CITY MANAGER'S PROPOSED 2021 ANNUAL BUDGET

Study Session: Tuesday, November 10, 2020

CITY OF CASTLE PINES

VISION STATEMENT

- An inclusive Colorado community that embraces our unique neighborhood character.
- A community that creates outdoor and active lifestyle living amenities.
- A community that supports conscientious development where we live, work, play, and shop.

CITY OF CASTLE PINES

STRATEGIC OBJECTIVES

Financial Resiliency and Vitality

Promoting a diverse tax base and efficient use of resources to ensure long-term economic sustainability while maintaining community service level expectations.

Foster Community

Building a connected community and encouraging development through sustainable events and other activities.

Reliable and Safe Infrastructure

Investing in existing infrastructure that protects the value of community assets while assuring future growth has the infrastructure necessary for long-term community quality of life.

STRATEGIC OBJECTIVES

High Performing Operations
Valuing quality staff, delivering City services in an efficient and effective manner, and maintaining a focus on continuous improvement.

Intentional Development
Attracting and adequately managing a diverse mix of commercial and residential development that meets the goals and vision of the community.

Economic Strength
Ensuring a diverse commercial job and tax base and maximizing efficiency through innovation, regional partnerships, and other public-private opportunities.

BUDGET ASSUMPTIONS

The City is utilizing the following assumptions for 2021 revenue projections.

CITY OF CASTLE PINES

REVENUE ASSUMPTIONS

- **COVID-19 Impact:**
  - The revenue projections carefully considered the impact of the COVID-19 pandemic. At the time this budget proposal was prepared, we were 5 months (March-July) into the pandemic.
  - With the governor's Stay-at-Home order issued in mid-March forcing businesses to close and the resulting unemployment, April revenues were the hardest hit. Sales tax and automobile-related revenues were severely impacted in April. Sales tax rebounded and steadied since May while automobile-related revenues have not. The pandemic has not impacted development- and construction-related revenues.
  - Our projections assume that the impact to revenues has leveled off with the belief that businesses and consumers have adapted somewhat to restrictions put in place and that shutdowns will not occur as they did in the early months of the pandemic. Of course, as the months proceed, we will continually monitor revenues and adjust expenditures if warranted.

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REVENUE ASSUMPTIONS

- **2020 inflation –** 0.8% state economists estimate
- **2020 population growth –** 8.0% city estimate in consultation with development community

- **Property Tax Revenue:** The 2021 projection was determined using the Douglas County Assessor's Preliminary Certification of Valuation. The final certification is not due until December. This is a known number and is set once the assessor determines the assessed valuation (AV). Typically, there is not a significant difference between the preliminary AV and the final AV.

- **Sales Tax Revenue:** The 2021 projection was determined by adding 8.8% to the 2020 year-end projected amount (YEP) based on state economic predictions for inflation and estimated population growth within the City. As of August, sales tax revenue was 19% above 2019 year-to-date. To arrive at our YEP, with 4 months to go, we conservatively projected we'd end the year 6% over 2019.

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REVENUE ASSUMPTIONS

- **Building Materials Use Tax Revenue:** The 2021 projection is based on homebuilders estimated new home construction and historical analysis of other permit types.

- **Automobile Use Tax Revenue:** The 2021 budget is based on remaining flat with 2019 results, which is 8.5% lower than the 2020 budget. It appears that COVID-19 significantly impacted 2020's revenue and we expect the YEP to be 25% lower than the budget.

- **Franchise Fee Revenues:** The 2021 projection is primarily based on inflation and population growth over 2020 YEP. Our 2020 YEP was reduced 11% based on the outcome of the first 7 months.

- **Highway Users Tax Fund Revenue:** The 2021 projection and 2020 YEP comes from CML estimates. Both projections are lower due to COVID's impact on revenues related to motor vehicles.

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REVENUE ASSUMPTIONS

- **Road and Bridge County Property Tax Shareback Revenue –** The City receives a share of the County's property tax collected within City limits. The projections are calculated using the same percentages derived from the City's property tax projections.

- **Road Sales/Auto Use Tax County Shareback Revenue –** The projections are calculated using the same percentages derived from the City's sales and auto use tax projections.

- **Building Materials Use Tax County Shareback Revenue –** The projections are calculated using the same percentages derived from the City's building materials use tax projections.

- **Planning and Zoning Revenues –** The 2021 projection is based on staff's analysis of expected development. Majority of development is coming from the south and east side of Castle Pines.

- **Building Permit Fees –** The 2021 projection is based on homebuilders estimated new home construction and historical analysis of other permit types.

BUDGET GUIDELINES

To ensure a conservative approach to the 2020 budget, departments were asked to limit expenditures under the following guidelines:

