Greeley City Council Agenda

Work Session
Tuesday, August 25, 2026 at 5:00 PM
City Council Chambers at City Center South
1001 11th Avenue Greeley, CO 80631

NOTICE:

City Council Meetings are held on the 2nd and 4th Tuesdays of each month in the City Council Chambers. Meetings are conducted in a hybrid format, with a Zoom webinar in addition to the in-person meeting in Council Chambers.

City Council members may participate in this meeting via electronic means pursuant to their adopted policies and protocol.

Members of the public are also invited to view Council work sessions in person or remotely. **Work sessions are intended for discussion and an overview of key topics to inform future decision-making. While no formal action will be taken, we appreciate public interest; however, participation (virtually or in-person) is not part of the work session format. Public comments are made during City Council meetings.**

Watch Meetings:

Meetings are open to the public and can be attended in person by anyone.
Meetings are livestreamed on the City's Meeting Portal https://greeleyco.portal.civicclerk.com/.

For more information about this meeting, to request reasonable accommodations for accessibility purposes in an alternative format, or for meeting agendas, minutes, and archived videos, please contact the City Clerk's Office at cityclerks@greeleygov.com or 970-350-9740.

Mayor
Dale Hall

Mayor Pro Tem
Melissa McDonald

Councilmembers
Craig Huddleston - Ward I
Deb DeBoutez - Ward II
Johnny Olson - Ward III
Brian Rudy - Ward IV
Ryan Roth - At-Large

City Council
Work Session Agenda

Tuesday, August 25, 2026 at 5:00 PM
City Council Chambers at City Center South
1001 11th Avenue, Greeley, CO 80631

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1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Motion to go into Executive Session to receive legal advice regarding a proposed ballot measure regarding a tax increase
5. Reports from Mayor and Councilmembers
6. City of Greeley Audit Presentation to the City Council: Plante Moran
7. Comprehensive Financial Policies
8. 2026 Second Quarter Financial Update
9. Long Range Financial Update
10. Ballot Measure Follow Up
11. Scheduling of Meetings, Other Events
12. Adjournment

Work Session Agenda Summary

August 25, 2026
Key Staff Contact: Stacey Aurzada, City Attorney

Title:

Motion to go into Executive Session to receive legal advice regarding a proposed ballot measure regarding a tax increase

Background:

During the executive session, Council will be able to request and receive legal advice regarding a proposed ballot measure which, if approved by the voters, would authorize a tax increase for economic development purposes, specifically related to the West Greeley and Civic Campus projects.

Council's Recommended Action:

A motion to go into an Executive Session to discuss the following matter as provided under C.R.S. Section 24-6-402(4)(b) and Greeley Municipal Code Section 2-151(a)(2):
To receive legal advice related to a proposed ballot measure which would authorize a tax increase

Strategic Focus Area:

Business Growth
Community Vitality

Attachments:

None

Work Session Agenda Summary

Title:
Reports from Mayor and Councilmembers

Background:

Board/Committee	Meeting Day/Time	Assignment
Airport Authority	3rd Thu, 3:30 p.m.	Hall/McDonald
Board/Commission Interviews (Team of 2)	monthly as needed	Council Rotation
CML Executive Board Opportunity	as needed	Hall
CML Other Opportunities	as available/desired	
CML Policy Committee (Council or Staff)	as needed	McDonald/McBroom
Downtown Development Authority	3rd Thu, 7:30 a.m.	Roth
Employee Health Board	as needed	DeBoutez
Highway 34 Coalition	as needed	Olson
Highway 85 Coalition	as needed	Rudy
Historic Preservation Loan Committee	as needed	DeBoutez
Human Relations Commission	2nd Monday, 5 p.m.	Huddleston
Interstate 25 Coalition	as needed	Olson
Island Grove Advisory Board	1st Thu, 3:30 p.m.	Roth
National League of Cities Transportation and Infrastructure Services Committee	as needed	Olson
Parks & Recreation Board	1st Friday, 7 a.m.	DeBoutez
Police Pension Board	quarterly	McDonald
Poudre River Trail	1st Thu, 7 a.m.	Hall
Regional Opioid Council	as needed	Hall
Transportation/Air Quality MPO	1st Thu, 6 p.m.	Olson/Rudy
Upstate Colorado Economic Development	last Wed, 7 a.m.	Hall
Water & Sewer Board	3rd Wed, 2 p.m.	Hall
Weld Project Connect Committee (United Way)	as needed	Rotation
Youth Commission Liaison	4th Mon, 6 p.m.	McDonald
Clearview Library District Liaison	As needed	Rudy
US34 TMO	1st Thu, 4:30 p.m.	DeBoutez
E-470 Public Highway Authority	Quarterly	Hall

Work Session Agenda Summary

August 25, 2026
Key Staff Contact: Kirk Jones, Finance Director

Title:
City of Greeley Audit Presentation to the City Council: Plante Moran

Background:
Plante Moran presents the results of the City's 2025 Financial Audit and 2025 Single Audit to Council. This presentation reviews the outcomes of both audits and discusses the current state of the City's audit process and assessed fiscal position.

Strategic Focus Area:
High-Performance Government

Attachments:
1. Item - Presentation

City of Greeley
Audit Presentation to the City Council

Year Ended December 31, 2025

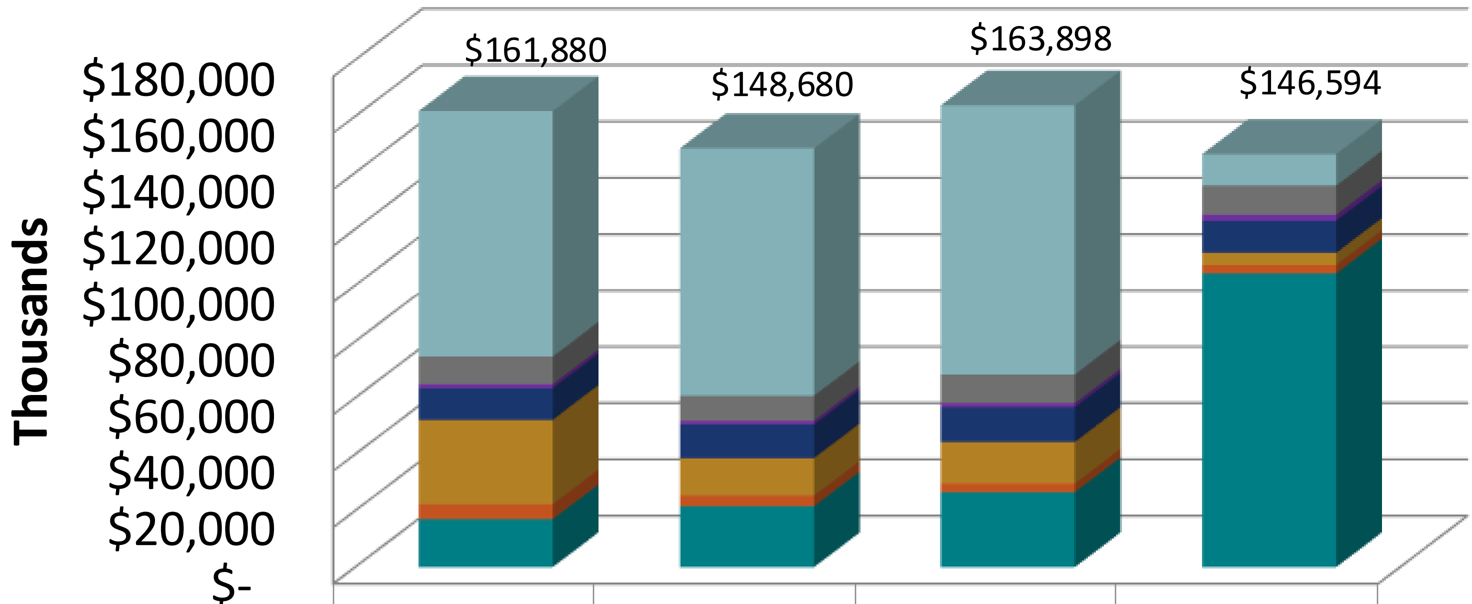
Agenda

- Executive Summary
- Financial Graphs
- Required Post-Audit Communications
- Federal Single Audit

Executive Summary

- Unmodified **opinion** – Highest form of assurance
- General Fund continues to be financially sound, with fund balance of $52.1 million ($38.9 million is assigned/unassigned) – decrease of $16 million from 2024
- Water, Sewer, and Stormwater Funds have combined unrestricted net position of $109 million at December 31, 2025
- In 2025, the City invested $203.5 million in various infrastructure projects, equipment, land, etc.
- New debt issued in the amount of $115 million for West Greeley development

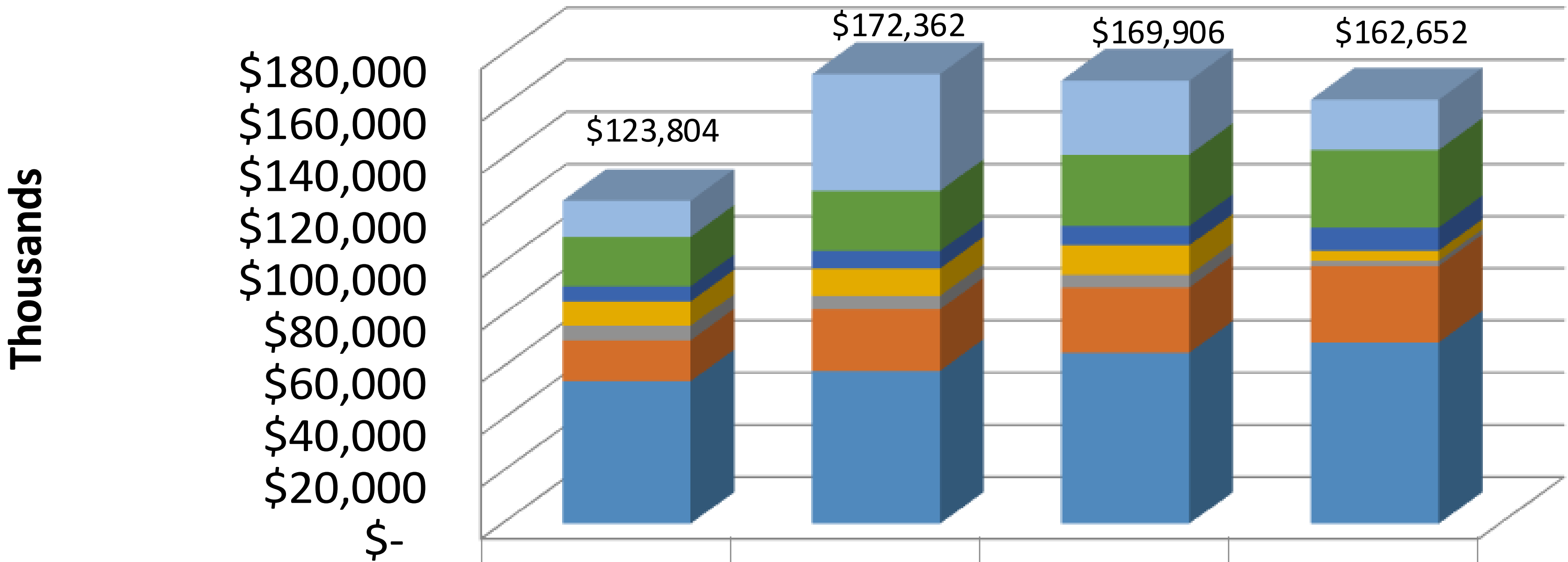
City of Greeley
General Fund Revenue
Years Ended December 31



	2022	2023	2024	2025
Transfer In*	$87,213	$87,893	$95,548	$11,106
Interest and Other	$9,824	$8,918	$10,235	$10,394
Fines and Forfeitures	$1,419	$1,286	$1,437	$2,072
Charges for Services	$11,213	$11,951	$12,300	$11,407
Intergovernmental Revenue	$29,871	$13,258	$14,711	$4,282
Licenses and Permits	$5,362	$3,812	$3,101	$3,018
Taxes*	$16,978	$21,562	$26,566	$104,315

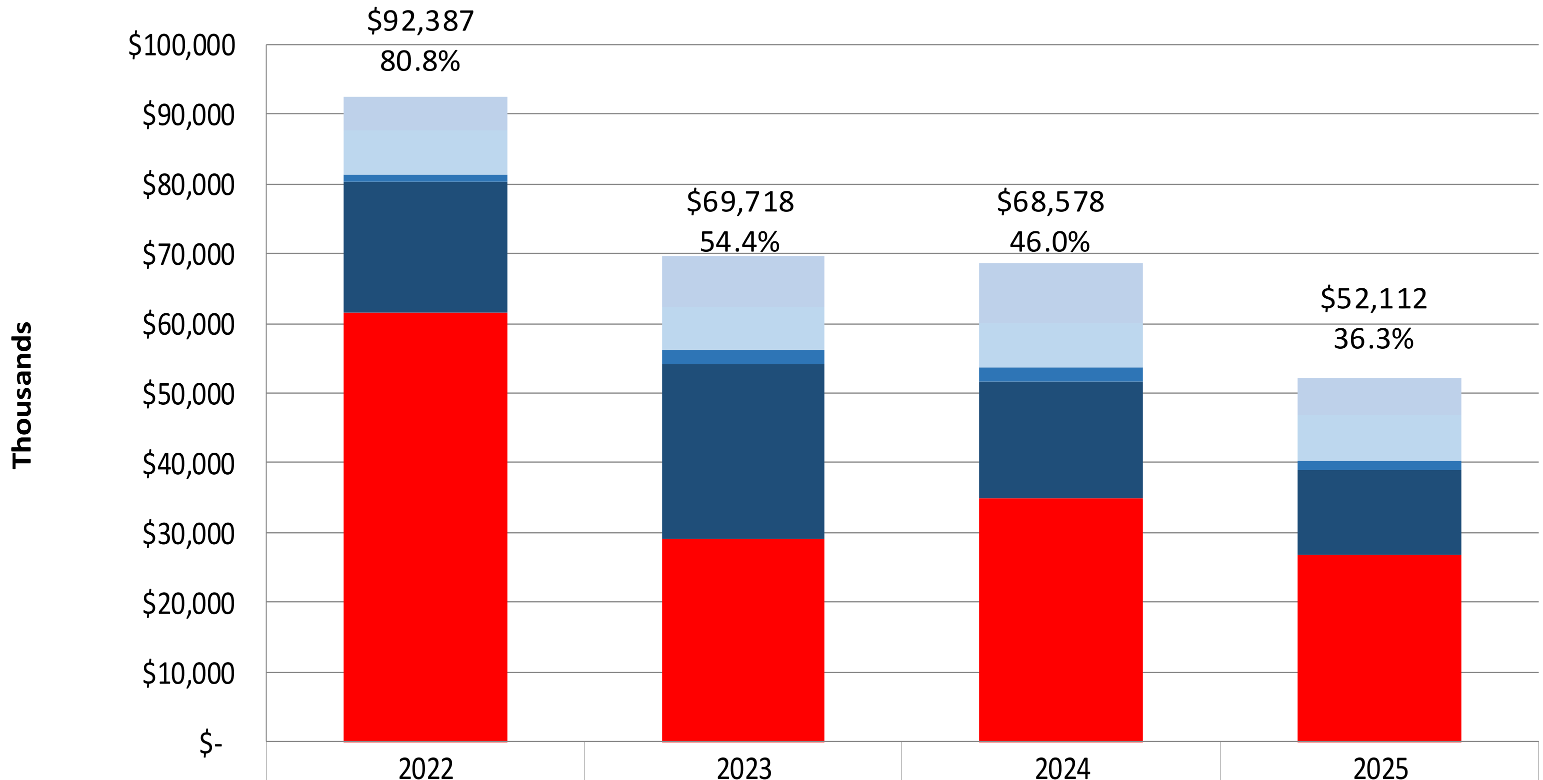
* In 2025, the Sales and Use Tax Fund was closed into the General Fund, resulting in an increase in tax revenue and decrease in transfers in.

City of Greeley
General Fund Expenditures
Year Ended December 31



	2022	2023	2024	2025
Other and transfer out	$13,739	$44,745	$28,415	$19,333
Recreation and Culture	$19,028	$23,055	$27,288	$29,685
Community and economic development	$5,790	$6,775	$7,503	$9,022
Public Works	$9,349	$10,390	$11,311	$3,832
Nondepartmental	$5,614	$5,151	$4,779	$2,015
General Government	$15,629	$23,583	$25,027	$29,265
Public Safety	$54,655	$58,663	$65,583	$69,500

City of Greeley
General Fund - Comparison of Fund Balance
As a Percentage of Expenditures
Year Ended December 31



	2022	2023	2024	2025
Nonspendable	$4,801	$7,394	$8,515	$5,240
Restricted	$6,167	$6,068	$6,278	$6,724
Committed	$1,103	$2,152	$2,175	$1,217
Assigned	$18,752	$25,163	$16,647	$12,106
Unassigned	$61,564	$28,941	$34,963	$26,825

Required Post-Audit Communications

- ## Significant Audit Findings
  - No transactions entered into by the City lacking authoritative guidance
  - No significant transactions that have been recognized in a different period than when the transaction occurred
  - No difficulties encountered in performing the audit
  - No disagreements with management

Federal Single Audit

- Federal expenditures of $13.6 million
- Three major programs tested in 2025
  - ALN 20.507 – Federal Transit Cluster
  - ALN 66.468 – Drinking Water State Revolving Fund
  - ALN 15.916 – Outdoor Recreation Acquisition, Development, and Planning
- Unmodified opinions

Thank you for the opportunity to serve as auditors for the City of Greeley

For more information, please contact:

Timothy St. Andrew, CPA
313.496.8542
Timothy.StAndrew@plantemoran.com

Work Session Agenda Summary

August 25, 2026
Key Staff Contact: Kirk Jones, Finance Director

Title:
Comprehensive Financial Policies

Background:
This Comprehensive Financial Policy consolidates the City of Greeley's financial policies into a single framework governing financial planning and internal financial management, consistent with the Colorado Revised Statutes, the City Charter and Municipal Code, and applicable City ordinances and resolutions. It is intended to safeguard the City's fiscal stability and demonstrate to citizens, the credit rating industry, municipal bond investors, auditors, and the State that the City is committed to sound financial management and fiscal integrity.

Strategic Focus Area:
High-Performance Government

Attachments:
1. Comprehensive Financial Policies
2. Item - Presentation

Comprehensive Financial Policies

POLICY NUMBER: (To be assigned by Clerk's Office upon adoption in the form YYYY-##-DEPTCODE)
CATEGORY: Finance & Capital Asset Management

Last Updated: 8/13/2026
Effective Date: 8/25/2026
Originally Issued Date: 8/25/2026
Review Date: Annual
Responsible Department(s): Finance (FIN)
Contact Information for Policy Sponsor: Finance Director, 970-350-9404, Finance@greeleygov.com
Attachments or Appendices: None
Related Policies: Investment Policy, Purchasing Policy

1. Purpose and Scope of Policy

This Comprehensive Financial Policy consolidates the City of Greeley's financial policies into a single framework governing financial planning and internal financial management, consistent with the Colorado Revised Statutes, the City Charter and the Greeley Municipal Code, and applicable City ordinances and resolutions. It is intended to safeguard the City's fiscal stability and demonstrate to citizens, the credit rating industry, municipal bond investors, auditors, and the State of Colorado that the City is committed to sound financial management and fiscal integrity.

2. Departments and/or Individuals Affected by Policy

All City of Greeley Employees

3. Definitions (If necessary)

ACFR – Annual Comprehensive Financial Report, the City's official annual financial report prepared in conformance with GAAP and GASB standards.

CAFR/ACFR transition note — (not applicable; omit)

CBAC – Citizen Budget Advisory Committee, the nine-member body established under the Greeley Municipal Code to provide advisory input on the City's budget and financial planning process.

CFO – Chief Finance Officer, the City official vested with authority to manage the City's investment program under the City Charter.

CFP – Comprehensive Financial Policies, this consolidated policy document.

CIP – Capital Improvement Plan, the City's five-year planning document for capital improvements, updated annually.

CPI-U – Consumer Price Index for All Urban Consumers, Denver metropolitan area, used as the basis for periodic fee adjustments.

EMMA – Electronic Municipal Market Access, the Municipal Securities Rulemaking Board's system for continuing disclosure filings.

GAAP – Generally Accepted Accounting Principles, as set forth by the Governmental Accounting Standards Board.

GASB – Governmental Accounting Standards Board, the authoritative standard-setting body for units of local government.

GFOA – Government Finance Officers Association.

GO Bond – General Obligation Bond, a bond backed by the full faith, credit, and taxing power of the City, requiring voter approval.

IRMA – Independent Registered Municipal Advisor, the exemption certificate the City posts while retaining a Municipal Advisor.

MA – Municipal Advisor, retained by the City to advise on debt financing matters.

PEG – Public, Educational & Governmental Access Channel.

SEC – Securities and Exchange Commission.

Single Audit – An audit conducted in accordance with the Uniform Guidance (2 CFR Part 200) when a recipient's total federal expenditures exceed $1,000,000 in a fiscal year.

TABOR – The Taxpayer's Bill of Rights, Article X, Section 20 of the Colorado Constitution.

Uniform Guidance – The federal grants management requirements set forth at 2 CFR Part 200.

4. Roles and Responsibilities

The roles and responsibilities identified in this section pertain only to the specific duties, authorities, and approval functions established within this Comprehensive Financial Policy. They are not intended to serve as a complete description of any individual's, department's, or committee's full scope of duties, authority, or job function. Roles and responsibilities not directly related to the contents of this CFP are outside the scope of this section and may be addressed elsewhere, including in job descriptions, the Greeley Municipal Code, the City Charter, or other administrative policies.

City Council – Adopts the annual budget and appropriation ordinance; approves use of fund balance, interfund loans exceeding one year, transfers between funds, and grants exceeding $500,000 or requiring an unbudgeted match; and serves as the body to which the Finance Director and Finance Department report on fund balance, reserve, and compliance matters.

City Manager – Serves as the City's chief administrative officer responsible for implementing City Council policy and managing day-to-day operations; accountable for the budget after adoption, including internal fund transfers, within authority delegated by City Council and as provided in the Greeley Municipal Code and City Charter; recommends the five-year Capital Improvement Plan to City Council; approves personnel and position changes outside the annual budget process to the extent authorized in the Greeley Municipal Code; and approves grants under $500,000 that do not otherwise require Council approval.

Chief Financial Officer (CFO) – Vested under City Charter Section 5-2 and in the Greeley Municipal Code with certain powers. This includes, but is not limited to the authority to manage the City's investment program as directed by City Council or as provided by state law; jointly responsible with the Finance Director for selecting the independent audit firm and presenting the selection to the City Council for appointment; receives proposed material policy updates from the Finance Director; and ultimately responsible for matters involving audited financial statements and continuing disclosure.

