



September 30, 2023

Dear Mayor Engerman and Members of the City Council,

INTRODUCTION

I am proud to present you with the proposed 2024 Annual Budget. City staff has worked diligently to develop a budget that reflects the Council's strategic planning priorities and continues to raise the bar in our stewardship of the community experience in the City of Castle Pines. This draft proposal comes to you for your consideration in accordance with the City's Home Rule Charter. The Charter requires the City Manager to present a proposed budget to the City Council by September 30, with the adoption of the budget occurring no later than December 15. Before adoption, a City Council study session to review and discuss the proposal is scheduled for November 14, and additional study sessions may be scheduled if necessary. A public hearing and the budget adoption are scheduled for the December 12 City Council meeting. Typically, the budget review study session is scheduled shortly after the budget is submitted; however, with the various budget scenarios that are dependent upon the potential passage of two City revenue ballot measures and one state-wide property tax ballot measure, the study session has been scheduled after the November 7 election.

Staff recognizes the importance of and is excited about the potential passage of the City's two ballot measures, which would vastly improve services. If passed, the Parks Mill levy measure will provide a dedicated funding stream to the City to expand and enhance our parks, recreation, trails, and open space amenities. These dedicated park funds will also allow for improved operation and maintenance of those facilities. The Roads Sales tax measure would create the City's first dedicated road fund, significantly improving the City's ability to address the significant roadway repairs and improvements needed now (needs not being met with the current level of funding). These funds will also help to ensure that our road repair, new roads, and the entire City roadway infrastructure can be properly maintained throughout the transportation system's life cycle.

With multiple outcomes possible with the pending election measures, this proposed budget is presented as a status quo budget, as if there were no election. Once the election results are known, staff will modify the 2024 proposed budget to reflect the outcome of the state and local elections and submit an updated proposed budget for the Council's November 14 budget review study session.

As always, revenue projections are based on conservative assumptions. The economy (primarily inflation) and local development (growth, i.e., new homes and population) are the major factors used to develop forecasted revenue.

A major hurdle, which started in late 2022 and continued throughout 2023, is a significant decrease in construction materials use tax revenue. As of August 2023 (67% of the year elapsed), only thirty percent (30%) of the budgeted amount was received and it was \$1,317,549 lower (57%) than August 2022. As

the City does with all revenue forecasts in preparation for the upcoming year's budget (year-end projections are necessary and feed into the following year's beginning balance), the projection for use tax revenue at yearend is revised downward by nearly \$2 million from the original budget estimate of \$3,257,200 to \$1,378,000. Based on discussions with developers, the 2024 budget projection is an improvement over the 2023 projection; however, it is still nearly \$1 million lower than the original 2023 budget. The decrease in the use tax revenue resulting from decreased new home construction is attributed to a sharp rise in the inflation rate, resulting in significantly increased interest rates being raised to combat inflation. The City's construction use tax revenue is a major funding source for capital projects. It is important to recognize that construction use taxes are one-time revenues and that is why the policy is to utilize them for capital projects and not ongoing operations and maintenance.

Budget (expenditure) guidelines are used to implement the City Council's strategic objectives and priorities in conjunction with preserving the current levels of delivery of the City-provided services. As mentioned above, the decrease in use tax revenue has certainly impacted our ability to maintain the proposed timing of the Road Solutions Plan. Despite the impact, the 2024 proposed budget was crafted to continue making the Road Solutions Plan a priority.

Finally, among all the considerations that went into developing the proposed budget, sustaining the City's financial health through a balanced budget with adequate reserves was paramount. The proposed 2024 budget was developed considering a 5-year perspective, allowing staff to analyze long-term financial and economic trends and projections and ensure the preservation of the City's ongoing financial health.

A study session was held on August 22 to confirm the staff's understanding of the Council's strategic project timeline and the City Council's priorities, particularly concerning the 2024 budget. With the City Council's affirmation of those priorities and the budget guidelines, the staff assembled the 2024 budget proposal.

The following discussion includes the budget guidelines, the Strategic Plan's role in the development of the budget, policy questions, and a summary and highlights of the proposed budget's revenue, expenditures, and financial position projections.

BUDGET GUIDELINES

The following guidelines served to develop the proposed 2024 Annual Budget.

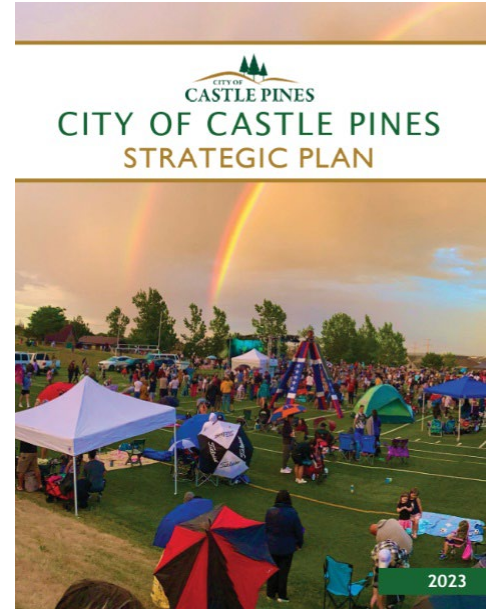
- The 2023 Strategic Plan: Key Focus Areas, Strategic Goals, SMART Objectives, and Actions
- Maintain or enhance the delivery of City services
- Prepare the 2024 budget with a long-term (five-year) financial view
- Ensure the City remains financially healthy with adequate reserves as required by City policy throughout the five years – 2024 through 2028

2023 STRATEGIC PLAN AND BUDGET HIGHLIGHTS IN SUPPORT OF THE PLAN

The [City's Strategic Plan](#) is a key component in developing the 2024 Annual Budget proposal.

Each year, the City Council holds a retreat to conduct a strategic planning process based on the adopted Vision, Mission, and Key Focus Areas of their Strategic Goals, creating the Strategic Plan. Staff is tasked with implementing the Council's direction by creating an Implementation Plan. The 2023 City Council retreat resulted in Strategic Goals, Key Focus Areas, and additional policy direction to guide staff in day-to-day operations.

Using the 2023 Strategic Plan as a guideline, staff has a good understanding of the priorities and direction the City Council would like to continue with into 2024. Staff received affirmation of their understanding at a study session held in August.



The City's 2023 Strategic Plan is summarized below along with highlighted notations of 2024 budgetary items included in service of the City Council Strategic Goals. The entire plan is available on the City's website along with a community dashboard, which tracks the advancement of the City Council's priorities in five categories: maintaining roads, community safety, financial health, development, and business health. A summary of achievements related to the 2022 Strategic Plan can also be found there.

VISION STATEMENT

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

ACTION STATEMENT

To provide outstanding municipal services through operational excellence and a culture of innovation. We will take a proactive approach to implement our vision through thoughtful and intentional actions.

STRATEGIC OBJECTIVES

We will honor our past while ensuring a successful future through excellence in

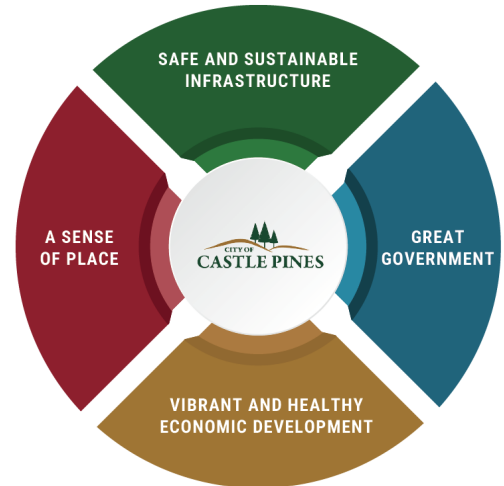
- Actions to ensure long-term financial resiliency and vitality
- Attracting a wide variety of top-tier businesses to maximize our economic strength
- Building our community through intentional and responsible development
- Constructing reliable and safe infrastructure
- Continuous outreach and engagement to foster a united community
- Supporting high-performing operations through our top-notch city government

KEY FOCUS AREAS

The City Council established four Key Focus Areas from their Strategic Objectives: Safe and Sustainable Infrastructure, Great Government, A Sense of Place, and Vibrant and Healthy Economic Development. Within each Key Focus Area are Strategic Goals, SMART Objectives/Projects, and Action Steps. Each Policy Question identifies which Strategic Plan Key Focus Area(s) the proposed budget is in support of.

STRATEGIC GOALS AND SMART OBJECTIVES

Strategic Goals are large, broad, and often intangible concepts that will need to be accomplished to address the Key Focus Areas and be successful in the coming years. Strategic Goals are typically longer term (3 – 10 years) and have milestones to measure success.



BE SURE NOT TO MISS THE 2024 BUDGET HIGHLIGHTS INCLUDED IN THE FOLLOWING SECTION

Key Focus Area: SAFE AND SUSTAINABLE INFRASTRUCTURE



The City Council supports Safe and Sustainable Infrastructure, including city facilities, roads, trails, sidewalks, traffic, transportation planning, parks, open space, and stormwater.