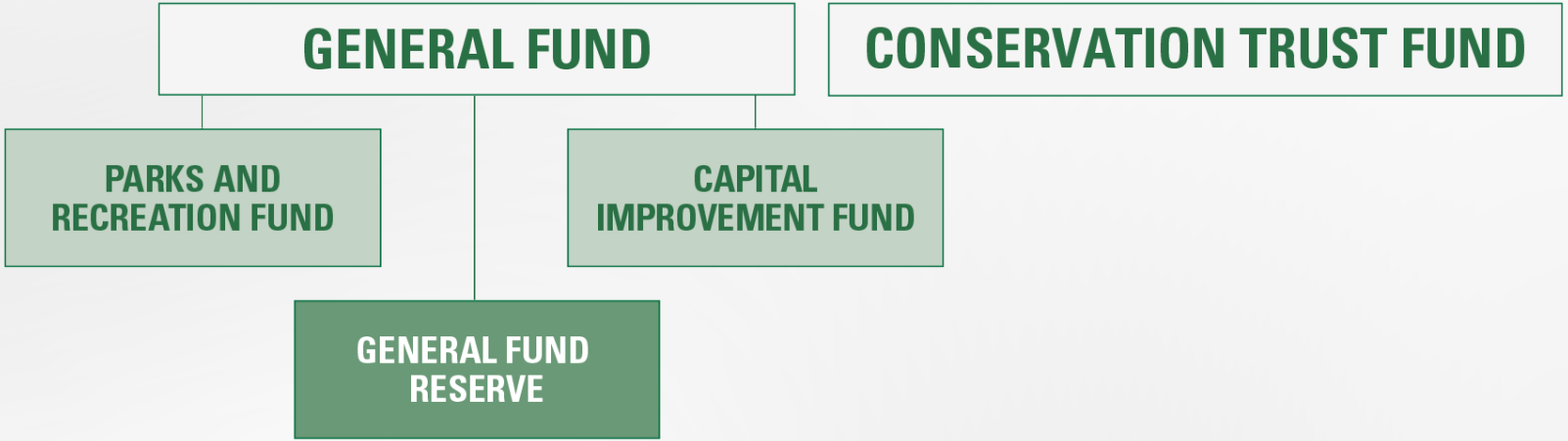
CITY OF CASTLE PINES

BUDGET GUIDELINES

- Maintain Ending Fund Balance at 25% of operating expenditures – policy reserve requirement.
- Fund community improvements including roads, gateway monumentation, and citizen access to their city government.
- Justify significant variances over the 2020 budget and their fulfillment of Council Vision and/or Strategic Objectives.

CITY OF CASTLE PINES

CHART OF CITY FUNDS



CITY OF CASTLE PINES

GENERAL FUND – EXPENDITURES

% of budget	General Fund Expenditures	2019 Audited	2020 Budget	2020 YEP	2021 Proposed Budget	$ Budget Change	% Budget Change
1%	City Council	$ 69,020	$ 80,300	$ 98,400	$ 111,800	$ 31,500	39%
1%	City Manager	229,541	179,800	179,500	182,900	3,100	2%
6%	Inter-/Non-Departmental	239,688	281,900	396,500	983,700	701,800	249%
1%	City Attorney	137,692	120,000	170,300	140,000	20,000	17%
1%	Communications*	104,276	120,000	121,900	141,300	21,300	18%
2%	Finance	231,488	268,400	291,800	297,400	29,000	11%
1%	City Clerk	157,029	143,300	138,800	170,900	27,600	19%
0%	Municipal Court	36,855	41,300	37,100	41,200	(100)	0%
6%	Public Safety	899,320	1,053,000	1,021,300	1,061,000	8,000	1%
48%	Public Works	2,191,998	3,738,700	4,900,800	7,931,400	4,192,700	112%
11%	Community Development	1,511,009	1,712,200	1,866,500	1,817,700	105,500	6%
4%	Economic Development	271,678	95,900	543,200	733,900	638,000	665%
1%	Community Events	123,521	201,800	54,700	198,100	(3,700)	-2%
2%	Parks and Recreation	225,174	196,600	148,000	303,000	106,400	54%
15%	Capital Improvements	3,082,433	6,560,100	6,560,100	2,425,000	(4,135,100)	-63%
100%	TOTAL EXPENDITURES	$ 9,510,722	$ 14,793,300	$ 16,528,900	$ 16,539,300	$ 1,746,000	12%

*Communications was accounted for in Inter-/Non-Departmental in 2019 and 2020.

CITY OF CASTLE PINES

GENERAL FUND SUMMARY – REVENUES

% of budget	General Fund Revenue	2019 Audited	2020 Budget	2020 YEP	2021 Proposed Budget	$ Budget Change	% Budget Change
55%	Taxes	$ 5,476,637	$ 5,793,600	$ 5,910,400	$ 6,584,000	$ 790,400	14%
5%	Franchise Fees	465,777	522,600	467,600	530,600	8,000	2%
12%	Intergovernmental	1,162,476	1,327,100	1,214,400	1,303,700	(23,400)	-2%
1%	Licenses and Permits	143,679	67,400	139,900	84,400	17,000	25%
14%	Charges for Services	1,411,537	1,685,800	2,007,000	2,098,900	413,100	25%
2%	Fines and Forfeitures	236,686	260,700	85,000	60,000	(200,700)	-77%
10%	Other Revenue	974,963	2,055,000	3,312,500	6,051,500	3,996,500	194%
100%	TOTAL REVENUE	$ 9,871,755	$ 11,712,200	$ 13,136,800	$ 16,713,100	$ 5,000,900	43%

CITY OF CASTLE PINES

GENERAL FUND SUMMARY

General Fund	2019 Audited	2020 Budget	2020 YEP	2021 Proposed Budget
Beginning Fund Balance	$ 4,888,375	$ 5,249,408	$ 5,249,408	$ 1,857,308
Total Revenues	9,871,755	11,712,200	13,136,800	16,713,100
Total Expenditures	6,203,115	8,036,600	9,820,800	13,811,300
Transfers Out/(In)				
To Parks and Recreation Fund	225,174	196,600	148,000	303,000
To Capital Improvement Fund	3,082,433	6,560,100	6,560,100	2,425,000
Total Transfers Out/(In)	3,307,607	6,756,700	6,708,100	2,728,000
Ending Fund Balance	$ 5,249,408	$ 2,168,308	$ 1,857,308	$ 2,031,108

