



September 30, 2021

Dear Mayor Radloff and Members of City Council,

## **INTRODUCTION**

The time of year has come and once again I am very pleased to present and submit to you the proposed annual budget for 2022. City staff carefully crafted this proposed balanced budget to ensure that the excellent service delivery our community has come to expect under this City Council's policy direction is not only maintained but is enhanced in service of City Council's goals and priorities for 2022 and beyond. I start this out by stating the City Vision and City Council's strategic priorities. The priorities guided the development of this budget proposal.

### City Vision

Castle Pines is an inclusive and unified Colorado community that embraces our unique neighborhood character, creates outdoor and active lifestyle amenities, and supports conscientious development where we live, work, play, and shop.

### City Council Priorities

Earlier this year, during their annual retreat, Council reaffirmed its goals and to provide greater policy direction to staff to implement the City Council's vision for the City, they established three fundamental concentration areas to focus on for the upcoming years: *Infrastructure Investment, Economic Development, and Creating a Sense of Place*. In alignment with those focus areas, City Council identified the following strategic priorities:

- Roads and Long-term Transportation Funding - Council acknowledges that our City roads have aged and investing in our existing infrastructure must be a top priority (*Infrastructure Investment, Creating a Sense of Place*)
- Economic Development - Council acknowledges that the success of our local business community is key to the success of the overall community (*Economic Development*)
- Communications Strategy - Council desires to continue improving communications and engagement (*Creating a Sense of Place*)
- Municipal Facility - Council acknowledges the need for municipal and civic space within the community (*Infrastructure Investment, Creating a Sense of Place*)
- Gateway Project - Council acknowledges that establishing gateways in and out of the City contributes to creating a sense of place and community (*Infrastructure Investment, Creating a Sense of Place*)
- Creating a Sense of Place that is Castle Pines - Council supports work that continues to build the community of Castle Pines and creating a place where residents - new and existing - can live, work, and play (*Creating a Sense of Place*).

## **CITY FINANCIAL POSITION HEADING INTO 2022**

### 2020 - THE YEAR THAT WAS

Despite being in the throes of a global coronavirus pandemic for the better part of the year, the City's financial condition improved in 2020. In the end, City revenue significantly exceeded expectations and the fiscal impact on expenditures was minor.

Before any mention or thought of a coming pandemic (the 2020 budget was developed and approved in the second half of 2019), the revenue amount included in the 2020 budget was estimated to increase by 17 percent over 2019 projections. News of the COVID-19 pandemic started in January 2020 and by March, concern about the severity of the impact the pandemic would have on government budgets, was on everyone's mind. Executive Orders from the Governor forced businesses to close and many citizens were ordered to stay at home. The pandemic along with the Governor's orders caused a multitude of financial uncertainties. In May, restrictions in place were eased and businesses and consumers adjusted to the pandemic-created "new norm." Revenues rebounded and April was the only month that experienced a decline in revenues (in relation to 2019).

Fortunately, on the expenditure side, the City did not face the significant impacts that many other cities experienced. Generally, cities provide law enforcement and other safety-related services (paramedic/ambulance) and the cost of these services sharply increased because of the pandemic. The City either contracts for those services or they are provided by a separate entity. Therefore, City pandemic-related expenditures were relatively minor and most of the expenditures the City did incur were reimbursed by the federal CARES Act grant.

General Fund revenues exceeded expenditures by \$3.6 million. After transferring all of this gain to the Capital Improvements Fund, the General Fund ending fund balance remained very healthy and was 65 percent of operating expenditures. The City's policy is 25 percent.

### 2021 - CITY REVENUES EXCEL

City revenues continue to far exceed initial budget projections. Based on results through July 2021 tax revenues are expected to surpass the budgeted amount by \$2.9 million. This is primarily due to sales tax and construction materials use tax. Although sales tax revenue was budgeted nine percent (9%) over the 2020 year-end projection, it is currently exceeding the 2020 actual amount by 44 percent. With the current trend, sales tax revenue is expected to exceed the 2021 original budget by nearly \$800,000. Similarly, construction materials use tax revenue was budgeted at twelve percent (12%) over the 2020 year-end projection. As of August, it is more than double what it was through August 2020 and is now forecasted to exceed the original budget by \$1.7 million. Motor vehicle use tax, which was one of the few City revenues negatively impacted by the pandemic in 2020, has rebounded in 2021 and is projected to exceed the budget by \$371,000.

Another unexpected boost to 2021 revenue is the receipt of the American Rescue Plan Act federal funds that were allocated to state and local governments across the United States. The City's share of this funding totaled \$2.7 million with one-half received in 2021. The second half will be received in

2022. City staff determined that the City’s qualified use of this funding is to make up revenue lost because of the pandemic.

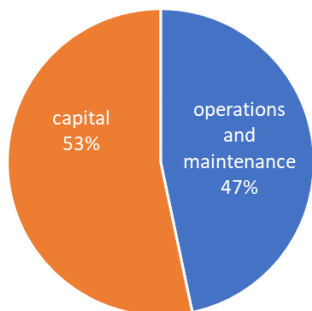
Adjustments to 2021 budgeted expenditures have been (mid-year supplemental appropriation) and will be (final supplemental appropriation) made to cover increases in costs, which are primarily because of greater than expected development activity.

