

# Town of Winter Park, CO



## Introduction

The Town of Winter Park is located approximately 90 minutes northwest of Denver in beautiful Grand County, nestled against the western slope of the Continental Divide. The Town occupies approximately 8 square miles and is home to an estimated 944 full-time residents. Rail lines run through the Town in a North-South direction, as does US Highway 40, the area's primary connection to Interstate 70 and the Front Range. While the town center lies at an elevation of 9,052 feet above sea level, its highest point of 12,060 feet makes it the highest incorporated town in the United States. Winter tourism remains the mainstay of the local economy. The Town's cold-weather playgrounds are famous among winter sports enthusiasts. During the summer months, activities such as mountain biking, hiking, fishing, music festivals and camping become the major attractions of the region.

The Town of Winter Park is a home rule community consisting of a council-manager form of government with power vested in an elected, seven-member Town Council. Each year, the Town Council adopts an annual budget. The budget functions as an operational and financial plan, helping provide the organization with an overall direction to achieve the goals and objectives set forth by Town Council. The budget allocates funding to the various programs, services, and projects. Services provided by the Town include transit, planning, code enforcement, police, animal control, parks, street maintenance, special events, economic development, marketing and forestry.

## 2016 Organizational Goals & Priorities

- Encourage year-round downtown economic development and activity.
- Expand and enhance recreational and cultural amenities and events.
- Maintain or enhance current levels of service provided to the community.
- Develop affordable housing opportunities.
- Improve public transit services within the local community.
- Maintain the financial security and well-being of the organization.
- Enhance emergency preparation and maintain public safety.
- Operate in an environmentally-friendly manner.

## Contact Information

In the remainder of this booklet you will find a brief overview of the Town of Winter Park's 2016 Budget. For more detailed information about our budget, please visit [www.wpgov.com](http://www.wpgov.com) or contact our Finance Department at [finance@wpgov.com](mailto:finance@wpgov.com) or 970-726-8081.

## 2016 Budget Facts & Highlights

On November 17<sup>th</sup>, the Town Council approved a \$10.6 million annual operating budget for fiscal year 2016. The budget includes an increase in the sales, accommodations and lodging tax from 5% to

7%, a level property mill levy at 3.765 mills, real estate transfer tax, and other fees at their current levels. This represents the first time the Town has had a tax increase in over 10 years.

The Budget reflects the Town Council's efforts to continue the Town's current services while making significant investments in transit, marketing, economic development, community development, and capital investments.

## Highlights of the 2016 Budget include:

- Sales tax revenues which account for 61% of total revenues are anticipated increase 2% over 2015. In November 2015, the voters passed a 2% transit and trails sales tax of 2% which has also increased our tax collections for 2016 of approximately \$1.8 million. We anticipate increases in real estate transfer tax, building permit fees and affordable housing fees.
- Town-wide revenue forecasts for fiscal year 2016 total \$11.2 million.
- 2016 Town-wide expenditure projections are approximately \$10.6 million.
- Staffing has been increased from 2015 levels with 38.50 FTE's.
- Maintained a minimum 6 month operating reserve and statutory reserve of \$3.0 million.
- The Town continues to operate free of any debt. Town-wide reserves of \$668,000 are budgeted to be generated in 2016.
- Significant capital funding to improve pedestrian safety, transit vehicles, and Hideaway Park Stage along with main street enhancements, trails, sidewalks, and roads of \$756,400.

## The money sources...

Sales, lodging & accommodation taxes	\$6,791,384
Property taxes	358,908
Real estate transfer taxes	691,600
State & intergovernmental funding	1,895,446
Local fees & other sources	1,474,628
<b>Total</b>	<b>\$11,211,965</b>



## Major Tax Source Description:

### Sales Tax

The Town of Winter Park currently levies a 7% sales tax on the retail price of goods and materials. Lodging is taxed at a 6% rate plus the accommodation tax discussed below for a total of 7%. Sales taxes are primarily used to support the operations of the Town including public safety, transit, trails, facility and road maintenance, and administration. Specific portions of the Town's sales tax collections are designated and/or restricted for public transit & trails (2%), community marketing, and capital improvement projects.

### Accommodations Tax

The Town currently imposes a 1% accommodation tax on the purchase price of rooms and/or accommodations (in addition to a 6% lodging/sales tax). Accommodation taxes are voter restricted and used exclusively for the purposes of community marketing and capital improvement projects (50/50 allocation).

### Property Tax

Property taxes are generated through a 3.765 mill levy on the assessed real and personal property valuation of \$95,301,370. The mill levy is made up of 1.765 mills used to support general operating activities, and an additional voter-approved 2.000 mills used to supplement forestry and natural resource efforts.