CITY OF CASTLE PINES

GENERAL FUND SUMMARY – FUND BALANCE

Fund Balance Analysis	2019 Audited	2020 Budget	2020 YEP	2021 Proposed Budget
Total Expenditures	$ 9,510,722	$ 14,793,300	$ 16,528,900	$ 16,539,300
Less: Pass-through	(707,292)	(2,000,000)	(3,212,500)	(6,000,000)
Less: Capital Outlay	(3,082,433)	(6,560,100)	(6,560,100)	(2,425,000)
Total Operating Expenditures	$ 5,720,997	$ 6,233,200	$ 6,756,300	$ 8,114,300
25% - Required Reserve	$ 1,430,249	$ 1,558,300	$ 1,689,075	$ 2,028,575
Ending Fund Balance	$ 5,249,408	$ 2,168,308	$ 1,857,308	$ 2,031,108
25% Required Reserve	1,430,249	1,558,300	1,689,075	2,028,575
Excess/(Short) of Required Reserve	$ 3,819,159	$ 610,008	$ 168,233	$ 2,533
Fund Balance Reserve %	92%	35%	27%	25%

CITY OF CASTLE PINES

2020 SUCCESS AND STATUS UPDATES

CITY OF CASTLE PINES

CITY WIDE: POLICY QUESTION #1

Does City Council support a 3.5% performance-based merit pay increase for staff within the City of Castle Pines? ($29,700 – General Fund)

- City staff surveyed surrounding Douglas County jurisdictions and found that a majority are providing an average of 3.5% performance-based merit pay increase for their staff. A 3.5% compensation increase will add approximately $29,700 to next year's budget from current existing annual salaries. Merit increases are based upon goals and performance evaluation.

2020 result: Employees received an average of 3.25% performance-based merit increase in 2020 totaling $22,312.

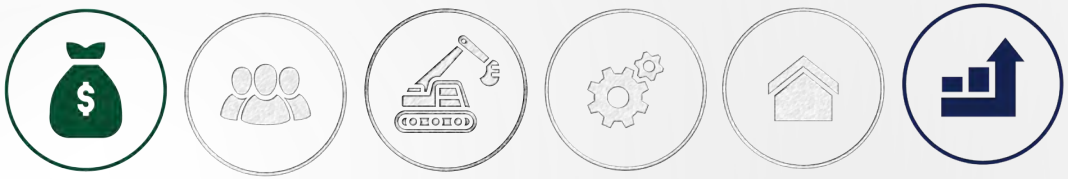
CITY OF CASTLE PINES

CITY WIDE: POLICY QUESTION #2

Does City Council support a General Fund Reserve of three (3) months (25%) within the City of Castle Pines? ($1,496,700 – General Fund Reserve)

- The Government Finance Officers Association (GFOA) recommends that jurisdictions consider volatility of revenue sources, vulnerability to natural disasters, or potential cuts to state or federal resources for fund balance reserves. Staff recommends an ending fund balance reserve of three months (or 25%) but would also support a two-month (or 16.7%) reserve – the minimum GFOA recommendation. Either reserve requirement would be adequate given the City's revenue and expenditure circumstances and maintain a financially healthy fund balance.

2020 result: The year-end projection is 27%.



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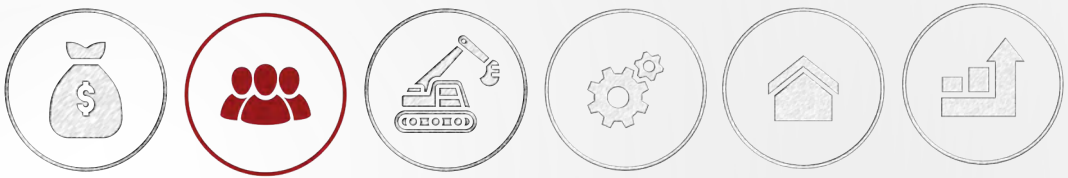
CITY WIDE: POLICY QUESTION #3

Does City Council support a continued contribution of $19,800 to the Douglas County Youth Initiative? ($19,800 – General Fund)

- City Council has been attending the Douglas County Youth Initiative, but the City did not participate financially along with the other Douglas County municipalities until 2019. In 2019, Council desired to have an official voting seat on the DCYI and approved contribution of funds. This request is to continue our financial contributions at the same level as the other municipalities pursuant to the existing Intergovernmental Agreement (IGA).

2020 result: This was completed.



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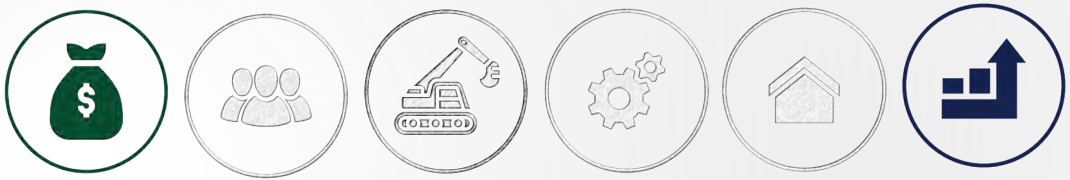
CITY WIDE: POLICY QUESTION #4

Does City Council support $30,000 for a community interest survey and election awareness regarding new revenue and issuance of debt for a City Hall and recreation facility within the City of Castle Pines? ($30,000 – General Fund)

- In anticipation of the November 2020 ballot, it is expected that the City will ask the voters to support one or more ballot items. This funding request is to survey community interest on potential ballot measures and then promote awareness of those ballot measures.