**PROPOSED 2022 ANNUAL BUDGET**

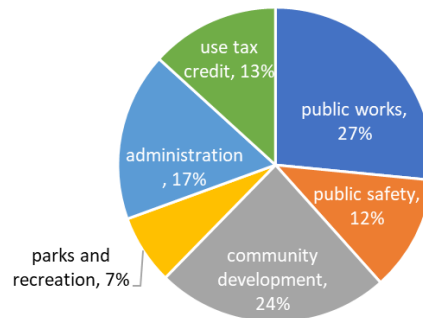
OVERVIEW

The proposed budget presents expenditures totaling \$23,301,800. More than half of this, \$12,420,300, is directed towards capital improvements. Street and street-related improvements total \$9,950,000; park, recreation, and trail improvements total \$895,300; gateway improvements total \$1,000,000; and installation of conduit under new roadways totals \$575,000. The remainder of the proposed budget, \$10,881,500, are operating and maintenance expenditures for public works (27%), community development (24%), public safety (12%), parks and recreation (7%), administration (17%), and use tax credit (13%).

2022 Proposed Budget Expenditures

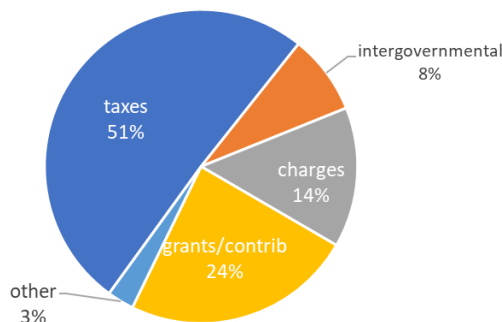


2022 Proposed Budget O&M Expenditures



The budget estimates a total of \$21.4 million in revenue will be received in 2022. The remainder of the proposed \$23.3 million in expenditures will be covered by fund balance. Half of the 2022 revenue will come from City taxes (51%). The remainder is made up of intergovernmental revenue (8%), charges for service (14%), grants and contributions (24%), and other (3%).

2022 Proposed Budget Revenues



The General Fund ending fund balance is projected to be \$2.7 million, which is 25 percent of operating expenditures and meets the City’s fund balance reserve requirement policy.

Staff will continue to monitor current revenues and projections and apprise the City Council of changes to the proposed budget prior to adoption in December.

**REVENUE PROJECTIONS**

As illustrated in the table below, General Fund revenues\* (\$16,140,400) are projected to increase 7 percent or \$1,079,500 over 2021 year-end projections. In contrast, this is a 51 percent increase or \$5,432,400 increase over the original 2021 budget. The majority of revenues are projected based on estimated population growth<sup>1</sup> (15%) and inflationary increases<sup>2</sup> (2%). The total 2022 General Fund revenue includes the federal American Rescue Plan Act funding of \$1,352,600 (not shown in the table).

General Fund Revenue	2021		2021			2022		Total % Increase
	Original Budget	Increase	Year-end Projections	Increase	% Increase	Proposed Budget	Total Increase	
Taxes	\$ 6,580,600	\$ 2,890,000	\$ 9,470,600	\$ 738,700	8%	\$ 10,209,300	\$ 3,628,700	55%
Franchise Fees	530,600	16,000	546,600	91,500	17%	638,100	107,500	20%
Intergovernmental	1,302,000	261,000	1,563,000	124,600	8%	1,687,600	385,600	30%
Licenses and Permits	84,400	175,700	260,100	(4,100)	-2%	256,000	171,600	203%
Charges for Services	2,098,900	975,000	3,073,900	(4,500)	0%	3,069,400	970,500	46%
Fines and Forfeitures	60,000	14,700	74,700	125,300	168%	200,000	140,000	233%
Other Revenue	51,500	20,500	72,000	8,000	11%	80,000	28,500	55%
<b>Total Revenue</b>	<b>\$ 10,708,000</b>	<b>\$ 4,352,900</b>	<b>\$ 15,060,900</b>	<b>\$ 1,079,500</b>	<b>7%</b>	<b>\$ 16,140,400</b>	<b>\$ 5,432,400</b>	<b>51%</b>

<sup>1</sup>City estimates based on development assumptions in consultation with developers and home builders.

<sup>2</sup>State of Colorado Legislative Council June’s Economic and Revenue Forecast

\*excludes stormwater pass-through in prior years and the American Rescue Plan Act federal funding

**PROPOSED EXPENDITURES**

The following section presents the policy questions and highlights for the proposed \$23.3 million budget.

**Policy Questions**

- 1. Does City Council support a 3.5% performance-based merit pay increase for staff?** (\$45,400 - General Fund/Parks and Recreation Fund)

On average, surveyed entities throughout Colorado are proposing 3.7%. Surrounding Douglas County jurisdiction proposals are Castle Rock - 3.5%, Parker - 4.0%, Lone Tree - 3.5%, and Douglas County - 3.5%.

- 2. Does City Council support the following street-related capital improvements?** (Capital Improvement Fund)

- a) Arterial Street Improvements:** (\$6,000,000) Castle Pines Parkway reconstruction from Village Square Drive to Yorkshire Drive.

Conversations with the County indicate the County’s support in partnering with the City on our road reconstruction projects and providing 3 million towards these projects for 2022.. A \$3 million revenue contribution from Douglas County is included.

**b) Arterial Street Improvements:** (\$2,000,000) Monarch Boulevard rehabilitation from Winterberry Place to the northern City limits. This will include bike lane improvements and slope paving.

**c) Local/Collector Street Improvements:** (\$1,000,000) Continue improving local and collector streets based on pavement condition index (PCI) standards.

In 2019 and 2020, the City allocated nearly \$5 million per year toward these improvements. In 2021, the focus shifted towards improving Castle Pines Parkway (CPP) and Monarch Boulevard and therefore, the 2021 budgeted amount was reduced to \$1.3 million for local/collector streets. With the focus still on improving CPP and Monarch, this budget proposes \$1 million for 2022 in order to preserve the momentum generated towards improving our local/collector streets. Staff expects that a portion of the \$1.3 million work budgeted in 2021 will not be completed and a carryover of the budget will occur and added to the 2022 budget.