Finance Director – Responsible for maintaining these policies, conducting the annual policy review, and issuing administrative policies and procedures that implement this CFP; serves as the City's primary spokesperson on audited financial statements and continuing disclosure filings; establishes the process for timely resolution of audit findings; reports fund balance and reserve compliance to City Council; administers capitalization threshold analysis; and approves indirect cost recovery decisions on grants.

Finance Department – Carries out day-to-day accounting, financial reporting, treasury, grants administration, and revenue collection functions described throughout this CFP, including monitoring online donations, maintaining grant records, and reporting fund balance levels as part of the quarterly financial report.

Budget Department – Coordinates the annual budget process, prepares revenue forecasts and budget guidance, and is responsible for reviewing, approving, and recording all budget transfers between departments within the same fund.

City Attorney – Has those duties and responsibilities as set forth in the City Charter and the Greeley Municipal Code. Reviews and provides legal approval of contracts and agreements as may be required by City, state, or federal law or other requirements, which may include, but are not limited to, grant agreements, real property acquisition documents, and contracts.

City Clerk – Maintains the filing of CFO-designated investment authority; attests conveyances of the City's water, mineral, and real property interests as may be required by the Greeley Municipal Code.

Department Directors – Develop departmental budget proposals; implement approved programs and report on effectiveness; submit budget transfer requests; monitor and report significant revenue changes to the Budget Department; and exercise delegated approval authority over donations and purchases up to designated thresholds.

Citizen Budget Advisory Committee (CBAC) – A nine-member advisory body established under Article VII, Chapter 10, Title 2 of the Greeley Municipal Code, with members drawn from the community; reviews preliminary budget information and provides advisory feedback to City Council on revenue assumptions, expenditures, staffing, and service delivery performs those duties set forth in the Greeley Municipal Code; serves in an advisory capacity only.

Independent Auditors – An independent firm of certified public accountants, re-solicited at least every five years, appointed by the City Council to perform the annual audit and render an opinion on the City's financial statements.

Bond Counsel – Independent legal counsel retained by the City Attorney for all debt issuances; prepares and oversees bond proceedings, obtains required governmental approvals, confirms tax-exemption status, and prepares key financing documents.

Municipal Advisor (MA) – Retained before undertaking debt financing on GFOA's recommendation; must be SEC- and Municipal Securities Rulemaking Board-registered; barred from serving as underwriter on City bond transactions during the engagement and for one year following termination.

Arbitrage Consultants – A qualified arbitrage compliance firm contracted to perform arbitrage calculations and rebate reporting required under Internal Revenue Code Section 148, while the City retains ultimate responsibility for recordkeeping and timely filing.

5. Requirements of the Policy

5.1 Financial Policies Framework

This Comprehensive Financial Policy consolidates the City of Greeley's (the "City") financial policies into a single document. These policy statements serve as the framework for ensuring that the City is financially able to meet its current and future service needs, maintain transparency, and promote responsible stewardship of public resources. Together, the individual statements contained herein guide both the City's financial planning and its internal financial management. Applicable administrative procedures that support the implementation of these policy statements are established and managed under the direction of the City Manager.

These Policy Statements are subject to the Colorado Revised Statutes, the City Charter, the Greeley Municipal Code, and applicable ordinances and resolutions. Municipal resources must be wisely used to ensure adequate funding for the services, public facilities, and infrastructure necessary to meet both immediate and long-term needs. These policy statements are intended to safeguard the fiscal stability required to achieve the City's objectives and to support long-term financial health.

The City of Greeley is a Colorado home rule municipality operating under its City Charter. The City functions under the direction of the City Council, which includes an elected Mayor and six Council members. The City Manager serves as the chief administrative officer and is responsible for implementing policies and managing the City's day-to-day operations.

The following financial policies establish the framework for the City's overall fiscal planning and management. The City intends that these policies demonstrate to residents, the credit rating industry, municipal bond investors, auditors, and the State of Colorado that the City is committed to sound financial management and fiscal integrity.

This document provides an overview of the City's financial policies and is not intended to serve as a detailed procedural manual or a specific operational guide. If a specific question arises that this document does not answer, please contact the Finance Department. More detailed financial administrative policies and procedures provide specific direction on achieving the goals identified herein and form the basis for consistent actions that advance the City toward sound financial management.

The City's approach to financial management is grounded in clear principles that guide fiscal decision-making across all funds, programs, and operations. These objectives reflect a commitment to responsible stewardship of public resources, long-term financial stability, and strong alignment between policy decisions, service delivery, and available financial capacity.

5.1.1 Policy Objectives

The goals of the City's financial policies are:

- To support the sustainable delivery of municipal services.
- To guide City Council and management policy decisions that have significant fiscal impacts.
- To employ balanced revenue policies that provide adequate funding for services and service levels desired by the community.

- To maintain appropriate financial capacity for both present and future needs.
- To have a Capital Improvement Program that adequately maintains and enhances public assets over their useful lives.
- To maintain sufficient reserves to sustain service levels during periods of economic downturn or unforeseen emergencies.
- To promote sound financial management by providing accurate and timely information on the City's financial condition.
- To provide cost-effective services to citizens and visitors, and to provide financial and service information that enables residents to assess the costs and results of City services.
- To protect the City's credit rating and provide adequate resources to meet the provisions of the City's debt obligations on all municipal debt.
- To ensure the legal use of financial resources through an effective system of internal controls.
- To promote cooperation and coordination with other governments and the private sector in financing and delivering services.
- To follow prudent and professional financial management practices to assure residents and the financial community that the City is well managed and in sound fiscal condition.

5.1.2 Annual Review and Adoption

The Comprehensive Financial Policy for the City of Greeley is reviewed and adjusted annually as defined in the General Provisions, or as otherwise needed, to remain aligned with the City's long-term plan and current conditions. The established long-range policies for financial management are to maintain the City's sound financial condition, strive to maintain the best possible bond ratings, and ensure that future generations retain the ability to borrow capital for the acquisition or construction of facilities, capital equipment, and infrastructure without incurring a severe financial burden.

5.1.3 Financial Management Practices

This will be accomplished through the following practices:

- Prudent budgeting and effective budgetary control.
- Maintaining a minimum General Fund balance equivalent to two months of General Fund expenditures.
- Pay-as-you-go financing of capital improvements, where feasible, while maintaining a Capital Improvement Plan (CIP) that provides five-year planning for capital improvements and is updated annually.
- Financing minor, non-capital equipment through lease-purchase arrangements, as outlined in the Debt & Financing Policy.
- Evaluating and funding major improvements, such as large facilities, streets, and drainage improvements, through the debt policy and the annual budget process.
- Reviewing revenues and charges for services annually and adjusting them as necessary in accordance with the City's adopted fee and cost recovery model.
- Examining insurance coverage annually to ensure that policy limits are adequate, and updating coverage throughout the year as necessary to reflect the acquisition, disposal, or significant change in value of City assets.

5.2 General Provisions

These Comprehensive Financial Policies establish the financial management framework for the City of Greeley, Colorado. They are implemented by the City Manager and take effect on the date of issuance. Together with the City Charter, the Greeley Municipal Code, and applicable Colorado law, these policies guide the financial decisions of City officials, department directors, and staff.

5.2.1 Responsibility for Maintenance

The Finance Director is responsible for maintaining these policies and ensuring that all sections remain current with respect to applicable law, City ordinances, and best practices in public finance. The Finance Director shall propose material updates to the Chief Financial Officer, City Manager, and City Council as circumstances warrant.

5.2.2 Annual Review

The Finance Director shall conduct a comprehensive review of these policies at least once per year, timed to coincide with the annual budget process. The review shall identify provisions that require updating due to changes in state or federal law, changes in City operations, or revisions to the City Charter or Municipal Code.

5.2.3 Amendments

Material amendments to these policies require City Manager approval. Minor technical corrections, such as updates to statutory references or cross-references to Municipal Code sections, may be made administratively by the Finance Director with written notification to the Chief Financial Officer and City Manager.

5.2.4 Administrative Policies

These Comprehensive Financial Policies are not intended to provide operational detail or serve as a procedures manual. The City Manager is authorized to issue administrative policies that provide operational guidance and procedural detail in support of these policies, provided they do not conflict with the CFP, the City Charter, the Greeley Municipal Code, or applicable law. The Finance Director shall prepare proposed policies in consultation with the Chief Financial Officer as warranted and shall clearly communicate new policies to all affected departments and staff upon issuance.

5.2.5 Conflicts

In the event of a conflict between these policies and the City Charter, Greeley Municipal Code, Council ordinance, or applicable Colorado law, the Charter, Code, ordinance, or law shall govern. In the event of a conflict between these policies and a City Council resolution, the resolution shall govern, unless expressly stated herein.

5.2.6 Effective Date

These policies supersede all prior City financial policies and administrative regulations addressing the subjects covered herein. The effective date is the date of issuance by the City Manager.

5.2.7 Water & Sewer Board Authority

The City's Water and Sewer enterprise operations are additionally governed by the Water and Sewer Board, which operates under authority established in the City Charter and the Board's adopted bylaws. These Comprehensive Financial Policies apply to Water and Sewer enterprise finances; however, certain matters, including rate setting, conveyances of water and sewer system assets or rights, and other matters within the Board's jurisdiction, are subject to the Board's governing processes and approvals in addition to the requirements of this CFP. Nothing in this document is intended to supersede or limit the authority of the Water and Sewer Board as established by state law, the City Charter, or the Board's adopted bylaws.

5.2.8 Council Review

The Finance Director shall present these Comprehensive Financial Policies to City Council prior to initial issuance and periodically thereafter as needed, particularly in connection with material amendments. Such review is advisory and does not constitute approval or adoption, consistent with Sections 5.2 and 5.2.3.

5.3 Financial Accounting, Reporting & Governance Policy

The City will maintain accounting practices that conform to Generally Accepted Accounting Principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB), the authoritative standard-setting body for units of local government. The City will comply with all prevailing federal, state, and local statutes and regulations, including the Colorado Revised Statutes, the City Charter, and the Greeley Municipal Code. All City financial documents, including official statements accompanying debt issuances, Annual Comprehensive Financial Reports (ACFRs), and continuing disclosure statements, will meet these standards. Monthly financial reports will be prepared on a budget basis and reported against adopted budgets. At fiscal year-end, the general ledger and financial statements will be converted to the full accrual basis in conformance with GAAP.

5.3.1 Fund Accounting

A fund is a separate, self-balancing set of accounts used to record and report financial resources that are segregated for specific purposes, subject to legal, regulatory, or policy-based restrictions or limitations.

The use of fund accounting enables the City of Greeley to maintain appropriate fiscal control over resources, ensure compliance with applicable requirements, and provide transparent financial reporting on discrete governmental activities to the City Council, residents, and other stakeholders.

5.3.1.1 Fund Types

The City's financial activities are organized and reported using the following fund types, consistent with GAAP as established by GASB. All funds are classified into the fund types described below, and the purpose of each is as follows:

General Fund - Covers the City's primary operating activities, including general government, public safety, public works, planning, parks and recreation, and other core municipal services. Principal revenue sources include sales and use taxes, property taxes, licenses and permits, charges for services, intergovernmental revenues, fines and forfeitures, interest earnings, and operating transfers from other funds. Expenditures primarily consist of personnel costs, materials and supplies, purchased services, capital outlay, and transfers to other funds.

Special Revenue Funds - Account for the proceeds of specific revenue sources that are legally restricted or committed to expenditure for designated purposes other than debt service or capital projects. These funds may also include restricted, committed, or assigned resources consistent with applicable legal or policy requirements. One or more specific restricted or committed revenues should comprise a substantial portion of each fund's resources.

Capital Projects Funds - Account for financial resources that are restricted, committed, or assigned to the acquisition or construction of capital facilities and other capital assets. Resources financed by proprietary funds or held in trust are excluded from this classification.

Debt Service Funds - Account for financial resources that are restricted, committed, or assigned for the payment of principal and interest on long-term debt obligations.

Enterprise Funds - Also referred to as Business-Type Funds, account for operations that are financed and operated like private business enterprises, in which the governing body intends that the costs of providing goods or services to the public (including depreciation) are financed or recovered primarily through user fees. These funds use the accrual basis of accounting and focus on measuring income and maintaining capital.

Internal Service Funds - Used to finance goods or services provided by one City department to other departments or funds on a cost-reimbursement basis. These funds are expressly designed to function on a cost-reimbursement basis and should not accumulate a significant reserve.

Fiduciary Funds - Account for resources received and held by the City in a fiduciary capacity. These resources are not available to support the City's own programs and are disbursed in accordance with the terms of the trust or other governing agreements. The City does not currently maintain any fiduciary funds.

Funds are categorized in accordance with standard GAAP fund and functional classifications. The establishment of new funds, departments, programs, or accounts requires approval by the Finance Department to ensure consistency with accounting standards and financial reporting requirements. Each fund included in the City's budget shall include an introductory statement describing the purpose of the fund, sources of revenue, any restricted revenues, required reserve levels, and the justification for such reserves.

5.3.2 Basis of Accounting & Reporting Focus

The term *basis of accounting* refers to the timing of when revenues, expenses, expenditures, and the related assets and liabilities are recognized in the City's accounting records and reported in the financial statements. The City uses the following bases of accounting, as appropriate, in accordance with GAAP and applicable Colorado law:

Cash Basis - Transactions are recognized only when cash is received or disbursed.

Accrual Basis - Transactions are recognized when the economic event occurs, regardless of when cash is received or paid. Enterprise funds use the accrual basis of accounting and apply an income-measurement and capital-maintenance focus. This basis is more consistent with private-sector accounting practices.

Modified Accrual Basis - Expenditures are recognized when incurred. Revenues are recognized when they are both measurable and available to finance the current period's expenditures. Governmental funds (including the General Fund, special revenue funds, debt service funds, and capital projects funds) use the modified accrual basis of accounting.

For revenue to be recognized in a governmental fund, it must be measurable and available. *Available* means collectible in the current period or soon enough thereafter to be used to pay current-period liabilities. For purposes of consistency, the City applies an availability period of thirty (30) days for sales tax revenues and sixty (60) days for all other revenues, consistent with the Colorado Revised Statutes.

5.3.3 Reporting Focus (Budget vs. GAAP)

The *reporting focus* refers to how transactions are recorded and reported to comply with Colorado Revised Statutes and the City's budget law requirements, as compared with financial statement presentation under GAAP.

5.3.3.1 Budget Basis

During the fiscal year, monthly financial reports of revenues and expenditures are presented on a budget basis. Transactions are recorded throughout the year to facilitate compliance with Colorado Revised Statutes and enable effective monitoring of budget-to-actual performance. By recording transactions in accordance with state law, revenues and expenditures can be more easily monitored monthly, ensuring compliance with legal requirements.

5.3.3.2 GAAP Basis

At fiscal year-end, adjustments are made to convert budget-basis records to GAAP-basis financial statements. These adjustments ensure that the City's financial statements are presented fairly and consistently in conformity with GAAP and are comparable to those of other local government units.

5.3.4 Internal Control Structure

The City maintains a system of internal control designed to safeguard assets, ensure the reliability of financial reporting, promote operational efficiency, and ensure compliance with applicable laws, regulations, and policies. The internal control structure consists of the following three interrelated elements:

5.3.4.1 Control Environment

The control environment reflects the overall attitude, awareness, and actions of City leadership and employees regarding internal controls and ethical conduct. It establishes the foundation for financial discipline, accountability, and compliance throughout the organization.

5.3.4.2 Accounting System

The City maintains an accounting system that promptly identifies and records all valid transactions. The system ensures transactions are recorded in sufficient detail to allow proper classification for reporting purposes, are presented fairly in the City's financial statements, and include the required disclosures.

5.3.4.3 Control Procedures

Control procedures include appropriate authorization of transactions, adequate segregation of duties, proper documentation and record retention, safeguards over access to and use of assets and records, and independent reviews and reconciliations to verify performance and accuracy.

5.3.5 Financial Monitoring

Pursuant to City Charter requirements, the Finance Department shall submit to the City Manager, on a quarterly basis, a report on the City's financial condition by budget item, including budget estimates versus actuals for the fiscal year to date. The City's financial records will be maintained in accordance with GAAP, as prescribed by Article V, Section 5-2 of the City Charter and applicable Colorado Revised Statutes.

Individual departments are responsible for monitoring and managing their resources to ensure that legal and administrative appropriations are not overspent and that all expenditures and uses of City resources comply with City, State, and federal ordinances, statutes, policies, and regulations. Each department is responsible for:

- Ensuring that expenditures do not exceed the legal appropriation level for the department within each fund, combining both operating and capital expenditures.
- Monitoring revenues collected as a result of programs administered. If a significant change in current or projected revenues is anticipated, the department must notify the Budget Department.

5.3.6 Annual Financial Disclosure

As required by Securities and Exchange Commission (SEC) Rule 15c2-12, the City (with the support of its financial advisor and bond counsel) will provide required annual financial information and material event notices to the Municipal Securities Rulemaking Board's EMMA (Electronic Municipal Market Access) system. Material event notices shall be filed within ten (10) business days of the occurrence of such events, as required by the 2019 amendments to Rule 15c2-12. This disclosure policy confirms the City's commitment to fair, timely, and consistent disclosure of financial information to the market.

The Finance Director serves as the City's primary spokesperson for matters related to audited financial statements, continuing disclosure filings, and other financial reports. The City Manager, Chief Financial Officer, and City Attorney are designated alternate spokespersons and shall be fully apprised of material financial developments.

5.3.7 Annual Audit

Pursuant to Colorado Revised Statutes § 29-1-603, the City shall have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit. The audit shall be conducted by a certified public accounting (CPA) firm licensed to practice in Colorado.

The annual financial statement, including the auditor's opinion, shall be submitted to the City Council no later than June 30 of the succeeding year, consistent with the six-month submission deadline established under CRS § 29-1-606(1)(a). When required by federal thresholds, the audit firm shall also perform a Single Audit of federal and state grants in accordance with the Uniform Guidance (2 CFR Part 200). An official Annual Comprehensive Financial Report (ACFR) shall be issued no later than six months following the end of the fiscal year.

The Finance Director shall be responsible for establishing a process to ensure the timely resolution of audit findings and recommendations.

As an additional confirmation of the quality of the City's financial reporting, the City will annually seek to obtain the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting.

5.3.8 Financial Advisory & Consulting Services

The City will employ qualified financial advisors and consultants as needed to assist in administering and managing the City's financial functions. These areas include, but are not limited to, audit services, debt administration, investment advisory services, and financial modeling. The City shall establish evaluation criteria for each financial consultant to ensure it receives the highest quality services available. The principal factors in selecting consultants will include experience and expertise, ability to perform, services offered, references, and methodology. In no case shall price be the sole criterion for selection.

5.3.8.1 Independent Auditors

At least every five years, the City shall solicit proposals from qualified firms, including the current auditors, even if their past performance has been satisfactory. The Chief Financial Officer and Finance Director shall select an independent firm of certified public accountants to perform an annual audit and render an opinion on the City's financial statements and recommend their appointment to the City Council.

It is the City's preference to rotate auditor firms periodically to ensure an objective and impartial review of financial statements. Audit firm rotation will be based on proposals received, firm qualifications, and the ability to perform a quality audit. If the current audit firm is re-selected through the proposal and review process, the lead audit partner and lead reviewer must be rotated after a maximum of five years, consistent with professional standards.

Prior to the start of each audit engagement, the selected firm shall provide a signed engagement letter that defines the scope of work, applicable auditing standards, deliverables, timeline, and total fee for the engagement. The Finance Director shall review and approve the engagement letter before audit work begins.

5.3.8.2 Bond Counsel

Bond Counsel to the City serves as an independent expert, providing a legal opinion on the issuance and sale of bonds and other debt instruments. Because bond counsels are specialized attorneys with expertise across a broad range of practice areas relevant to municipal finance, the City will retain bond counsel for all debt issuances. Bonds are generally not marketable without an opinion of nationally recognized bond counsel confirming that the bonds are valid and binding obligations, identifying sources of payment and security, and confirming the applicable tax-exemption status.

Bond Counsel is responsible for preparing and overseeing bond proceedings, obtaining required governmental approvals, ensuring compliance with legal and authorization requirements, disclosing and analyzing relevant legal matters affecting the offering, interpreting applicable regulations and laws, assisting in structuring the issue, and preparing key financing documents. Given the complexity of the City's financial structure and the value of institutional knowledge, the contract with Bond Counsel shall be treated as an evergreen contract with a termination clause. The City Attorney will review bond counsel fees every five years.

5.3.8.3 Municipal Advisor

The Government Finance Officers Association (GFOA) recommends that debt issuers retain a Municipal Advisor (MA) before undertaking debt financing, unless the issuer has sufficient in-house expertise and current access to the bond market. The selected MA must be registered with the Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board. The MA shall not be permitted to serve as an underwriter on City bond transactions while serving in the MA role, and for a period of one year following termination of the MA contract.

While retaining the services of an MA, the City shall post an Independent Registered Municipal Advisor (IRMA) Exemption Certificate on the City's website and on EMMA. The contract with the MA shall be considered evergreen, with a termination clause, and staff will survey MA fees every 5 years and present the findings to the City Manager. The City retains full decision-making authority over the issuance and sale of its bonds.

5.3.8.4 Arbitrage Consultants

Federal tax law under Internal Revenue Code Section 148 requires issuers of tax-exempt bonds to restrict the yield on invested bond proceeds and, in certain cases, rebate excess earnings to the federal government. While the City retains responsibility for ensuring that records are maintained, calculations are completed, required reports are prepared, and filings are made on time, the actual arbitrage calculations and rebate reporting shall be contracted to a qualified arbitrage compliance firm. All bond issues subject to arbitrage regulation shall have a fifth-year and final arbitrage calculation completed in accordance with applicable Internal Revenue Service requirements.

5.4 Budget & Financial Planning Policy

5.4.1 Overview

The annual budget serves as the City's primary financial and operational plan for allocating resources and delivering municipal services. The budget outlines how programs and services will be funded to support the City's goals and priorities. The annual appropriation ordinance, along with any supplemental appropriations adopted during the year, provides the legal authority for expenditures. Colorado Revised Statutes, the City Charter, and the Greeley Municipal Code establish the City's budget process and legal requirements.

This section establishes the City's approach to budgeting and financial planning and defines the standards for aligning financial resources with service priorities. These policies are intended to promote fiscal discipline, transparency, and long-term financial sustainability while supporting the delivery of core services and community goals. Together, these provisions guide how revenues are estimated, expenditures are managed, positions are authorized, and financial risks are addressed across both annual budget cycles and longer-term financial planning horizons.

