



GOLDEN URBAN RENEWAL AUTHORITY

Memorandum

**To: GURA Board of Commissioners
Mayor Baroch and City Councilors**

From: Mark Heller

Date: 11/3/04

RE: DRAFT GURA 2005 Budget

The attached Draft 2005 GURA Budget is based on a continuation of 2004 normal operating expenses, but includes significant new spending on programs and projects as previously discussed with Council in regard to the 2005 Work Plan, as well as a number of adjustments for changes made in 2004.

Noteworthy line items include:

Line 10 shows a 2.5% increase in sales tax revenue consistent with the City's 2005 budget.

Line 15 shows an increase in property tax revenue as estimated by the County.

Lines 25 and 26 break out spending on the Executive Director separately from support staff to show the Executive Director MOU costs, which include reimbursement to the City for benefits and salary.

Line 47 shows \$50,000 for the Reinvestment Fund. This represents nearly a doubling of the amount budgeted in 2004 and about \$15,000 more than we project will actually be spent in 2004 in support of downtown merchants and marketing. 2004 and 2005 spending for such projects is far more than in previous years. The implementation of the Reinvestment Fund has succeeded not only in increasing support for such programming, but has improved the division of functions between GURA and EDComm, and led to better organization and planning among all interested parties.

Line 50 shows \$300,000 for project development expenses. Line 51 shows \$35,000 for project professional services. These lines illustrate GURA's commitment to implementing the 2005 Work Plan, which was developed throughout 2004 with extensive input from the GURA Board and staff, the public, the downtown merchants, and the City Council.

Lines 62-64 show GURA's ongoing grant support to Miners Alley, as well as obligations made in 2004 to Foothills Art Center and Zelda Fortner but which will be paid in 2005.

Lines 69 and 70 show GURA budgeting for its debt to the City for the Clear Creek Square development. These are double payments and the obligation will be paid off by the end of 2006.

Lines 78 and 79 show total reserves of \$200,000 in excess of the projected ending fund balance of \$412,746.