Strategic Goals:

- Inclusion and funding for safe and sustainable infrastructure
- Road and transportation projects
- Park and recreation projects
- Governance efficiency: Transition properties and responsibilities to the City.
- Municipal facility

2024 Budget Highlights:

- Street and street-related capital improvements - \$10,510,000 (Policy Question - PQ)
 - Awarded and received grants and contributions for road projects - \$3,619,000 (revenue)
 - Metro Districts transfer of funds for maintenance of properties and responsibilities transferred to the City - \$3,884,800 (revenue)
 - Design for city parks and implementation of trails master plan - \$550,000 (PQ)
 - Spring tributary at Lagae Road multi-year commitment in partnership with Mile High Flood Control District - \$350,000
 - Address drainage issues including sidewalk overflows, failing cutoff walls, ponds, etc. - \$150,000
 - Fire mitigation work and grant awards to citizens - \$153,000
 - Awarded grant for fire mitigation work - \$49,500 (revenue)
 - Update Master Transportation Plan - \$75,000 (PQ)
-

Key Focus Area: A SENSE OF PLACE



The City Council supports A Sense of Place, that is Castle Pines, and the work necessary to build a community that is a place where residents – new and existing – can live, work, and play.

Strategic Goals:

- Create a culture of communication with our community
- Construct Phase I of the Gateway Project
- Create a sense of place that is Castle Pines

2024 Budget Highlights:

- Design for city parks and implementation of trails master plan - \$550,000 (PQ)
- Increased the Communications budget primarily in printing, mailing, and promotional supplies - \$10,200
- Increased community event budget to provide for larger events and recreational programming - \$88,000
- Increased Community Events Coordinator from 20 to 30 hours per week - \$20,200

Key Focus Area: GREAT GOVERNMENT



The City Council supports Great Government, which includes recruiting and retaining quality staff, responsive services, strategic planning for a sustainable future, financial stewardship, and an investment in the future of the City.

Strategic Goals:

- Update City manuals and policies to produce effective and efficient local government services
- Develop comprehensive and competitive compensation and staffing plans
- Long-range fiscal health
- Redistrict to reflect growth
- Enhance public safety
- Adopt a strategic approach to City actions

2024 Budget Highlights:

- Recognizing our high-performing staff with market-based compensation - \$91,600 (PQ)
 - Update Master Transportation Plan - \$75,000 (PQ)
 - Changed the Communication and Engagement Manager position to Communication and Engagement Director to recognize the job responsibilities, requirements of this position, and expectations of the position - \$17,200
 - New full-time maintenance position in the Public Works department - \$75,300 (PQ)
 - Scanning large-format and historical documents for greater access and retrieval - \$40,000
 - Present Long-term Financial Plan and Capital Improvement Plan to City Council
-

Key Focus Area: VIBRANT AND HEALTHY ECONOMIC DEVELOPMENT



The City Council supports a Vibrant and Healthy Economy that involves partnerships with our business community to support their growth and expansion, attracting new businesses to the City, and ensuring that our revenue is sustainable long term.

Strategic Goals:

- Review and adopt City documents for economic development
- Engage and collaborate with the business community
- Formation of the Castle Pines Urban Renewal Authority (URA)
- Attract new retail businesses

2024 Budget Highlights:

- Update Master Transportation Plan - \$75,000 (PQ)
- Review economic planning and marketing - \$50,000
- Advance funding to Castle Pines Urban Renewal Authority for legal and other consulting services - \$75,000

POLICY QUESTIONS

1. **Does the City Council support increasing staff's compensation to a level commensurate with the identified labor market, including performance-based pay increases of up to 4.9%?** (\$76,000 salary plus \$15,600 related taxes and retirement - various funds)

The results of a comprehensive compensation study and a compensation philosophy were presented to the City Council as part of the 2023 budget process. The City Council supported the proposed compensation philosophy and the recommended results of the salary study, both enhancing the City's ability to recruit and retain high-quality employees in service of the City's Strategic Plan's focus areas and goals. Generally, the compensation philosophy states that the City will "meet the market" and keep our salary ranges and the compensation of our high-performing employees competitive with the market. To do so, market-based salary range adjustments (and resulting employee compensation) will be evaluated annually, with a comprehensive evaluation typically occurring every three to five years. The City's 2023 survey found that entities, on average, throughout Colorado are proposing a 5.3% increase for 2024. The City's identified competitive and comparable market, on average, is a 4.9% increase. For 2024, keeping in line with the Council-approved compensation philosophy, it is recommended that to remain competitive with the market, position salary ranges and employee compensation be adjusted by 4.9%.

Strategic Plan Key Focus Area Supported: Great Government and by extension all other Key Focus Areas

Council-Adopted Supporting Policies: Strategic Plan, Compensation Philosophy

2. Does the City Council support a new full-time maintenance position in the Public Works department? (\$75,300 salary and benefits - Parks Funds)

This new position is intended to primarily serve as a parks/public works maintenance worker who will work under the Parks, Trails, and Open Space Manager to maintain the City's parks and rights-of-way. This position will allow the City to respond to maintenance issues quickly and efficiently as they arise, as well as oversee general maintenance of its parks, open space, trails, stormwater, and rights-of-way. The position is intended to be an on-the-ground operations individual who can respond immediately to citizen requests as well as assist in increasing our level of overall maintenance. Currently, calls for debris in the roadway, signs down, broken sprinklers, etc. are either added to a contractor's list or an existing staff person is pulled off their normal duties to assist. Neither of our current solutions are efficient or effective in serving the public, nor do they meet the City Council's strategic objective of high-performing operations through our top-notch city government. Over the last five years, at the direction of the Council, staff has significantly increased our community responsiveness, the breadth of services available to the public, and the overall level of professionalism. The result of these service improvements is continued growth in community expectations. While there has been a temporary reduction in residential construction, our developer, builder, business, and resident expectations from the City only continue to increase. We believe this is a great thing. The addition of this position will continue this trend and, specifically, will help improve our overall curb appeal while allowing existing staff to focus on high customer service performance.

Strategic Plan Key Focus Areas Supported: Safe and Sustainable Infrastructure, Great Government, Sense of Place

Council-Adopted Supporting Policy: Strategic Plan

3. Does the City Council support a Master Transportation Plan update? (\$75,000 - General Fund)

The City's first Master Transportation Plan was created in 2017 and is now over six years old. The Master Transportation Plan builds upon the Comprehensive Plan. Master transportation plans are essential to provide a clear and effective strategy for improving the transportation system. They help prioritize specific projects or improvement areas and identify funding sources to streamline construction and maintenance needs. By using a data-driven approach, transportation master plans provide actionable steps for achieving multi-modal goals that enhance community livability. Updating the Master Transportation Plan is crucial to ensure that it remains relevant and aligned with the evolving needs of the community: changing demographics, technological advancements, safety enhancements, environmental considerations, economic development, and community engagement. Following the completion of the Vision Zero Safety Action Plan, staff believes 2024 is the appropriate time to update the Master Transportation Plan.

Strategic Plan Key Focus Areas Supported: Safe and Sustainable Infrastructure, Great Government, Vibrant and Healthy Economic Development, Sense of Place

Council-Adopted Supporting Policies: Strategic Plan, Roads Solution Plan, Comprehensive Plan, Trails Master Plan, Castle Pines Parkway Landscape Plan, Economic Action Plan

4. Does the City Council support the following street and street-related capital improvements?
(\$10,301,000 - Capital Improvement Fund)

To continue progress towards improving the city-wide infrastructure and implementation of the City's Roads Solution Plan, the following street and street-related capital improvements are proposed. With increased construction costs, a decline in supporting revenues (specifically construction materials use tax), the timeline for some of the capital improvements has been shifted.

Strategic Plan Key Focus Area Supported: Safe and Sustainable Infrastructure, Sense of Place

Council-Adopted Supporting Policies: Strategic Plan, Comprehensive Plan, Master Transportation Plan, Roads Solution Plan, Multi-modal Enhancement Plan

a) Arterial Street Improvements: (Bucket 3 - \$6.0 million)

Monarch Boulevard from Castle Pines Parkway to Glen Oaks Avenue

This project is a complete reconstruction of this section of Monarch Blvd. including the addition of six-foot bike lanes in both directions. This project was originally planned for and budgeted in 2023 but was moved to 2024 to allow for the design and construction of the Lagae Road roundabout to address ongoing safety and congestion issues as well to be completed in advance of the upcoming PGA golf event. The delay was also to allow for utility relocation to occur in Monarch to decrease the construction time expected for reconstruction. Conversations with the County in 2021 indicated the County's support in partnering with the City on our road reconstruction projects. This support was demonstrated in the County's \$3.0 million partnership on Castle Pines Parkway. Considering those conversations, the City requested \$4.0 million for 2024 but did not receive County support for this request given their priorities and budget challenges. The entire project will be funded with City funds. There are very limited grant funds available for this type of work.

b) Local/Collector Street Improvements: (Buckets 1 and 2 - \$0)

Staff anticipated proposing \$1.75 million in the 2024 budget; however, due to the decline in revenues coupled with the lack of County support and the need to focus on the City's Road Solutions completion, staff recommends shifting these projects to 2025. Bucket 1 includes improvements for the preservation, treatment, and preventative maintenance of roadways to maintain longevity to minimize future rehabilitation costs. It includes the repair of curbs, gutters, and sidewalks, crack sealing, and minor asphalt patching of distressed sections. Bucket 2 includes corrective rehabilitation, including complete reconstruction, mill and overlays, and seal coats, which also restores the roadway and increases longevity. Adjacent curb, gutter, and sidewalks that require repair are included in the project. The 2023 budget for Buckets 1 and 2 was \$1.78 million and \$14.4 million worth of improvements were

completed in 2018 through 2022. Should the City's ballot measure 4E pass, staff will request that the Council support funding these improvements.

c) Happy Canyon Interchange: (\$2,801,000)

Pre-NEPA construction activities, which started in 2020, are nearing completion, and city/county staff expect final CDOT and FHWA approvals in 2024. The proposed 2024 budget is expected to bring the project to complete approval and a significant program in construction and engineering drawings (final construction and engineering drawings will be in 2025). In 2024, the City will receive \$1.5 million from DRCOG and \$1.0 million from the County. This is reflected as revenue in the proposed budget. The total anticipated cost of this project segment is \$4.8 million spread between 2024 and 2025. Construction is expected to occur in 2026 and 2027 with a total cost of approximately \$42 million.

d) Bike/Pedestrian Bridge over I-25: (\$1,500,000)

A requirement of the Happy Canyon Interchange is to include travel demand management components in the project to help reduce overall vehicle miles traveled. CDOT and FHWA have agreed that the City can utilize a bike/pedestrian bridge across I-25 as a project toward meeting this requirement. The initial concept design and engineering for this bridge is expected to cost \$1.5 million. The City received a grant from DRCOG of \$1.1 million with a City match of \$400,000. One of the first evaluations of this work will be to evaluate the location and costs of the bridge. Staff expects several options with various costs, usage variations, and community benefits. The Council will be asked to make a final determination prior to moving on to final design and engineering.

