



2025 Preliminary Budget Assumptions and Summary

Town Board Review Meeting
August 28, 2024

2025 Budget and Town Board Goals

The budget document is one of our most powerful and important communication tools, reflecting the Town Board's:

- policy decisions
- goals
- priorities

2025 Preliminary Budget Summary

- \$36,723,371 Town of Superior
- 2,555,320 Interchange District
- 6,847,000 Superior Urban Renewal
- 22,328,108 Superior Metro District #1
(Town Utilities)

- \$68,453,799 Total

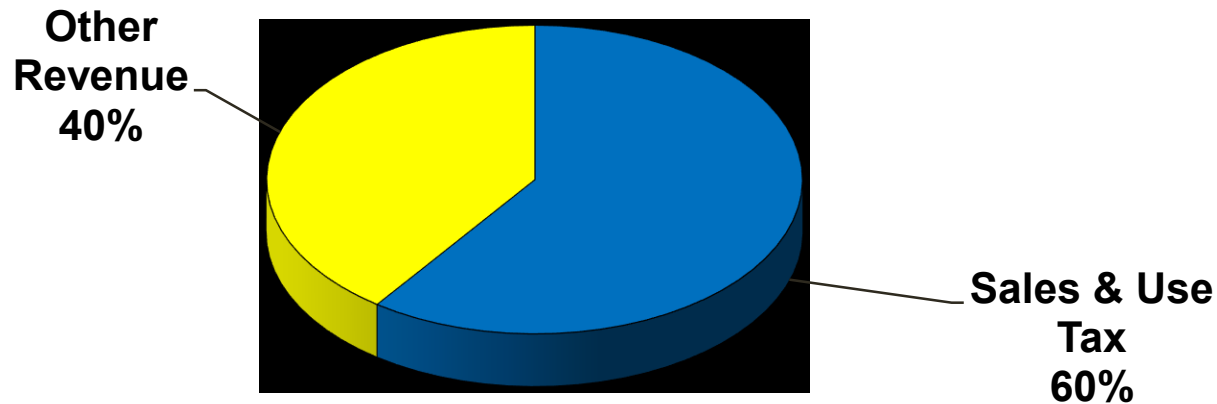
2025 Budget Summary – Sales Tax

- Sales tax (as well as building and vehicle use tax) continues to fund most Town operations
- The majority of sales tax (65%) is generated by five businesses
- 2024 sales tax – projected to increase over 7% from 2023. At 2024 budget level

2025 Sales Tax Summary - % of Revenues by Operation

- **General Fund**

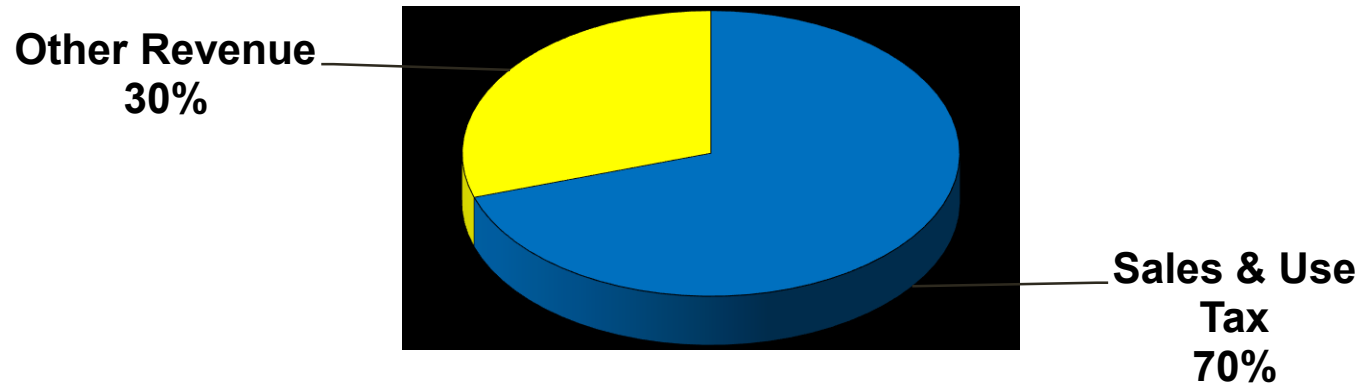
**General Fund Sales & Use Tax Revenue
as a Percent of the Total Revenue**



2025 Sales Tax Summary - % of Revenues by Operation

- **CIP/Open Space**

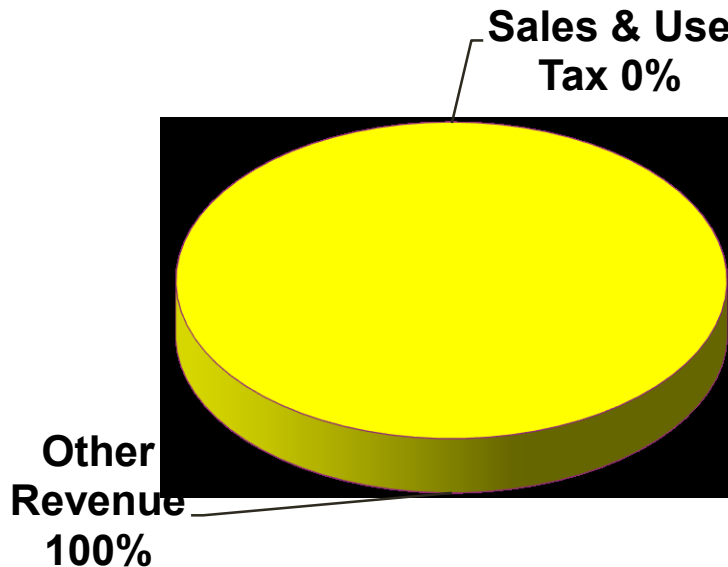
CIP/Open Space Sales & Use Tax “Typical” On-Going Revenue as a Percent of Total Revenue