**d) Traffic Signal Improvements:** (\$125,000) Continue improvements to the 20-year old traffic signal system.

In previous years, this funding was used to upgrade cameras and controllers to provide full online access to traffic signal operations. More improvements continue to be needed. These additional improvements will assist in the long-term goals of tying the CDOT signals into the City's system and for better overall timing management of City signals. The City has allocated \$125,000 each year since 2019.

**e) Pedestrian Signals Improvements:** (\$75,000) Installation of a new Rectangular Rapid Flash Beacon (RRFB) at the Monarch Blvd. and Serena Ave./Tapadero Way intersection.

In addition, staff will evaluate the addition of an RRFB to the Monarch Blvd. and Briar Dale Dr./Burggarten Drive intersection and other existing pedestrian crossings for safety improvements. The City has allocated \$75,000 to \$100,000 each year since 2019.

**f) Happy Canyon Bridge:** (\$400,000) To process the applications to CDOT and FHWA for their approvals necessary to change the Happy Canyon Bridge intersection at I-25.

A small amount (\$15,000) was spent in 2020 to start this project. In 2021, \$250,000 was budgeted and an additional \$400,000 is needed to continue the project. The City expects to receive 50% of funding for these costs from the County and the proposed budget reflects \$200,000 in contributed revenue for 2022.

**g) Install Conduit under new Roads:** (\$575,000) Install conduit for future fiber under 15,700 linear feet under arterial, collector, and residential roads as they are constructed on the east side of I-25.

**h) Monarch Boulevard Landscaping:** (\$250,000) Improve and repair landscaping and irrigation along Monarch Boulevard from Yorkshire Drive to Shoreham Drive within HOA 1. The proposed budget reflects that half the cost (\$125,000) will be paid for by HOA 1.

**i) Street Sign Conversion:** (\$100,000) Remove and replace street signs so that all signs in the City are standardized and contain the City's current logo.

**3. Does City Council support City entrance gateway improvements from the southbound I-25 offramp to Beverly Boulevard? (\$1,000,000 - Capital Improvement Fund)**

Construct a City entrance monument, pillars, and landscaping on the I-25 bridge and along Castle Pines Parkway from the southbound off-ramp exit to Beverly Boulevard.

In August 2019, City Council approved and accepted the final concept design for branding, gateway entrance signage, and wayfinding signage. The project was presented in the proposed 2021 budget and due to uncertain revenues and higher priorities, City Council deferred this item for reconsideration later in the year. With revenues significantly exceeding expectations in 2020 and 2021, City Council approved \$300,000 in a mid-year supplemental appropriation for final design and engineering and to proceed with the CDOT application process.

**4. Does City Council support the construction of pickleball courts with funding to come from assets transferred to the City from the dissolved Castle Pines Park Authority? (\$345,000 - Parks and Recreation Fund)**

This project is a priority of the Parks and Recreation Advisory Board (PRAB) and a goal for 2022. The PRAB reviewed their project proposal with City Council in a study session held in September. The project details are still in progress and before expenditure of these funds, the final details will be presented to City Council for approval. The proposed budget reflects that this project will be fully funded by the transfer of cash to the City from the dissolved Castle Pines Park Authority. The balance of the transferred funds from the Authority remaining will be \$158,452.

**5. Does City Council support the construction of a regional 18-hole disc golf course with funding to come from the Conservation Trust Fund? (\$250,000 - Parks and Recreation Fund via the Conservation Trust Fund)**

This project is a priority of the Parks and Recreation Advisory Board (PRAB) and a goal for 2022. The PRAB reviewed their project proposal with City Council in a study session held in September. The project details are still in progress and before expenditure of these funds, the final details will be presented to City Council for approval. The proposed budget reflects that this project will be fully funded by a transfer from the Conservation Trust Fund (CTF). The City receives approximately \$70,000 each year from the state's CTF. The ending fund balance in the City's Conservation Trust Fund will be \$74,000. The City is looking at additional external revenue sources to assist in the funding for this project.

**6. Does City Council support the construction of trail improvements within the North Pine Vistas Metro District area? (\$300,000 - Parks and Recreation Fund)**

This project is a priority of the Parks and Recreation Advisory Board (PRAB) and a goal for 2022. The North Pine Vistas Metro District neighborhood is an area within the City where no trails were required as a condition of development. In August 2020, the City Council adopted the Castle Pines Trails Master Plan, which specifically identifies trail improvements for this area. As such, City Council has identified these trail improvements as the top priority for installation.

The 2020 funding for this project did not materialize as planned, so in 2021 staff applied for a Land and Water Conservation Fund Program grant through the Colorado Parks and Wildlife Division to offset one-half of the project's cost (awaiting results). In addition, the developer has graciously agreed to contribute one-half of the project cost. The proposed budget reflects the entire project being funded by the developer contribution and the grant.

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

The proposed budget includes \$100,000. City Council has supported this annual investment since 2017. Lone Tree, Parker, Castle Rock, Douglas County, and Parker Water and Sanitation District all contribute to varying degrees, as well. The estimated cost of long-term capital project improvements for the Rueter-Hess Reservoir is approximately \$7 million. At the time of this proposal, the Rueter-Hess Recreation Authority has not finalized its 2022 budget. As in the past, prior to sending the City's contribution, Council will be given a presentation update on the reservoir.