5. Does the City Council support the following Parks and Recreation capital improvements?

- a) Trails (\$250,000 - Parks and Recreation North Fund)** - implementation of the Trails Master Plan within the CPNMD area using funds transferred from CPNMD via the IGA. PRAB and the City Council will be presented with recommended options prior to beginning construction of any improvements.
- b) Coyote Ridge Park (\$200,000 - Parks and Recreation North Fund)** - funds to implement the design of park improvements following the completion and adoption of concept plans developed in 2023.
- c) Soaring Hawk Park (\$100,000 - Parks and Recreation Fund)** funds to implement the design of park improvements following the completion and adoption of concept plans developed in 2023.

Strategic Plan Key Focus Area supported: Safe and Sustainable Infrastructure, Sense of Place

Council-Adopted Supporting Policies: Strategic Plan, Comprehensive Plan, Parks and Recreation Comprehensive Plan, Economic Action Plan

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

The 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. Douglas County is now managing the facility and the City is starting to utilize the reservoir in our events and recreational activities. The funds from the contributing entities are shifting more toward operational costs as the reservoir opens more throughout the year. As in the past, before sending the City’s contribution, the City’s Parks and Recreation Advisory Board will be given a presentation update on the reservoir.

Strategic Plan Key Focus Area supported: Safe and Sustainable Infrastructure
Council-Adopted Supporting Policies: Strategic Plan, Comprehensive Plan, Parks and Recreation Comprehensive Plan

FINANCIAL POSITION HEADING INTO 2024

2022 – EXCELLENT FINANCIAL HEALTH DESPITE DECREASED REVENUE

The year ended with the City in excellent financial health despite a sharp decline in construction materials use tax and other development-related revenues. The revenue impact was attributed to the federal government raising interest rates to combat rising inflation. The year-end projection (YEP) was lowered in preparation for the 2023 budget and the final figure was lower still, nearly \$1 million less than the budget (see Table 1).

The Budget-to-Actual figure compares the final audited amount to the budget amount, which was forecast months before the year started and before unknown impacts to the budget were available. The year-end projections are determined well into the budget year and are important because they update the current financial conditions as the future year budget is prepared. Negative variances are in red.

Table 1

2022 (in millions)	Budget	YEP	Actual	Budget to Actual	Actual to YEP
Construction Materials Use Tax including County Shareback	\$4.06	\$3.67	\$3.24	-\$0.82 (-20%)	-\$0.43 (-12%)

Aside from construction materials use tax, General Fund revenue met budget and year-end expectations; however, with the decline in the use tax, revenues were \$0.5 million (3%) shy of year-end projections. On the expenditure side, expenditures were well within budget and savings were \$0.9 (10%) better than the year-end projection. The resulting increase in fund balance before planned transfers was \$0.4 million (5%) better than the YEP amount (see Table 2).

Table 2

2022 (in millions) General Fund	Budget	YEP	Actual	Budget to Actual	Actual to YEP
Revenue	\$17.5	\$17.2	\$16.7	-\$0.8 (-5%)	-\$0.5 (-3%)
Expenditures	\$10.2	\$9.7	\$8.8	\$1.4 (14%)	\$0.9 (10%)
Revenue Over Expenditures	\$7.3	\$7.5	\$7.9	\$0.6 (8%)	\$0.4 (5%)

2023 – INTEREST RATES CONTINUE IMPACTING DEVELOPMENT REVENUES

To combat inflation, the Federal Open Market Committee (“Fed”) continued to increase the target range for the Federal Funds Rate (see Figure 1). They increased it as recently as late July from 5.25% to 5.5%. They held the rate steady at their September meeting. Inflation is decreasing but the Fed’s goal is closer to 2%. The Denver-Aurora-Lakewood inflation index (CPI) was about 5% in July (see Figure 2).

Figure 1

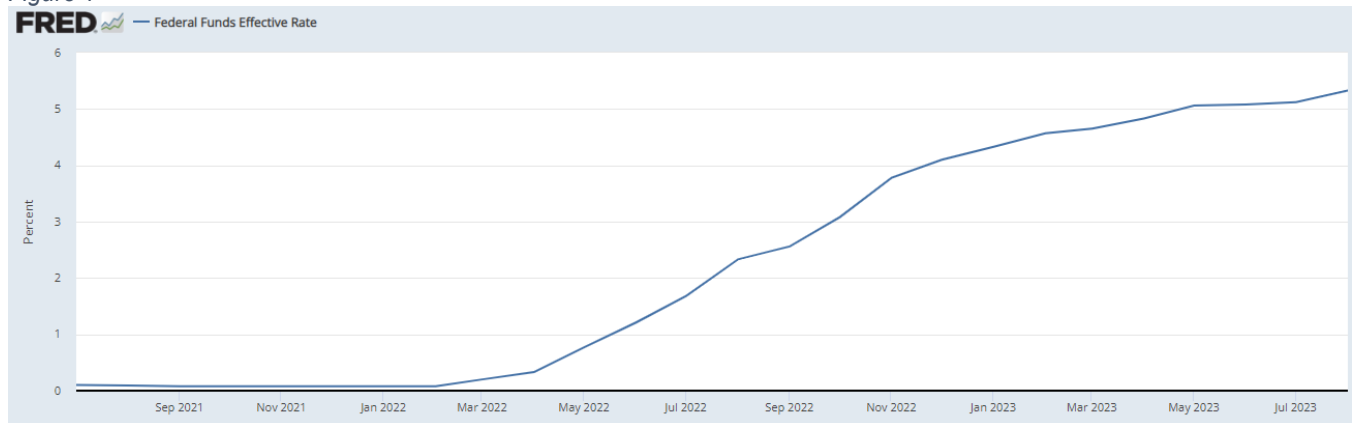
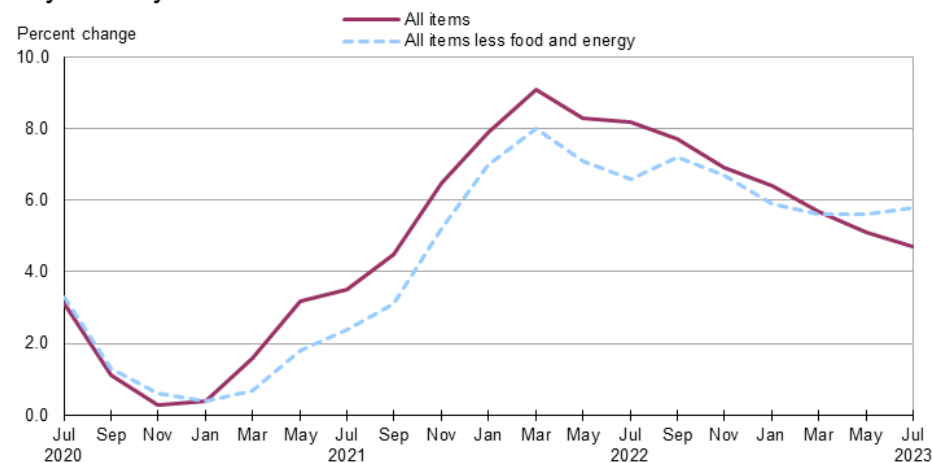


Figure 2

Chart 1. Over-the-year percent change in CPI-U, Denver-Aurora-Lakewood, CO, July 2020–July 2023



Source: U.S. Bureau of Labor Statistics.

A September 28 report from Fox Business online stated that “[T]he average rate on the benchmark 30-year fixed mortgage surged again this week, hitting the highest level in nearly 23 years. Freddie Mac’s

latest Primary Mortgage Market Survey released Thursday shows that the average rate for a 30-year fixed note climbed to 7.31%, up from 7.19% last week, and from 6.7% a year ago” - *Mortgage rates climb further, near 23-year high, Breck Dumas, Fox Business.*

With increased interest rates continuing into 2023, the severe impact on development activity (new home construction) and construction use tax revenue has continued well into the current year. In response, the budget amount estimate was modified from \$3.7 million to \$1.5 million, a \$2.2 million (60%) decrease (see Table 3). Total revenue was reduced by \$2.9 million, most of which was the use tax reduction. The other \$0.7 million was also related to development-related revenues, namely building permit fees. A decline in building permit fee revenue does not impact the bottom line as other revenues do because expenditures (building department services) related to the building permit fees are proportionally lower, as well. In addition to decreased building department services, other expenditures make up the overall \$2.0 reduction: Canyons Credit PIF and anticipated savings in the public works department. Despite a projected \$2.9 million (16%) revenue shortfall, \$2.0 million (20%) in budget savings offsets the revenue shortfall, resulting in a less impactful \$0.9 million hit to the fund balance heading into 2024.