2025 Sales Tax Summary - % of Revenues by Operation

- **Superior Metropolitan District No. 1**

**SMD No. 1 Sales & Use Tax Revenue
as a Percentage of Total Revenue**



2025 Sales Tax Summary

Colorado municipalities (including Superior) continue to see stress on sales tax revenue growth, caused primarily by:

- 1. Colorado's aging population** - spending patterns change from purchases which are typically taxed, to non-taxable transactions (travel, health care, services)
- 2. Competition** for retail businesses from neighboring municipalities (*i.e. new Costco opened in Longmont – May 2023*)

Somewhat offset by internet tax revenues

2025 Property Tax Rates and Revenues

Senate Bill 24-233

RESIDENTIAL REAL PROPERTY

- 2024 - (collected in 2025) - reduces property valuation rates to 6.7% (and thus property tax revenues) but also exempts \$55k of property values from taxation. Total impact when combining with Commercial Property on Superior's General Fund is (\$100,000) and \$10,000 for Library.

- 2025 - 6.4% of actual value of property. Estimated to have a 7%-10% reduction of General Fund property tax revenue when combining with Commercial Property. New 5.5% maximum valuation increase.

- 2026 and after - 6.95% minus 10% (up to \$70,000) of actual value of property projected to have close to same impact as 2025

2025 Property Tax Rates and Revenues

COMMERCIAL PROPERTY

- 2024 (collected in 2025) - 27.9% minus lesser of \$30,000 or amount that causes the valuation for assessment of the property to be \$1,000 (alternate amount)
- 2025 - 27% of actual value of property
- 2026 - 26% of actual value of property
- After 1/1/2027 - 25% of actual value of property

***Staff will be watching the State Special Session as initial framework shows possible further reductions of assessment rates and other changes

SMID Property Tax Decrease

**Superior/McCaslin Interchange Metropolitan District Property Tax
Rate Comparison - 2012 vs 2025
(38% Property Tax Rate Decrease)**



2025 – 2029 New Construction

New in-fill construction, both residential and commercial, is generally financially positive for the Town:

- High property value for new homes
- Limited new demands on service delivery
- Helps Town utilities maintain financial self-sufficiency (General Fund support to these operations has been eliminated)
- **Net new revenues - +\$13 million one-time, \$2.5 million on-going (2025-2029 estimate).**

2025 Governmental Fee Changes

- 2025 changes:
 - Trash/Recycling Fee – contract to be rebid specific amount and services to be determined later in the year
 - Slight changes to Right of Way and Public Improvement Fees
 - Landscape Fees up 4%

2025 Utility Fee Changes

- 2025 – 7.5% Water, 7.5% Sewer
 - 2026 – 7.5% Water, 7.5% Sewer, 5% Storm
 - 2027 – 7.5% Water, 7.5% Sewer
 - 2028 – 7.5% Water, 7.5% Sewer, 5% Storm
 - 2029 – 7.5% Water, 7.5% Sewer
-
- Average Residential Customer 2025 Impact
– around \$7/month.

2025 Utility Fee Changes

- Superior monthly utility bills are on average 16 – 31% lower than average bills of Erie, Lafayette and Louisville.
- Utility one-time system connection fees increasing by inflation (3.13%)

2025 Staffing Changes

- Admin – Human Resources Coordinator (F/T)
- Public Works – Inspector (F/T)
- PROS – Events Coordinator – (P/T)

2026 – 2029 Staffing Changes

- 2026 – BOCO Sheriff Deputy – Traffic Position (FT)
- 2027 – None
- 2028 – BOCO Sheriff Deputy (FT)
- 2029 – None

2025 Operating Summary

- New/Continued Programs Include:
 - Expanded Community programs (Downtown Superior Civic Space)

2025 Capital Summary

- Over \$9.4 million in Governmental Capital/SMID Projects
 - \$3.775M for Street Overlay, Slurry Seals, Maintenance and Traffic Calming
 - \$2.5M Public Works & Parks Maintenance & Operations Building (50% Construction – Project to be completed in 2026)
 - \$175k for Playground Improvements, Shade and Tree additions and Xeriscape projects
 - \$310k in Tree Enhancements and Care (includes CTF funding of \$80k)
 - \$1M Marshall/McCaslin Bike-Ped & Signal Improvements (SMID) (50% Grant funded)
 - \$350k Tennis Court Improvements (Including Lights)

Debt Summary

- Existing Debt
 - Principal payment of debt - \$2.9 million in 2024
 - 2024 end of year debt balance - \$24.5 million
 - By 2026 two debt obligations paid in full:
 - SMD1 (2025)
 - Open Space Series 2015 (2026)

Debt Summary

Town of Superior - Outstanding Debt/Other Obligations
Summary 2009 - 2029