**8. Does City Council support the creation of a new Capital Reserve Fund?**

The creation of a new Capital Reserve Fund will be used to set aside reserve funds that may be used for future capital asset purposes.

Recognizing that future capital asset needs will arise and also considering recent City Council discussions regarding "saving" assets for the construction of a new municipal facility, creation of this new fund will demonstrate the accumulation and accountability of said savings. The funds that are transferred to this fund will generally come from revenue in the General Fund that exceeds the 25% fund balance reserve requirement. This budget proposal shows a transfer to this fund for \$1,280,000. In addition, the transfer of \$3 million from the General Fund to the Capital Improvement Fund approved by City Council in the mid-year supplemental appropriation will be transferred to this new fund. The ending fund balance for the new fund will be \$4,322,000.

**Other Budget Highlights**

*General Fund*

City Council

**9. Stipends - \$43,500**

In accordance with the City's Home Rule Charter, City Council passed an ordinance in 2020 that provides for a stipend to compensate any member of the City Council who is elected after the passage of the ordinance. The ordinance set the amount of the Mayor's stipend at \$1,100 per month and councilmember stipends at \$750 per month. The Mayor position and three councilmember positions are up for election this November. The budgeted amount includes the stipend amounts and related payroll taxes.

Interdepartmental

**10. Professional Services - \$145,000**

- a. Grant seeking and application consultant - \$80,000
- b. Mobile website accessibility - \$30,000
- c. Community survey - \$35,000

**11. Office Space - \$44,900**

City Council approved the lease agreement that provides for additional office space adjacent to the existing office space used by the City's contracted building department. The agreement provides for the City to pay for the entire space that was currently in use by the contracted building department and the additional space now housing the Public Works Department. Under the new arrangement, the City will receive \$23,200 in revenue from the building department contractor.

Public Works

**12. Streets Repair and Maintenance - \$1,130,000**

- a. Gateway/Right-of-way Maintenance - \$105,000
- b. Curb/Gutter/Sidewalk Repair and Maintenance - \$130,000
- c. Striping/Signage - \$95,000
- d. Streets Repair and Maintenance - \$750,000
- e. Street Sweeping - \$50,000

The original 2021 budget was \$450,000 in total for all of the above items. City Council approved a \$500,000 mid-year supplemental appropriation increasing this amount to \$950,000, which allowed the City to address numerous potholes and cracks in the streets. The requested budget in this proposal will allow the City to continue the massive focus on repairing our City streets.

**13. Salaries and Benefits - \$98,400**

Staff is evaluating the addition of a new full-time stormwater position in 2021. As part of that analysis, staff has determined that the cost of adding the new position will be realized in savings by reducing the use of contracted services. Therefore, the net financial effect of this item will be neutral or positive.

**14. Vehicles - \$80,000 (2 at \$40,000 each)**

There are currently two Public Works staff and another position may soon be added. Currently, the Operations Manager/Engineer utilizes their personal vehicle. Public Works positions primarily operate in the field requiring a vehicle. It is important that employees doing work in the public eye, and in many cases doing inspections on private property, are quickly and easily identifiable as City employees doing City business. This includes vehicles that are clearly identifiable as well as clothing and appropriate documentation. Staff is requesting funding for two additional Public Works vehicles allowing for employees not to have to use their personal cars for public service as well as addressing the identification issues noted above.

Community Development

**15. Code Enforcement Services - \$21,600**

In 2021, City Council amended the contract with our current building department contractor to provide code enforcement services. This item was not in the 2021 budget.

Economic Development

**16. Professional Services - \$50,000**

The budget proposal includes the possibility of hiring a consultant to help the City explore and implement opportunities to partner with the owner and redevelop the former Safeway site.



## *Parks and Recreation Fund*

### **17. Water Feature Operation and Maintenance - \$50,000**

Staff is in the process of determining repairs that are needed to restore the splash pad to fully automatic operation and currently estimates that the repair cost may be close to \$50,000.

A study session is scheduled for October 26. Adoption of the 2022 budget is scheduled for Tuesday, December 14. The City Charter requires the City Council to hold a public hearing and then adopt a resolution approving the budget and annual appropriations no later than December 15.

The final budget document will include the more detailed Budget Message, Budget Overview, and other required budget features that will once again allow the City to earn the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award. This award recognizes budget documents that are of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting.

Mayor and Council, this budget transmittal memo is a highly summarized introduction to the submitted 2022 proposed budget. Staff will discuss this proposal in much more detail, including the policy questions and budget highlights, and will answer questions during the budget study session. Staff looks forward to the upcoming discussion, deliberation, and ultimate adoption of the City's financial plan for the upcoming year. Staff will also present a long-term financial modeling for the next five years that will help during budget discussions and demonstrate long-term financial sustainability and accountability.

Keeping in line with recommended best practices, staff will also present additional budget and financial policies to City Council for consideration. Currently, the City's only adopted policy is the General Fund twenty-five percent (25%) fund balance reserve policy.