Table 3

2023 (in millions)	Budget	YEP	Budget to YEP
Construction Materials Use Tax including County Shareback	\$3.7	\$1.5	-\$2.2 (-60%)

Table 4

2023 (in millions)	Budget	YEP	Budget to Actual
Revenue	\$17.8	\$14.9	-\$2.9 (-16%)
Expenditures	\$10.1	\$8.1	\$2.0 (20%)
Revenue Over Expenditures	\$7.7	\$6.8	\$0.9 (-12%)

PROPOSED 2024 ANNUAL BUDGET

EXPENDITURE OVERVIEW

The proposed budget presents expenditures totaling \$25.3 million (see Table 5). Nearly half of this, \$11.6 million (46%), is for parks, streets, and stormwater capital improvements. The remainder, \$13.8 million (54%) is for operations and maintenance. Salaries and benefits as a % of the total O&M budget is 20%. This percentage is much lower than what it is for other jurisdictions, which typically are in the 50% range, but can be as high as 75%. This is a testament to the small staff we have and the long-held policy of the Council and the citizens to contract for most of the services we provide. As such, we continue to keep our personnel expenditures low and yet provide exceptional service.

Street and street-related capital improvements total \$10.5 million; park improvements total \$0.6 million; and stormwater improvements total \$0.5 million.

Figure 4

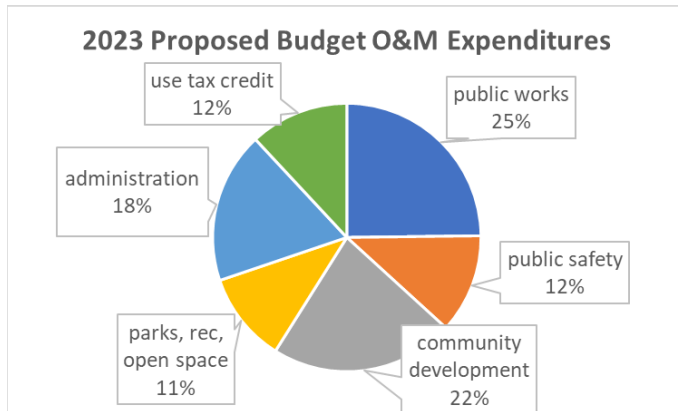
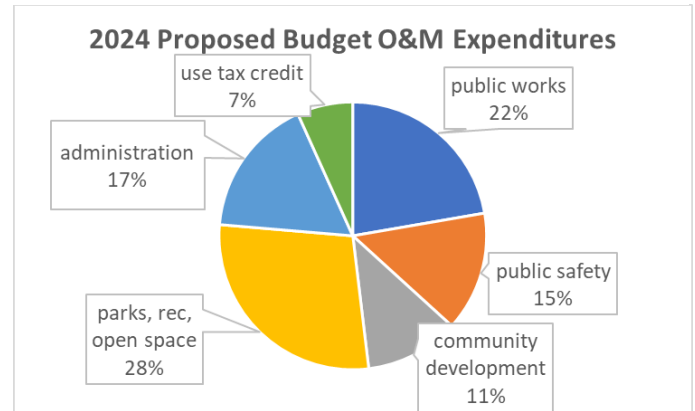


Figure 3



Operational expenditures are for public works (22%), community development (11%), public safety (15%), parks, recreation, open space (28%), administration (17%), and use tax credit (7%). The distribution of expenditures among City services stayed relatively consistent from 2023 to 2024 (see Figures 3 and 4). However, the percentage of parks, recreation, and open space expenditures increased from 11% to 28% due to the City taking on those responsibilities from CPNMD later in 2023 and those costs were not part of the original 2023 budget. The percentage of Community Development expenditures decreased because of a decrease in building department services due to the decline in new home construction.

Table 5

Proposed 2024 Annual Budget (Expenditures)	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Budget
General Fund	\$ 8,798,973	\$ 10,055,000	10,055,000	\$ 8,134,100	\$ 9,911,200
Parks and Recreation Fund	709,084	749,000	2,052,800	1,951,700	858,900
NPVMD Nos. 1-3 O&M Fund	279,089	231,600	231,600	231,600	525,500
Parks and Recreation North Fund (CPNMD)	-	-	1,986,500	2,122,400	2,685,000
Roads Fund	-	-	-	-	-
Conservation Trust Fund	-	-	-	-	-
Capital Improvements Fund	10,945,867	9,662,500	14,395,100	13,805,100	10,510,000
Stormwater Utility Fund	-	112,800	652,600	541,800	858,400
Total All Funds	\$ 20,733,013	\$ 20,810,900	\$ 29,373,600	\$ 26,786,700	\$ 25,349,000

REVENUE OVERVIEW

The proposed 2024 budget estimates \$25,468,700. Forty-seven percent (47%) of the 2024 revenue is projected to come from City taxes. The remainder is made up of intergovernmental revenue (25%), charges for service (11%), grants and contributions (14%), and other (3%). The distribution of revenue is similar to 2023 (see Figures 5 and 6). The share of revenue coming from taxes decreased from 55% to 47%, while intergovernmental increased from 10% to 25%. This is due to revenue from CPNMD funding

parks and recreation services being transferred from the metro district to the City in 2023. If voters approve the City’s 12 mill property tax ballot measure the intergovernmental revenue will become City tax revenue.

Figure 6

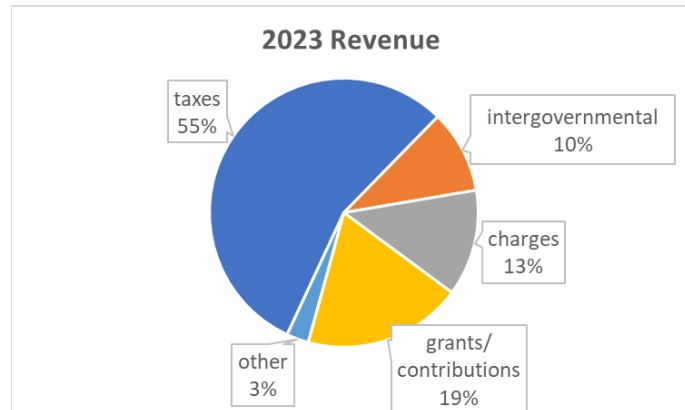
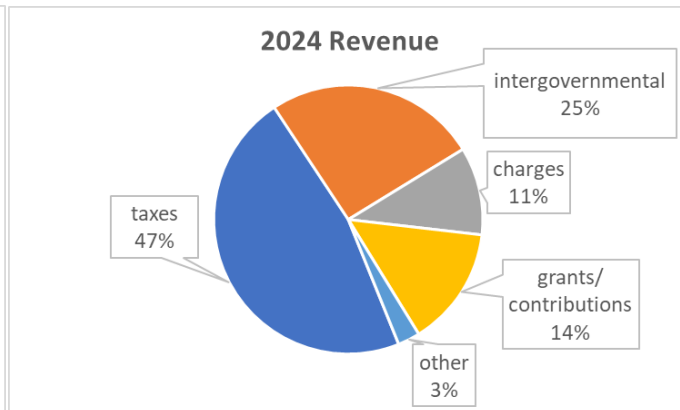


Figure 5



The large differences between the 2024 budget and the 2023 figures (see Table 6) are primarily because of the transfer of revenue from CPNMD to the City for transferred responsibility of parks and recreation services. In addition, revenue estimates changed to recognize the decline in development-related activity’s impact on revenues (i.e., construction materials use tax and building permit fees).

Most revenues are projected based on estimated population growth¹ (4.2%) and inflationary increases² (4.6%).

Table 6

Proposed 2024 Revenue	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Budget
Taxes/Franchise Fees	\$ 10,756,113	\$ 11,848,200	11,848,200	\$ 9,974,300	\$ 11,924,000
Intergovernmental	1,982,087	2,135,400	9,989,300	12,796,100	6,505,700
Charges for Services	2,659,297	2,739,100	3,289,500	2,642,600	2,694,000
Fines and Forfeitures	99,478	62,900	62,900	241,000	256,500
Grants and Contributions	4,360,639	4,100,000	3,346,700	2,801,000	3,668,500
Douglas County Loan	-	-	-	-	-
Other	322,764	504,800	504,800	532,400	420,000
Total All Funds	\$ 20,180,378	\$ 21,390,400	\$ 29,041,400	\$ 28,987,400	\$ 25,468,700

¹City estimates based on development assumptions in consultation with developers and home builders.

²State of Colorado Legislative Council’s Economic and Revenue Forecast

FUND BALANCES OVERVIEW

The 2024 proposed budget ensures that all funds end with positive fund balances and that the City’s financial health remains in excellent condition. The General Fund ending fund balance is projected to be \$2.6 million and the City’s reserve policy was adhered to with 3 months’ worth (25%) of operating expenditures held in reserve.

CONCLUSION

This proposed budget is presented as a status quo budget that assumes there are no elections taking place. In reality, there are three revenue elections, which create a multitude of budget scenarios: the state Proposition HH property tax measure, the City's 12 mill property tax measure, and the City's 1% sales and use tax measure. Staff is prepared to modify this budget proposal in time for the City Council's budget study session discussion in November and ultimate adoption in December.