5.4.2 Budget Philosophy

The City is committed to responsible financial stewardship and long-term fiscal sustainability. The annual budget serves as the primary tool for aligning financial resources with the City's strategic goals, community priorities, and service commitments. Through the budget process, the City seeks to balance the delivery of high-quality services with the responsible management of public resources. To achieve this, the City:

- Develops budgets using prudent and reasonable revenue and expenditure projections.
- Aligns financial resources with Council priorities, community needs, and strategic goals.
- Maintains structurally balanced budgets that support long-term financial sustainability.
- Adheres to adopted financial policies, the City Charter, and Colorado Revised Statutes.
- Considers the community, operational, and financial impacts of budget decisions.
- Seeks opportunities to leverage external funding sources when appropriate.

5.4.3 Balanced Budget

The City shall annually adopt a structurally balanced budget in which recurring revenues are sufficient to support recurring operating expenditures. The budget may include the planned use of fund balance for one-time expenditures or strategic purposes, but ongoing operations should not rely on non-recurring resources.

Any increase in expenditures, decrease in revenues, or combination of the two that would create an imbalance shall require a formal budget amendment in accordance with the City Charter, Greeley Municipal Code, and Colorado Revised Statutes.

Expenditures must remain within the appropriated fund authority. Budget amendments and supplemental appropriations requiring adjustment to adopted appropriations shall be presented to the City Council for approval as required by law.

Any year-end operating surpluses will revert to unassigned fund balance and may be used to maintain reserve levels set by policy, with any remaining balance available for capital projects and non-recurring expenditures.

5.4.4 Use of Recurring Revenues

Recurring operating expenditures shall be funded with recurring revenue sources. The City shall budget and manage ongoing operations so that recurring expenditures do not exceed recurring revenues, ensuring that operations are maintained at sustainable funding levels.

5.4.5 Use of Non-Recurring Revenues

Non-recurring revenue sources, such as available fund balance in excess of policy targets or one-time revenues, may be budgeted only for non-recurring expenditures, including capital purchases, capital improvement projects, and other one-time initiatives. This ensures that temporary resources are not used to fund ongoing operating costs.

5.4.6 Budget Preparation Process

The City's annual budget process aligns financial resources with City Council priorities, City Manager direction, and departmental service goals. Department Directors, or their designees, have primary responsibility for developing departmental budget proposals. Proposed new or expanded services should support City Council goals and organizational priorities. Departments are charged with implementing approved programs and reporting on their effectiveness and progress.

The Budget Department coordinates the annual budget process and prepares revenue forecasts, financial analyses, and budget guidance for departments. Departments submit revenue and expenditure projections to the Budget Department for review and analysis prior to development of the City Manager's recommended budget.

The City Manager submits a recommended budget to City Council in accordance with Colorado Revised Statutes, the City Charter, and the Greeley Municipal Code.

The budget shall be submitted to the City Council no later than the date prescribed by the City Charter and Greeley Municipal Code. City Council shall adopt the budget and appropriation ordinance in accordance with the City Charter and Greeley Municipal Code. A public hearing shall be held on the proposed budget to allow for public comment prior to adoption as required by the City Charter.

The City will prepare and present the annual budget in a clear and comprehensive format that communicates the City's financial plan to elected officials and the public. The City will seek to align its budget presentation with the standards of the Government Finance Officers Association Distinguished Budget Presentation Award program.

5.4.7 Budgeting for Salaries & Benefits

Personnel costs represent the City's largest and most significant ongoing financial commitment. These policies are intended to ensure that salaries, benefits, and staffing levels are planned and managed in a fiscally responsible and transparent manner, consistent with the adopted budget. Clear position control, sustainable compensation practices, and alignment with long-term financial capacity are essential to maintaining organizational stability and delivering services effectively.

5.4.7.1 Authorized Positions

An *authorized position* is a regular, budgeted full-time or part-time position that the City Council has formally approved. Temporary, seasonal, or contractual positions are not considered authorized positions unless specifically designated by the City Council. Authorized positions shall be approved as part of the annual budget adoption process or by separate Council action during the fiscal year.

5.4.7.2 Compensation Plan

An annual Classification and Salary plan shall be in effect for all City employees, as required by Greeley Municipal Code Title 4. The City's compensation plan shall be approved by the City Council and administered by the Human Resources Department. All employees shall be paid in accordance with the approved budget and established salary ranges.

When funding is available, the budget shall include an amount sufficient to cover salary and benefit increases, including annual and step increases, as determined by the City Manager.

5.4.7.3 Position Control

The Human Resources and Budget Department shall maintain the official list of authorized positions by department, including position titles, classifications, and authorized full-time equivalents (FTEs). Departments (not including the City Attorney and Municipal Court) may not create, eliminate, or reclassify positions without City Manager approval, unless such authority is specifically delegated to a review committee or process. The annual budget process is the standard and preferred process for personnel changes. The City Attorney and Municipal Court Judge may not create or reclassify positions without City Council approval.

Requests to add or eliminate authorized positions outside the annual budget process must be submitted to the Budget Department and Human Resources and reviewed by the City Manager (or the City Council for requests from the City Attorney or Municipal Court Judge) or through the designated review committee or process. Once approved through the designated process, they can be filled. Any personnel changes outside the annual budget process that create a net increase to the budget must be included in a budget amendment.

5.4.7.4 Salary Savings

Salary savings resulting from vacant positions are not expressly retained by the department in which the vacancy occurred. These savings shall be monitored quarterly and cleared from departmental budgets. The funds will return to unallocated fund balance and may be reallocated to support prioritized, one-time organizational needs as directed by the City Manager or as determined through the annual budget process.

With the Budget & Policy Director's approval, salary savings may be used to contract services to temporarily backfill a vacant position when operationally necessary and financially prudent.

5.4.7.5 Payroll Overpayments & Underpayments

In the event an employee receives an overpayment of wages or salary, regardless of the cause, the City shall recover the full amount of the overpayment if authorized by law. The Payroll Manager shall work with the affected employee to establish a repayment schedule based on the total amount owed, to be satisfied through payroll deductions. Prior to any withholding, the Payroll Manager shall provide the employee with a written authorization form detailing the overpayment amount, the repayment schedule, and the duration of deductions. The employee shall sign and return the authorization form before repayment deductions begin.

In the event an employee is underpaid, the City shall correct the error and issue the amount owed as promptly as practicable and in accordance with applicable law. The Payroll Manager is responsible for identifying the source of the underpayment, correcting the underlying payroll record, and ensuring that any amounts owed are included in the employee's next regularly scheduled payroll or, where the amount is material, issued as an off-cycle payment at the earliest opportunity.

5.4.8 Revenue Estimating for Budgeting

To protect the City from revenue shortfalls and maintain a stable level of service, the City shall use a conservative, objective, reasonable, and analytical approach when preparing revenue estimates. The process shall incorporate historical collection rates, trends, development activity, and probable economic conditions. This approach is intended to reduce the likelihood that actual revenues fall short of budget estimates and to avoid mid-year service disruptions.

The City will, whenever possible, seek external revenue sources, such as federal, state, and local grants, to leverage local dollars. Estimates from grant sources will be projected only to the extent of awarded amounts or confirmed entitlement periods.

5.4.9 Long-Range Financial Plans

The City shall develop and maintain a multi-year financial forecast for each major operating fund in conjunction with the annual budget process. Major operating funds include, at a minimum, the general fund, the debt service fund, the utility capital funds, and the enterprise operating funds. Additional funds may be included at the discretion of the Budget & Policy and Finance Directors.

The forecast shall project revenues and expenditures sufficiently forward to enable current services and service levels to be sustained over the forecast period. Operating impacts from capital improvement projects in the City’s five-year CIP shall be incorporated. Major financial decisions shall be made in the context of the forecast, which should assess the long-term financial implications, available funding, financial risks, the sustainability of services, the level of capital investment, future financial commitments, and key variables affecting revenue.

5.4.10 Citizen Budget Advisory Committee (CBAC)

Pursuant to Article VII, Chapter 10, Title 2 of the Greeley Municipal Code, the City Council has established a Citizen Budget Advisory Committee to provide advisory input on the City’s budget and financial planning process. The CBAC’s role is to review preliminary budget information prepared by staff and provide feedback to the City Council on revenue assumptions, expenditure levels, staffing, and service delivery considerations.

The committee serves in an advisory capacity only and may comment on the City Manager's proposed budget prior to City Council deliberation.

5.4.11 Budget Management

The City Council shall delegate authority to the City Manager to manage the budget after formal adoption, including the internal transfer of funds. The City Manager may further delegate authority levels for the budget's daily operations. The fund level is the legal level of budgetary control; the City Council may transfer any unencumbered appropriation balance, in whole or in part, from one department or office to another within the same fund. Expenditures and expenses shall not exceed the adopted budget plus subsequent changes approved by the City Council.

5.4.12 Budget Transfers

The Budget Department is responsible for reviewing, approving, and recording all budget transfers. Department Directors may submit transfer requests, but no transfers are final until approved and recorded by the Budget Department. Transfers are limited to appropriations within the same fund.

5.4.13 Carry Forwards

Carry forwards include any unspent appropriated dollars that must be moved from the prior fiscal year into the current fiscal year to complete an ongoing project or meet a contract obligation for which no current-year appropriation exists.

Capital project appropriations are valid for the initial budget year and two subsequent years. Capital funds may carry forward during the initial three-year period, in accordance with the City Charter. Unspent capital funds at project completion may be swept into a holding account and reallocated to other, prioritized CIP projects within the same fund that require additional funding. Any remaining funds will be returned to the fund balance and reallocated as part of the annual CIP budget process. Operational funding does not automatically carry forward. Departments needing to carry forward an operational appropriation must submit a carry-forward request to the CFO for approval, supported by documentation of the outstanding contractual or project obligation.

5.4.14 Supplemental Appropriations & Budget Amendments

To preserve fund balances based on projected revenues and expenditures for the current fiscal year, the City Council may amend the annual budget for all funds. Staff will draft budget amendments as needed throughout the fiscal year. All budget amendments are subject to City Council approval. Debt service fund budgets shall reflect the payment schedules established by the applicable bond indenture or loan agreement, and amendments to debt service funds shall be limited to changes required by new debt issuances, refunding, or other adjustments to the City's debt obligations.

Unexpected items that arise during the year with significant financial impact should, when possible, be handled as part of the annual budget process. If additional appropriation is deemed necessary and cannot be delayed until the next fiscal year, the request will be reviewed, prioritized, and, if approved, incorporated in a supplemental appropriation ordinance.

5.4.15 Operating Deficits

The City shall take immediate corrective action if at any time during the fiscal year revenue and expenditure re-estimates indicate that the fund is trending toward a deficit. Corrective actions may include:

- Deferral of capital equipment purchases or pay-as-you-go capital improvements.
- Expenditure reductions across departments.
- Deferral of position fills or imposition of a hiring freeze.
- Salary increase freeze.
- Use of fund balance, subject to policy limits and City Council approval.
- Increased service fees or other revenue enhancements.
- Reduction of work hours with a commensurate reduction in pay.
- Elimination of positions if other measures are insufficient and no suitable vacancies exist.

Short-term borrowing between City funds to balance the operating budget should be avoided. Fund balance, as a one-time resource, may be used to cover an annual operating deficit provided a plan to replenish it to the policy level is approved concurrently with the appropriation (see *Section 5.8 – Fund Balance & Working Capital Policy* for detailed policy guidance).

5.4.16 Performance Measurement

The City is committed to developing performance measurement as a tool to evaluate service delivery and inform resource allocation decisions. Departments are encouraged to identify meaningful indicators of program effectiveness and report on them as part of the annual budget process.

The Finance and Budget Departments will work with departments over time to establish consistent, comparable performance indicators across the organization. As measurement capacity matures, performance data will increasingly inform budget recommendations and funding decisions.

5.5 Debt & Financing Policy

Sound debt management ensures that borrowed funds are used prudently, that the City's financial capacity is preserved, and that debt obligations can be met under a range of economic conditions. The City of Greeley is a growing community, and infrastructure demands will continue to shape capital expenditure requirements. Because Weld County is among the fastest-growing counties in Colorado, the infrastructure needs of surrounding governmental entities also contribute to the City's overlapping debt environment. As a result, the City will carefully monitor its debt issuance and evaluate new obligations in the context of the community's overall debt burden.

5.5.1 Use of Debt Financing

Debt financing, including general obligation bonds, revenue bonds, certificates of participation, lease-purchase agreements, and other obligations permitted under Colorado law, shall be used only to purchase capital assets that cannot be prudently acquired from current revenues or the fund balance, and to fund infrastructure improvements and additions. Debt financing helps ensure intergenerational equity by spreading payments for long-lived assets and infrastructure across their useful lives. Debt will not be used to fund operating expenditures.

The City will pay for capital improvements in cash within each fund's financial affordability, whenever feasible, rather than incurring debt for capital expenditures. Projects that are rehabilitative in nature shall be funded with cash rather than debt when possible. This does not apply to reconstruction projects that significantly extend an asset's useful life. Cash sources include, but are not limited to, General Fund one-time revenues, utility system revenues, developer fees, intergovernmental agreements, and state and federal grants.

5.5.2 Bond Ratings

The City will take all practical steps to maintain and improve its bond ratings, which directly affect borrowing costs and market access. In evaluating the issuance of additional debt, the City will consider rating agencies' assessments of the City's financial condition and the factors that influence those ratings, including:

- Local economic conditions and growth trends.
- Strength and consistency of financial policies.
- Budgetary performance, flexibility, and structural balance.
- Total liquidity and reserve balances.
- Debt burden measured as debt service as a percentage of expenditures, adjusted for self-supporting debt.
- The impact of future debt issuance on the City's debt profile and rating outlook.

The City will prudently manage all applicable funds and structure debt issuance to help maintain or improve the City's current bond ratings.

5.5.3 Affordability

The City shall use an objective, analytical approach to determine whether it can afford to issue new general-purpose debt. This analysis shall compare the City's accepted affordability standards, such as debt per capita, debt as a percentage of assessed valuation, taxable value per capita, and effective tax rate, against current values. The analysis will also examine the direct costs and benefits of the proposed expenditures and evaluate the General Fund's capacity to support the operating costs of completing the proposed capital improvements. The decision on whether to issue new debt shall be based on these findings, current conditions in the municipal bond market, and the City's demonstrated ability to service the new debt.

5.5.4 Debt Capacity

The City shall conduct an annual debt capacity assessment to ensure that proposed debt is affordable and supports the City's financial strength. Debt capacity is the upper limit on the dollar amount of capital improvements the City can fund with debt in a given period.

Debt capacity calculations for long-term planning shall assume market rates for average annual interest costs at the time capacity is determined. The analysis shall not assume future refunding of outstanding bonds and shall consider debt service requirements on both current and proposed debt.

For property tax-supported debt, maximum capacity shall be determined by the amount of annual debt service the City can absorb under the proposed tax rate allocation for debt, assuming reasonable growth in assessed valuation.

For revenue debt, maximum capacity shall be determined by the amount of annual debt service supportable under a reviewed rate structure that satisfies the additional-bonds test defined in the applicable revenue bond covenants. The City shall not exceed its debt capacity as defined by the bond covenants or fall below its bond coverage ratios.

Factors considered in the annual debt capacity determination include:

- Existing debt obligations and near-term issuance plans.
- Revenue and expenditure trends across all funds.

- Debt burden measures: debt per capita, debt to assessed value, taxable value per capita.
- Colorado statutory and constitutional requirements.
- Market factors such as prevailing interest rates, credit ratings, and bond market conditions.

5.5.5 Debt Types & Authorization

The City uses a variety of debt instruments to finance major capital improvements in a transparent, affordable, and long-term, financially capacity-aligned manner. Each financing method carries different legal requirements, voter considerations, and risk profiles. The following are some standard debt mechanisms used, but are not an exhaustive list.

5.5.5.1 General Obligation Bonds

General Obligation bonds (GOs) are backed by the full faith and credit of the City and its taxing power and require voter approval pursuant to the Colorado Constitution, including TABOR. When the inventory of unfunded capital projects includes items the City Council wishes to fund but cannot afford through current revenues, the City will consider placing one or more GO bond propositions before the voters. The timing of GO bond elections shall be determined by the inventory of current unissued bonds remaining to be sold and the City's CIP funding needs. The total dollar amount recommended to voters may not exceed the City's estimated ability to issue bonds over seven years following the election. GO bonds must be issued for projects consistent with the bond referendum and associated ballot language.

5.5.5.2 Enterprise Revenue Bonds

Enterprise Revenue bonds are payable solely from specific identified revenues and do not require voter approval. For the City to issue new revenue bonds, revenues as defined in the authorizing ordinance shall be sufficient to generate a minimum coverage ratio of 125 percent of average annual debt service and 110 percent of peak-year debt service. Annual adjustments to enterprise fund rate structures will be made as necessary to maintain required coverage factors. When the City issues Certificates of Participation (COPs) for enterprise fund projects, it shall prepare a five-year financial plan to ensure that the enterprise fund maintains appropriate reserves and coverage requirements without unduly burdening rates and user fees.

5.5.5.3 Certificates of Participation

Certificates of Participation may be issued without voter approval to finance public works projects or capital improvements, as permitted by Colorado law. However, it is the City's policy to use COPs only in specific circumstances, and only after determining the City's ability to assume additional debt in accordance with the affordability standards described above. Circumstances in which COPs may be appropriate include: when there is insufficient funding for a GO bond-financed improvement; when urgency precludes waiting for a GO election; when the City can leverage third-party funding to reduce its capital costs; when no other funding source is available; or when COPs are more economical than revenue bonds.

5.5.5.4 Lease-Purchase Agreements

The City may use lease-purchase agreements to finance capital items (such as vehicles, equipment, and fire apparatus) when doing so is cost-effective, and the lease terms are more advantageous than those of bond issuance. Lease-purchase agreements do not require voter approval under Colorado law, provided they contain an annual non-appropriation clause. These instruments are subject to annual appropriation by the City Council.

5.5.6 Debt Service Fund Balance

The City's policy on debt service is to maintain a stable debt service obligation schedule whenever possible, generally achieved through a declining balance of total indebtedness. In a growing city such as Greeley, this approach allows new debt issuance to be scheduled to align with assessed value growth and revenue capacity. The City shall maintain adequate balances in its debt service funds to meet all scheduled principal and interest payments on time and in full, consistent with the requirements of applicable bond ordinances and covenants.

5.5.7 Debt Structure & Issuance Mechanics

The City will design, issue, and administer debt in a manner that protects long-term financial stability, preserves market credibility, and ensures that borrowed funds are aligned with clearly defined public purposes.

5.5.7.1 Debt Structure

The City shall issue bonds with a maturity not exceeding 30 years for general obligation bonds and 30 years for revenue bonds, but in no case longer than the useful life of the financed asset. The City shall seek level or declining debt repayment schedules. Debt structures that include escalating debt service levels in subsequent years should be avoided, except in the first one to three years of a payout schedule or in limited, justified circumstances. Balloon repayment schedules are prohibited. Interest payments shall begin no later than the first fiscal year following a bond sale, and principal payments shall generally begin no later than the third fiscal year. In exceptional cases of large, long-lived assets, the amount borrowed may include funding for the interest payments in the first one to three years (capitalized interest) to delay payments from revenues until the asset is functional.

5.5.7.2 Sales Process

The City shall use a competitive bidding process in the sale of debt unless the nature of the issue warrants a negotiated sale. A negotiated process may be used when the issue involves refinancing that depends on market or interest-rate timing, or when factors identified in consultation with the municipal advisor indicate that it is preferable. The City shall award bonds on a true interest cost (TIC) basis, or on a net interest cost (NIC) basis only if the municipal advisor agrees that the NIC basis can satisfactorily identify the lowest and best bid.

5.5.7.3 Rating Agency Presentations

Full disclosure of operations and open lines of communication shall be maintained with the credit rating agencies. City staff, with assistance from financial advisors, shall prepare the materials and presentations required for credit rating purposes. Credit ratings will be sought from one or more nationally recognized municipal bond rating agencies.

5.5.7.4 Debt Refunding

The City shall monitor the municipal bond market for opportunities to reduce interest costs through debt refunding. As a general rule, the net present value savings of a refunding should exceed 3.0 percent of the refunded maturities, unless a debt restructuring is necessary or bond covenant revisions are required to facilitate the City's ability to provide services or issue additional debt.

5.5.7.5 Continuing Disclosure

To remain compliant with continuing disclosure requirements under SEC Rule 15c2-12, the City will file annual financial information and material event notices through the Municipal Securities Rulemaking Board's EMMA system in a timely manner. Material events shall be reported within ten (10) business days of occurrence, as required by the 2019 amendments to the Rule.

5.5.7.6 Interest Earnings on Bond Proceeds

Interest earnings on bond proceeds will be used to fund changes to bond-financed capital projects consistent with voted propositions, cover cost overruns on bond projects, or make debt service payments on the bonds issued. Issued but unspent bond proceeds may be appropriated for projects consistent with the ballot language after completion of originally identified projects.

5.5.8 Interfund Loans

Interfund loans are a temporary, short-term tool and may be considered for the following purposes:

- To offset timing differences in cash flow between funds.
- To offset timing differences between expenditures and grant reimbursements.
- To provide advance spending for a capital project before permanent project financing is secured.
- For other purposes as deemed appropriate by the City Council.

The term of an interfund loan may exceed one year, but must remain *temporary* in that no permanent diversion of the lending fund results from failure to repay. Interfund loans shall not hinder any function or project for which the lending fund was established. Interfund loans shall not be used to solve ongoing structural budget problems or to support routine operating needs, except for cash-flow needs related to third-party financial transactions such as grants, reimbursements, or debt issuances with accompanying reimbursement resolutions.

All City interfund borrowing requests shall be in writing and signed by the City Manager. City Council approval is required for loans exceeding one year. All interfund loan agreements shall specify: the effective date; the name of the lending and borrowing funds; the amount; the use of funds; the repayment schedule and terms; and the interest rate and calculation method.

5.5.8.1 Repayment

Repayment of the interfund loan shall be the borrowing fund's top priority once cash becomes available. As part of the annual budget process, the Finance and Budget Departments shall ensure that repayments are included in the budget in accordance with loan terms. If the borrowing fund is an operating fund, it must maintain a positive cash balance of at least 10 percent of its operating expense budget; any excess cash balance over 10 percent shall be applied to scheduled and catch-up loan payments.

5.5.8.2 Modification

Any modification to the term, interest rate, or repayment schedule of an interfund loan shall be approved by the City Council.