Best regards,

Michael Penny



**City Manager**  
**Proposed**  
**2022 Annual Budget**

	2020 Audited	2021 Adopted Budget	2021 Year- end Projections	2022 Proposed Budget
<b>GENERAL FUND</b>				
<b>REVENUES</b>				
<b>Taxes</b>				
Property Tax	\$ 941,843	\$ 1,009,200	\$ 1,009,200	\$ 1,148,400
Specific Ownership Tax	81,696	86,400	94,700	110,800
Sales Tax	2,430,999	2,968,800	3,170,000	3,708,900
Construction Materials Use Tax	2,335,514	3,592,400	3,825,600	3,637,000
Motor Vehicle Use Tax	899,638	1,000,000	1,371,100	1,604,200
Total Taxes	6,689,690	8,656,800	9,470,600	10,209,300
<b>Franchise Fees</b>				
Franchise - Electric	214,543	236,300	240,100	280,900
Franchise - Gas	103,007	120,700	132,900	155,500
Franchise - Cable	161,900	172,400	172,400	201,700
Franchise - Telephone	921	1,200	1,200	-
Total Franchise Fees	480,371	530,600	546,600	638,100
<b>Licenses and Permits</b>				
Business Licenses	21,630	1,000	8,000	21,600
Liquor/Tobacco Licenses	3,486	2,400	3,500	3,400
Contractor Licenses	22,575	30,000	22,600	30,000
Sign Permits	2,288	1,000	1,000	1,000
ROW and GESD Permits	121,047	50,000	225,000	200,000
Total Licenses and Permits	171,026	84,400	260,100	256,000

	2020 Audited	2021 Adopted Budget	2021 Year- end Projections	2022 Proposed Budget
<b>GENERAL FUND</b>				
<b>REVENUES</b>				
<b>Intergovernmental Revenue</b>				
Federal Grants	380,359	-	1,352,600	1,352,600
Highway Users Tax Fund	258,099	259,200	271,800	292,500
Motor Vehicle Registration Fees	37,852	41,500	41,500	47,600
Cigarette Tax	11,941	7,100	7,100	7,100
Road and Bridge Prop Tax Shareback	463,563	497,100	497,100	565,700
Roads Sales Tax Shareback	121,002	107,600	138,300	161,800
Roads Motor Vehicle Use Tax Shareback	103,313	118,300	162,600	190,200
Construction Materials Use Tax Shareback	255,317	267,500	443,600	421,700
State Energy Distributions	2,714	3,700	1,000	1,000
Total Intergovernmental Revenue	1,634,160	1,302,000	2,915,600	3,040,200
<b>Charges for Services</b>				
Planning and Zoning	202,576	205,000	238,900	241,000
Finance Fees	8,715	9,600	9,600	9,600
Credit Card Fees	-	-	-	108,000
Building Permit Fees	1,701,027	2,612,200	2,564,000	2,437,600
Public Works Fees	-	250,000	250,000	250,000
Office Space Lease	-	-	11,400	23,200
Parkland Mitigation	22,800	22,200	-	-
Total Charges for Services	1,935,118	3,099,000	3,073,900	3,069,400
<b>Fines</b>				
Court Fines	96,084	60,000	74,700	200,000
<b>Interest and Other Income</b>				
Interest	163,537	51,500	72,000	80,000
Grants	5,000	-	-	-
Other	14,801	-	-	-
Stormwater Pass-through	3,212,461	6,000,000	-	-
Total Interest and Other Income	3,395,799	6,051,500	72,000	80,000
Total Revenue	\$ 14,402,248	\$ 19,784,300	\$ 16,413,500	\$ 17,493,000

	2020 Audited	2021 Adopted Budget	2021 Year- end Projections	2022 Proposed Budget
<b>GENERAL FUND</b>				
<b>EXPENDITURES</b>				
<b>City Council</b>				
Mayor/Council Stipend	\$ -	\$ -	\$ -	\$ 40,200
Taxes	-	-	-	3,200
Worker's Compensation	145	200	100	100
Professional Services	3,621	3,600	2,400	5,000
Training	1,759	6,000	2,000	6,300
Travel	2,802	9,400	2,000	9,400
Membership Dues	17,068	20,500	20,500	21,200
Supplies	3,115	1,800	100	400
Computers/Software	-	-	-	6,000
Meetings	2,593	10,000	7,800	8,000
Supplies/Recognition	-	1,000	1,000	1,000
Contributions	31,387	59,300	59,300	59,300
Total City Council	62,490	111,800	95,200	160,100
<b>City Manager</b>				
Salary	143,170	138,200	139,700	147,000
Insurance/Other	2,815	2,800	3,400	4,000
Taxes	2,347	2,400	2,400	2,600
Retirement	21,988	23,800	28,200	30,500
Worker's Compensation	3,384	3,600	2,300	2,400
Training	448	1,700	1,700	1,700
Travel	796	4,900	4,900	4,900
Membership Dues	1,585	1,800	2,300	2,900
Supplies	155	-	100	200
Meetings	1,546	3,700	3,700	3,700
Total City Manager	178,234	182,900	188,700	199,900

	2020 Audited	2021 Adopted Budget	2021 Year- end Projections	2022 Proposed Budget
<b>GENERAL FUND</b>				
<b>EXPENDITURES</b>				
<b>Inter/Non-Departmental</b>				
Salary	71,983	82,600	96,900	102,300
Insurance/Other	8,216	6,100	6,600	8,300
Taxes	2,255	1,400	1,700	1,800
Retirement	10,980	14,200	13,800	19,200
Worker's Compensation	121	100	100	100
Professional Services	128,189	30,000	100,000	245,000
Info Tech Support	15,120	17,600	17,000	17,700
Office Space	37,001	37,000	59,500	81,900
Insurance	50,734	57,100	54,800	60,400
Telephone/Internet	10,442	10,700	10,700	11,000
Printing/Copying	4,087	4,100	4,900	4,900
Postage/Mailing	1,165	1,700	1,700	1,700
Training	-	1,500	2,000	2,200
Travel	358	1,000	300	1,500
Mileage	13	-	-	-
Membership Dues	120	-	700	700
Central Supplies	10,121	9,000	16,000	16,000
Computer/Software	17,372	14,600	14,600	12,700
Meetings	485	1,000	7,000	4,500
Other	605	-	500	-
Contributions	212	-	93,700	-
Emergency Response	382,539	-	-	-
<b>Total Inter/Non-Departmental</b>	<b>752,118</b>	<b>289,700</b>	<b>502,500</b>	<b>591,900</b>