In addition to the information included in this proposed budget submittal, the final budget document will include the Budget Message, Budget Overview, Long-term Financial Plan, Capital Improvement Plan, performance measure reporting, 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 of the highest quality that reflect 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 2024 proposed budget. Staff will discuss this proposal in more detail, including the policy questions and budget highlights, and answer questions during the budget study session. Staff looks forward to the upcoming discussion, deliberation, and ultimate adoption of the City's financial plan and policy directives for the forthcoming year. Staff will also present long-term financial modeling for the next five years to help during budget discussions and demonstrate long-term financial sustainability and accountability. Thank you for your input into the strategic planning and budget process thus far and for your continued staff support.

Best regards,

Michael Penny



City Manager
Proposed
2024 Annual Budget

Fund Summaries

2024 Annual Budget	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Budget
General Fund					
REVENUE					
4.5 Mills Property Tax	\$ 1,146,292	\$ 1,200,300	\$ 1,200,300	\$ 1,200,300	\$ 1,747,600
Other Revenue	14,988,101	15,758,400	16,558,400	13,705,900	14,554,200
Total Revenue	16,134,393	16,958,700	17,758,700	14,906,200	16,301,800
EXPENDITURES/TRANSFERS OUT					
Law Enforcement Services	1,146,405	1,200,300	1,200,300	1,200,300	1,747,600
Other Expenditures	7,652,568	8,854,700	8,854,700	6,933,800	8,163,600
Transfer to Parks/Recreation Fund	481,199	626,900	926,900	708,500	547,400
Transfer to Capital Improvements Fund	10,105,000	6,400,000	7,475,000	6,725,000	5,947,000
Total Expenditures	19,385,172	17,081,900	18,456,900	15,567,600	16,405,600
BEGINNING FUND BALANCE	\$ 6,002,159	\$ 2,783,158	\$ 2,751,380	\$ 3,358,977	\$ 2,697,577
Revenue over/(under) Expenditures	(3,250,779)	(123,200)	(698,200)	(661,400)	(103,800)
ENDING FUND BALANCE	\$ 2,751,380	\$ 2,659,958	\$ 2,053,180	\$ 2,697,577	\$ 2,593,777
Fund Balance Analysis					
Total Expenditures	\$ 19,385,172	17,081,900	18,456,900	15,567,600	16,405,600
Less: Capital Outlay	(10,346,374)	(6,595,000)	(8,873,800)	(7,041,800)	(5,947,000)
Less: Other Non-operating	(94,600)	(66,800)	(66,800)	(71,800)	(85,800)
Total Operating Expenditures	\$ 8,944,198	\$ 10,420,100	\$ 9,516,300	\$ 8,454,000	\$ 10,372,800
Required Reserve - 25% of operating exp	\$ 2,236,050	\$ 2,605,025	\$ 2,379,075	\$ 2,113,500	\$ 2,593,200
Ending Fund Balance	\$ 2,751,380	\$ 2,659,958	\$ 2,053,180	\$ 2,697,577	\$ 2,593,777
25% Required Reserve	2,236,050	2,605,025	2,379,075	2,113,500	2,593,200
Excess/(Short) of Required Reserve	\$ 515,331	\$ 54,933	\$ (325,895)	\$ 584,077	\$ 577
Fund Balance Reserve %	31%	26%	22%	32%	25%

2024 Annual Budget	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Budget
Parks and Recreation Fund					
REVENUE					
Transfer From General Fund	481,199	626,900	926,900	708,500	547,400
Other Revenue	170,885	122,100	672,100	756,600	311,500
Total Revenue	652,084	749,000	1,599,000	1,465,100	858,900
EXPENDITURES					
Other Expenditures	709,084	749,000	2,052,800	1,951,700	858,900
Total Expenditures	709,084	749,000	2,052,800	1,951,700	858,900
BEGINNING FUND BALANCE	\$ 667,152	\$ 178,152	\$ 610,152	\$ 610,152	\$ 123,552
Revenue over/(under) Expenditures	(57,000)	-	(453,800)	(486,600)	-
ENDING FUND BALANCE	\$ 610,152	\$ 178,152	\$ 156,352	\$ 123,552	\$ 123,552
Unrestricted Fund Balance	\$ 2,000	\$ 2,000	\$ 35,200	\$ 2,400	\$ 2,400

2024 Annual Budget	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Budget
NPVMD Nos. 1-3 O&M Fund					
REVENUE					
NPVMD IGA Mill Levy Transfer plus Interest	\$ 282,693	\$ 231,600	\$ 231,600	\$ 296,000	\$ 460,300
EXPENDITURES					
NPVMD Expenditures	279,089	231,600	231,600	231,600	525,500
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 3,604	\$ 3,604	\$ 68,004
Revenue over/(under) Expenditures	3,604	-	-	64,400	(65,200)
ENDING FUND BALANCE	\$ 3,604	\$ -	\$ 3,604	\$ 68,004	\$ 2,804

2024 Annual Budget	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Budget
Parks and Recreation North Fund					
REVENUE					
CPNMD IGA Mill Levy Transfer plus Interest		\$ -	\$ 6,478,000	\$ 9,086,600	\$ 3,664,400
EXPENDITURES					
CPNMD Expenditures		-	2,349,300	2,485,200	2,685,000
BEGINNING FUND BALANCE		-	-	-	6,601,400
Revenue over/(under) Expenditures		-	4,128,700	6,601,400	979,400
ENDING FUND BALANCE		\$ -	\$ 4,128,700	\$ 6,601,400	\$ 7,580,800

2024 Annual Budget	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Budget
Conservation Trust Fund					
REVENUE					
Lottery Proceeds plus Interest	71,871	78,000	78,000	127,800	122,100
CPNMD IGA Mill Levy Transfer	-	-	-	525,300	541,100
Total Revenue	71,871	78,000	\$ 78,000	\$ 653,100	\$ 663,200
Transfers Out					
Transfer to Parks and Recreation	100,000	100,000	350,000	350,000	200,000
BEGINNING FUND BALANCE	356,927	75,226	328,798	328,798	631,898
Revenue over/(under) Expenditures	(28,129)	(22,000)	(272,000)	303,100	463,200
ENDING FUND BALANCE	\$ 328,798	\$ 53,226	\$ 56,798	\$ 631,898	\$ 1,095,098

2024 Annual Budget	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Budget
Capital Improvements Fund					
REVENUE					
Contributions/Grants	3,000,000	4,100,000	2,246,700	1,700,000	3,619,000
Transfer from General Fund	10,105,000	6,400,000	7,475,000	6,725,000	5,947,000
Transfer From P/R North Fund	-	-	362,800	362,800	-
Other	12,939	-	-	-	-
Total Revenue	13,117,939	10,500,000	10,084,500	8,787,800	9,566,000
EXPENDITURES					
Roadway Improvements	10,591,511	8,212,500	10,322,700	9,732,700	8,801,000
Gateway/Monumentation Improvements	161,562	750,000	2,967,200	2,967,200	-
Other Improvements	192,794	700,000	1,105,200	1,105,200	1,709,000
Total Expenditures	10,945,867	9,662,500	14,395,100	13,805,100	10,510,000
BEGINNING FUND BALANCE	\$ 3,790,422	\$ 1,017,122	\$ 5,962,494	\$ 5,962,494	\$ 945,194
Revenue over/(under) Expenditures	2,172,072	837,500	(4,310,600)	(5,017,300)	(944,000)
ENDING FUND BALANCE	\$ 5,962,494	\$ 1,854,622	\$ 1,651,894	\$ 945,194	\$ 1,194

2024 Annual Budget	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Budget
Stormwater Utility Fund					
REVENUE					
User Fees	-	-	550,400	550,400	607,500
Other Fees	-	-	-	20,000	20,000
CPNMD IGA Mill Levy Transfer plus Interest	-	-	1,375,900	1,375,900	-
Other Revenue	-	-	-	25,600	21,000
Total Revenue	-	-	1,926,300	1,971,900	648,500
EXPENDITURES					
Operating and Maintenance	-	112,800	202,600	291,800	358,400
Capital	-	-	450,000	250,000	500,000
Total Expenditures	-	112,800	652,600	541,800	858,400
BEGINNING FUND BALANCE	\$ -	\$ 1,014,000	\$ -	\$ -	\$ 901,200
Revenue over/(under) Expenditures	-	(112,800)	1,273,700	1,430,100	(209,900)
ENDING FUND BALANCE	\$ -	\$ 901,200	\$ 1,273,700	\$ 1,430,100	\$ 691,300

