



2019 Operating and Capital Improvement Budget in Brief



TOWN OF
CASTLE ROCK
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Budgets reflect priorities

On behalf of Town staff, I am pleased to present the 2019 Budget in Brief to Town Council and the community. The budget includes a healthy amount of capital projects and operating resources, particularly in the areas of transportation and public safety. That being said, the Town remains challenged to assemble adequate capital funding for future roads and parks in particular, as well as to secure all needed operating funds – especially within the Police Department.

The budget was approved on first reading on September 4, 2018, and on second reading on September 18, 2018. This Budget in Brief provides highlights of the 2019 Budget, including priorities and major initiatives. All budget documents are available on the Town's website at CRgov.com/2019budget.



David L. Corliss
Town Manager

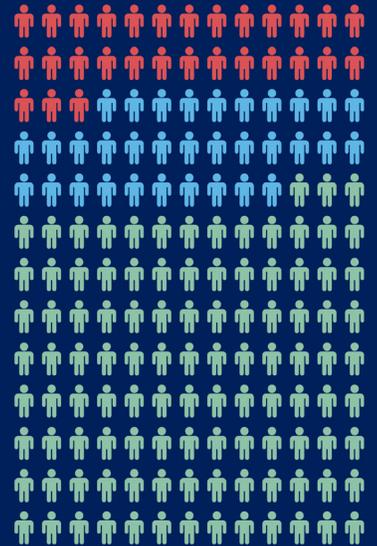
Budget priorities

-  Ensure outstanding public safety
-  Enhance our transportation
-  Secure our water future
-  Maintain strong Parks and Recreation
-  Support economic development
-  Manage Town finances conservatively

Budget highlights

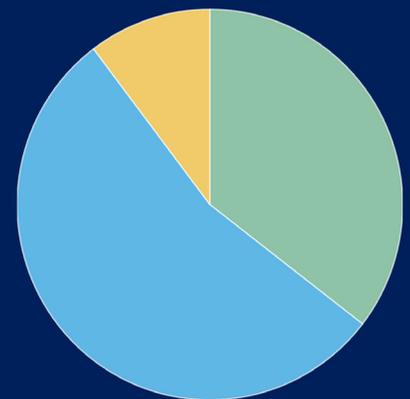
- The Town's total 2019 Budget is \$236.6 million. This includes \$83.9 million for capital improvements, \$24.4 million for debt and transfers between funds and \$128.3 million for operations. Annual operating revenues exceed annual operating expenditures, meaning the budget is balanced.
- The Town will continue providing high-caliber services in 2019 without any tax increases or new taxes, and in compliance with Town Council's conservative financial policies. The 2019 mill levy rate will be equal to the 2018 rate of 1.330 mills. Modest water, recreation and golf fee increases are included for 2019.
- Annual growth in sales tax revenue is included at 4 percent over 2018 forecasted figures. Residential growth is expected to continue to be strong, with 600 single-family units and 389 multifamily units budgeted in 2019.
- Major initiatives include operating Fire Station 152 for a full year; adding five positions within the Police Department; and completing roughly \$20 million worth of transportation infrastructure improvements, including capital and ongoing repair and maintenance.

2019 Staffing



94 CRFD FTEs
109.75 CRPD FTEs
351.85 other Town FTEs
555.6 TOTAL FTEs

2019 Budget



\$83.9 million capital
\$128.3 million operating
\$24.4 million debt/financing

Major projects overview

Public safety

Improvements accomplished; other needs exist



- Operating Fire Station 152 for a full year requires \$2 million in annual expenses
- Five new Police Department positions are in the 2019 Budget:
 - Two dispatchers to ensure adequate communication coverage
 - One mental health co-responder officer
 - One school resource officer
 - One crime analyst, which had been a contracted position



Fire Station 152

Infrastructure

Continued focus on streets and water



Street maintenance and capacity building remain strong – impact fee revenue is key

- Continue Pavement Maintenance Program/street reconstructions
- Widen Plum Creek Parkway east of Gilbert Street to Eaton Circle, including constructing a roundabout at Eaton Street

Infrastructure improvements are coming at Castle Rock Water

- Contribute to expansion of Plum Creek Water Reclamation Authority
- Expand the Plum Creek Water Purification Facility
- Continue the WISE, Plum Creek diversion and Chatfield Reallocation projects



Plum Creek Water Purification Facility

Other highlights



Other items included in the three-year planning period

- Replace playground equipment and complete other park improvements
- Replace cardio equipment and the HVAC unit serving the Leisure Pool at the Recreation Center
- Design the next neighborhood park, which may be in Cobblestone Ranch/Liberty Village
- Contribute to Arapahoe Community College's Collaboration Campus project
- Fund employee compensation at an average 3.5 percent performance-based increase for general employees, with an average of 4 percent budgeted for sworn public safety personnel; also, budget for Town health premium increases at 8 percent, with a corresponding employee match



Castle Rock Recreation Center

Financial information

Revenues

There are a number of major revenue sources that fund significant Town services. These include taxes, charges for services, and impact and system development fees.

Sales taxes are levied at 4% for local retail sales and comprise about 25% of total Town revenues. Property taxes, by comparison, make up less than 1% of total Town revenues. Sales taxes provide services such as police, fire, parks, transportation and general government support. Charges for services, meanwhile, provide water, recreation, golf and development services.

In the chart, the unlabeled areas represent Licenses, fines and forfeitures, \$6,407,949 (larger area at left); Property tax, \$1,440,697 (top right area); and Investment earnings, \$1,298,653 (bottom right area)

Sales tax and other taxes \$67,787,428	Impact and system development fees \$32,978,500	
Charges for service (e.g. water fees) \$63,575,219	Contributions, donations, transfers, other \$23,491,036	Intergovernmental \$8,224,499
	Licenses, fines and forfeitures	Prop tax Invest.

Townwide expenses by type

Even with additional resources incorporated in 2019 to maintain levels of service, annual operating revenues exceed annual operating expenditures, meaning the budget is balanced.

Major one-time uses of capital reserves planned for 2019 include water projects totaling \$69 million and transportation initiatives totaling \$8.1 million.

In the chart, the unlabeled area represents Supplies, \$7,127,113

Capital \$81,893,122	Personnel \$61,531,810	
Services/Other \$61,615,115	Debt/Financing/Transfers \$24,402,871	Supplies \$7,127,113

General Fund expenses by function

61.5 percent of the General Fund budget goes directly toward the strategic priority of ensuring outstanding public safety.

“General Government” includes the following functions, listed with their respective portion of the total Town budget:

- Community Relations: 1.9 percent
- Legal: 1.8 percent
- Human Resources: 1.6 percent
- Town Manager’s Office: 1.4 percent
- Development Services: 1.2 percent
- Town Council: 1.2 percent
- Municipal Court: 0.8 percent
- Town Clerk’s Office: 0.8 percent
- Deputy Town Manager’s Office: 0.6 percent

In the chart, the unlabeled area represents Facilities, \$1,439,206; Finance includes departmental, \$2,704,612, and nondepartmental, \$1,262,851, expenses

Fire \$16,499,421	General Government \$5,741,608	Parks \$4,805,306
Police \$14,909,641	Finance, incl. nondepartmental \$3,967,463	Facilities
	Innovation/Technology \$3,675,231	