	2020 Audited	2021 Adopted Budget	2021 Year- end Projections	2022 Proposed Budget
<b>GENERAL FUND</b>				
<b>EXPENDITURES</b>				
<b>Communications</b>				
Salary	-	71,900	36,600	69,900
Insurance/Other	-	9,700	4,700	5,600
Taxes	-	1,300	600	1,200
Retirement	-	12,400	5,200	12,700
Worker's Compensation	-	-	-	100
Professional Services	-	35,000	44,500	35,000
Advertising	-	5,000	13,700	15,000
Public Information/Communication	126,615	-	-	-
Training	-	2,000	-	2,000
Mileage	-	500	-	500
Membership Dues	-	500	-	500
Supplies	-	1,000	100	100
Computer/Software	-	2,000	2,000	2,000
Total Communications	126,615	141,300	107,400	144,600
<b>Legal Services</b>				
City Attorney	166,414	140,000	200,000	200,000
Outside Legal Services	9,343	-	15,000	10,000
Total Legal Services	175,757	140,000	215,000	210,000
<b>Finance/Human Resources</b>				
Salary	93,680	97,700	105,900	111,200
Insurance/Other	9,813	10,400	10,400	11,000
Taxes	1,559	1,700	1,900	1,900
Retirement	13,717	16,800	19,300	20,800
Worker's Compensation	136	100	100	100
County Treasurer's Fees	9,423	10,100	10,100	11,500
Professional Services	4,028	6,100	4,100	6,100
Audit	17,500	18,500	18,000	22,500
Sales Tax Administration	25,070	50,500	55,000	56,100
Bank/Credit Card Fees	72,888	91,100	135,000	135,000
Advertising	2,774	500	600	600
Printing and Copying	469	500	-	500
Training	1,014	2,000	2,000	2,000
Travel	-	1,000	-	1,000
Membership Dues	190	1,100	1,200	1,200
Supplies	1,198	200	100	200
Computer/Software	12,319	14,800	15,400	14,800
Meetings	-	-	100	-
Total Finance/Human Resources	265,778	323,100	379,200	396,500

	2020 Audited	2021 Adopted Budget	2021 Year- end Projections	2022 Proposed Budget
<b>GENERAL FUND</b>				
<b>EXPENDITURES</b>				
<b>City Clerk</b>				
Salary	76,278	77,300	76,400	80,500
Insurance/Other	9,660	9,800	10,300	10,900
Taxes	1,263	1,400	1,300	1,400
Retirement	12,838	13,300	13,900	15,100
Worker's Compensation	100	100	100	100
Filing Fees	763	500	500	500
Professional Services	150	-	-	-
Election	18,780	11,000	13,500	11,000
Public Notice Advertising	1,114	1,500	500	1,500
Codification	4,728	4,500	2,500	4,500
Training	580	3,000	2,500	2,000
Travel	-	-	1,200	3,500
Mileage	204	200	200	400
Membership Dues	470	200	300	700
Supplies	131	100	-	100
Computer/Software	20,719	48,000	39,700	48,000
Total City Clerk	147,778	170,900	162,900	180,200
<b>Municipal Court</b>				
Workers' Comp	44	100	100	100
Court Clerk	20,000	24,000	24,000	24,000
Judge	6,337	7,000	6,900	6,900
Prosecutor	7,200	7,200	7,200	7,200
Supplies	-	100	500	100
Computer/Software	3,352	2,800	2,800	2,800
Total Municipal Court	36,933	41,200	41,500	41,100



	2020 Audited	2021 Adopted Budget	2021 Year- end Projections	2022 Proposed Budget
<b>GENERAL FUND</b>				
<b>EXPENDITURES</b>				
<b>Public Safety</b>				
Law Enforcement	947,112	1,009,200	1,009,200	1,148,400
Traffic Management	60,142	21,000	45,000	69,700
Animal Control	23,114	27,400	26,400	30,000
Total Public Safety	1,030,368	1,057,600	1,080,600	1,248,100
<b>Public Works</b>				
Salary	113,620	144,100	154,000	233,100
Insurance/Other	10,568	21,200	21,600	34,900
Taxes	1,890	2,500	2,700	4,100
Retirement	17,608	24,800	25,500	41,900
Worker's Compensation	1,273	2,300	1,300	3,000
Professional Services	97,544	93,000	93,000	73,000
Professional Services (Development)	460,178	250,000	325,000	325,000
Utilities	6,510	6,400	8,400	8,400
Snow Removal	441,785	500,000	500,000	575,000
Weed Mitigation	-	7,500	-	7,500
Gateway/ROW Maintenance	-	-	7,900	105,000
Curb/Gutter/Sidewalk R&M	-	-	15,300	130,000
Striping/Signage	-	-	54,800	95,000
Pedestrian Crossings Maintenance	18,705	20,000	20,000	20,000
Streets Repair/Maintenance	356,547	950,000	840,600	750,000
Street Light R&M	-	-	-	15,000
Traffic Signals Maintenance	73,739	75,000	50,000	50,000
Stormwater Maintenance	217,640	300,000	200,000	225,000
Street Sweeping	-	-	31,400	50,000
Fleet Repair/Maintenance	481	1,500	700	2,100
Training	-	1,500	300	1,500
Mileage	888	1,800	3,000	1,800
Membership Dues	1,539	2,000	1,300	2,000
Supplies	1,385	1,200	100	1,200
Computers/Software	16,393	25,000	48,500	48,500
Fleet Fuel	1,103	1,500	1,500	4,500
Meetings	74	100	300	300
Vehicles	-	-	-	80,000
Stormwater Pass-through	3,212,461	6,000,000	-	-
Total Public Works	5,051,931	8,431,400	2,407,200	2,887,800