Budget Detail

	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Original Budget
GENERAL FUND					
REVENUES					
Taxes					
Property Tax	1,146,292	1,200,300	1,200,300	1,200,300	1,747,600
Specific Ownership Tax	101,377	120,000	120,000	120,000	133,300
Sales Tax	4,192,214	4,531,200	4,531,200	4,566,000	4,776,000
Sales Tax - Collections/Enforcement	60,360	-	-	-	-
Construction Materials Use Tax	755,501	607,500	607,500	418,000	401,100
Construction Materials Use Tax - Canyons	2,161,748	2,649,700	2,649,700	960,000	1,856,600
Motor Vehicle Use Tax	1,669,436	1,959,900	1,959,900	1,940,000	2,154,300
Total Taxes	10,086,928	11,068,600	11,068,600	9,204,300	11,068,900
Franchise Fees					
Franchise - Electric	267,532	343,200	343,200	325,000	360,900
Franchise - Gas	213,970	190,000	190,000	220,000	244,300
Franchise - Cable	187,683	246,400	246,400	225,000	249,900
Total Franchise Fees	669,185	779,600	779,600	770,000	855,100
Licenses and Permits					
Business Licenses	21,521	5,000	5,000	13,000	-
Liquor/Tobacco Licenses	3,295	2,000	2,000	2,500	2,500
Contractor Licenses	44,612	30,000	30,000	35,000	36,600
Sign Permits	550	-	-	6,300	2,600
ROW and GESC Permits	265,865	200,000	200,000	150,000	156,900
Total Licenses and Permits	335,843	237,000	237,000	206,800	198,600
Intergovernmental Revenue					
Federal Grants	1,352,639	-	-	-	-
State Grants	8,000	-	-	1,000	-
Highway Users Tax Fund	321,086	323,000	323,000	337,000	374,200
Motor Vehicle Registration Fees	45,562	54,400	54,400	50,000	55,500
Cigarette Tax	11,415	4,000	4,000	10,000	10,000
Road and Bridge Prop Tax Shareback	562,444	591,300	591,300	591,300	856,300
Roads Sales Tax Shareback	167,756	182,300	182,300	174,000	191,000
Roads Motor Vehicle Use Tax Shareback	191,706	231,000	231,000	225,000	247,700
Construction Materials Use Tax Shareback	318,400	430,700	430,700	150,200	246,100
State Energy Distributions	9,154	9,100	9,100	17,700	17,700
Total Intergovernmental Revenue	2,988,162	1,825,800	1,825,800	1,556,200	1,998,500

	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Original Budget
GENERAL FUND					
REVENUES					
Charges for Services					
Planning and Zoning	175,091	70,000	70,000	103,000	80,500
Finance Fees	8,757	7,900	7,900	7,900	7,900
Credit Card Fees	61,521	59,900	59,900	59,900	-
Building Permit Fees	1,801,709	2,117,200	2,117,200	1,336,000	1,399,800
Public Works Fees	170,486	200,000	200,000	200,000	200,000
Office Space Use	35,005	25,000	25,000	25,000	41,200
State Disposable Bag Fee	-	-	-	27,000	27,000
Total Charges for Services	2,252,569	2,480,000	2,480,000	1,758,800	1,756,400
Fines					
Court Fines	99,478	62,900	62,900	241,000	256,500
Interest and Other Income					
Interest	253,111	504,800	504,800	358,300	167,800
Net Inc/(Dec) in FV of Investments	(607,597)	-	-	-	-
Grants/Contributions	-	-	800,000	800,000	-
Miscellaneous	46,164	-	-	10,800	-
Sale of Assets	10,550	-	-	-	-
Total Interest and Other Income	(297,772)	504,800	1,304,800	1,169,100	167,800
Total Revenue	\$ 16,134,393	\$ 16,958,700	\$ 17,758,700	\$ 14,906,200	\$ 16,301,800

	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Original Budget
GENERAL FUND					
EXPENDITURES					
Elected Officials					
Mayor/Council Stipend	40,200	40,200	40,200	40,200	67,200
Taxes	3,076	3,100	3,100	3,100	5,100
Worker's Compensation	119	100	100	100	100
Professional Services	6,005	4,500	4,500	4,500	4,700
Training	4,931	6,000	6,000	6,000	6,000
Travel	7,188	8,700	8,700	8,700	9,500
Mileage	184	300	300	300	800
Membership Dues	18,222	17,100	17,100	17,100	19,100
Supplies	424	400	400	400	400
Computers/Software	-	-	-	-	6,000
Meetings	8,654	9,700	9,700	9,700	10,500
Supplies/Recognition	328	1,000	1,000	1,000	1,000
Contributions	65,050	66,800	66,800	66,800	85,800
Total Elected Officials	154,381	157,900	157,900	157,900	216,200
City Manager					
Salary	200,308	221,400	221,400	220,700	226,400
Insurance/Other	7,835	8,500	8,500	28,800	30,200
Taxes	3,313	3,700	3,700	3,600	3,700
Retirement	37,607	44,800	44,800	44,000	45,400
Worker's Compensation	2,311	2,800	2,800	2,800	2,900
Training	3,223	3,300	3,300	3,300	3,500
Travel	11,238	5,700	5,700	5,700	6,000
Mileage	35	-	-	-	400
Membership Dues	3,047	2,700	2,700	2,700	2,900
Supplies	390	200	200	200	400
Meetings	4,396	4,000	4,000	4,000	4,500
Total City Manager	275,964	297,100	297,100	315,800	326,300

	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Original Budget
GENERAL FUND					
EXPENDITURES					
Inter/Nondepartmental					
Wellness Benefit	-	-	-	-	1,700
Professional Services	87,112	100,000	100,000	160,000	92,000
Info Tech Support	28,214	33,200	33,200	33,200	32,400
Office Space	107,777	133,400	133,400	260,700	165,000
Insurance	60,759	72,400	72,400	72,400	74,300
Telephone/Internet	10,358	14,300	14,300	19,000	12,500
Printing/Copying	5,049	5,300	5,300	5,300	12,000
Postage/Mailing	1,007	1,800	1,800	3,000	3,000
Membership Dues	1,899	2,800	2,800	2,800	2,600
Central Supplies	13,831	15,000	15,000	43,000	35,000
Computer/Software	44,977	33,000	33,000	50,000	68,900
Meetings	6,013	4,500	4,500	6,000	7,000
Machinery and Equipment	37,995	-	-	-	-
Contributions	1,550	-	-	-	-
Total Inter/Non-Departmental	406,541	415,700	415,700	655,400	506,400
Communications					
Salary	80,076	82,300	82,300	82,300	99,700
Insurance/Other	8,810	11,500	11,500	15,900	16,800
Taxes	786	1,500	1,500	1,400	1,600
Retirement	12,527	14,800	14,800	15,400	18,700
Worker's Compensation	60	100	100	100	100
Professional Services	92,193	80,000	80,000	55,000	60,000
Advertising	14,195	20,000	20,000	15,000	20,000
Printing/Copying	1,282	7,500	7,500	7,500	20,000
Postage/Mailing	1,249	5,000	5,000	8,200	17,000
Training	-	800	800	800	1,500
Travel	-	500	500	500	1,000
Mileage	64	100	100	100	100
Membership Dues	455	500	500	500	500
Supplies	20	100	100	100	100
Promotional Supplies	-	-	-	7,800	2,500
Computer/Software	10,965	10,000	10,000	10,000	12,000
Meetings	76	300	300	300	300
Total Communications	222,758	235,000	235,000	220,900	271,900

	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Original Budget
GENERAL FUND					
EXPENDITURES					
Legal Services					
City Attorney	187,608	220,000	220,000	220,000	242,000
Outside Legal Services	9,735	10,000	10,000	7,000	7,700
Total Legal Services	197,343	230,000	230,000	227,000	249,700
Finance/Human Resources					
Salary	113,111	140,400	140,400	132,600	139,100
Insurance/Other	12,608	12,000	12,000	15,400	16,200
Taxes	2,223	2,300	2,300	2,200	2,300
Retirement	20,706	26,800	26,800	24,800	26,100
Worker's Compensation	112	100	100	100	100
County Treasurer's Fees	11,462	12,000	12,000	12,000	17,500
Professional Services	8,941	8,300	8,300	11,800	11,200
Audit	22,500	23,000	23,000	23,000	20,000
Sales Tax Administration	58,447	67,300	67,300	61,000	64,500
Bank/Credit Card Fees	86,413	75,000	75,000	75,000	91,000
Advertising	2,056	600	600	3,700	3,000
Training	334	1,500	1,500	2,500	1,500
Travel	-	1,000	1,000	1,800	1,900
Membership Dues	637	400	400	400	600
Supplies	46	100	100	1,500	100
Computer/Software	22,373	23,500	23,500	22,000	23,000
Meetings	53	-	-	-	-
Total Finance/Human Resources	362,022	394,300	394,300	389,800	418,100
City Clerk					
Salary	124,803	152,900	152,900	155,700	166,900
Insurance/Other	20,509	36,800	36,800	31,800	33,400
Taxes	1,997	2,600	2,600	2,600	2,800
Retirement	20,350	27,700	27,700	29,200	31,300
Worker's Compensation	124	100	100	100	100
Filing Fees	593	600	600	600	600
Professional Services	391	-	-	-	40,000
Election	10,368	11,000	11,000	11,000	12,000
Public Notice Advertising	1,036	800	800	2,500	1,000
Codification	4,872	4,000	4,000	4,000	5,000
Training	4,316	2,300	2,300	2,300	3,000
Travel	2,297	1,500	1,500	1,500	2,000
Mileage	490	400	400	400	400
Membership Dues	936	800	800	800	800
Computer/Software	52,753	53,600	53,600	53,600	41,800
Meetings	69	-	-	-	-
Total City Clerk	245,904	295,100	295,100	296,100	341,100