5.6 Cash & Treasury Management Policy

Effective cash and treasury management ensures that the City's funds are available when needed, that idle balances are productively invested, and that all deposits and disbursements are handled with appropriate controls and in compliance with Colorado law. The City will manage its cash to maximize both security and yield within established legal and policy parameters.

5.6.1 Cash & Cash Equivalents

The City's cash and investments are classified as cash and cash equivalents or investments. Cash and cash equivalents include cash on hand, deposits with financial institutions, short-term investments in external public funds investment pools, and other investments with maturities of three months or less at the time of purchase. Investments that mature more than three months after purchase consist primarily of certificates of deposit, U.S. Government obligations, and other authorized instruments.

For better cash management, the City pools cash across funds based on operational needs, investing in bank deposits, short-term investments in local government investment pools (LGIPs), or longer-term instruments such as certificates of deposit or U.S. Government securities. Each fund's cash and investment balance is maintained separately in the City's accounting records.

5.6.2 Daily Cash Management

The Finance Department shall deposit all receipts as promptly as practicable, in accordance with the Colorado Revised Statutes, to minimize the time between receipt and deposit and maximize earnings on City funds, while ensuring proper control of public moneys. Idle funds shall be invested as quickly as practicable in accordance with the City's Investment Policy.

5.6.3 Depository Bank

Pursuant to CRS § 24-75-603, the City of Greeley may approve a depository services contract with a term not exceeding five years. There is no requirement to rotate depositories. The City shall select its official banking institution through a formal competitive process designed to secure the most comprehensive, flexible, and cost-effective banking services available. Depository accounts may be opened only by employees with specific authority granted in depository agreements approved by the City Council.

5.6.4 Signature of Checks

Pursuant to City Charter Section 5-6, all expenditures shall be authorized by two City officials as designated by City Council ordinance. All City checks shall bear two signatures: City Manager (or Acting City Manager in the City Manager's absence) and the Finance Director (or the Chief Financial Officer in the Finance Director's absence). Or all expenditures shall be signed or authorized by two (2) City officials, elective or appointive, as designated by ordinance enacted by the City Council. Signatures shall be affixed via facsimile, either through a signature plate used with a check-signing machine or through a secure laser check printing system. For component units, check that signers are officers elected by the applicable board, and that such checks bear two signatures.

5.6.5 Collateralization of Deposits

Consistent with the Colorado Public Deposit Protection Act (CRS §§ 11-10.5-101 et seq.), all City deposits in excess of federal deposit insurance limits shall be collateralized at not less than 102 percent of the uninsured balance. Eligible collateral includes obligations of the United States and its agencies, and obligations of the

State of Colorado and its municipalities and school districts. Collateral pledged to secure City deposits must be held in the City's name by the trust department of a bank other than the pledging bank (the City's agent). To qualify as eligible collateral, securities must carry a minimum long-term credit rating of Baa-1 or better as assigned by Moody's Investors Service, or an equivalent rating from a nationally recognized statistical rating organization.

The City's depository bank shall monitor required collateral levels and make necessary adjustments to increase or decrease pledged collateral as needed. Substitutions of collateral shall meet the requirements of the collateral agreement and require prior written approval. Collateral shall not be released until replacement collateral has been received and verified.

5.6.6 Banking Services Relationship

The Finance Department shall manage the City's banking relationship to ensure cost-effectiveness, appropriate service levels, and alignment with the City's investment and cash management objectives. Periodic reviews of banking service costs and performance shall be conducted. With the assistance of Council-approved investment advisors where applicable, the Finance Department shall ensure that all City funds are invested safely and productively in accordance with the Investment Policy.

5.7 Investment Policy

The City of Greeley's investment program is governed by a comprehensive Investment Policy adopted by the City Council (Policy No. 2024-1, effective May 22, 2024). That policy establishes the detailed rules, procedures, and parameters for all investment activity. This section summarizes the policy's critical elements. The full policy is available in the City's policy library.

All investments of City funds shall be made in accordance with Colorado Revised Statutes §§ 24-75-601 et seq., 24-75-603, 24-75-701 and 702, 11-10.5-101 et seq., and 11-47-101 et seq., and in compliance with the adopted Investment Policy. This policy applies to all funds under the City's financial control, including the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, Enterprise Funds, and Internal Service Funds. Permanent funds, including the Cemetery Endowment Fund, Petriken Memorial Fund, and Memorials Fund, are excluded from this policy.

5.7.1 Investment Objectives

The City's investment program is designed to accomplish the following objectives, listed in priority order: preservation of capital and protection of investment principal, maintenance of sufficient liquidity to meet anticipated cash flows, attainment of a market rate of return, and diversification to avoid unreasonable market risk.

5.7.2 Delegation of Authority

Authority to manage the City's investment program is vested in the Chief Finance Officer in accordance with Section 5-2 of the City Charter. The CFO is responsible for establishing written procedures and internal controls for the program. Persons authorized to conduct investment transactions shall be designated in writing by the CFO annually and filed with the City Clerk. No person may engage in an investment transaction except as provided under the terms of the adopted policy.

5.7.3 Prudence and Ethics

Investments shall be managed under the prudent investor standard, as established by CRS § 15-1-304, which requires the exercise of judgment and care that persons of prudence, discretion, and intelligence exercise in the management of the property of another, considering both the probable income and the probable safety of capital. City employees involved in the investment process shall disclose any material financial interests in institutions doing business with the City. They shall subordinate personal investment activity to that of the City.

5.7.4 Authorized Investments

The City is authorized to invest in the following instrument types, subject to the ratings, maturity limits, and concentration limits specified in the full policy: U.S. Treasury obligations; federal instrumentality securities (FNMA, FFCB, FHLB, FHLMC); commercial paper rated A-1/P-1/F1 or better; eligible bankers acceptances; repurchase agreements collateralized at 102 percent or more; local government investment pools rated AAA under CRS §§ 24-75-701 and 702; non-negotiable certificates of deposit at Colorado-approved depositories; money market mutual funds rated AAAm or equivalent; corporate debt rated AA-/Aa3 or better; and municipal bonds rated A- or better for Colorado issuers and AA- or better for out-of-state issuers. All authorized investment types are subject to a maximum maturity of five years from trade settlement unless otherwise approved by the City Council. The authorized investment list shall be strictly interpreted, and any deviation requires prior written approval from the Finance Director.

5.7.5 Diversification & Liquidity

The portfolio shall be diversified across security types, issuers, and maturities to avoid unreasonable concentration risk. The portfolio shall maintain sufficient liquidity at all times to meet all anticipated cash requirements. Investments shall be matched to anticipated cash flows and known future liabilities to the extent practicable.

5.7.6 Safekeeping & Custody

All securities, except certificates of deposit, local government investment pools, and money market mutual funds, shall be held in third-party safekeeping by a City-approved custodian bank. All securities transactions shall be settled on a delivery-versus-payment basis. The custodian shall furnish the Finance Director with monthly safekeeping and activity reports.

5.7.7 Performance & Reporting

The City measures portfolio performance against two benchmarks: the 90-day U.S. Treasury Bill index rate for short-term operating funds, and the Merrill Lynch 1-5 Year U.S. Treasury and Agency Index for longer-term core funds. On a quarterly basis, the Finance Director shall submit an investment report to the City Council detailing holdings, current market valuations, and performance results. Annually, the Finance Director shall present a review of portfolio adherence to risk parameters and a comparison of total return to established objectives.

5.7.8 Arbitrage

When investing debt proceeds subject to federal arbitrage requirements, the Finance Director may, upon advice of bond counsel and financial advisors, depart from this policy as necessary to conform to federal arbitrage regulations, provided all investments remain in compliance with applicable Colorado Revised

Statutes. See also Section 5.3.8.4 of this CFP (Arbitrage Consultants) and the City's Investment Policy for detailed arbitrage provisions.

For complete policy provisions, including authorized broker/dealer selection criteria, bank depository selection standards, concentration limits by instrument type, competitive transaction requirements, and all rating and maturity parameters, refer to the City of Greeley Investment Policy, Policy No. 2024-1.

5.8 Fund Balance & Working Capital Policy

This section incorporates and is consistent with Resolution No. 73, 2016, adopted by the City Council of the City of Greeley on November 1, 2016, which formally established the City's Fund Balance and Working Capital Balance Reserve Policy for the General, Sewer, Water, and Stormwater Funds. The provisions below reflect the requirements of that Resolution and its accompanying procedures. The City Manager is authorized to amend the procedures under this policy, provided that minimum reserve levels are maintained and the procedures continue to comply with applicable state and federal law. Reserve funds provide the City with financial stability, enable continuity of services during periods of revenue shortfall or economic stress, and protect against unanticipated expenditures. Maintaining prudent reserve levels is also a key factor in the City's credit quality and bond ratings.

5.8.1 Fund Balance Classification

In accordance with GASB Statement No. 54, the City classifies fund balance in governmental funds using the following hierarchy, from most restrictive to least restrictive:

5.8.1.1 Non-spendable Fund Balance

Amounts that cannot be spent because they are not in a spendable form (such as inventories and prepaid items) or are legally required to remain intact (such as an endowment principal).

5.8.1.2 Restricted Fund Balance

Amounts that are constrained to specific purposes by external parties (creditors, grantors, contributors), by constitutional provisions, or by enabling legislation. These constraints cannot be removed except by the external party or by a change in applicable law.

5.8.1.3 Committed Fund Balance

Amounts that are constrained to specific purposes by the City Council through formal action (ordinance or resolution). Such commitments may be removed or modified only by the same type of formal Council action.

5.8.1.4 Assigned Fund Balance

Amounts that the City intends to use for a specific purpose, but that are neither restricted nor committed. Assignments may be made by the City Manager or Budget & Policy/Finance Director under authority delegated by the City Council. In the General Fund, assigned fund balance represents amounts reserved for use in the next annual budget or for other approved specific purposes.

5.8.1.5 Unassigned Fund Balance

The residual balance of the General Fund that has not been classified in any other category. Unassigned fund balance is available for any lawful purpose. Only the General Fund may carry a positive unassigned fund balance; in other governmental funds, only a negative unassigned fund balance may occur, indicating a deficit.

5.8.2 General Fund Minimum Reserve

Consistent with Resolution No. 73, 2016, the City shall maintain a minimum level of unrestricted fund balance in the General Fund, referred to as the Contingency Reserve, equivalent to two months of General Fund expenditures, plus operating transfers out, less any extraordinary expenditure items, calculated at the end of the most recent fiscal year. This standard is consistent with the GFOA best practice recommendation to maintain a minimum of two months of operating revenues or expenditures in reserve.

Extraordinary expenditure items include debt service payments, long-term notes, long-term contracts, other long-term agreements, capital outlay expenditures, and any expenditure that has not occurred in the previous two years and is not expected to occur in the following year.

The Contingency Reserve shall include the 3 percent emergency reserve required by Article X, Section 20 of the Colorado Constitution. The TABOR emergency reserve may be used only for declared emergencies and may not be used to offset revenue shortfalls, economic downturns, or salary and benefit increases.

The Contingency Reserve may be used at the sole discretion of the City Council for the following purposes: to provide resources to meet temporary decreased revenues; to provide temporary resources in the event of an economic downturn while expenditure reductions are being implemented; to provide resources to meet emergency natural disaster expenditures, including but not limited to fire and floods; and to provide available resources for other expenditures that a supermajority of the Council deems an emergency.

The General Fund reserve shall not be used to fund recurring operating expenditures.

If the year-end fund balance exceeds the Contingency Reserve requirement, staff will recommend ways to use the excess to fund one-time expenditures that do not increase recurring operating costs and cannot be funded through current revenues.

5.8.3 Working Capital Reserve – Enterprise Funds

Consistent with Resolution No. 73, 2016, the Water, Wastewater, and Stormwater Enterprise Funds shall maintain working capital reserves of at least 25 percent of operating expenses, less depreciation, as calculated at the end of the most recent fiscal year.

This working capital reserve may be used at the sole discretion of the City Council for the following purposes: to provide resources to meet temporary decreased revenues; to provide temporary resources in the event of an economic downturn while expenditure reductions are being implemented; to provide resources to meet emergency natural disaster expenditures, including but not limited to fire and floods; and to provide available resources for other expenditures that a supermajority of the Council deems an emergency.

Enterprise fund reserves are maintained to provide adequate cash flow for operations between rate billing and collection cycles, fund emergency repairs and capital needs not anticipated in the annual budget, support credit rating objectives, meet debt service reserve requirements under applicable bond covenants, and enable rate stability by buffering year-to-year revenue fluctuations.

5.8.4 Debt Service Reserves

Funds held in reserve for debt service shall be maintained at levels required by the applicable bond ordinances and covenants. The City shall monitor debt service reserve balances regularly to ensure ongoing compliance with all bond requirements.

5.8.5 Reserve Replenishment

Consistent with Resolution No. 73, 2016, whenever Contingency Reserve or working capital reserve funds are used, the reserve shall be replenished in the following year if feasible, and with certainty within five years of the draw. During the annual budget process, if the Contingency Reserve or working capital reserves fall below the minimum requirements, the City Manager's proposed annual budget shall include a plan to replenish them to their established minimum levels.

5.8.6 Fund Balance Calculation for Budget Purposes

For annual budget preparation, the General Fund Contingency Reserve shall be calculated at two months of the current year's original budget expenditures, plus operating transfers out, less any extraordinary expenditure items. For the Sewer, Water, and Stormwater funds, the working capital reserve shall be calculated as 25 percent of the applicable fund's current-year original budget operating expenses, less depreciation.

5.8.7 Reporting

During the annual budget process, the Finance Director shall measure compliance and report to the City Council on the levels of all fund balances and working capital balances. The City Manager, through the Finance Director, shall report any changes to this policy and procedure at the beginning of the annual proposed budget discussions. The Budget and Finance Departments shall also report fund balance levels and reserve status to the City Manager and City Council as part of the quarterly financial report. The annual ACFR shall reflect fund balance classifications in accordance with GASB Statement No. 54 and shall include notes explaining any material changes in fund balance classifications or reserve levels.

5.9 Capital Assets Policy

The Finance Department is responsible for maintaining and controlling capital asset management information and for ensuring that records are updated to reflect additions, retirements, transfers, corrections, and adjustments necessary to maintain accurate capital asset balances for financial reporting purposes.

The City's capital assets represent a significant public investment and are essential to delivering services, maintaining infrastructure, and supporting long-term community growth. Sound management of these assets requires clear standards for capitalization, valuation, depreciation, financing, replacement planning, and reporting. This section establishes the City of Greeley's current policy for identifying, recording, maintaining, financing, and replacing the City's capital assets in a manner consistent with generally accepted accounting principles and responsible fiscal stewardship. It supersedes Administrative Directive 2020-14 (Capital Assets, effective September 30, 2020) and prior capital asset policies, directives, and administrative regulations addressing financial reporting.

5.9.1 Capitalization Thresholds

The City applies the following capitalization thresholds for recording and tracking capital assets:

Asset Category	Threshold	Treatment
Capital Assets (general)	$10,000 or more	Capitalized and depreciated over the determined useful life
Non-Capital Assets	$1,000 to $9,999	Expensed in the year of purchase
Infrastructure (CIP projects)	$50,000 or more	Capitalized and included in the five-year CIP

While the thresholds established in this section reflect current practice, the City recognizes that rigid, hard-coded capitalization thresholds may not remain appropriate as the City grows in size and complexity. Accordingly, the Financial Reporting Team shall conduct an annual materiality threshold analysis in conjunction with the preparation of the annual financial statements. This analysis shall evaluate the appropriateness of current capitalization thresholds relative to a benchmark of 0.75 percent, plus or minus 0.25 percent, of Governmental Activities Expenses, Total Liabilities, or General Fund Expenditures, as determined by the Finance Director to be most relevant. The results of the materiality analysis shall be documented and provided to the City's external auditors as part of the annual audit process. The Finance Director may adjust capitalization thresholds administratively based on the results of this analysis, provided that any adjustment is documented, applied consistently, and reported to the Chief Financial Officer and City Manager.

Notwithstanding the foregoing, equipment and other tangible assets purchased using federal grant funds shall follow the capitalization threshold established under 2 CFR Part 200, currently $10,000, regardless of the threshold otherwise in effect under the City's materiality analysis.

Assets required to be tracked include land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, water rights, and all other tangible or intangible assets used in operations with an estimated useful life of more than one year and an initial individual cost of $10,000 or more.

5.9.2 Classification of Fixed Assets

Fixed assets are recorded in the City's accounting system and classified as follows:

5.9.2.1 Land

All land parcels acquired by the City for building sites, street right-of-way, recreation, or other public purposes. Land has an indefinite useful life and is not depreciated.

5.9.2.2 Buildings and Building Improvements

All buildings and improvements to buildings, including permanently attached fixtures installed during construction. Subsequent additions of equipment may be recorded as machinery and equipment or included in the building component, depending on the nature of the purchase.

5.9.2.3 Improvements Other Than Buildings

Public-domain and infrastructure improvements, such as streets, drainage, bridges, and storm sewers. Capital improvements are those that materially extend an asset's useful life, increase its capacity or efficiency, or both.

5.9.2.4 Machinery and Equipment

Office equipment, furnishings, and other purchases with a purchase price at or above the capitalization threshold. Bulk purchases of smaller items may be grouped and capitalized in aggregate when acquired together.

5.9.2.5 Transportation Equipment

Vehicles and similar transportation assets, including trailers, with purchase values at or above the capitalization threshold.

5.9.2.6 Software

Software shall be capitalized if the criteria in GASB Statement No. 51 are met. Internally developed or externally contracted software development, and off-the-shelf software that is substantially modified, shall be capitalized if cost and useful life thresholds are met. Licensed software implemented without modification or with only minor modifications is not capitalized.

5.9.2.7 Construction in Progress

Partially completed construction projects are recorded as Construction in Progress until the project is complete and placed in service, at which point the asset is transferred to the appropriate fixed asset classification.

5.9.3 Asset Valuation

Fixed assets shall be recorded at historical cost, including all reasonable and necessary costs incurred to place the asset in service.

5.9.3.1 Purchase Acquisition

Land shall include all costs of acquisition, preparation, legal and professional fees, and other attributable costs. Buildings and improvements shall be recorded at the purchase or construction cost, including broker, architectural, and legal fees, as well as interest during construction, testing, design, and project administration. Machinery and equipment shall include the purchase price plus fees and costs to place the asset in service. Construction in Progress shall be capitalized until completion and then transferred to the appropriate classification.

5.9.3.2 Donated Assets

Assets donated to the City shall be recorded at estimated fair market value at the time of donation, provided the minimum capitalization threshold is met.

5.9.3.3 Leases

The City evaluates contracts in accordance with GASB 87 to determine whether they convey control of the right to use an identified nonfinancial asset for a period of time in an exchange-like transaction and whether they exceed the annually determined materiality threshold. For leases with a maximum possible term greater than 12 months, the City recognizes a lease liability and an intangible right-to-use lease asset at commencement. The lease liability is measured at the present value of the expected lease payments. The right-to-use asset is initially measured at the amount of the lease liability, adjusted for prepayments, incentives received, and certain initial direct costs. Short-term leases (maximum possible term of 12 months or less) are recognized as lease expense/expenditure based on payments made.

City departments are responsible for reporting all proposed lease agreements to the Finance Department prior to execution, regardless of the lease term or dollar amount, to enable proper evaluation under GASB Statement No. 87 and accurate financial reporting. Departments shall also provide the Finance Department with a complete annual inventory of all leases held by the department, including lease commencement dates, terms, renewal options, and payment schedules. This reporting requirement applies to all lease arrangements, including those that may qualify as short-term leases, to ensure that the City maintains a complete and accurate lease portfolio for financial statement purposes.

5.9.4 Responsibility for Non-Capital Items and Inventory

Personal property of high pilferage risk, such as audio-visual equipment, cameras, power tools, radios, and computer peripherals purchased for less than $10,000, may be included in the fixed asset records at the direction of department directors or carried at nominal value.

City departments are responsible for tracking and maintaining accurate records of all assets within their custody, including equipment, technology, vehicles, and other capital and non-capital items assigned to their operations. Departments shall report asset additions, disposals, transfers, and changes in condition to the Finance Department promptly to ensure the City's capital asset records remain current and complete. The Information Technology Department's maintenance of a technology asset inventory is one example of this departmental responsibility in practice. Finance shall establish reporting procedures and schedules to support consistent asset tracking across all departments.

5.9.5 Capital Expenditure Financing

The City recognizes three methods of financing its capital requirements: funding from current revenues, funding from fund balance, or funding through debt issuance. Types of debt instruments and guidelines for their use are addressed in the Debt and Financing Policy (Section 5.5).

5.9.6 Replacement of Capital Assets

The City shall annually prepare a replacement schedule for fleet vehicles, fire apparatus, and high-technology capital assets. Funding for asset replacement will be accomplished through the annual budget process. A variety of funding options will be evaluated, including cash on hand and lease-purchase arrangements, based on the City's best interest.

5.9.7 Grant-Funded Assets

Property and equipment acquired with grant funds must be used for the original grant purpose for as long as needed. Disposal of grant-funded assets must comply with the applicable grant agreement, federal or state guidance, and all applicable laws. Any proceeds from the sale of grant-funded assets must be handled in accordance with the grant terms.

5.9.8 Surplus and Salvage

All machinery and equipment that is no longer useful to a department due to age, obsolescence, or damage beyond repair shall be declared surplus. Departments retain custody of surplus assets and are responsible for their safekeeping until disposal or sale is completed. The Purchasing Official coordinates the surplus disposal process, working with departments to facilitate sale, auction, transfer, or disposal in accordance with the Greeley Municipal Code and City policy. Proceeds from the sale of surplus assets shall be credited to the fund that originally purchased the asset, or as otherwise directed by the Finance Director.

5.9.9 Source of Funds Tracking

All fixed asset records shall identify the funding source or sources from which the asset was purchased, such as the General Fund, Utility Fund, Special Revenue Fund, Capital Projects Fund, grant funds, or donations. This tracking supports accurate financial reporting, grant compliance, and capital replacement planning.

5.9.10 Depreciation

As required by GASB Statement No. 34, depreciation shall be recorded for all fixed assets except land, which has an indefinite life. Depreciation shall be calculated using the straight-line method over each asset's estimated useful life, consistent with the City's asset management and accounting standards.

5.9.11 Five-Year Capital Improvement Plan

The City shall annually prepare a five-year Capital Improvement Plan (CIP) based on the needs for capital improvements and equipment, the status of the City's infrastructure, and the requirements for replacement, renovation, and new projects. Capital projects are improvements or additions to the City's physical plant, facilities, or infrastructure that are added to the City's asset inventory. For purposes of the CIP, a capital improvement project should generally cost $50,000 or more and have a useful lifespan of at least 20 years.

