as a community. Also important is for City government to remember that it is not our money, but rather a resource that the people of Leadville work hard to provide for the services and protections that make their lives better.

This year's budget process was the most comprehensive and collaborative I have seen in the seven years I have been involved with the City's budget. Beginning in September of last year, City Council met many times and was deeply involved in the visioning, prioritization and finalization of our 2020 budget culminating in final approval on December 3<sup>rd</sup>, 2019.

We have continued to chart a conservative course in projecting revenues for the coming year, despite strong increases in sales tax and property tax revenue. Sales tax accounts for about 52% and property tax about 24% of total City income. Through November, sales taxes have performed at about 39% over our 2019 budget projections, yet we have only budgeted a 9.5% increase in sales tax revenue for 2020. Property taxes are projected to increase by 38% over 2019 and we have budgeted that entire increase since it is a more predictable revenue stream. Interestingly, 77.5% of our total budget is spent on employee pay and costs.

This year City Council thoughtfully prioritized community needs. We continue to try paying our people appropriately. We feel that our past budgets have not paid enough attention to our streets and so we have put \$200,000 into the Street Department's budget for street repairs and paving. Other focal points are City Hall repairs, animal shelter, parks and wayfinding downtown, the Tabor Opera House, planning & zoning, housing, and street lights. We also felt that more emphasis was needed in cooperation with the County to fund proper economic development in Leadville and Lake County. We committed \$24,000 against the County's \$85,000 towards our future.

There are some possible expenses that are currently unknown and therefore not included in the 2020 budget. In such instances we will consider those on a case-by-case basis. The Southern Fire Station and the Justice Center will surely need the City's financial participation and we are prepared to do so.

We continue to take pride in the progress we have seen for the past four years in taking care of our City of Leadville employees and appreciating their efforts to make us better every day. We continue to take pride in the future of our city in an exciting time of realizing our potential and at the same time protecting our identity as a small, historic mountain community.

The City of Leadville's annual budget for fiscal year 2020 was prepared on a modified accrual basis of accounting and is consistent with generally accepted accounting principles (GAAP).

Greg Labbe, Mayor