	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Original Budget
GENERAL FUND					
EXPENDITURES					
Municipal Court					
Workers' Comp	31	100	100	100	100
Court Clerk	24,170	24,000	24,000	25,000	25,500
Judge	6,869	6,900	6,900	6,900	6,900
Prosecutor	7,200	7,200	7,200	7,200	7,200
Supplies	-	500	500	500	500
Computer/Software	3,450	2,800	2,800	2,800	2,800
Total Municipal Court	41,720	41,500	41,500	42,500	43,000
Public Safety					
Law Enforcement - 4.5 mills property tax	1,146,405	1,200,300	1,200,300	1,200,300	1,747,600
Traffic Management/Security Services	70,290	54,700	54,700	156,700	166,700
Animal Control	24,137	32,400	32,400	32,400	34,000
Total Public Safety	1,240,832	1,287,400	1,287,400	1,389,400	1,948,300
Public Works					
Salary	229,730	360,900	360,900	258,200	338,000
Insurance/Other	39,995	77,600	77,600	44,000	57,900
Taxes	3,618	6,000	6,000	4,300	5,600
Retirement	37,125	71,900	71,900	48,400	63,400
Worker's Compensation	3,306	2,400	2,400	2,400	2,500
Professional Services	221,673	100,000	100,000	100,000	175,000
Professional Services (Development)	467,459	287,300	287,300	175,000	100,000
Utilities	7,736	15,000	15,000	9,000	15,000
Snow Removal	570,640	570,000	570,000	570,000	730,000
Weed Mitigation	1,035	7,500	7,500	2,500	7,500
Gateway/ROW Maintenance	17,366	100,000	100,000	5,000	25,000
Curb/Gutter/Sidewalk R&M	73,821	165,000	165,000	100,000	180,000
Striping/Signage	121,881	115,000	115,000	115,000	145,000
Pedestrian Crossings Maintenance	13,159	30,000	30,000	30,000	35,000
Streets Repair/Maintenance	89,039	450,000	450,000	225,000	475,000
Streetlight R&M	2,712	25,000	25,000	20,000	35,000
Traffic Signals Maintenance	15,222	60,000	60,000	40,000	60,000
Stormwater Maintenance	72,330	-	-	25,700	-
Street Sweeping	32,375	65,000	65,000	65,000	100,500
Fleet Repair/Maintenance	2,399	4,200	4,200	7,200	25,000
Training	733	3,900	3,900	3,900	4,900
Travel	-	2,500	2,500	2,500	2,500
Mileage	404	500	500	500	700
Membership Dues	1,706	2,000	2,000	1,500	2,000
Supplies	591	1,500	1,500	1,500	1,500
Computers/Software	52,467	65,000	65,000	125,000	115,000
Fleet Fuel	4,348	5,500	5,500	5,500	7,500
Meetings	301	800	800	800	800
Vehicles	79,126	45,000	45,000	-	-
Total Public Works	2,162,297	2,639,500	2,639,500	1,987,900	2,710,300

	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Original Budget
GENERAL FUND					
EXPENDITURES					
Community Development					
Salary	165,720	222,700	222,700	222,700	233,600
Insurance/Other	24,228	28,300	28,300	32,300	33,900
Taxes	2,681	3,700	3,700	3,700	3,900
Retirement	28,245	42,900	42,900	43,000	45,100
Worker's Compensation	1,715	2,500	2,500	2,500	2,600
Professional Services	67,849	20,000	20,000	20,000	20,000
Building Department Services	1,458,342	1,708,800	1,708,800	1,023,400	858,200
Code Enforcement Services	22,055	32,000	32,000	28,000	32,000
Legal Services	29,321	72,300	72,300	30,000	30,000
Professional Services (Development)	80,616	84,400	84,400	54,000	54,000
Training	1,030	2,300	2,300	2,300	2,400
Travel	1,876	1,500	1,500	1,500	1,600
Mileage	743	300	300	300	800
Membership Dues	1,682	1,000	1,000	1,000	1,200
Supplies	94	200	200	200	100
Computer/Software	21,295	22,800	22,800	22,800	23,000
Meetings	2,410	2,200	2,200	2,200	2,300
Total Community Development	1,909,902	2,247,900	2,247,900	1,489,900	1,344,700
Economic Development					
Salary	55,720	62,300	62,300	61,800	64,800
Insurance/Other	3,961	4,700	4,700	6,400	6,700
Taxes	908	1,000	1,000	1,000	1,100
Retirement	11,676	12,900	12,900	12,500	13,100
Worker's Compensation	860	1,000	1,000	1,000	1,000
Professional Services	63,156	80,000	80,000	10,800	50,000
Legal Services - CPURA	-	-	-	19,100	50,000
CP Urban Renewal	-	-	-	50,100	25,000
Training	-	1,000	1,000	1,000	1,000
Travel	25	500	500	500	500
Membership Dues	50,080	42,700	42,700	42,700	5,000
Computer/Software	6,000	6,000	6,000	600	-
Canyons Credit PIF	1,080,874	1,324,900	1,324,900	480,000	928,300
Total Economic Development	1,273,260	1,537,000	1,537,000	687,500	1,146,500

	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Original Budget
GENERAL FUND					
Community Events					
Salary	16,335	32,400	32,400	27,000	52,500
Taxes	266	500	500	500	900
Retirement	2,441	6,200	6,200	4,000	9,800
Worker's Compensation	361	500	500	500	500
Event Activities	258,592	237,000	237,000	237,000	325,000
Mileage	54	-	-	-	-
Contributions	28,000	-	-	5,000	-
Total Community Events	306,049	276,600	276,600	274,000	388,700
Transfers Out					
Parks and Recreation Fund	481,199	626,900	926,900	708,500	547,400
Capital Improvement Fund	10,105,000	6,400,000	7,475,000	6,725,000	5,947,000
Total Transfers Out	10,586,199	7,026,900	8,401,900	7,433,500	6,494,400
Total Expenditures/Transfers Out	\$ 19,385,172	\$ 17,081,900	\$ 18,456,900	\$ 15,567,600	\$ 16,405,600
BEGINNING FUND BALANCE	\$ 6,002,159	\$ 2,783,158	\$ 2,751,380	\$ 3,358,977	\$ 2,697,577
Revenue over/(under) Expenditures	(3,250,779)	(123,200)	(698,200)	(661,400)	(103,800)
ENDING FUND BALANCE	\$ 2,751,380	\$ 2,659,958	\$ 2,053,180	\$ 2,697,577	\$ 2,593,777
Fund Balance Analysis					
Total Expenditures	19,385,172	17,081,900	18,456,900	15,567,600	16,405,600
Less: Capital Outlay	(10,346,374)	(6,595,000)	(8,873,800)	(7,041,800)	(5,947,000)
Less: Other Non-operating	(94,600)	(66,800)	(66,800)	(71,800)	(85,800)
Total Operating Expenditures	\$ 8,944,198	\$ 10,420,100	\$ 9,516,300	\$ 8,454,000	\$ 10,372,800
Required Reserve - 25% of operating exp	\$ 2,236,050	\$ 2,605,025	\$ 2,379,075	\$ 2,113,500	\$ 2,593,200
Ending Fund Balance	2,751,380	2,659,958	2,053,180	2,697,577	2,593,777
25% Required Reserve	2,236,050	2,605,025	2,379,075	2,113,500	2,593,200
Excess/(Short) of Required Reserve	\$ 515,331	\$ 54,933	\$ (325,895)	\$ 584,077	\$ 577
Fund Balance Reserve %	31%	26%	22%	32%	25%

	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Original Budget
PARKS AND RECREATION FUND					
REVENUE					
Park Fees	26,685	22,100	22,100	106,600	111,500
Parkland Cash-in-Lieu	44,200	-	-	-	-
Contributions	-	-	300,000	300,000	-
Transfer from General Fund	481,199	626,900	926,900	708,500	547,400
Transfer from Conservation Trust Fund	100,000	100,000	350,000	350,000	200,000
Total Revenue and Transfers In	\$ 652,084	\$ 749,000	\$ 1,599,000	\$ 1,465,100	\$ 858,900
EXPENDITURES					
Salary	115,422	130,000	130,000	103,200	131,100
Insurance	11,444	15,900	15,900	17,000	24,000
Taxes	1,925	2,000	2,000	1,700	2,200
Retirement	20,838	24,900	24,900	19,500	24,700
Worker's Compensation	1,200	1,400	1,400	1,400	1,500
Professional Services	32,289	25,000	25,000	5,900	8,000
Utilities	37,368	50,000	50,000	38,000	50,000
Custodial Services	5,401	18,000	18,000	14,000	18,000
Landscape Maintenance	28,506	160,000	160,000	160,000	200,000
Open Space Maintenance	22,471	40,000	40,000	15,000	40,000
Water Feature O&M	30,791	30,000	30,000	40,000	45,000
Park Facilities Repair/Maintenance	71,279	72,000	72,000	72,000	82,000
Telephone/Internet	3,685	28,600	28,600	8,000	28,600
Computer/Software	-	-	-	2,600	2,600
Meetings	1,012	1,200	1,200	-	1,200
Parks Capital - Disc Golf Course	91,020	-	550,000	550,000	-
Parks Capital - Soaring Hawk Park	-	50,000	50,000	50,000	100,000
Park Land Acquisition	-	-	487,000	486,600	-
Trails Capital - Lennar Trail	33,233	-	266,800	266,800	-
Other	101,200	-	-	-	-
Contributions	100,000	100,000	100,000	100,000	100,000
Total Expenditures	\$ 709,084	\$ 749,000	\$ 2,052,800	\$ 1,951,700	\$ 858,900
BEGINNING FUND BALANCE	\$ 667,152	\$ 178,152	\$ 610,152	\$ 610,152	\$ 123,552
Revenue over/(under) Expenditures	(57,000)	-	(453,800)	(486,600)	-
ENDING FUND BALANCE	\$ 610,152	\$ 178,152	\$ 156,352	\$ 123,552	\$ 123,552
Fund Balance Detail					
Restricted Fund Balance					
Castle Pines Parks Authority	503,752	53,752	16,752	16,752	16,752
Parkland Mitigation	104,400	122,400	104,400	104,400	104,400
Unrestricted Fund Balance	2,000	2,000	35,200	2,400	2,400
Ending Fund Balance	\$ 610,152	\$ 178,152	\$ 156,352	\$ 123,552	\$ 123,552