For the most part, projects in the CIP should be based on adopted master plans or developer agreements, ensuring that the CIP reflects the City's officially stated direction as set out in the Comprehensive Plan and supporting master plans. Examples include the Wastewater Master Plan, Drainage Master Plan, Parks and Recreation Master Plan, Master Mobility Plan, and the Facility Needs Assessment.

For every project identified in the CIP, a project scope and justification shall be provided. Project costs shall be estimated, funding sources identified, and annual operation and maintenance costs computed. The City Manager is responsible for recommending a CIP to the City Council. The CIP shall be filed and adopted in conjunction with the annual budget.

Appropriations for capital projects are for the life of the project, so re-appropriating capital funding each fiscal year for active budgeted projects is unnecessary. Annually, through the budget process and at year-end, projects shall be reviewed. For completed projects, any remaining funds shall be returned to the fund balance. For projects with identified savings, the project budget shall be reduced, and the savings returned to the fund balance for potential re-appropriation in the next fiscal year's capital budget. Funds remaining from bond proceeds may only be used in accordance with the legal restrictions governing those funds.

Funds may not be transferred from one active CIP project to another without City Council approval.

5.9.12 Infrastructure Evaluation and Rehabilitation

Water, wastewater, drainage, streets, sidewalks, street lighting, municipal facilities, and other infrastructure are essential to public health, safety, environmental protection, and the City's economic well-being. The City's CIP shall prioritize replacing and rehabilitating infrastructure before it deteriorates to the point of posing a safety risk, incurring excessive maintenance costs, reducing property values, or failing to serve its intended purpose.

Decisions on whether to repair, replace, or rehabilitate a capital asset shall be based on the most cost-effective option considering life-cycle costs and best value to the City.

5.9.13 Capital Improvements Reporting

A quarterly summary and status report on the City's capital projects shall be prepared and made available to the City Manager and City Council. Financial reports on the City's CIP funds shall be prepared quarterly. They shall include budget-to-actual figures for each project, a list of major contracts, expenditures to date, and project balances.

5.10 Revenue Administration & Compliance Policy

Clear, consistent revenue administration protects the City's financial integrity and ensures that funds are collected, allocated, and used in accordance with law and adopted policy. Revenue policies must balance fairness, transparency, and full compliance with statutory and voter-approved requirements. The following standards guide cost-recovery practices, restricted fund administration, tax policy, delinquent collections, and the treatment of uncollectible receivables to safeguard public resources and maintain public trust.

5.10.1 Revenue Philosophy

The City shall maintain a balanced and diversified revenue structure to reduce dependence on any single revenue source and minimize the impact of fluctuations in any one source. Revenue estimates shall be prepared conservatively, based on trend analysis, historical collection rates, and current economic conditions. Non-recurring revenues shall not be used to fund recurring operating expenditures. Grants will be assessed for their long-term cost implications before application, and the City will review fees annually to ensure they remain aligned with the cost of service delivery. Enterprise and internal service fund operations shall be managed on a self-supporting basis.

5.10.2 Cost Recovery

The City charges user fees for certain services. User fees serve two primary purposes. First, they allow maximum discretion in the use of general tax revenues; when services are partially or fully funded through user fees, the City has more flexibility to direct general tax dollars toward broader community priorities. Second, they improve the fairness of how service costs are allocated; for services that primarily benefit the individual recipient, user fees allow the City to assign those costs directly to the beneficiary rather than to the public at large.

Cost recovery goals shall be based on the total cost of delivering the service, as calculated using the City's fully burdened hourly rates, which include direct costs, departmental administrative costs, and organization-wide support costs such as accounting, human resources, information technology, legal, fleet maintenance, and insurance. The method of assessing and collecting fees shall be as simple as practicable to minimize administrative costs. Rate structures shall be sensitive to the market for similar services and to the needs of smaller or infrequent users.

5.10.3 Fee Review

Fees will be reviewed annually to keep pace with changes in the cost of providing services and shall be adopted by City Council as required by the Greeley Municipal Code. A comprehensive analysis of the City's costs and fees shall be conducted at least every five years. Fees may be adjusted annually on January 1 based on changes in the Denver metropolitan area Consumer Price Index for All Urban Consumers (CPI-U), unless such an adjustment would cause a fee to exceed the actual cost of providing the service. All updates shall be based on the Sept-to-Sept change in the prior year's CPI-U.

For user fees identified as below the desired cost-recovery level during a comprehensive analysis, the fee may be increased annually until the desired recovery level is achieved. Revenues collected from user fees may not exceed the reasonable cost of providing the service.

Utility Enterprise Rates and Fees

The City operates three utility enterprises that provide Water, Sewer, and Stormwater services to residents and businesses in the city and region. The full cost of operating these enterprises is recovered through rates and fees charged to customers. Each enterprise runs an annual cash flow and rate modeling process to determine fees necessary for the coming year to support the approved operating budgets and capital improvement plans. The annual rate model assigns utility rates to customer classes to recover the costs they drive on the system.

5.10.4 Restricted Funds

All restricted funds shall be used exclusively for their specified purpose. Legislation, City ordinances, or grant agreements establish the specified purpose. Restricted funds must be classified as restricted in the City's annual financial report. Guidelines for specific restricted funds are addressed below.

5.10.4.1 Impact Fees

Impact fees are charges imposed on new development to fund the costs of capital improvements or facility expansions required by and attributable to that new development. Impact fees are adopted by City Council ordinance, calculated and imposed pursuant to that ordinance, and collected at the time of recordation. The Water & Sewer Board governs the Water & Sewer impact fees under the City Council's authority. The funds collected shall be used exclusively for public facility projects in the applicable service area as outlined in the ordinance. Impact fees shall be expended on a first-in, first-out basis and may not be used for operations or maintenance.

In accordance with Greeley Municipal Code Section 6-1016(h), the development impact fee schedules and administrative procedures shall be reviewed on a five-year cycle. The review shall ensure that fees adequately fund development-related capital improvements without exceeding the actual cost of required facilities, that collected funds have been and are expected to be spent appropriately, and that the improvements and facilities funded will benefit the developments for which the fees were paid. Development impact fee schedules are also adjusted annually on March 1 through the Economic Adjustment Factor methodology established in Municipal Code Section 6-1003.

5.10.4.2 Public, Educational & Governmental (PEG) Access Channel Fees

PEG fee revenues must be used for those purposes authorized by law, generally the acquisition, improvement, and maintenance of PEG access facilities and equipment. PEG funds shall not be used to fund the general operations or programming costs of PEG channel programming.

5.10.4.3 Lodgers Tax

Lodgers' tax revenues shall be used in accordance with the Greeley Municipal Code governing the authorized uses of lodgers' tax proceeds, generally to promote tourism and support the convention and hotel industry. For the complete and current list of authorized uses, refer to the Greeley Municipal Code.

5.10.4.4 Property Tax

The City sets property tax mills and may change them only with voter approval, in accordance with Colorado law and TABOR. The Colorado General Assembly sets the assessment rates that local governments use to calculate property tax revenues. Assessment rates vary by property classification, such as agricultural, vacant land, residential, and commercial. Properties in Colorado are valued every other year. The actual value is multiplied by the applicable state-assessed rate to produce the assessed value, and the assessed value is then multiplied by the City's current mill levy.

Property tax revenues flow exclusively to the City's General Fund. The City provides a property tax refund program for qualifying elderly residents in accordance with the applicable provisions of the Greeley Municipal Code.

5.10.5 Sales and Use Tax

Sales and use tax is the City's largest revenue source. The current rate was established by voter approval and may be changed only by a subsequent vote of the citizens, as required by TABOR. The Finance Department is responsible for administering and enforcing the City's sales and use tax program, including auditing, collection, and compliance activities.

5.10.6 Delinquent Collections

The City Attorney's Office, pursuant to Greeley Municipal Code § 6-224, is responsible for the collection of delinquent taxes, assessments, fees, and payments. The City Attorney's Office determines the most effective and appropriate means of recovery for each case and may partner with the Finance Department in doing so.

5.10.7 Write-Off of Uncollectible Receivables

This policy applies to all City receivables except property taxes, court fines, and warrants, which are governed by separate legal requirements. Receivables shall be considered for write-off under the following conditions:

- State statute authorizes the release of the indebtedness, liability, or obligation in whole or in part.
- The account has been outstanding for three or more years, has been identified as uncollectible, and all reasonable collection attempts have been exhausted.

Accounts shall be written off at least annually. Upon approval, accounts will be forwarded to a credit reporting agency where appropriate. Write-off of an uncollected account is a bookkeeping entry only and does not release the debtor from any obligation owed to the City.

5.11 Grants Policy

This section supersedes the City of Greeley Grant Management Policy (Policy No. 2024-01-FIN, effective December 1, 2023) and all prior grant-related policies and directives. It incorporates the full substance of that policy into this Comprehensive Financial Policy document. It expands the section to include a Donations policy, which is new content not previously addressed in the stand-alone grant policy.

Effective stewardship of public resources extends beyond locally generated revenues and includes the responsible management of grant funding and private donations. These policies establish the standards for pursuing, accepting, administering, and, when necessary, declining grants and gifts. The intent is to ensure that all external funding sources align with City priorities, comply with applicable laws and agreements, protect the City from unintended financial obligations, and uphold public trust through transparency and accountability.

5.11.1 Grants

The City will actively seek, apply for, and effectively administer federal, state, and local grants that support the City's current priorities and policy objectives. All grant expenditures shall be in accordance with the applicable grant agreement and approved budget.

5.11.2 Conflict of Interest

No employee or official of the City shall have any interest, financial or otherwise, direct or indirect, or have any arrangement concerning prospective employment that will, or may reasonably be expected to, bias the design, conduct, or reporting of a grant-funded project on which he or she is working. The Grant Project Manager for each grant-funded project is responsible for ensuring that all officials, employees, and subrecipients involved in the use of project funds avoid any action that might result in, or create the appearance of, using an official position for private gain, giving preferential treatment to any person or organization, losing independence or impartiality, making official decisions outside official channels, or adversely affecting public confidence in the grant-funded program or the City generally.

5.11.3 Grant Guidelines

The City shall apply only for grants that align with the objectives and high-priority needs identified by the City Council and City Management. As part of the annual budget process, each City department seeking grant funding shall conduct an annual planning process to compile a comprehensive list of departmental needs that may be met through grant funding, with budgets, narrative statements, and goals and objectives developed for each identified need. Grant funding will be used to leverage City funds, and grants that are inconsistent or fluctuating in nature should not be used to fund ongoing operating programs. Before applying for any grant, the potential for ongoing costs, including the assumption of locally funded positions following the grant period, shall be evaluated and documented. Federal grants often require more extensive reporting requirements than state and local grants, and the anticipated cost of administering and implementing a grant shall be compared to its dollar benefit before an application is submitted.

5.11.4 Grant Review and Acceptance

All grant applications shall be reviewed for cash match requirements, potential impacts on the operating budget, and alignment with the City's goals. If a cash match is required, the funding source must be identified before the application is submitted.

City Council approval is required prior to the acceptance of any grant if the grant is for a dollar amount exceeding $500,000, or if, in combination with other grants received from the same source for the same project or program in the preceding year, the total received will exceed $500,000. City Council approval is also required if the grant requires a matching contribution by the City in the form of an expenditure for which a budget and appropriation have not previously been approved by Council, regardless of the matching amount, or if any other provision requires Council approval. Council approval shall not be required for a time extension or other amendment of a previously approved grant agreement unless the amendment changes the purpose of the grant or requires Council approval under any other law.

Any grant received for less than $500,000 that does not otherwise require Council approval requires approval by the City Manager or designee. The City Attorney shall review the terms and conditions of all grant agreements to assess their legal enforceability before execution.

All grants must be reflected in the City budget. Grants requiring Council approval shall be accepted by Council action accompanied by a Resolution and Agenda Summary prepared by the receiving department, a copy of the grant award letter and grant agreement, and an additional appropriation request to be included in the next appropriation ordinance. Grants not requiring Council approval shall be reflected through a budget amendment.

5.11.5 Grant Administration

The Finance Department is responsible for overseeing the City's grant activities. All grant activity must be routed through the Finance Department, including the receipt and deposit of grant-related funds and the submission of expenditure requests. The Finance Department is responsible for establishing separate project numbers or accounting strings to track revenues and expenditures for each grant. Separate revenue and expense accounts or sub-accounts shall be created for all grants, and journal entries shall be recorded from inception through closeout.

No funds shall be disbursed until the City Council has approved a Resolution for grants requiring Council approval. All grant award money transfers shall be coded as revenue and categorized by funding source as federal, state, or other. All reimbursement requests to the granting entity must be authorized in advance by the Finance Department. Disbursements shall remain in compliance with the granting entity's program guidelines and timeline requirements.

Cash receipts or journal entries shall support all revenue as applicable. All expenditures shall be supported by a timesheet, purchase order, request for payment, or credit card receipt, along with supporting invoices. The Project Director shall approve all such documentation along with all other required City approvals. The revenues from any grant shall be treated as custodial funds of the City to be expended exclusively for the purpose for which the grant was given. These revenues shall be deposited into the City's treasury and credited to the appropriate fund.

City departments are responsible for planning for grant acquisition, preparing and submitting grant proposals, developing grant implementation plans, managing grant programs, preparing and submitting reports to grantors, and properly closing out grant projects. Departments are required to inform the Budget Office of the grant amount and anticipated receipt date, and must ensure that any recurring grant expenditures are incorporated into the upcoming budget. Department staff and Finance Department staff shall maintain a close working relationship to ensure a clear understanding of project status.

5.11.6 Grant Implementation

Upon notification of a grant award, the recipient department shall develop a Grant Implementation Plan that identifies the goals and objectives to be achieved, the project timeline, milestone events, an anticipated expenditure schedule, roles and responsibilities, and the terms and conditions of the grant agreement. The recipient department shall convene an implementation planning process that includes department grant management staff, accounting staff, key project staff, and any other key individuals. The City Manager must approve exceptions to the Grant Implementation Plan requirement.

5.11.7 Budget Modifications

Modifications to the budget for a grant-funded project that would alter the grant amount or reallocate funds between budget line items require prior approval from the grantor in accordance with the grantor's terms and conditions. If a budget modification is needed, the Grant Project Manager shall request the grantor's written approval. If the grantor provides verbal approval, the recipient department must follow up with written verification and submit documentation to the Finance Department. Written approval from the grantor to move budget between line items must be provided to the Finance Department, which will make the appropriate adjustment to the project budget in the financial system.

5.11.8 Administrative Cost Recovery

All grant applications submitted by the City shall include a request for reimbursement of administrative and indirect costs to the fullest extent permitted by the grant program. The City shall apply the federal de minimis indirect cost rate authorized under 2 CFR § 200.414, up to the maximum allowed under the applicable rule, when preparing grant application budgets. Departments shall not waive or forgo indirect cost recovery without the Finance Director's written approval. When a grant program caps or prohibits indirect cost recovery, the Finance Director and Grants Manager shall evaluate whether the award justifies the resulting administrative burden before submitting the application.

Administrative cost recoveries received by the City shall be allocated equally between the recipient department and the Finance Department's Grants Management function. The recipient department's share is intended to offset the direct administrative time and costs incurred in managing the grant at the program level. The Finance Department's share is intended to sustain the centralized grant support functions that provide compliance oversight, financial reporting, and technical assistance across all City grant programs. The City Manager's Office may adjust this allocation by written determination when the nature or administrative complexity of a specific grant warrants a different distribution, provided that any such adjustment is documented and applied consistently for the life of the award.

5.11.9 Procurement and Equipment

All procurement activities associated with grant-funded projects shall comply with the City of Greeley Purchasing Policy and the grant requirements, whichever is more restrictive. All equipment and property reporting and inventory procedures shall follow the City's Capital Assets Policy and the grant requirements, whichever is more restrictive. Equipment inventory records for federally funded assets shall be maintained in accordance with 2 CFR § 200.313(d). They shall include a description, serial number, funding source, titleholder, acquisition date, cost, percentage of federal participation, location, use, condition, and disposition data. A physical inventory of grant-funded equipment shall be taken and reconciled with equipment records at least once every two years.

Capital assets acquired with grant funds must be used for the original grant purpose for as long as needed. Disposal of grant-funded assets must comply with the applicable grant agreement, federal or state guidance, and all applicable laws. Finance must be notified prior to any disposal or transfer of equipment purchased with federal funds.

5.11.10 Program Income

All program income resulting from a grant-funded project or program shall be managed and maintained as established in the award letter, grant agreement, contract, special conditions, or other document generated by the granting entity.

5.11.11 Reporting

Recipient departments shall prepare accurate and timely reports as required by the grantor. All financial reports and reimbursement requests must be reviewed by the Finance Director or designee prior to submission to the grantor. The Finance Department shall submit a quarterly report to the City Manager's Office that clearly identifies grant applications that have been added and are in progress since the last report. The report shall include, for each application, the grant program name, funding source, requested amount, a brief description of the purpose, and a departmental contact.

5.11.12 Grant Oversight and Single Audit

During the grant period for any grant received by the City, the Finance Department may review the grant, project, or program files. When total federal expenditures exceed $1,000,000 in a fiscal year, the City shall obtain a Single Audit in accordance with 2 CFR Part 200. The Finance Department, working with grantee departments, shall maintain all required grant records and shall follow up promptly on audit findings.

5.11.13 Grant Termination and Reduced Funding

In the event of reduced grant funding, City resources will be substituted only after all program priorities and alternatives have been considered during the budget process, and only if the City is contractually obligated to maintain the affected positions or programs. The City shall terminate grant-funded programs and associated positions when grant funds are no longer available, and the City has no obligation to continue them under the grant terms, unless City Council determines that continuing the program serves the City's interests and identifies a local funding source.

5.11.14 Grant Closeout

Upon closing a grant, any remaining budget balance shall be closed as prescribed by the Finance Director, and any unexpended funds shall be transferred to the specific funds that supported the grant administration. If the terms of the grant require other treatment, an ordinance closing the grant will direct the disposition of unexpended funds. The Finance Director shall make all necessary book and record entries to effectuate the requirements of this section.

5.12 Donations Policy

The purpose of the donations policy is to establish a formal process for accepting and documenting donations made to the City. This policy provides guidance when individuals, community groups, and businesses wish to make donations. It also establishes standards for City employees and officials regarding the acceptance of gifts in the course of City business.

5.12.1 Consistency with City Interests

Designated donations may be accepted only when they serve a purpose consistent with the City's goals and objectives and are in the City's best interests. The City must always consider public trust and comply with all applicable laws when accepting donations.

5.12.2 Types of Donations

Donations may be made in the form of monetary gifts or real or personal property. Designated donations specify a particular City department, location, or purpose. Undesignated donations are given to the City for general use. The receiving department head is responsible for acknowledging receipt and thanking the donor on behalf of the City.

5.12.3 Monetary Donations

The Finance Department shall receive all monetary donations. Receipts shall be issued to the person delivering the donation. The City's financial institution must clear all donations by check before issuing a tax receipt. Checks, money orders, and bank drafts shall be made payable to the City of Greeley. No third-party checks will be accepted. Cash payments shall not be accepted.

5.12.4 Real Property Donations

Real property donations will be accepted only when the minimum criteria are met, and the proposed donation provides clear value to the City. Property must be conveyed as a gift without additional City payment, with a General Warranty Deed or a Special Warranty Deed. Quit-Claim Deeds will not be accepted. The property must be free and clear of all encumbrances, liens, mortgages, and leases. All taxes must be paid and current. The donor shall provide a completed donation packet, including a Real Estate Acquisition Data Sheet; a copy of the deed conveying title to the donor; documentation of the donor's authority to convey, where applicable, any documents relating to legal, financial, or environmental issues; and a current tax receipt.

5.12.5 Acceptance Thresholds

The following thresholds govern who may accept monetary donations or tangible items on behalf of the City:

Donation Value	Authorized Acceptor
$1,000 or below	Department Director
Above $1,000 up to $10,000	City Manager
Above $10,000 or any real property	City Council, by written agreement

Offers of gratuitous donations to the department or the City (such as holiday gift baskets) shall be made available to benefit all employees equally and only if the donation serves the public interest.

5.12.6 Acknowledgment of Donations

A Donation Application Form shall be completed by the receiving department director or the City Manager's Office for all donations. Acknowledgment of the donation shall be in writing, signed by the appropriate City official, and shall accurately describe the donation and the terms and conditions of acceptance.

5.12.7 Online Donations

Departments that accept donations through City-approved online payment platforms are subject to the same receipt, tracking, and acknowledgment requirements as all other monetary donations. All online donation platforms used by City departments must be approved by the Finance Department prior to use. Departments shall report all online donations received to the Finance Department monthly, including the donor, amount, date, and, if applicable, the designated purpose. Because the timing and amount of online donations cannot be controlled in advance, such donations are accepted subject to after-the-fact review. The Finance Department shall monitor cumulative online donations and flag any individual donation or cumulative amount from the same donor for the same purpose within a twelve-month period that exceeds the Department Director's approval threshold. Donations exceeding that threshold shall be reported to the City Manager promptly for review and ratification. The City reserves the right to return any donation that, upon review, is determined to be inconsistent with City interests, inappropriate in purpose, or otherwise not in the public interest.

5.13 Purchasing Policy

The City of Greeley's procurement program is governed by a comprehensive Purchasing Policy established in accordance with Title 6, Chapter 6, Articles I through VII of the Greeley Municipal Code. That policy establishes the detailed procedures, competitive solicitation requirements, contract administration standards, and departmental responsibilities governing all City purchasing activity. This section summarizes critical policy elements and establishes signature and delegated authority. The full Purchasing Policy can be accessed in the City's policy library.

5.13.1 Procurement Philosophy

The City shall procure goods and services in a manner that maximizes value, promotes fair competition, ensures accountability, and complies with all applicable laws. Procurements shall be made without favoritism. All employees are responsible for ensuring that adequate budgeted funds are available before initiating any procurement, and for making a good-faith effort to obtain fair and competitive pricing for all purchases, regardless of dollar amount.

5.13.2 Purchasing Thresholds & Competitive Requirements

City employees shall consider the total anticipated value of a procurement when selecting the appropriate solicitation method. Current thresholds are as follows:

Procurement Type	Threshold	Solicitation Method	Contract Required
Discretionary Purchase	Up to $10,000	No competition required	PO Terms and Conditions or City's Standard Contract, as applicable
Small Purchase	$10,000 up to $99,999	Quote Request, or Non-Competitive Procurement Request Form (3 quotes required)	PO Terms and Conditions or City's Standard Contract, as applicable
Formal Procurement	$100,000 and over	Competitive Sealed Bids, Request for Proposals (RFP), Request for Qualifications (RFQ), or Non-Competitive Procurement Request Form	City's Standard Contract

Per Greeley Municipal Code Section 6-481, Non-Competitive Procurements may be used at any threshold subject to approval from the City Manager or designee. All technology-related procurements must be reviewed and approved by the IT Director before formal solicitation or contract execution.