2020 Result: The City hired a consultant to conduct a survey asking voters if they'd support construction and funding of a recreation center and roadway improvements (Castle Pines Parkway and Monarch Boulevard). Voters were also surveyed for their opinion indicating their preferences for potential recreation center amenities and preferences for transportation improvements. Following the results of a survey, City Council placed question 2A on the Nov. 3 ballot asking voters to fund $30 million for roadway improvements for CPP and Monarch through debt financing and increased property tax.



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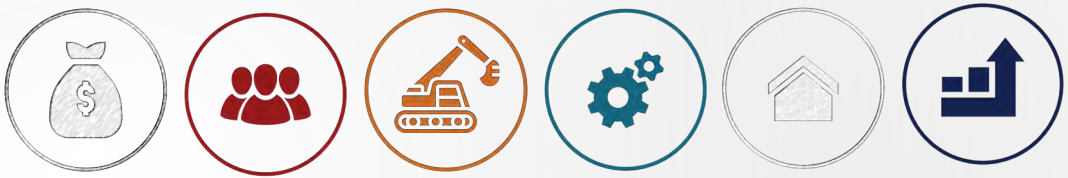
LAW ENFORCEMENT: POLICY QUESTION #5

Does City Council support $947,600 for continued law enforcement services within the City of Castle Pines? ($947,600 – General Fund)

- The City has had an existing contract with the Douglas County Sheriff's Office (DCSO) since incorporation. In 2019, staff worked with DCSO to determine the actual cost of the current law enforcement service level. Direct costs were in excess of $1,125,000 with additional capital and other non-direct costs calculated at over $1,300,000. Community feedback has been positive, and Staff has also been extremely satisfied with DCSO law enforcement services and recommends that the City continue to partner with DCSO.

2020 Result: DCSO continues to provide law enforcement services for the City's 4.5 mills property tax, which remains a cost-beneficial contracting relationship.



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LAW ENFORCEMENT: POLICY QUESTION #6

Does City Council support $79,300 for additional traffic control services within the City of Castle Pines? ($79,300 – General Fund)

- In 2019, City Council supported $87,000 for specific traffic-related enforcement. This resulted in traffic enforcement for approximately 217 days at four (4) hours per day. The 2020 budget request is based upon anticipated actual costs for 2019 and would continue the same level of traffic enforcement.

2020 Result: Douglas County Deputy Sheriff's Association continued to provide traffic control services.

CITY OF CASTLE PINES

PUBLIC WORKS: POLICY QUESTION #7

Does City Council support $15,000 for a traffic study on Monarch Boulevard and Castle Pines Parkway within the City of Castle Pines? ($15,000 – General Fund)

- This proposed study would provide an update from the previous study conducted in 2015, as well as a focus on non-local traffic counts on Monarch Boulevard and Castle Pines Parkway. This study may result in future requests for increased financial participation from Douglas County and other community partners.

2020 Result: The traffic study was postponed due to COVID-19 and conducting a study during would likely provide inaccurate numbers. The budget will be carried forward to 2021 and the study will be completed next year, if possible.

CITY OF CASTLE PINES

PUBLIC WORKS: POLICY QUESTION #8

Does City Council support $5,745,000 in capital projects within the City of Castle Pines? ($5,745,000 – Capital Improvements Fund)

- Roadway work: Based upon the Pavement Management Plan, staff is requesting $5,275,000 for roadway work. $2,800,000 would be expended on Pavement Condition Index (PCI) ratings below 49; $2,050,000 for PCI ratings between 50-69; and $425,000 for PCI ratings between 70-99.

- Traffic signalization improvements: Staff is proposing $125,000 to replace traffic signal controller equipment, initially installed in 2000, along with implementation of a centralized traffic monitoring software system.

- Pedestrian crossing upgrades: Staff is proposing $75,000 to complete the upgrade of all pedestrian crossings throughout Castle Pines and an evaluation of warrants to evaluate additional locations requested by residents.

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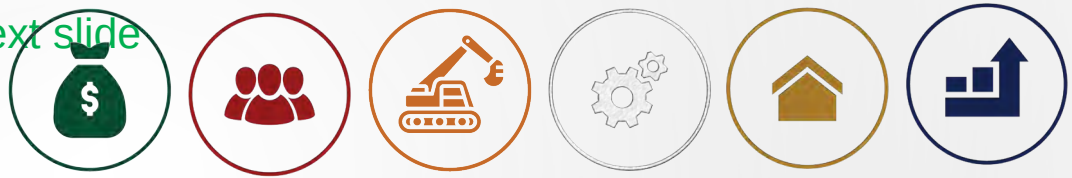


CITY OF CASTLE PINES

PUBLIC WORKS: POLICY QUESTION #8 (CONTINUED)

Does City Council support $5,745,000 in capital projects within the City of Castle Pines? ($5,745,000 – Capital Improvements Fund)

2020 Result:

Roadway work - All 46 sections totaling 4.2 miles of planned reconstruction and rehabilitation were completed. Additional crack/wide crack sealing operations, slurry seal, and curb ramp upgrades was completed due to original project cost savings and weather cooperation.

Traffic signalization - All six of the City's signals received full controller upgrades, replacing 20-year-old equipment and adding a cost-saving measure by applying a centralized traffic monitoring system that provides the ability to quickly review any signal's operation for issues.

