



Legislation Text

File #: 21-314, **Version:** 2

Ordinance No. 21-57 amending Ordinance No. 20-92 (2021 Appropriation Ordinance) for a supplemental appropriation to the 2C/2C2-Road Repair, Maintenance and Improvement Fund in the amount of \$10,416,414 for additional capital expenditures utilizing the final balance of the original 2C funding which ended December 31, 2020

Presenter:

Charae McDaniel, Chief Financial Officer
Travis Easton, P.E., Public Works Director
Corey Farkas, Manager of Operations and Maintenance Division of Public Works

Summary:

The attached ordinance is a supplemental appropriation to the 2C/2C2-Road Repair, Maintenance and Improvement Fund in the amount of \$10,416,414 for additional capital expenditures. This funding is the final balance of the original approved 2C program, which ended December 31, 2020. Over the last several years, sales tax revenue collections were higher than anticipated, resulting in this available fund balance.

Background:

Colorado Springs voters passed by 64.72 percent in November 2015, Ballot item 2C which allowed the City to impose a 0.62% sales tax increase beginning January 2016 for a period of five years that was estimated to collect approximately \$50 million in revenues annually to be used exclusively for roadway improvements within the City of Colorado Springs. Annual work program budgets were built to the \$50 million revenue estimate.

In November of 2019, voters in Colorado Springs passed Issue 2C2, agreeing to continue investment in our roads with approximately \$287.5 million over 5 years, 2021-2025, at a reduced sales tax rate of 0.57%. Funding received from 2C2 will allow for paving of over 850 lane miles in years 2021-2025.

Previous Council Action:

On December 10, 2020, City Council approved the 2021 Budget per Ordinance No. 20-92, which included the appropriation for the 2C2 Road Repair, Maintenance and Improvement Fund at the reduced sales tax rate of 0.57%.

Financial Implications:

This supplemental appropriation increases the 2021 2C/2C2 Road Repair, Maintenance and Improvement Fund expenditure budget by \$10,416,414. The source of these funds is the 2C/2C2

Road Repair, Maintenance and Improvement Fund available fund balance at the end of 2020.

City Council Appointed Board/Commission/Committee Recommendation:

This supplemental appropriation was discussed with the City Council Budget Committee at the meeting on June 8, 2021. The 2C Oversight Committee was briefed at the meeting held at the end of May 2021.

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:

Approve supplemental appropriation to the 2C/2C2-Road Repair, Maintenance and Improvement Fund in the amount of \$10,416,414 for additional capital expenditures utilizing the final balance of the original 2C funding which ended December 31, 2020

An ordinance amending Ordinance No. 20-92 (2021 Appropriation Ordinance) for a supplemental appropriation to the 2C/2C2-Road Repair, Maintenance and Improvement Fund in the amount of \$10,416,414 for additional capital expenditures utilizing the final balance of the original 2C funding which ended December 31, 2020