5.13.3 Signature & Delegated Authority

The authority to sign contracts and other legally binding agreements on behalf of the City is established by the City Charter and the Greeley Municipal Code. Any agreement not signed by an authorized official is invalid and not binding on the City. Signature Authority, as outlined in Municipal Code Section 2-184, applies to all agreements, contracts, memoranda of understanding, purchase orders, and other legally binding agreements for financial obligations to which the City is a party. The following conditions apply:

Terms and Conditions	Purchase Amount	Approver(s)
PO Terms and Conditions	Up to $10,000	Employee designated by the Department Director
PO Terms and Conditions or City's Standard Contract	$10,000 up to $100,000	Department Head or designee
City's Nonstandard Contract	$10,000 up to $100,000	Department Head or designee and City Attorney's Office
City's Standard and Nonstandard Contract	$100,000 and over	City Manager or designee, City Attorney, and Finance Director
Professional or Consulting Service Contracts	$200,000 and over	City Council (by resolution); City Manager or designee; City Attorney; and Chief Financial Officer

5.13.4 Federal Procurement Requirements

All procurements using federal grant funds must comply with 2 CFR Part 200 and any applicable federal program requirements. City departments must work with the Purchasing Division on any program or project involving federal funds. Before issuing any purchase order or contract using federal or state funds, City employees must verify on the SAM website (www.sam.gov) that the contractor is registered and in good standing.

5.13.5 Real Property Acquisition

The acquisition of real property, whether by purchase, exchange, or lease-purchase, may be done as authorized by the City Charter and the Greeley Municipal Code. Before completing the purchase, staff shall prepare a written analysis documenting the public purpose, proposed purchase price, and valuation basis, funding source, and any known environmental, title, or legal concerns. An independent appraisal shall be obtained unless the City Manager, in writing, waives it for documented cause. The City Attorney shall review all acquisition documents before execution, and title insurance shall be required. The Finance and Budget Directors shall confirm that funds are appropriated before any agreement is executed.

5.13.6 Conveyance of City-Owned Water, Mineral, and Real Property Interests

All conveyances of the City's interests in water, mineral, and real property rights, including leases of those rights and improvements (but excluding annual leases of water rights not needed by the City for immediate use), shall be completed as authorized by the City Charter and the Greeley Municipal Code.

The City's Water and Sewer enterprise operations are governed by the Water and Sewer Board, which operates under authority established in the City Charter and in accordance with the Board's adopted bylaws and applicable provisions of the Greeley Municipal Code. Conveyances of water and sewer system assets, rights, or interests that fall within the jurisdiction of the Water and Sewer Board shall be subject to the approval processes and authority established by the Board's governing documents, the City Charter, and the Greeley Municipal Code. Nothing in this policy is intended to supersede or limit the authority of the Water and Sewer Board as established by state law, the City Charter, or the Board's adopted bylaws.

5.13.7 Exclusions from Competitive Procurement Requirements

Certain purchases and expenditures are excluded from the City's standard competitive procurement requirements by their nature, legal status, or operational necessity as authorized by the Greeley Municipal Code. Staff with questions about whether a particular purchase qualifies for an exclusion should contact the Purchasing Division for guidance before proceeding.

Exclusions authorized by the Greeley Municipal Code do not relieve the purchasing department of the obligation to ensure fair value, document the basis for the exclusion, and comply with any applicable federal or state laws, including those governing federally funded purchases. All exclusions remain subject to the City's signature authority requirements and budget availability requirements.

5.13.8 Procurement Records

Complete and accurate procurement records shall be maintained for all purchases, consistent with the City's records retention schedule and applicable grant requirements. They shall be sufficient to document the procurement method, contractor selection, price reasonableness, and compliance with all applicable requirements.

For complete provisions, including purchase order and requisition procedures, blanket purchase orders, cooperative procurement, non-competitive procurement, bid protest procedures, change order requirements, contract amendment and renewal processes, and all applicable forms and templates, refer to the City of Greeley Purchasing Policy in the City's policy library.

6. Consequences for Violation of Policy

Violations of this policy shall be reported to the Finance Department, which shall investigate and advise the director of the responsible department. The responsible department director shall take appropriate action regarding the issue(s) presented.

Repeated violations by the same individual, or violations involving willful misconduct, fraud, or misappropriation of City funds or assets, shall be treated as serious offenses warranting immediate disciplinary action up to and including termination, regardless of the nature of the underlying policy violated. Where conduct may constitute a criminal offense, the matter shall also be referred to law enforcement.

7. Document Retention

The City Council has adopted the Colorado Municipal Records Retention Schedule as the City's record retention policy. It is found here: [Municipal Records Management | Colorado State Archives]

8. History

This Comprehensive Financial Policy consolidates the City's previously separate financial policies, directives, and resolutions into a single document. It supersedes all prior financial policies and administrative regulations addressing the subjects covered herein, effective as of its date of issuance by the City Manager.

9. Forms/Tools/Resources

None. Will link as they become available and are applicable City-wide.

10. Related Information

Other materials providing additional detail beyond the scope of this document: separately adopted City policies governing investment management and procurement, each summarized rather than restated in full here; the City Charter, Greeley Municipal Code, and applicable Colorado Revised Statutes; City Council resolutions establishing specific reserve and financial requirements; and adopted master plans and capital planning documents that inform the City's Capital Improvement Plan. The full text of these materials is available through the Finance Department or the City's policy library.

High Performance Government

Comprehensive Financial Policies

Kirk Jones, Finance Director
Kirk.Jones@greeleygov.com
City Council Work Session – August 25, 2026

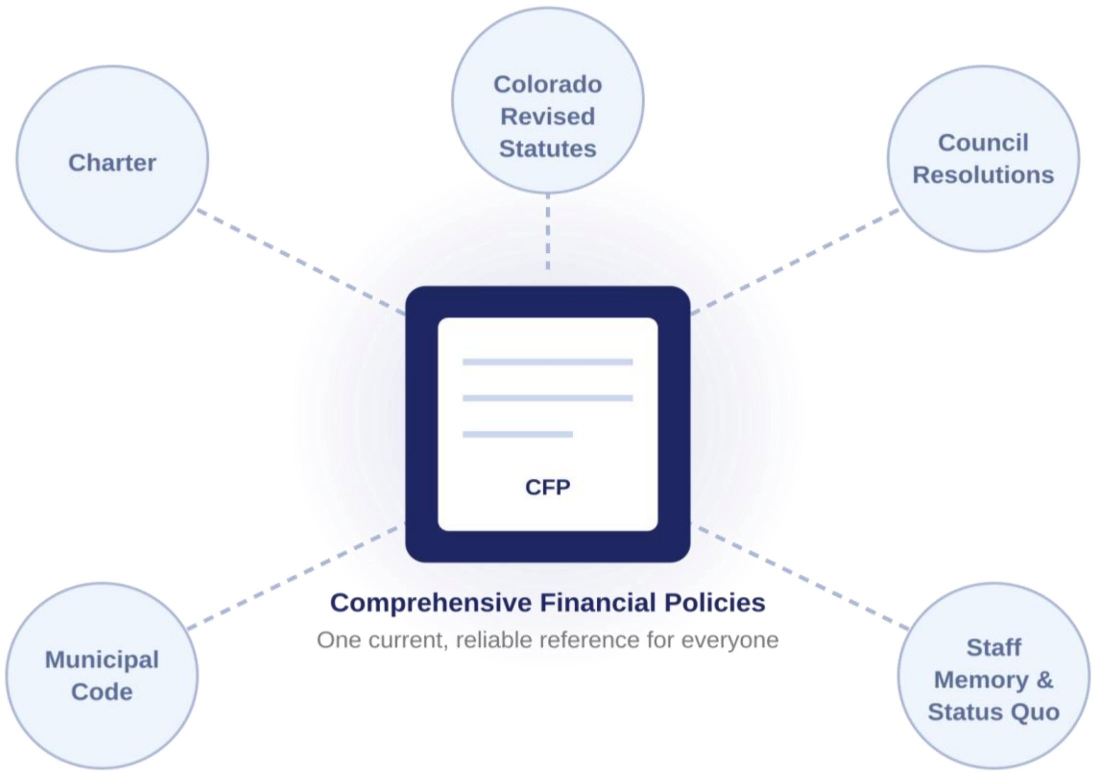
Agenda

- Provide an orientation and overview
  - Why this matters
  - The framework
  - Key policy highlights
  - Council’s role
- Informational but request feedback and Council insights

Introduction

- **Finance's role:** protect the City's fiscal health and credibility
- **Financial policy today:** spread across the Charter, Code, and individual documents and actions
- **Why now:** dated and missing policies, City growth, continuous improvement of business systems
- **This framework:** one City Manager issued document bringing it all together
- **Today's purpose:** walk through framework and policy decisions

Why This Matters



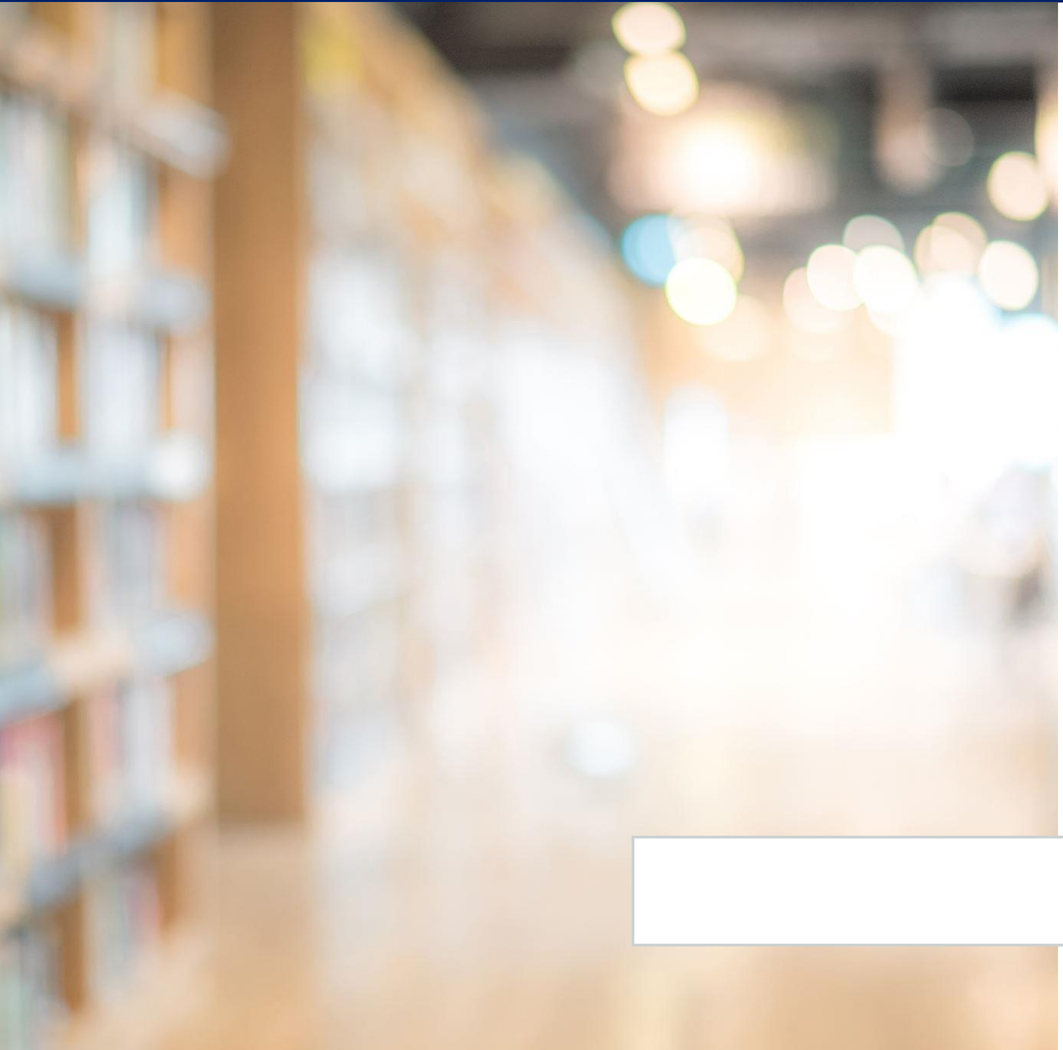
- A GFOA best practice for governments
- Demonstrates sound financial management
- Eliminates reliance on institutional memory as staff and Council change
- One reference for how the City manages money
- Support good bond ratings and thereby reduce the cost of borrowing

Stewardship Defined

- ***To be a steward of public funds means to responsibly manage money that belongs to the public. At its core, stewardship is about Trust, Accountability, and Wise Decision-Making*.**

- Acting in the Public's Best Interest
- Using Funds Efficiently and Effectively
- Transparency and Accountability
- Following Laws, Policies, and Ethical Standards
- Protecting Funds from Misuse
- Planning for Long-Term Impact

What is the CFP



- A set of guidelines and principles that govern how the city manages its finances
- Implements the Charter, Code & State law
- Does not override
- Sets city-wide standards
- Investment and Purchasing policies: summarized here, detailed separately
- Available to all

Document at a Glance

Eleven sections, one framework

Annual review keeps it current

Clear process for amendments

Policies

- Maintained/Summarized
  - **Investments** & **Procurement**
- Newly established
  - **Donations**
- Refined & Updated
  - All others

Accounting & Reporting	Audit	Budget & Financial Planning
Debt & Financing	Cash & Treasury	Investments
Fund Balance & Working Capital	Capital Assets	Revenue Administration
Grants & Donations	Procurement	

Strengthening Reserves & Fiscal Stability

- Consistent with Resolution No. 73, 2016
- General Fund: 2-month minimum reserve
- TABOR 3% emergency reserve included
- Utility funds: 25% minimum operating reserve
- Debt reserves per bond covenants
- Surplus directed to one-time spending
- Council approval required for reserve use
- 5-year replenishment after any draw

Debt & Capital Discipline

- 30-year bond cap
- Annual debt capacity review required
- Refunding only with meaningful savings
- Interfund loans over one year require Council approval

Grants & Donations

Grants

- Grants over $500K: Council approval
- Grants under $500K: City Manager approval
- Indirect cost recovery, split equally with Finance

Gifts

- Donations up to $10K: approved administratively
- Donations over $10K, or real property: Council approval
- Every donation gets written acknowledgment

Capital Assets

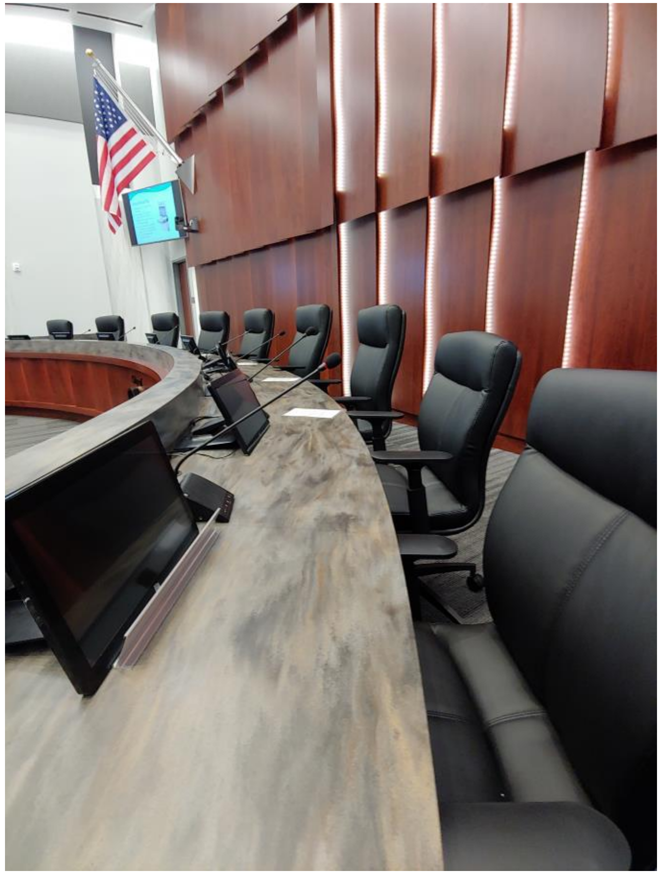
- $10,000 capitalization threshold, reviewed annually
- Seven asset categories, land through construction in progress
- Recorded at cost, or fair market value if donated
- Leases evaluated under GASB 87
- 5-year Capital Improvement Plan for projects $50K and up
- Quarterly project status reported to Council

Governance & Accountability

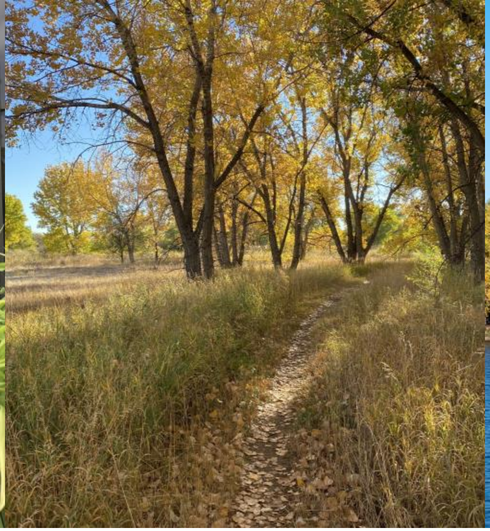
- Finance Director maintains it, reviews it annually
- Administrative policies allowed with CFO and CM notice
- Material changes shared with Council for review
- Charter and state law govern first

Council's Role & Oversight

- Reserve use: Council discretion in a declared emergency or downturns
- New debt: Council approval
- Grants over $500,000: Council approval
- Material policy changes: review and comment








Summary

- A single framework organizing and updating policy
- New and relevant policies
- Reserves, debt, and capital managed with discipline
- Clear thresholds for grants, assets, and procurement
- One framework, reviewed annually, clearly owned
- Council's approval protected where it matters most

Questions & Discussion

City of Greeley Colorado

Work Session Agenda Summary

August 25, 2026
Key Staff Contact: Robert Miller, Division Treasurer

Title:
2026 Second Quarter Financial Update

Background:
Staff will provide an overview of the City's second quarter of 2026 financial condition and an update on grants received by the City.

The City continues to maintain its good financial condition by applying sound budgeting and accounting policies and procedures in the midst of the continual economic uncertainty. The current financial presentation includes many of the trends and other highlights impacting available City resources. Overall revenues and expenditures are within projected variances for the 2026 budget.

The City is currently seeing a slight overall increase in available monies, being on average above the adopted 2026 budget across all funds. The City ended 2025 with a carryover of $1.8 million in the General Fund. The City also continues to maintain revenue stabilization funds in the General Fund of $4.8 million. The carryover from 2025 and revenue stabilization funds can be used to increase reserves, fund new expenditures, replace revenue shortfalls, or be allocated as part of the 2027 Budget. The City currently has sufficient reserves to meet the required reserve requirements in 2026 and has the ability to allocate existing one-time monies to adjust for unforeseen circumstances or events.