	2020 Audited	2021 Adopted Budget	2021 Year- end Projections	2022 Proposed Budget
<b>GENERAL FUND</b>				
<b>EXPENDITURES</b>				
<b>Community Development</b>				
Salary	146,100	162,300	161,800	171,900
Insurance/Other	19,509	23,000	24,100	25,400
Taxes	2,411	2,800	2,800	3,000
Retirement	18,673	27,900	29,700	33,100
Worker's Compensation	2,516	2,800	2,200	2,300
Professional Services	174,526	95,000	100,000	65,000
Building Department Services	1,374,006	2,104,800	2,062,500	1,965,100
Code Enforcement Services	-	-	16,000	21,600
Legal Services	46,637	26,400	71,700	72,300
Professional Services (Development)	80,015	147,600	83,600	84,400
Training	28	2,500	500	2,500
Travel	28	300	300	1,000
Mileage	139	500	100	300
Membership Dues	686	1,200	700	1,000
Supplies	78	200	200	200
Computer/Software	54,972	35,000	20,000	20,000
Meetings	855	500	500	3,600
<b>Total Community Development</b>	<b>1,921,179</b>	<b>2,632,800</b>	<b>2,576,700</b>	<b>2,472,700</b>
<b>Economic Development</b>				
Salary	52,568	52,500	52,800	55,300
Insurance/Other	3,730	3,900	3,900	4,000
Taxes	857	900	900	1,000
Retirement	12,431	9,000	10,200	11,000
Worker's Compensation	1,275	1,500	900	900
Professional Services	11,500	25,000	500	50,000
Training	-	1,000	300	500
Travel	-	-	700	700
Membership Dues	1,250	2,300	1,300	2,500
Computer/Software	6,000	6,000	6,000	6,000
Canyons Credit PIF	673,966	1,200,000	1,200,000	1,441,000
<b>Total Economic Development</b>	<b>763,577</b>	<b>1,302,100</b>	<b>1,277,500</b>	<b>1,572,900</b>

	2020 Audited	2021 Adopted Budget	2021 Year- end Projections	2022 Proposed Budget
<b>GENERAL FUND</b>				
<b>EXPENDITURES</b>				
<b>Community Events</b>				
Salary	12,463	27,700	16,000	20,100
Taxes	218	500	300	400
Retirement	1,742	4,800	2,900	3,800
Worker's Compensation	670	100	500	500
Event Activities	68,037	150,000	150,000	150,000
Mileage	60	-	-	-
Contributions	-	15,000	15,000	30,000
Total Community Events	83,190	198,100	184,700	204,800
<b>Transfers Out</b>				
Parks and Recreation Fund	157,000	303,000	360,300	450,400
Capital Improvement Fund	4,000,000	7,025,000	7,025,000	7,450,000
Capital Reserve Fund	-	-	-	1,280,000
Total Transfers Out	4,157,000	7,328,000	7,385,300	9,180,400
Total Expenditures/Transfers Out	14,752,948	22,350,900	16,604,400	19,491,000
<b>BEGINNING FUND BALANCE</b>	\$ 5,249,408	\$ 4,898,307	\$ 4,898,307	\$ 4,707,407
Revenue over/(under) Expenditures	(350,700)	(2,566,600)	(190,900)	(1,998,000)
<b>ENDING FUND BALANCE</b>	<b>\$ 4,898,708</b>	<b>\$ 2,331,707</b>	<b>\$ 4,707,407</b>	<b>\$ 2,709,407</b>
<b>Fund Balance Analysis</b>				
Total Expenditures	\$14,752,948	\$22,350,900	\$16,604,400	\$19,491,000
Less: Pass-through	(3,212,461)	(6,000,000)	-	-
Less: Capital Outlay	(4,000,000)	(7,025,000)	(7,025,000)	(8,810,000)
Total Operating Expenditures	<b>\$ 7,540,487</b>	<b>\$ 9,325,900</b>	<b>\$ 9,579,400</b>	<b>\$10,681,000</b>
25% of Operating Expenditures - Required Reserve	<b>\$ 1,885,122</b>	<b>\$ 2,331,475</b>	<b>\$ 2,394,850</b>	<b>\$ 2,670,250</b>
Ending Fund Balance	\$ 4,898,708	\$ 2,331,707	\$ 4,707,407	\$ 2,709,407
25% Required Reserve	1,885,122	2,331,475	2,394,850	2,670,250
Excess/(Short) of Required Reserve	<b>\$ 3,013,586</b>	<b>\$ 232</b>	<b>\$ 2,312,557</b>	<b>\$ 39,157</b>
Fund Balance Reserve %	65%	25%	49%	25%