Pedestrian crossing upgrades - A single standard for signage on the existing crossings along Monarch Boulevard northbound from Castle Pines Parkway was completed. Upgrades to school slow down signs are in design.

CITY OF CASTLE PINES

PUBLIC WORKS: POLICY QUESTION #9

Does City Council support $364,000 for gateway and wayfinding improvements at the North Monarch Boulevard entryway within the City of Castle Pines? ($364,000 – Capital Improvements Fund)

- The City completed the concept design for branding, gateway entrance, and wayfinding signage in 2019. Staff is requesting to begin implementation by designing and installing an entrance monument at the City border at North Monarch Boulevard entering the City. This will be the first project of a multi-year improvement implementation plan.

2020 Result: City staff was not able to secure the necessary easements outside of public right-of-way to construct the monument sign and associated landscape and lighting improvements. The unspent 2020 budget was incorporated into the 2021 budget request for gateway improvements.

CITY OF CASTLE PINES

PUBLIC WORKS: POLICY QUESTION #10

Does City Council support $400,000 for snow and ice removal within the City of Castle Pines? ($400,000 – General Fund)

- Council's financial approval in 2019 for an enhanced snow removal policy, updated to reflect additional lane miles and enhanced service delivery, resulted in increased vehicle mobility, safety, and decreased community complaints. Public Works will continue to monitor and evaluate the most efficient snow and ice removal approach to maximize mobility and safety while being budget conscientious.

2020 Result: In 2020, continuation of enhanced snow removal service delivery, resulted in increased vehicle mobility, safety, and decreased community complaints. For the first half of the year, the City spent $306,117 compared to $433,783 for the first half of 2019.

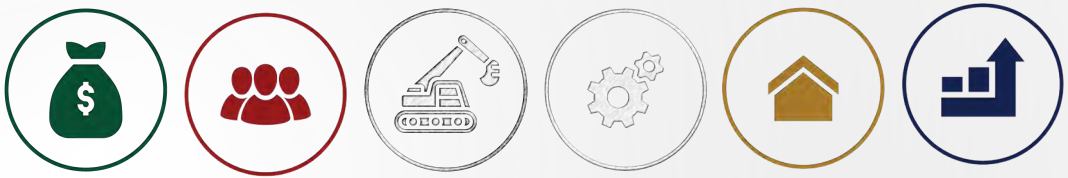
CITY OF CASTLE PINES

ECONOMIC DEVELOPMENT: POLICY QUESTION #11

Does City Council support $25,000 for continued economic development work within the City of Castle Pines? ($25,000 – General Fund)

- Staff is requesting $25,000 to collaborate with the business community and implement the Economic Development Plan. There is no specific project list for this funding; however, staff believes having funds available is appropriate and demonstrates Council's desire and support for the growth and continued success of the business community.

2020 Result: The City collaborated with Dawg Nation, to include a feasibility study to understand the economic impact to the City of their proposed multi-sheet ice arena complex. The study was reported to City Council in October.



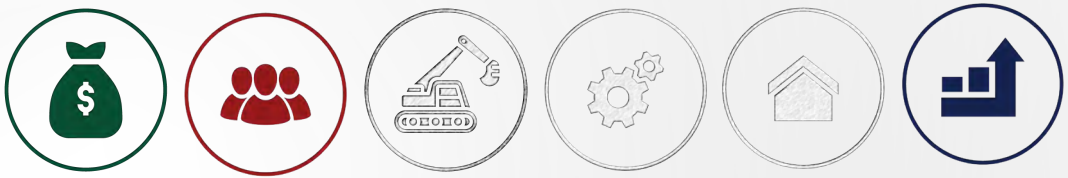
CITY OF CASTLE PINES

EVENTS: POLICY QUESTION #12

Does City Council support an increase of $108,900 for expanded City sponsored events within the City of Castle Pines? ($108,900 – General Fund)

- The proposed events for 2020 include the following events: 3 summer stage events, 4 movies at the Ridge, summer Pilates in the park, Easter egg hunt, fall-fest, tree lighting and Santa, fireworks, and recycling events.

2020 Result: Many of the planned events were cancelled due to COVID-19. However, as the pandemic restrictions eased, the City was still able to provide some events, including Summer Celebration, movies, Pilates, and a planned holiday event.



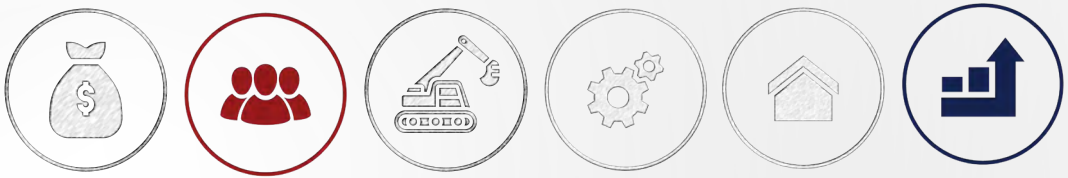
CITY OF CASTLE PINES

PARKS AND RECREATION: POLICY QUESTION #13

Does City Council support $100,000 for continued support of capital projects at Rueter-Hess Reservoir? ($100,000 – Conservation Trust Fund)

- City Council has supported this annual investment since 2017. The cities of Parker and Castle Rock, along with Castle Pines, all contribute $100,000. The long-term capital project improvements for Rueter-Hess is approximately $7 million.

2020 Result: Rueter-Hess Recreation Authority reports that events and capital improvements for have been a great success, especially with the Covid-19 restrictions in place. Completion of phase 1 of the capital improvements is expected, including trails and the incline project.