Strategic Focus Area:
High-Performance Government

Attachments:
1. Item - Presentation

Second Quarter Financial Review January 1, 2026 to June 30, 2026

Robert Miller, Division Treasurer

City Council Work Session – August 25, 2026

Agenda

- Overall Economic Conditions and Outlook
- Summary of Greeley’s Financial Condition
- Total Investments and Cash
- Overview of Revenues and Expenditures
- Financial Impact
- Grants Summary

Overall Economic Conditions and Outlook

- Retail spending in Colorado for 4 months increased by 1.5% in 2026
- Inflation is moderate nationally at 4.2% and at 5.0% in Colorado
- Unemployment remains low-to-moderate in Weld County at 4.1% as of May and has declined from 5.0% in May of 2025
- Short term interest rates are very volatile with a projected increase of 0.25% in 2026
- Economic growth continues to exceed prior expectations
- There is still considerable economic uncertainty that will continue to have an impact on the City's resources and expenditures
- State of Colorado continues to project a 40% chance of a recession

Summary of Financial Condition – Greeley

Positive Impacts to 2026 City Resources

- New Construction: Building Use, Development Fees, & Permits
- Maintained Higher Reserve & Fund Balances: Interest Earnings
- Oil and Natural Gas Prices: Oil Royalties, Sales Tax, and Estimated Severance Taxes

Negative Impacts to 2026 City Resources

- Sales Tax: YTD Increase of 4.3% from 2025 vs. Budget of 5.6%. State of Colorado at 2.1% in 2026
- Food Tax is down 2% from 2025

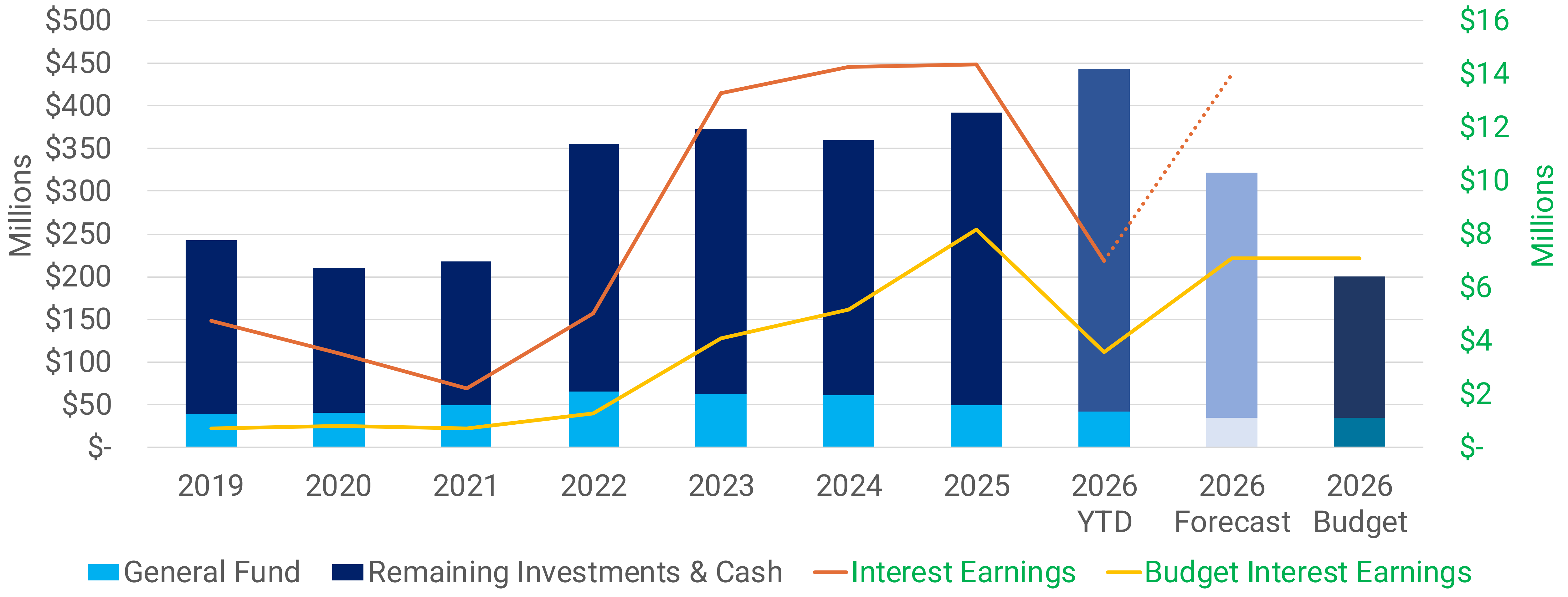
Additional Focus Areas Related to Future City Resources

- Economic Uncertainty

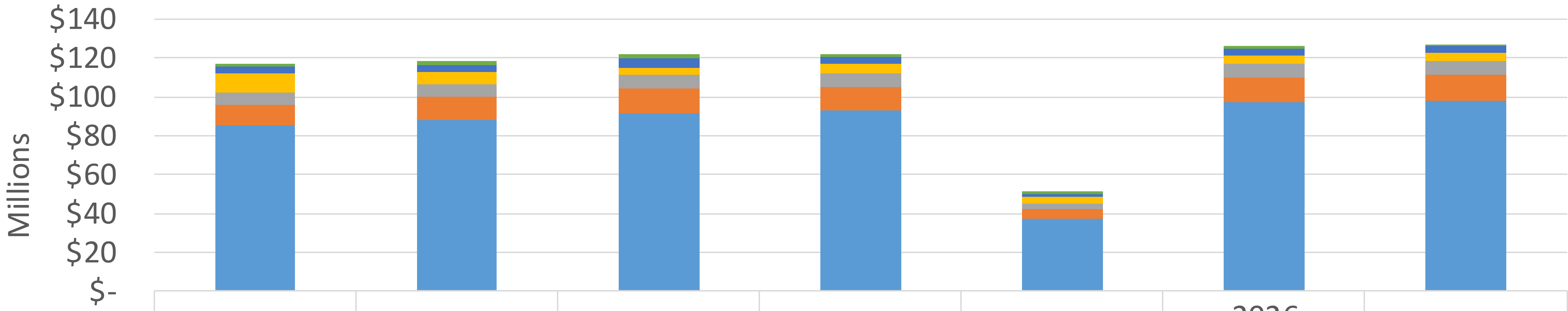
Impacts to Revenue in 2026

- $1.1 Million in 2025 General Fund (GF) Carryover and $4.8 Million in Reserve Stabilization
- Projecting $1.8 Million in 2026 General Fund Carryover

Total Investments and Cash

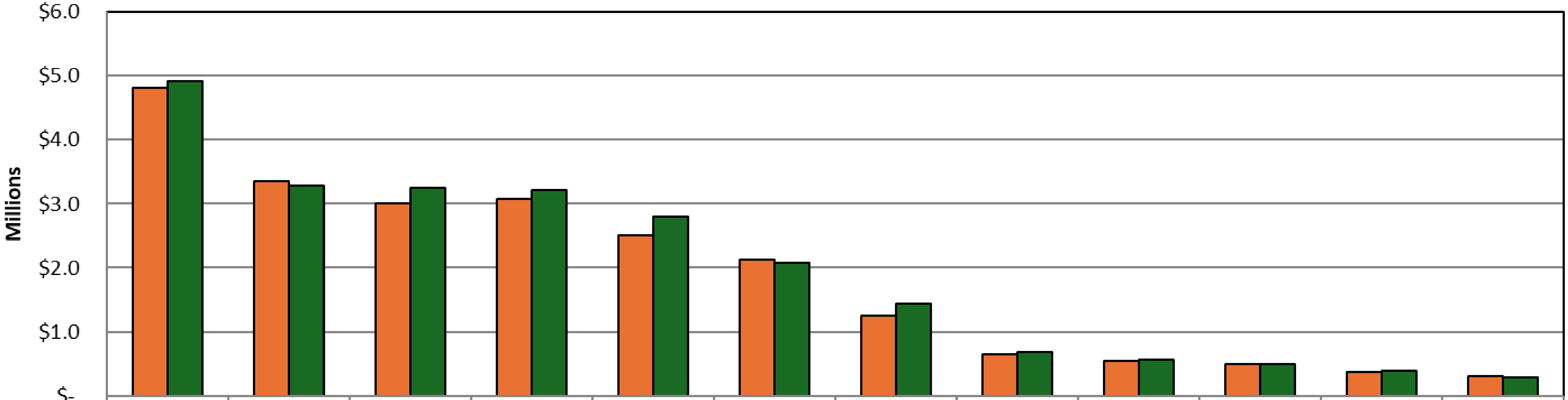


Total Sales and Use Tax Revenues



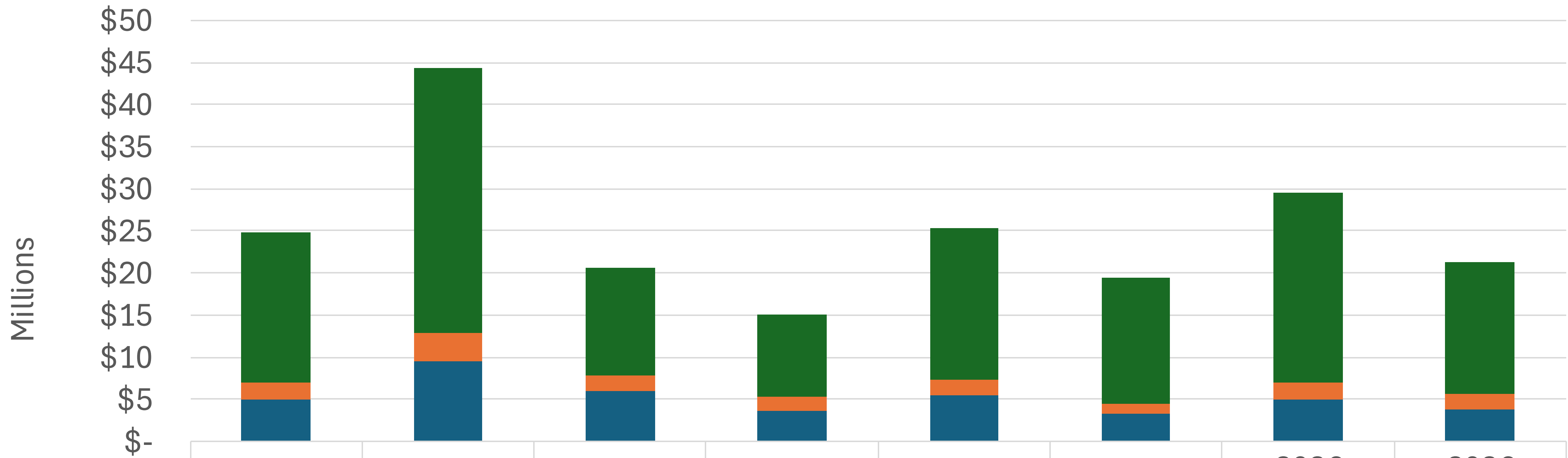
	2022	2023	2024	2025	2026 YTD	2026 Projection	2026 Budget
Other Taxes	$1.43	$2.36	$1.61	$1.77	$0.99	$0.99	$0.88
General Use - 4.11%	3.29	3.55	5.36	3.38	1.69	3.57	3.57
Building Use - 4.11%	9.52	5.93	3.53	5.34	3.35	4.33	3.80
Auto Use - 4.11%	6.40	6.78	7.18	6.73	2.86	7.12	7.37
Food Tax - 3.46%	11.09	11.86	12.25	12.28	4.82	12.52	13.23
Sales Tax - 4.11%	84.99	87.93	91.77	92.73	37.51	97.37	97.94

Sales Tax Revenues by Category



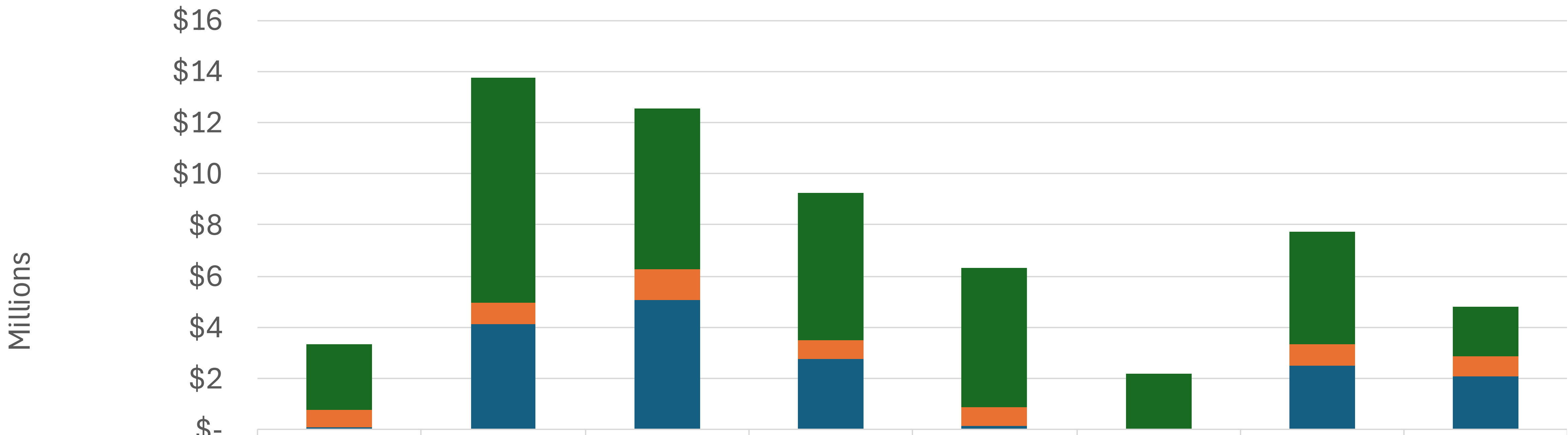
	Dining Out	Motor Vehicle and Parts Dealers	Online Shopping	General Merchandise Stores	Building Material and Garden Equipment and Supplies Dealers	Utilities	Electronics and Appliance Stores	Clothing and Clothing Accessories Stores	Gasoline Stations	Health and Personal Care Stores	Sporting Goods, Hobby, Book, and Music Stores	Furniture and Home Furnishings Stores
2025 YTD	$4.81	$3.35	$3.01	$3.07	$2.51	$2.12	$1.26	$0.65	$0.54	$0.50	$0.37	$0.30
2026 YTD	4.92	3.29	3.25	3.22	2.80	2.07	1.44	0.68	0.56	0.50	0.38	0.28
$ Change	0.10	-0.06	0.24	0.15	0.29	-0.05	0.19	0.03	0.01	0.00	0.01	-0.02
% Change	2.1%	-1.7%	7.9%	4.9%	11.4%	-2.3%	14.9%	4.1%	2.0%	0.1%	3.6%	-7.5%

Building Revenues



	2021	2022	2023	2024	2025	2026 YTD	2026 Projection	2026 Budget
Development Impact Fees	$17.9	$31.4	$12.9	$9.8	$18.0	$14.9	$22.5	$15.7
Building Permits (GF)	2.0	3.4	1.8	1.7	1.9	1.2	2.1	1.8
Building Use (73% GF)	5.0	9.5	5.9	3.5	5.5	3.4	5.0	3.8

Oil and Gas Revenues



	2021	2022	2023	2024	2025	2026 YTD	2026 Projected	2026 Budget
Oil Royalties (69% GF)	$2.6	$8.8	$6.3	$5.8	$5.5	$2.2	$4.4	$1.9
Federal Mineral Lease (GF)	0.6	0.9	1.2	0.7	0.7	-	0.9	0.8
Severance Taxes (GF)	0.1	4.1	5.1	2.8	0.1	-	2.5	2.1

Total Financial Impact Compared to 2026 Budget

	Estimated Variance from 2026 Budget	Major Categories
	$ (1.5) Million	Accounting Reconciliations in Oracle 2021-2026
	$ (1.5) Million	Sales and Use Taxes (Excluding Building Use Tax)
	$ 0.0 Million	Projected Operating Expenditure Savings
	$ 0.4 Million	Severance & Federal Mineral Lease Taxes (Estimated)
	$ 2.5 Million	Oil and Gas Royalties (Estimated)
	$ 5.2 Million	Interest Earnings
	$ 8.2 Million	Building Permits/Building Use/Development Impact Fees
	$ 11.7 Million	**Total Financial Impact**

General Fund Financial Impact to 2026 Budget Based on Current Actuals

	Estimated Variance from 2026 Budget	Major Categories
↓	$ (1.2) Million	Accounting Reconciliations in Oracle 2021-2026
↓	$ (0.6) Million	Sales and Use Taxes (Excluding Building Use Tax)
	$ 0.0 Million	Projected General Fund Operating Expenditure Savings
↑	$ 0.2 Million	Interest Earnings
↑	$ 0.4 Million	Severance & Federal Mineral Lease Taxes (Estimated)
↑	$ 1.3 Million	Building Permits/Building Use
↑	$ 1.7 Million	Oil and Gas Royalties
↑	**$ 1.8 Million**	**Total Financial Impact to 2026 General Fund**

City of Greeley Grant Data

PREVIOUS YEARS' DATA

	2023	2024	2025
Total Federal Expenditures (SEFA)	$ 6,942,971.00	$ 14,206,309.00	$ 13,621,128.00
Total # of Grants Applications	55	64	69
Total # of Active Awards	75	86	79

NOTE: 2024 expenditures includes approximately $5.9 Million spent 2021-2023 for the Federal Transit Grants

City of Greeley Grant Data

Grant Activity January 1 - June 30, 2026

	2026
Estimated Total Grant Expenditures	
Total Federal	$ 5,576,143.59
Total Non-Federal	$ 1,302,964.33
Total # of Grants Applications	33
Total # of Active Awards	84

NOTE: The total number of grant applications include all applications submitted in 2026.

The total number of active awards include all grants that have been active in 2026, including those that closed sometime during 2026.

Thank you

Work Session Agenda Summary

August 25, 2026
Key Staff Contact: Nathan Mosley, Budget and Policy Director

Title:
Long Range Financial Update

Background:
Staff will provide an update of the five-year, long range financial forecast model. The update will include a review of the fiscal challenges the organization is facing, the 2027 budget approach, along with the corresponding impacts on the five-year outlook based on the current, recommended 2027 Budget assumptions. The presentation is informational in nature, and its intent is to provide City Council with awareness, understanding and current context for final decision-making related to the 2027 Budget. Staff will also provide an update on the planned agenda for the September 11 budget retreat.

Strategic Focus Area:
High-Performance Government

Attachments:
1. Item - Presentation

Long Range Financial Update

Nathan Mosley, Budget & Policy Director
Nathan.Mosley@greeleygov.com | 970-573-0073
City Council Work Session – August 25, 2026

Agenda

Intent: Awareness, Understanding & Context for final decision making on 2027 Budget

- Review Fiscal Challenges
- 2027 Budget Approach
- Long Range Financial Impacts
- Budget Retreat Preparation and Objectives
- Next Steps

General Fund Fiscal Challenges

Budget Context

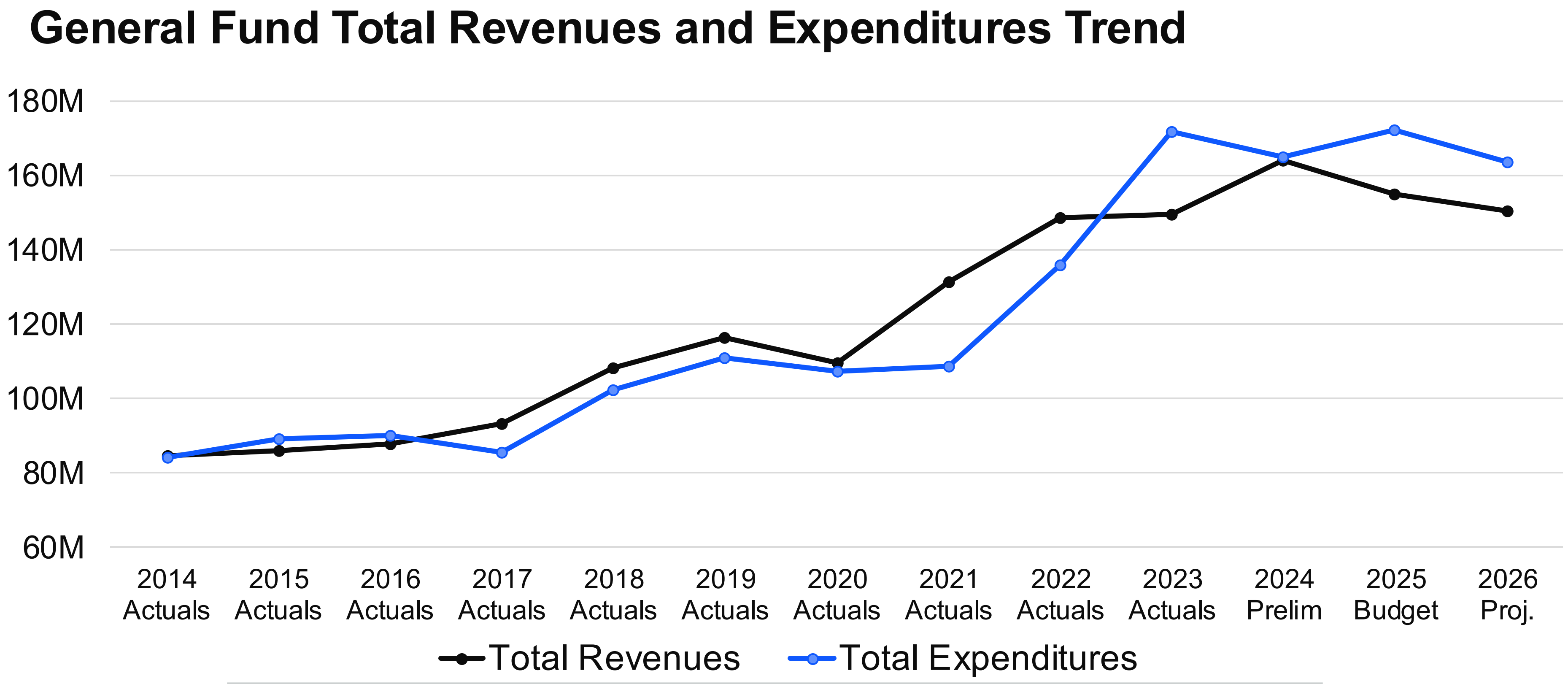
Volatile Economic Conditions

Uncertain Revenue Growth

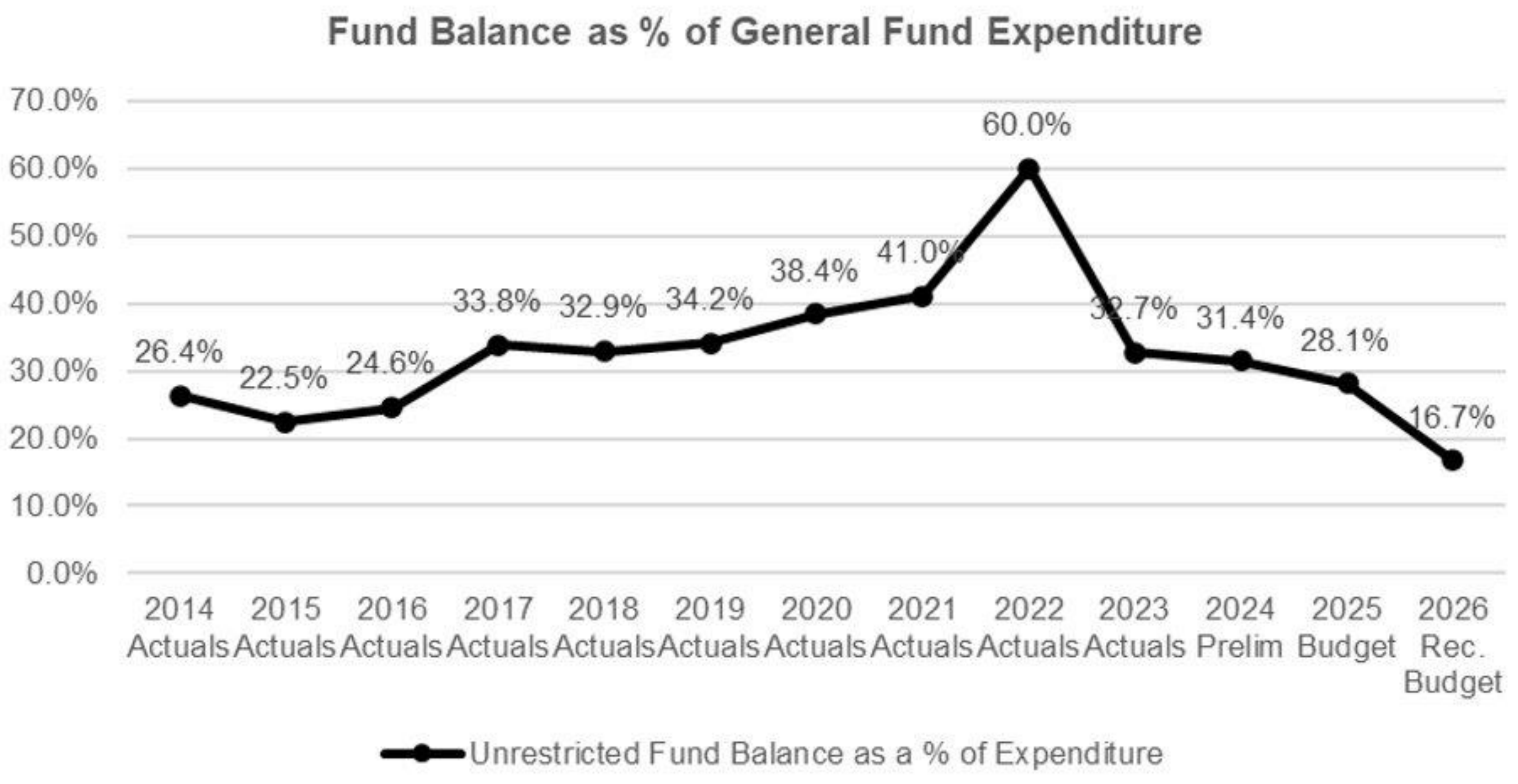
Increases in Programs & Expenses

= Structural Budget Gap

Recent Trend: Expenditures Exceeding Revenue



Corresponding Fund Balance Trend



16.7% = Required 2-Month Operating Reserve

Long Term Financial Sustainability

The 2026 Budget used one-time resources to sustain services while preparing for structural adjustments necessary to align our expenditures with our expected revenues in 2027.