### Real Estate Transfer Tax (RETT)

A 1% real estate transfer tax is levied on all real property bought and sold within Town boundaries. Real estate transfer taxes are relatively volatile and easily influenced by new residential and/or commercial growth, as well as the condition of the existing real estate market. Due to this fact, real estate transfer tax collections have been used primarily to supplement the general operations of the government and provide funding for capital improvement projects.

### State & Intergovernmental Funding

This revenue category is comprised of funding from the Colorado Department of Transportation & Town of Fraser, CO for the regional transit services including capital funding for rolling stock acquisition. In addition, funding for our shared Police & Court services with the Town of Fraser are included.

### Budgeted Expenditures

In an effort to simplify financial reporting, the Town has organized its expenditures into seven categories. The following table and chart illustrate the Town's total expenditures (excluding internal fund transfers) by departmental and category.

#### The money uses...

Public Safety (Winter Park & Fraser)	\$1,349,563
Streets, Parks, Trails, Forests & Maint.	1,767,874
Community & Economic Development	1,341,628
Public Transit	2,231,084
General Services & Equipment	1,722,519
Capital investment	2,181,400
<b>Total</b>	<b>\$10,594,068</b>



#### Expenditures by Category;

Salaries/Wages	\$ 2,288,602
Taxes & Benefits	872,964
Marketing, Events & Econ Development	1,179,887
Public Transit	2,051,084
Purchased Services	1,216,847
Supplies	677,710
Capital Projects & Equipment	2,181,400
Other Expenditures & Contingency	125,574
<b>Total</b>	<b>\$ 10,594,068</b>

#### Major Expenditure Description:

##### Salaries/Wages & Benefits/Taxes

These categories include all costs associated with personnel including regular and seasonal staff, associated payroll taxes, and benefits. A total of 38.50 FTE have been included in the 2016 budget which is an increase of 4 FTE for transit, affordable housing, trails & parks, and

administrative help. For employee benefit plans, employees continue to be required to contribute toward the premium cost in 2016.

##### Purchased Services

This category is made up of expenditures which by their nature are performed by persons or firms external to the organization. While a product may or may not result from the transaction, the primary reason for the purchase is the service provided. The major expenditures included in this category include IT support, legal services, engineering services, equipment rental, non-personnel insurance and outside repairs & maintenance.

##### Supplies & Other

Expenditures in this category are for items that are consumed, worn out, or deteriorated through use, and do not meet the requirements of the Town's definition of capital assets. Supplies, natural gas, electricity, fuel, as well as non-capital equipment such as file cabinets, desks, and personal computers are included in this category.

##### Marketing & Economic Development

Expenditures in this category are for promoting the Town and our businesses. A total of \$700,000 of the Town's sales tax collections is earmarked for marketing the community and staffing the visitor center. In addition, Town Council has earmarked \$360,000 for events to be held both in downtown Winter Park as well as at the Resort.

##### Transit

Expenditures in this category provide free transit services throughout the Fraser Valley region. In 2016, a 2% increase in our sales tax rate is designated for transit & trails. The Town provides these services to other areas of our region such as the Town of Fraser, CO on a service contract basis. The day and night transit services are managed through an agreement with an outside vendor.

### 2016 Capital Improvement Program

The Town has budgeted for several capital improvement projects in 2016 as detailed below. The Town is continuing to follow the long-term maintenance plans for streets, parks, and equipment.

#### Anticipated Projects:

Street, Curb & Gutter Repair/Overlays	\$ 166,400
Old Town Design & Improvements	85,000
Hideaway Park Stage & Planning	150,000
Street Sign Replacement	20,000
Rendezvous Lane Parking	65,000
Facilities Master Plan	70,000
Sitzmark Improvements	100,000
Lions Gate Drive Improvements	100,000
<b>Total</b>	<b>\$ 756,400</b>

### Fund Balance

Fund balance is defined as the excess of assets over liabilities. A negative fund balance is referred to as a deficit. The Town's budgeted fund balance at the end of 2016 is anticipated to be \$7.1 million. The Town does not have any ending fund balance deficit for any of its funds.

The Town reserves and/or designates fund balance for several reasons. The Taxpayer's Bill of Rights (TABOR) mandates a 3% emergency reserve which can only be accessed under a strict set of circumstances. The reserve is equal to 3% of the Town's expenditure budget. In addition, the Town has established an operating reserve which is equal to 50% of the Town's General Fund operating expenditure budget less the amount reserved for under TABOR.