CITY OF CASTLE PINES

2021 POLICY QUESTIONS

CITY OF CASTLE PINES

CITY WIDE: POLICY QUESTION #1

Does City Council support a maximum 3.0% performance-based merit pay increase for City staff? ($26,900 – General Fund)

- City staff surveyed surrounding Douglas County jurisdictions: Castle Rock-3.5%, Parker-3.0%, Lone Tree-0.0%, Douglas County-2.0%. A 3.0% compensation increase will add approximately $26,900 to next year's budget from current existing annual salaries and includes retirement and payroll taxes.
- Merit increases are based upon met goals and overall performance-based evaluations.

CITY OF CASTLE PINES

CITY WIDE: POLICY QUESTION #2

a. **Does City Council support the construction of a City Hall? ($75,700/year O&M – General Fund; $8,650,000+/- COPs – Capital Improvement Fund)**

b. **Does City Council support issuing Certificates of Participation (COPs) to finance the total cost to construct a City Hall? (P+I = $644,000/year; average interest $200,000/year – General Fund)**

Related Council Vision: An inclusive Colorado community that embraces our unique character.

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CITY OF CASTLE PINES

CITY WIDE: POLICY QUESTION #2 (CONTINUED)

a. Does City Council support the construction of a City Hall?

- A city hall has been discussed since City incorporation, with even more discussion and actions being taken at council meetings going back to at least May 28, 2019.
- Reasons discussed for the construction of a city hall and the potential location.

  - Enhanced sense of community
    - Community's own space for access to elected officials and services
    - Community-owned asset to be proud of
  - Current space in Library
    - Space is outgrown
    - In year 5 of 10-year term
    - Library's desire to use space
  - Location on Lagae Family Parcel
    - Best of sites evaluated for a municipal complex that could include a City Hall and Rec Center
    - Adjacent to Elk Ridge Park
    - Provided to City at no cost
    - Meets Council's desire to keep City Hall on west side of Castle Pines

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CITY OF CASTLE PINES

CITY WIDE: POLICY QUESTION #2

a. Does City Council support the construction of a City Hall? (continued)

- Consultants are hired and design, architecture and engineering for a city hall is underway.
- 100% construction documents are expected by December 21.
- Guaranteed maximum price is expected by late-February 2021.
- City Council approval for moving forward with construction (contract) is anticipated for second meeting in February 2021.

- Estimated project cost: $8,650,000
  - Construction - $6.44 million
  - Design, engineering, inspections, and permits - $1.0 million
  - Furniture, fixtures, equip - $256,000
  - Technology, A/V, security - $287,000
  - Site improvements, contingency - $667,000
- Construction timing
  - Lower construction costs
  - Lower interest rates

CITY OF CASTLE PINES

CITY WIDE: POLICY QUESTION #2 (CONTINUED)

b. Does City Council support issuing Certificates of Participation (COPs) to finance the total or a portion of the cost to construct a City Hall?

The total estimated cost is $8,650,000 (Oct. update $9,271,200 as of Oct.)

- Most of the cost will require financing.
- In Colorado, COPs are a commonly used method for financing civic buildings, including state and county facilities, city halls, police stations, public works and even parks and recreation facilities.
- Financing the total cost over 20 years with COPs is estimated $644,000 in annual repayment costs.

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CITY OF CASTLE PINES

CITY WIDE: POLICY QUESTION #2

b. Does City Council support issuing Certificates of Participation (COPs) to finance the total or a portion of the cost to construct a City Hall? (continued)

- The City received $3,422,200 cash and $517,073 escrow from LS Partners, LLC sale of PA-12 property pursuant to a public-private partnership agreement.
- Initially, the proceeds from the land sale were contemplated for use in the construction of a city hall and are now incorporated in the Capital Improvement Fund budget to fund road improvements.
- Proposed budget recommends financing the entire cost over 20 years.
  - Spreads entire cost over the estimated depreciable life of the asset
  - Allows land sale cash to be spent on roads now or be used for other City Council determined purposes

CITY OF CASTLE PINES

COMMUNITY AFFAIRS: POLICY QUESTION #3

Does City Council support bringing community affairs (public information and communication) in-house? ($40,000 – General Fund)

- Communication and public information services are currently provided by Slate.
- Slate agrees that our communication needs have increased in all areas and require a 1.0 FTE staff person.
- A full-time position will increase presence and community knowledge to better serve communication with our community.
- The proposed budget includes $95,300 for salary and benefits, $35,000 for consultant-provided graphic design plus expenditures for training, memberships, advertising and technology. Net added = $40,000.

CITY OF CASTLE PINES

COMMUNITY AFFAIRS: POLICY QUESTION #4

Does City Council support developing a Castle Pines app that interested users could use in favor of accessing City information via the website? ($50,000 – General Fund)

- More people are using apps on their mobile devices to access information
- A Castle Pines app would have useful and direct links to events, construction and land-use projects, permitting processes, snow routes, agendas and meetings, reporting potholes, parks/field reservations, and paying tickets.
- Prior to development of an app, this first phase is to define the purpose and find the “buttons” that would create a desire to download and then return to the app time and time again. A consultant has been engaged in 2020 to help with deciding on the first phase. Prior to expenditure of the budget, staff would return to Council prior to initiating any programming or app development.

CITY OF CASTLE PINES

PUBLIC WORKS: POLICY QUESTION #5

Does City Council support developing a stormwater maintenance plan and locate services? ($300,000 – General Fund)

- This will fund the following:
  - MS4 inspections for stormwater facilities not owned by the City but for which the City is responsible for their discharges.
  - Evaluation and implementation of a formal maintenance program for stormwater facilities owned by the City, including inlets, pipes and detention or retention ponds. Those that are not operating properly will be addressed.
  - Perform locate services on the stormwater system. All utility owners are required to perform this service.