The 2027 budget development process was intentionally structured to address the structural deficit and set a fiscally sustainable course for the organization going forward.

Addressing the Structural Deficit

Target-based budgeting approach

Limiting hiring, VSAs, reviewing service levels, identifying efficiencies

GOAL: Protect core services and create a more sustainable budget.

Long Range Fiscal Impact

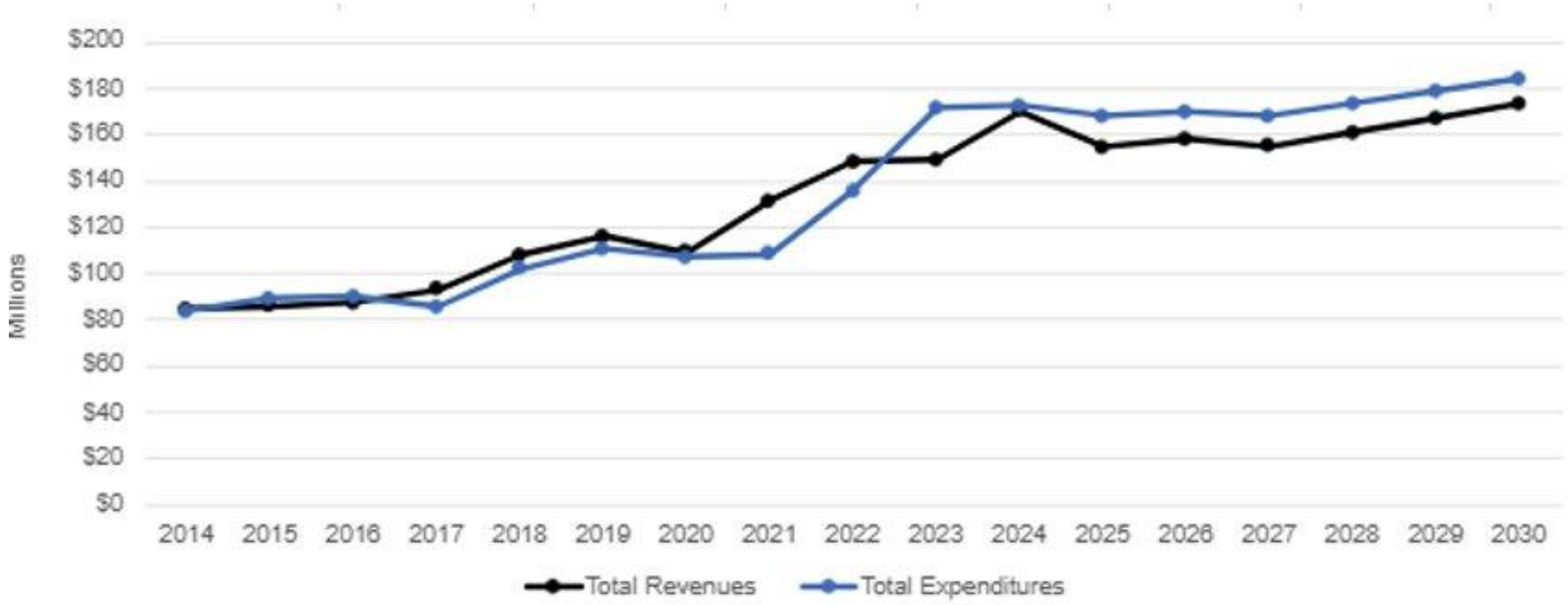
Overview

- Engaged PFM in 2024 to support long range financial planning
- Revenue Stabilization Fund & Five-Year Financial Projection Model
- Trained & Transitioned Model to internal staff
- Provides abililty to model a variety of scenarios & initiatives to determine long-term impact

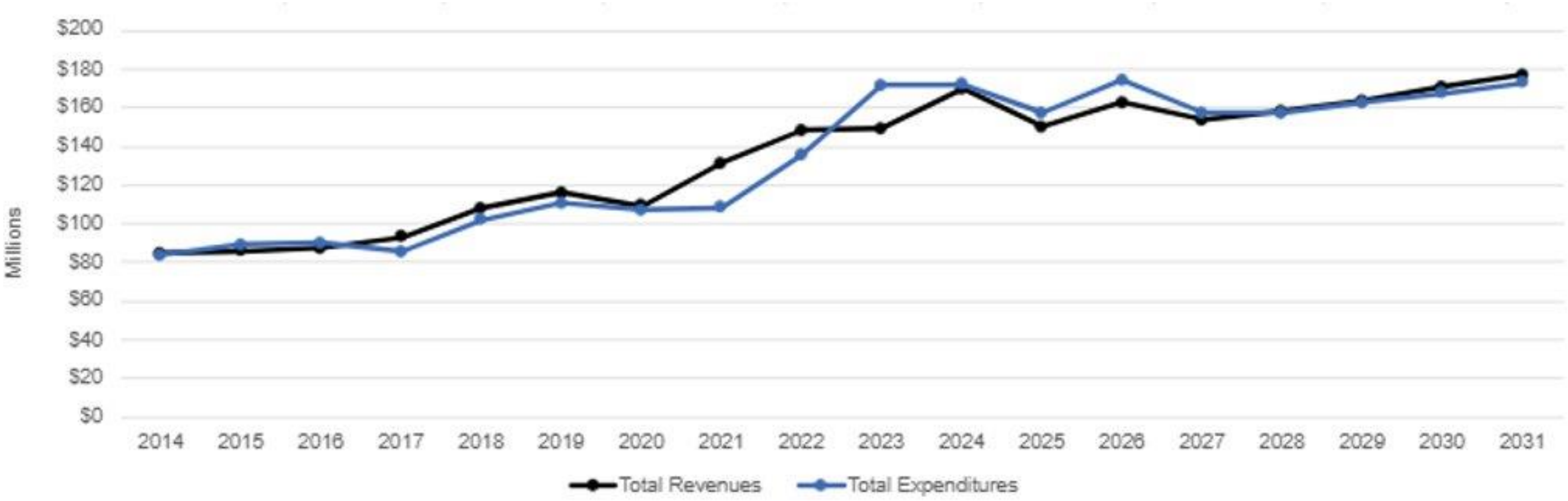
5 Year General Fund Forecast Assumptions

- Based on Audited 2025 Actuals
- Based on 2026 Budget
- Health Premiums – 10% increase + $1.5M one-time transfer
- No Annual Salary Increases (2028 & Beyond = 3%)
- FD Union Contract Included
- Department Budget Submissions ($16.8M reductions / $1.3M remaining gap)
- Utilizing a "baseline" growth projection

Recent Trend: Expenditures Exceeding Revenue



2027 Recommended Budget: Financial Correction



What Changed?

- $1.1M in 2025 Carry Forward
- Reduced Reserve Needed
- Internal Service & Charge Back adjustments
- The **EXCEPTIONAL** work done by Departments to meet targets while protecting core services

Budget Retreat

Intent: Address any remaining questions or concerns with the recommended budget and gain consensus for bringing forward a proposed 2027 Budget to City Council for adoption

- Review each CMO Portfolio
- Discuss any outstanding budget items
- Begin planning for 2028 Budget Development

Next Steps

- Friday, September 4 – Recommended Budget Distributed
- Friday, September 11 - Budget Retreat
- October 13 – City Manager's Proposed Budget Presentation, Work Session
- October 20 – 1st Reading & Public Hearing for the 2027 Proposed Budget
- November 17 – 2nd Reading & Public Hearing for the 2027 Proposed Budget

Budget Retreat	→	Proposed Budget	→	1st Reading & Public Hearing	→	Budget Adoption
Sept 11		October 13		October 20		November 17

Questions

Work Session Agenda Summary

August 25, 2026
Key Staff Contact: Brian McBroom, City Manager

Title:

Ballot Measure Follow Up

Background:

As a follow-up to the prior City Council discussion on August 11, 2026, of a potential ballot measure, the purpose of this agenda item is to provide answers to questions asked that evening and enable the City Council to further discuss the advantages and disadvantages of a November ballot measure. As backup material for this agenda item, the City Council has been sent two separate memorandums with more information. One is a confidential legal memorandum. The information that is not confidential is summarized on the attached presentation slides, which will be reviewed Tuesday evening.

Strategic Focus Area:

Business Growth
Community Vitality
Infrastructure and Mobility
Quality of Life

Attachments:

1. Item 9 - Presentation

2026 Ballot Question Follow Up

City Council Work Session – August 25, 2026

Agenda

- Background
- Key Information since August 11th Presentation
- Discussion

Background

Catalyst Project

- Proceeding to funding
- Preconstruction work nearly complete
- $85M in new debt
- $8M annual debt payments (max)
- Sources: Quality of Life, Food Tax, General Fund
- Impacts to other capital projects

Catalyst Project

- Preconstruction work nearly complete
- Needs zoning
- $115M in existing debt ($92M spent) w/ $7M debt payment if project doesn't proceed **OR**
- $12M Economic Development Payment needed if project proceeds
- No viable financial model without partner or dedicated tax
- Sources: Quality of Life, Food Tax, General Fund
- Impacts to other capital projects

Ballot Question

- Council direction on 8/4/26 to explore
- Work session discussion on 8/11/26
- Dedicated funding for these two projects
- Indirectly Increases funding for other capital projects
- Limited time to finalize
- Lots of variables
- Short term tax preferred

Key Q&A from August 11th Work Session

- Impact of delay on Civic Campus Development agreement
  - Confidential legal opinion provided via email to council
- How does a new tax impact credit enhancement?
  - From “BBB” to at least “A”
  - Saves $5M/year or $200M over 40-year revenue bond debt term
  - Returns our rating to pre-referendum level
  - County rating would have been “AAA”
- How does a different length of tax impact credit enhancement?
  - A 40-year tax provides the best credit enhancement
  - Shorter terms have considerably less impact
- Does private placement of bonds make a difference?
  - No – it could possibly increase the interest rate

Key Q&A from August 11 th Work Session

- How soon could the debt be retired with 0.5%?

Term	Base Annual Sales Tax Pledge	Total Collection Through Payoff	Payoff Year
10 Year**	$16,000,000	$194,699,447	2057
20 Year**	$16,000,000	$412,533,075	2052
40 Year	$16,000,000	$461,519,411	2050

*2% annual growth assumed in sales tax collections.
**Not recommended due to market perception issues.

Council Discussion

Does council wish to proceed with a ballot question?

If so, how much, for how long, and for what uses?

Does council need additional legal advice prior to deciding?

Thank you!!

Work Session Agenda Summary

Title
Scheduling of Meetings, Other Events

Summary
During this portion of the meeting the City Manager or City Council may review the attached Council Calendar or Work Session Schedule regarding any upcoming meetings or events.

Attachments
Council Meetings and Other Events Calendar
Council Meeting and Work Session Schedule
Status Report of Council Initiatives and Related Information

Council Meetings and Other Events Calendars

August 23 – September 19, 2026

Monday, August 24, 2026

- Quarterly Breakfast with the Board of County Commissioners 7:30 am Greeley Breakfast Club (2109 9th St, Greeley, CO 80631)

- Greeley Chamber of Commerce 11:30 a.m.

Tuesday, August 25, 2026

- City Council Work Session Meeting 6:00PM City of Greeley Council Chambers (1001 11th Ave Greeley CO 80631)

Friday, August 28, 2026

- UNC Football Game Day - City of Greeley 7 pm Nottingham Field (17 Ave Reservoir Rd, Greeley, CO 80639)

Tuesday, September 1, 2026

- City Council Meeting 6:00PM City of Greeley Council Chambers (1001 11th Ave Greeley CO 80631)

Thursday, September 3, 2026

- Island Grove Advisory Board 3:30 p.m. (600 N. 14th Ave Greeley CO 80631)

- North Front Range MPO Meeting 6 p.m. Fort Collins Colorado River Community Room (222 LaPorte Avenue Fort Collins, CO 80521)

Tuesday, September 8, 2026

- City Council Work Session Meeting 6:00PM City of Greeley Council Chambers (1001 11th Ave Greeley CO 80631)

Saturday, September 12, 2026

- American Cancer Society’s 34th annual Banner MD Anderson Cancer Center Cattle Baron's Ball 4:30 p.m. Location TBD

Tuesday, September 15, 2026

- City Council Meeting 6:00PM City of Greeley Council Chambers (1001 11th Ave Greeley CO 80631)

Wednesday, September 16, 2026

- Aims Community College Spotlight Speaker Series 8 a.m. Aims Community College Welcome Center (4901 W 20th St, Greeley, CO); Miller

- Water & Sewer Board Meeting 2 p.m. City of Greeley Council Chambers (1001 11th Ave Greeley CO 80631)

Thursday, September 17, 2026

- Greeley Dream Team Community of Champions Breakfast 7 a.m. UNC Ballrooms (2101 10th Ave Greeley CO, 80631)

- Downtown Development Authority 7:30 a.m. (802 9th Street, Greeley CO 80631)

- Airport Authority 3:00 p.m. Greeley-Weld Airport (600 Airport Road, Greeley CO 80631)

- Ribbon Cutting Ceremony at Redtail Park 4 p.m. (7273 27th St, Greeley, Colorado)

Friday, September 18, 2026

- 16th Street Ribbon Cutting 4 p.m. 16th Street Corridor Enhancement Project Location

2026 Council Meeting/Work Session Agenda Items Schedule

08/19/2026

This schedule is subject to change

Date/Type	Description	Sponsor Presenter/Director or Project Manager	Placement/Time
September 1, 2026 City Council Meeting	Proclamation - National Preparedness Month	Mayor	Intro
	Proclamation - Suicide Awareness and Prevention Month	Mayor	Intro
	Proclamation - Daughters of the American Revolution National Constitution Week	Mayor	Intro
	Resolution - Contract Infrastructure Strategies LLC for Capital Project Execution Advisory Services	Seth Sorensen	Consent
	Minutes Aug 4 RM; August 11 WS	Heidi Leatherwood	Consent
	Intro & 1st Rdg Ord - Amending Title 12, Chapter 6 of the Greeley Municipal Code Relating to Use of Dynamic Braking Devices	Adam Turk	Consent
	Intro & 1st Rdg Ord - Downtown Civic Campus Certificates of Participation 2026	Robert Miller	Consent
	Resolution - Ballot Measure	Stacey Aurzada/Heidi Leatherwood	Regular
	PH & Resolution - West Greeley Commons Metropolitan District	Don Threewitt	Regular
September 8, 2026 City Council Work Session			
	NFRMPO Director Presentation	Hanna Feldman/Seth Sorensen	WS
	Initiative 11-2026 Automated License Plate Reader & Drone Update	Tanya Gutierrez/Adam Turk	WS
	Quarterly CIP Financial Update	Kalen Myers/Nathan Mosley	WS
	9th and 10th Street Update	Seth Sorensen	WS
September 15, 2026 City Council Meeting			
	Proclamation - National Public Lands Day	Mayor	Intro
	Minutes Aug 18 RM; Aug 25 WS	Heidi Leatherwood	Consent
	Resolution - Proposition 123 Commitment Renewal	Deb Callies	Consent
	Resolution - Judicial Center Alley ROW Vacation	Doug May/Don Threewitt	Consent
	Resolution - Contract Housing Needs Assessment with Interval LLC.	Deb Callies	Consent
	Intro & 1st Rdg Ord - Assessments LID No. 9510101 (Lake Bluff Non-Potable Irrigation Pump Station)	Adam Prior	Consent
	Intro & 1st Rdg Ord - Assessments LID No 43840 (Johnson Subdivision Sanitary Sewer Infrastructure)	Adam Prior	Consent
	PH & 2nd Rdg Ord - Amending Title 12, Chapter 6 of the Greeley Municipal Code Relating to Use of Dynamic Braking Devices	Adam Turk	Regular
	PH & 2nd Rdg Ord - Downtown Civic Campus Certificates of Participation 2026	Robert Miller	Regular
	B&C Appointments	Jennifer Middleton	Regular
September 22, 2026 City Council Work Session			
	Planning Commission Interviews (tentative)	Jennifer Middleton	Regular
	Update to Areas of Ecological Significance Code	Meg Oren/Don Threewitt	WS
October 6, 2026 City Council Meeting			
	Minutes Sep 1 RM; Sep 8 WS	Heidi Leatherwood	Consent
October 13, 2026 City Council Work Session	City Manager's Proposed Budget Presentation	Nathan Mosley	WS
	Council Policies and Protocol	Heidi Leatherwood	WS
	GURA Visioning - 1. Discussion with GURA Board	Don Threewitt	WS
	Hold for potential Executive Session	Don Threewitt	WS
October 20, 2026 City Council Meeting			
	Minutes Sep 22 and Oct 6		
	Intro & 1st Rdg Ord - Update to Areas of Ecological Significance Code	Meg Oren/Caleb Jackson	Consent
	Intro & 1st Rdg and PH 2027 Budget	Nathan Mosley	Regular
	PH & 2nd Rdg Ord - Assessments LID No. 9510101 (Lake Bluff Non-Potable Irrigation Pump Station)	Adam Prior	Regular
	PH & 2nd Rdg Ord - Assessments LID No 43840 (Johnson Subdivision Sanitary Sewer Infrastructure)	Adam Prior	Regular
	B&C Appointments	Jennifer Middleton	Regular
October 27, 2026 City Council Work Session			
	B&C Triennial Review	Jennifer Middleton	WS
	Quarter 3 Financial Update	Robert Miller	WS

Greeley City Council

Status Report of Council Initiatives

Initiative No.	Council Member Initiating	Council Request	Council Meeting or Work Session Date Requested	Next Steps & Schedule	Anticipated Deliverable & Date (Report, Council Presentation, etc.)	Assigned to:
11-2023	Clark/Butler	**Artificial turf and landscape standards**	August 1, 2023 Council Meeting	•Come back to Council with a draft ordinance	Landscape standards was presented at the July 28 work session.	Don Threewitt
5-2024	Hall	**Impact Fee Study Structure**	May 7, 2024 Council Meeting	Requested staff bring a report to a future work session explaining more in depth the Impact Fee Study Structure - how the ratio is calculated, review process, timeline of review, and development fees	DTA was awarded the contract and that process has now started. The consultant is working on completing the study by the end of December. DTA prepared two impact fee studies: One for West Greeley, one for the rest of the City. Post-review of the studies determined West Greeley should have an assessment and impact fees should be Citywide. DTA is finalizing the GID Assessment first, then the Citywide impact fee study. City Council adopted the 2026 impact fees utilizing Raeftelis fee methodology. It is anticipated that the new study will be brought to Council	Allena Portis
8-2024	Olson	**Code Compliance**	Oct 1, 2024 Council Meeting	Part 1 - Requested staff to present at a future work session on code compliance- what is compliant and what is not and to develop a plan to assist with low-income residents specifically relating to yards and vegetation Part 2 - More information needed on specific options on landscaping; enhancing voluntary compliance ticketing system	Following the February council meeting Code Compliance has been focusing on the council's direction to: Explore how to speed up compliance without immediate ticketing. How to enhance voluntary compliance. Remains on track. The snow removal education campaign was launched via the City Scoop on December 4, 2025. Council was updated through the Weekly Council Update on December 5, 2025. Staff are working with legal and will come back at a later date with updates.	Kelli Johnson/Buxton Demers
13- 2024	Butler	**Audit of Development Code**	Dec 10, 2024 Council WS	Discrepancies in the code and would like an administrative fix of the R-M zoning issue if possible, and then a full audit of the Development Code.	Recieved proposals on 2/13 and now in the evaluation Started phase 1 (procedures chapter). Remaining phases are on HOLD pending budget decisions. The audit report is complete and will be provided in City Council's July 14 worksession packet. Larger Development Code updates will be brought forward in late 2026 and in 2027	Don Threewitt

3-2025	DeBoutez	**Public Art Program**	March 18, 2025 Council Meeting	Research the Public Art Program with 3 components: expanding the program to include local performing art groups, clarify the funding source for the 1% for all of the capital improvement projects, and reporting of when the money is appropriated to the program.	Staff will return to Council for update. TBD.	Diana Frick
06-2026	Butler	**Signs in Parkways and Enforcement**	Council Meeting 2/17/2026	Staff to look at Sign Code section that relates to parkways and enforcement. Parkway is an area that homeowners have between the sidewalk and curb and the current code is not clear on whether a sign can be placed in that area. Therefore the request is for staff to bring back information on this and options to change that code. Particulary one of the options being that homeowners can place signs in this area and allow an opprtunity for council to discuss.	Staff will be presenting at a future work session.	Code Compliance/CD
05-2026	Rudy	**Hours that the Bathroom Facilities are open in City Parks**	Council Meeting 05/19/2026	A second grade classroom (Ms. McCall Fred Tajardes School of Innovation) spoke, requesting the bathrooms in local parks be open from March to November instead of May to September. Council reached consensus to have staff research the possibility of doing	Staff are working through potential options and will provide an update at a later date.	Public Works
8-2026	DeBoutez	**Budget Retreat**	Council Meeting 7/7/2026	Councilmember DeBoutez requested a budget retreat be held on September 11, 2026.	Scheduled for September 11, 2026.	Nathan Mosley
9-2026	Roth	**Update on Status of Abandoned Hotel**	Council Meeting 7/21/2026	Request for an update on the what the current stratus is on the abandoned hotel as he has received numerous complaints regarding this property. A memo will be sent out regarding this.	Council adopted a resolution at the August 4 Council Meeting.	CD
10-2026	Olson	**Update on intersections at O Street /59th Roundabout and 83rd Avenue new design with MERGE Financing update**	Council Meeting 7/21/2026	Requesting a Work Session	Report of what the projects are, where they are, and why they were put in place. Staff will be presenting at a future work session.	Public Works
11-2026	DeBoutez	**Flock Camera and Drones**	Council Meeting August 4, 2026	Requesting a Work Session regarding the Flock Camera and Drones from the Greeley Police Department.	This will be presented at the Sept. 8 WS.	Chief Turk
12-2026	Rudy	**UC Health Bus Route**	Council Meeting August 18,2026	Request was to look at the bus routes providing service to the UC Health hospital and see if there are changes that need to be made so that		Public Works

Work Session Agenda Summary

Title
Adjournment