	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Original Budget
NPVMD NOS. 1-3 O&M FUND					
REVENUE					
NPVMD City Mill Levy	-	231,600	231,600	231,600	459,400
NPVMD Other	282,693	-	-	63,100	-
Interest		-	-	1,300	900
Total Revenue and Transfers In	\$ 282,693	\$ 231,600	\$ 231,600	\$ 296,000	\$ 460,300
EXPENDITURES					
Engineering/Planning	-	10,000	10,000	10,000	-
Management Fees	-	15,700	15,700	15,700	-
Utilities	-	59,000	59,000	59,000	59,000
Snow Removal	-	46,500	46,500	46,500	46,500
Landscape Maintenance	113,910	100,400	100,400	100,400	420,000
Street Maintenance	165,179	-	-	-	-
Total Expenditures	\$ 279,089	\$ 231,600	\$ 231,600	\$ 231,600	\$ 525,500
BEGINNING FUND BALANCE	-	-	3,604	3,604	68,004
Revenue over/(under) Expenditures	3,604	-	-	64,400	(65,200)
ENDING FUND BALANCE	\$ 3,604	\$ -	\$ 3,604	\$ 68,004	\$ 2,804

	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Original Budget
Parks and Recreation North Fund					
REVENUE					
CPNMD Mill Levy			\$ -	\$ 2,489,000	\$ 3,425,400
Fire Mitigation Grant			-	-	49,500
Interest			-	119,600	189,500
CPNMD Transfer of Funds			6,478,000	6,478,000	-
Total Revenue and Transfers In			\$ 6,478,000	\$ 9,086,600	\$ 3,664,400
EXPENDITURES					
Salary			63,300	81,700	146,200
Insurance			38,000	13,200	31,800
Taxes			2,600	1,300	2,400
Retirement			29,700	15,500	27,300
Worker's Compensation			5,000	5,000	5,200
Consulting Services			4,800	4,800	4,800
Professional Services			17,000	17,000	18,700
Info Tech Support			2,500	2,500	2,500
Holiday Lighting			35,000	35,000	55,000
Utilities/Water Irrigation			238,600	185,000	238,600
Electricity Parks/Open Space			34,500	10,000	12,000
Custodial Services			-	16,100	16,800
Grounds R&M			807,800	946,800	1,444,900
Fire Mitigation			50,000	50,000	113,000
Storm Drainage Expense			9,700	-	-
Fleet Repair/Maintenance			9,900	5,800	9,900
Insurance			42,000	42,000	43,900
Telephone/Internet/Alarms			10,300	10,300	10,000
Training			4,100	-	4,100
Membership Dues			900	900	900
Computer/Software			-	2,600	-
Fleet Fuel			9,400	6,800	9,400
Machinery/Equipment			-	37,700	-
Parks Capital - Pickleball Courts			438,400	438,400	17,600
Parks Capital - Coyote Ridge Park			-	61,000	200,000
Trails Capital			100,000	100,000	250,000
Concrete			33,000	33,000	-
Other			-	-	20,000
Transfer to Capital Improvements Fund			362,800	362,800	-
Total Expenditures			\$ 2,349,300	\$ 2,485,200	\$ 2,685,000
BEGINNING FUND BALANCE			\$ -	\$ -	\$ 6,601,400
Revenue over/(under) Expenditures			4,128,700	6,601,400	979,400
ENDING FUND BALANCE			\$ 4,128,700	\$ 6,601,400	\$ 7,580,800

	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Original Budget
CONSERVATION TRUST FUND					
REVENUE					
State Conservation Trust Fund	71,871	78,000	78,000	78,000	81,300
Interest Earnings	-	-	-	16,800	40,800
CPNMD Transfer of Funds	-	-	-	525,300	541,100
Transfer from General Fund		-	-	33,000	-
Total Revenue and Transfers In	\$ 71,871	\$ 78,000	\$ 78,000	\$ 653,100	\$ 663,200
EXPENDITURES					
Transfer to Parks and Rec Fund	100,000	100,000	350,000	350,000	200,000
Total Expenditures and Transfers Out	\$ 100,000	\$ 100,000	\$ 350,000	\$ 350,000	\$ 200,000
BEGINNING FUND BALANCE	\$ 356,927	\$ 75,226	\$ 328,798	\$ 328,798	\$ 631,898
Revenue over/(under) Expenditures	(28,129)	(22,000)	(272,000)	303,100	463,200
ENDING FUND BALANCE	\$ 328,798	\$ 53,226	\$ 56,798	\$ 631,898	\$ 1,095,098

	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Original Budget
CAPITAL IMPROVEMENT FUND					
REVENUE					
Grants	-	400,000	400,000	-	2,619,000
Contributions	3,000,000	3,700,000	1,846,700	1,700,000	1,000,000
Miscellaneous	12,939	-	-	-	-
Transfer from General Fund	10,105,000	6,400,000	7,475,000	6,725,000	5,947,000
Transfer from Parks and Rec North Fund	-	-	362,800	362,800	-
Total Revenue and Transfers In	\$ 13,117,939	\$ 10,500,000	\$ 10,084,500	\$ 8,787,800	\$ 9,566,000
EXPENDITURES					
Local/Collector Street Improvements	2,421,519	-	-	60,000	-
Buckets 1 & 2	-	512,500	1,777,500	1,777,500	-
Roadway Access to Pronghorn Park	-	-	575,000	475,000	-
Arterial Street Improvements	102,215	-	-	-	-
Monarch - Winterberry to city limits (2022)	105,246	1,400,000	1,449,500	1,449,500	-
CPP - Yorkshire to Village Square (2022)	7,381,626	-	475,000	475,000	-
Happy Canyon Bridge	235,651	800,000	1,198,200	798,200	2,801,000
Monarch - Glen Oaks to CPP (2023)	345,254	5,500,000	900,000	750,000	6,000,000
Lagae Roundabout	-	-	3,947,500	3,947,500	-
Traffic Signal Improvements	82,371	125,000	225,600	225,600	125,000
Pedestrian Safety Improvements	20,420	75,000	129,600	129,600	84,000
Bike/Pedestrian over I-25	-	-	-	-	1,500,000
Forest Park to Timber Trail Elem Sidewalk	-	500,000	500,000	500,000	-
Monarch Landscaping - Yorkshire/Shoreham	-	-	250,000	250,000	-
Street Sign Conversion	90,003	-	-	-	-
CPP/I-25 Gateway	161,562	-	2,184,400	2,184,400	-
N. Monarch Gateway	-	750,000	782,800	782,800	-
Total Expenditures	\$ 10,945,867	\$ 9,662,500	\$ 14,395,100	\$ 13,805,100	\$ 10,510,000
BEGINNING FUND BALANCE	\$ 3,790,422	\$ 1,017,122	\$ 5,962,494	\$ 5,962,494	\$ 945,194
Revenue over/(under) Expenditures	2,172,072	837,500	(4,310,600)	(5,017,300)	(944,000)
ENDING FUND BALANCE	\$ 5,962,494	\$ 1,854,622	\$ 1,651,894	\$ 945,194	\$ 1,194

	2022 Actual	2023 Original Budget	2023 Amended Budget	2023 YEP	2024 Original Budget
STORMWATER UTILITY ENTERPRISE FUND					
REVENUE					
GESC Permit Fees	-	-	-	20,000	20,000
Commercial Stormwater Management Fees	-	-	56,900	56,900	59,500
Residential Stormwater Management Fees	-	-	493,500	493,500	548,000
Interest	-	-	-	25,600	21,000
CPNMD - Transfer of District Funds	-	-	1,375,900	1,375,900	-
Total Revenue	-	-	1,926,300	1,971,900	648,500
EXPENDITURES					
Salaries	-	75,300	86,400	148,700	169,800
Insurance	-	21,900	21,900	25,800	29,000
Taxes	-	1,200	1,400	2,500	2,800
Retirement	-	13,600	16,200	28,100	32,100
Worker's Compensation	-	800	900	900	900
Professional Services	-	-	10,000	20,000	55,000
Audit	-	-	1,000	1,000	1,000
Legal Services	-	-	7,000	7,000	7,000
Stormwater Drainage Maintenance	-	-	30,000	30,000	30,000
Fleet Repair/Maintenance	-	-	500	500	800
Insurance	-	-	5,000	5,000	5,000
Telephone	-	-	1,800	1,800	1,000
Printing and Copying	-	-	1,000	1,000	1,000
Training	-	-	2,500	2,500	2,500
Membership Dues	-	-	4,000	4,000	4,000
Supplies	-	-	500	500	1,500
Computer/Software	-	-	5,000	5,000	7,500
Fleet Fuel	-	-	1,000	1,000	1,000
Meetings	-	-	1,000	1,000	1,000
Capital Improvements	-	-	350,000	100,000	150,000
Stormwater Improvements @ Pronghorn	-	-	100,000	100,000	-
Spring Tributary at Lagae Rd			-	50,000	350,000
Contributions	-	-	5,500	5,500	5,500
Total Expenditures	-	112,800	652,600	541,800	858,400
BEGINNING FUND BALANCE	-	1,014,000	-	-	901,200
Revenue over/(under) Expenditures	-	(112,800)	1,273,700	1,430,100	(209,900)
ENDING FUND BALANCE	\$ -	\$ 901,200	\$ 1,273,700	\$ 1,430,100	\$ 691,300