	2020 Audited	2021 Adopted Budget	2021 Year- end Projections	2022 Proposed Budget
<b>PARKS AND RECREATION FUND</b>				
<b>REVENUE</b>				
Grants - State	\$ -	\$ -	\$ -	\$ 150,000
Park Fees	\$ 13,470	20,500	20,500	20,500
Miscellaneous	198	-	-	-
Insurance Recovery	13,540	-	-	-
Contributions	-	-	-	150,000
Parkland Cash-in-Lieu	-	-	40,000	56,000
Transfer from General Fund	157,000	303,000	360,300	450,400
Transfer from Conservation Trust Fund	100,000	100,000	100,000	350,000
Total Revenue and Transfers In	284,208	423,500	520,800	1,176,900
<b>EXPENDITURES</b>				
Salary	86,956	89,400	105,000	113,500
Insurance	14,898	9,800	10,700	10,900
Taxes	1,447	1,600	1,800	2,000
Retirement	14,500	15,400	19,700	21,800
Worker's Compensation	1,749	1,700	1,200	1,300
Professional Services	8,183	11,000	-	50,000
Utilities	34,153	40,000	40,000	45,000
Custodial Services	7,637	4,000	7,000	10,000
Landscape Maintenance	58,021	56,000	56,000	62,000
Water Feature O&M	19,297	32,000	32,000	84,000
Park Facilities Repair/Maintenance	22,202	47,000	47,000	52,000
Fleet Repair/Maintenance	-	1,200	-	-
City Events	-	12,000	5,000	12,000
Telephone	-	-	600	1,800
Training	-	1,000	-	1,000
Membership Dues	-	500	-	500
Supplies	5	-	-	-
Fleet Fuel	-	800	-	-
Meetings	-	200	-	3,100
Machinery and Equipment	-	-	11,100	-
Parks Capital	-	-	-	595,300
Trails Capital	46,023	-	-	300,000
Contributions	100,000	100,000	100,000	100,000
Total Expenditures	415,071	423,600	437,100	1,466,200

	2020 Audited	2021 Adopted Budget	2021 Year- end Projections	2022 Proposed Budget
<b>PARKS AND RECREATION FUND</b>				
<b>BEGINNING FUND BALANCE</b>	\$ 636,269	\$ 494,969	\$ 505,406	\$ 589,106
Revenue over/(under) Expenditures	(130,863)	(100)	83,700	(289,300)
<b>ENDING FUND BALANCE</b>	<b>\$ 505,406</b>	<b>\$ 494,869</b>	<b>\$ 589,106</b>	<b>\$ 299,806</b>
<b>Fund Balance Detail</b>				
Restricted Fund Balance	503,752	493,052	587,452	298,152
Unrestricted Fund Balance	1,654	1,817	1,654	1,654
<b>Ending Fund Balance</b>	<b>\$ 505,406</b>	<b>\$ 494,869</b>	<b>\$ 589,106</b>	<b>\$ 299,806</b>
<b>CONSERVATION TRUST FUND</b>				
<b>REVENUE - Lottery Proceeds</b>	\$ 57,842	\$ 60,000	\$ 68,300	\$ 68,300
<b>EXP - Transfer to Parks and Rec Fund</b>	\$ 100,000	\$ 100,000	\$ 100,000	\$ 350,000
<b>BEGINNING FUND BALANCE</b>	\$ 429,600	\$ 387,442	\$ 387,442	\$ 355,742
Revenue over/(under) Expenditures	(42,158)	(40,000)	(31,700)	(281,700)
<b>ENDING FUND BALANCE</b>	<b>\$ 387,442</b>	<b>\$ 347,442</b>	<b>\$ 355,742</b>	<b>\$ 74,042</b>

	2020 Audited	2021 Adopted Budget	2021 Year- end Projections	2022 Proposed Budget
<b>CAPITAL IMPROVEMENT FUND</b>				
<b>REVENUE</b>				
Contributions	\$ 3,422,223	\$ 61,000	\$ -	\$ 3,453,000
Transfers from General Fund	4,000,000	7,025,000	7,025,000	7,450,000
Total Revenue and Transfers In	7,422,223	7,086,000	7,025,000	10,903,000
<b>EXPENDITURES</b>				
Municipal Facility	379,228	-	-	-
Arterial Street Improvements	5,311,164	4,300,000	3,000,000	8,000,000
Local/Collector Street Improvements	-	-	1,300,000	1,000,000
Traffic Signal Improvements	84,530	125,000	125,000	125,000
Pedestrian Safety Improvements	4,456	75,000	75,000	75,000
Machinery and Equipment	153,887	-	-	-
Lagae Road Improvements	48,785	747,800	747,800	-
Happy Canyon Bridge	14,934	250,000	250,000	400,000
Install Conduit under New Roads	-	-	-	575,000
Monarch Blvd Landscaping	-	-	-	250,000
Street Sign Conversion	-	-	-	100,000
Gateway/Wayfinding	33,787	300,000	300,000	1,000,000
Transfer to Capital Reserve Fund	-	-	3,042,000	-
Total Expenditures	6,030,771	5,797,800	8,839,800	11,525,000
<b>BEGINNING FUND BALANCE</b>	\$ 1,079,529	\$ 2,470,981	\$ 2,470,981	\$ 656,181
Revenue over/(under) Expenditures	1,391,452	1,288,200	(1,814,800)	(622,000)
<b>ENDING FUND BALANCE</b>	<b>\$ 2,470,981</b>	<b>\$ 3,759,181</b>	<b>\$ 656,181</b>	<b>\$ 34,181</b>
<b>CAPITAL RESERVE FUND</b>				
Transfer from General Fund	\$ -	\$ -	\$ -	\$ 1,280,000
Transfer from Capital Improvement Fund	-	-	3,042,000	-
Total Transfers In	-	-	3,042,000	1,280,000
<b>BEGINNING FUND BALANCE</b>	\$ -	\$ -	\$ -	\$ 3,042,000
Revenue over/(under) Expenditures	-	-	3,042,000	1,280,000
<b>ENDING FUND BALANCE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,042,000</b>	<b>\$ 4,322,000</b>