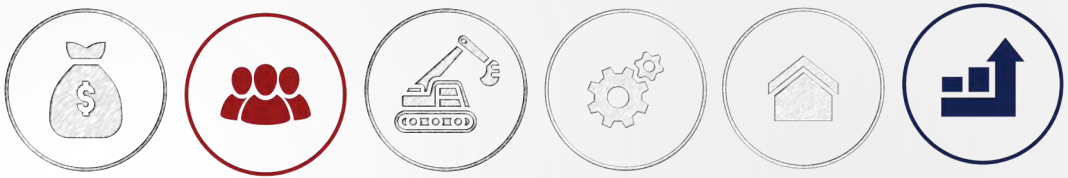
CITY OF CASTLE PINES

PUBLIC WORKS: POLICY QUESTION #6

Does City Council support the continued funding of capital improvements at Rueter-Hess Reservoir? ($100,000 - Parks and Recreation Fund)

- City Council has supported this annual investment since 2017.
- Castle Pines, Parker, and Castle Rock all contribute $100,000 each year.
- The long-term capital project improvements cost is approximately $7 million.
- Plans for 2021's operating and capital budgets are currently underway by the Rueter-Hess Recreation Authority.

Related Council Vision: A community that creates outdoor and active lifestyle living amenities.



CITY OF CASTLE PINES

PUBLIC WORKS: POLICY QUESTION #7

Does City Council support the following capital improvements? ($5,750,000 – Capital Improvements Fund)

- **Major Roads and Streets - $5,100,000:**
  - $2,400,000 will be allocated to upgrading the pavement condition index of City residential streets. This continues the upgrades into 2021, which includes identification of streets, development of methodologies, whether reconstruction, rehabilitation, or surface treatment, bid package, and construction administration.
  - $2,700,000 will be allocated to Castle Pines Parkway between Monarch Boulevard and Yorkshire Dr.
  - The City has allocated approximately $5,000,000 each year for the past several years.

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CITY OF CASTLE PINES

PUBLIC WORKS: POLICY QUESTION #7 (CONTINUED)

Does City Council support the following capital improvements? ($5,750,000 – Capital Improvements Fund)

- **Traffic Signal Improvements - $125,000:** Upgrade all school flashers to remote control systems providing technicians and city staff notifications of trouble. Begin implementation of flashing yellow turn signals. The City has allocated $125,000 each year over the past several years.

- **Pedestrian Signals Improvements - $75,000:** Provides for additional pedestrian signals up to a HAWK system. This is a more robust crossing system that creates more visual notification to drivers when pedestrians are crossing.

- **Happy Canyon Bridge - $250,000:** Engineering work on the Happy Canyon Bridge and associated intersection improvements and getting CDOT/FHWA approval for the intersection improvements.

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CITY OF CASTLE PINES

PUBLIC WORKS: POLICY QUESTION #7 (CONTINUED)

Does City Council support the following capital improvements? ($5,750,000 – Capital Improvements Fund)

- **Lagae Road Improvements - $200,000:** This project started in 2019 and was carried forward into 2020 for completion. Staff anticipates that the project will require an additional $200,000 to complete the Lagae Road and Castle Pines Parkway intersection improvements. The developer who was responsible for the need to improve the intersection provided $750,000 to the City for the work. Due to increased ROW acquisition costs and delays in having the project completed, the City is responsible for the additional costs.

Related Council Visions:

- An inclusive Colorado community that embraces our unique character.
- A community that supports conscientious development where we live, work, play, and shop.

Continued next slide

CITY OF CASTLE PINES

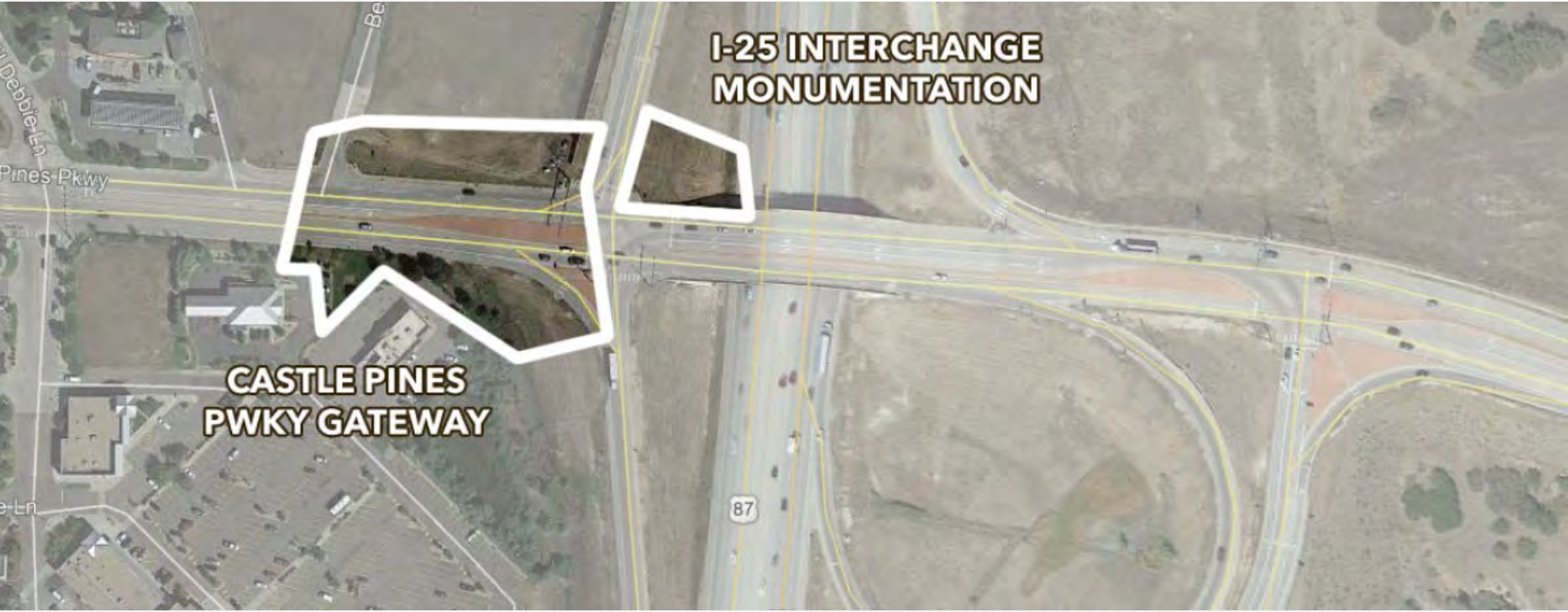
CITY WIDE: POLICY QUESTION #8

Does City Council support gateway and wayfinding improvements from the southbound I-25 offramp to Beverly Boulevard? ($1,000,000 – Capital Improvements Fund; $650,000 new request and $350,000 from 2020 budget)

- The City completed the concept design for branding, gateway entrance, and wayfinding signage in 2019.
- The 2021 gateway project includes monument signage, a pillar, and landscaping on the southbound I-25 offramp and along Castle Pines Parkway (see graphics on following slides).
- This includes approximately $350,000 transferred from the 2020 project at the north Monarch Boulevard entryway, which wasn't completed because the City was unable to secure the required easement.

Related Council Vision: An inclusive Colorado community that embraces our unique neighborhood character.

CITY OF CASTLE PINES



PROPOSED GATEWAY IMPROVEMENTS LOCATION

CITY OF CASTLE PINES

GATEWAY IMPROVEMENTS DESIGN

CITY OF CASTLE PINES

GATEWAY IMPROVEMENTS DESIGN

CITY OF CASTLE PINES

2021 BUDGET HIGHLIGHTS

CITY OF CASTLE PINES

CONTRIBUTION TO DOUGLAS COUNTY HOUSING AUTHORITY ($35,000 - GENERAL FUND)

- City Council approved Resolution 20-25 authorizing the City's participation as a member of the Douglas County Housing Authority, joining Douglas County, Lone Tree, Castle Rock, and Parker.

CITY OF CASTLE PINES

CLOSED CAPTIONING FOR COUNCIL MEETING VIDEOS
($20,000 - GENERAL FUND)

- The City currently records and posts the video of Council meetings to the City's website.
- The City is required to have meetings and the website ADA compliant. In order to comply with the Federal requirement closed captioning is required.
- This annual budget will allow future meetings to be closed-captioned. We would also be able to add captions to older meetings.

CITY OF CASTLE PINES

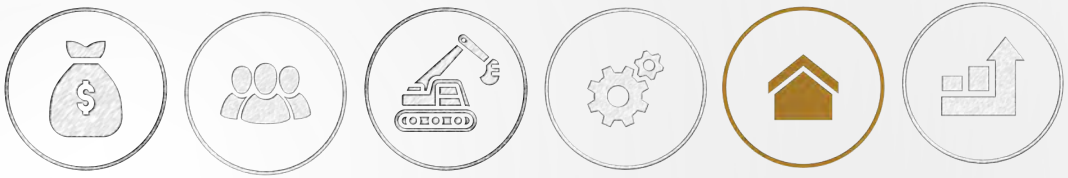
STORMWATER PASS-THROUGH (IN/OUT $6,000,000 - GENERAL FUND)

- This item has no impact on the budget as this is a pass-through revenue and expenditure.
- Since 2018, the City and Urban Drainage and Flood Control District (UDFCD) have entered into an Intergovernmental Agreement, as amended to facilitate the design and construction of drainage and flood control improvements for the Canyons development within the City's boundaries.
- The entire cost of the project is the responsibility of the developer and the $6,000,000 will be a pass-through from the developer to the UDFCD.
- The cost of the project to date is $5,041,825.

CITY OF CASTLE PINES

CANYONS USE TAX CREDIT PIF ($631,800 - GENERAL FUND)

- The net impact to the budget is zero.
- The City has an agreement with the Canyons Metro District to share 50% of the use tax collected within the District (Credit PIF).
- Previously, only the City's 50% share of the use tax was accounted for in the City's financial system.
- In consultation with the City auditors, the use tax is the City's, and therefore an accounting change required the City to record 100% of the use tax and show the 50% Credit PIF as an expenditure.
- The budget needs to reflect this accounting change and is offset with an added 50% in the use tax revenue.



CITY OF CASTLE PINES

FUND BALANCE OPERATING RESERVE (GENERAL FUND)

- The recommended budget is balanced and maintains a healthy fund balance with the required operating reserve policy amount of 25%.

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QUESTIONS?

- Next steps:
  - Tonight - Public Hearing on Proposed Budget
  - December 1 – additional study session, if needed
  - December 8 – Council adoption

CITY OF CASTLE PINES