



City of Cherry Hills Village Colorado 2018 ANNUAL BUDGET



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Cherry Hills Village
Colorado**

For the Fiscal Year Beginning

January 1, 2017

Christopher P. Morill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Cherry Hills Village for its annual budget for the fiscal year beginning January 1, 2017. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



City of Cherry Hills Village

2018 Elected Officials

Mayor

Laura Christman

Councilmember District 1

Randy Weil

Councilmember District 2

Earl Hoellen

Councilmember District 3

Al Blum

Councilmember District 4

Mike Gallagher

Councilmember District 5

Dan Sheldon

Councilmember District 6

Katy Brown

Department Heads

City Manager

Jim Thorsen

Director of Public Works

Jay Goldie

Chief of Police

Michelle Tovrea

Director of Finance & Administration

Karen Proctor

Director of Community Development

Rachel Granrath

City Attorney

Linda Michow

Prepared By:

Jessica Sager & Karen Proctor



Table of Contents

Mission and Vision Statements	5
Budget Message.....	6-11
Boundary Map.....	12
Demographics.....	13-17
Elected Officials	18-19
District Map	20
Strategic Plan (Short Term Goals).....	21
Strategic Plan (Long Term Goals).....	22-23
Organizational Chart.....	24
City Structure.....	25-42
Financial Policies	43-58
Debt Procedure.....	59-60
Budget Policy	61-63
Budget Calendar.....	63
Budget Details	64-65
Fund Structure.....	66
Department Fund Source	67
Budget Ordinance	68
Budget Ordinance (Appropriations)	69
Revenue Summary.....	70-75
Expenditure Summary	76-77
Capital Project Plan.....	78-80
Capital Improvement Overview	81
Capital Improvement Programs	81-85
All Funds Summary.....	86-87
Revenue/Expenditure Statement	88-89
Budget	90-112
Glossary of Terms.....	113-115



MISSION

The mission of the City of Cherry Hills Village, its Council and Staff, is to preserve and enhance the pastoral environment, the overall low density residential zoning and the high quality of services and public facilities that exist in the City and to promote an atmosphere that contributes to a sense of community.



VISION

The vision of the City of Cherry Hills Village is to provide a safe, low-density, residential community that reflects the desires of the residents to maintain the established character of the community through the implementation of the City's planning goals, strategies, regulations and decisions.



Budget Message

December 13, 2017

Mayor Christman and Members of Cherry Hills Village City Council:

In accordance with Section 9.2 and Article IX of the City of Cherry Hills Village Home Rule Charter, Section 2-3-40(4) of the City Code and Colorado Revised Statutes 29, Article 1, Local Government Budget Law of Colorado, Staff is pleased to present the 2018 annual budget. This submittal of the budget represents the policy set forth this past year and the allocation of funds for the provision of municipal services to Cherry Hills Village residents.

This budget document provides the legal authority to appropriate and expend funds for each year and explains funding for projects, programs and services. The document also serves as an operations guide by designating service levels to be provided and serves as a financial plan guided by Council's goals. We must not only monitor the daily revenues and expenditures, but also look to future commitments and projects to plan accordingly and ensure levels of service are maintained and sustainable.

The budget process requires a constant monitoring of revenues and expenditures to ensure fund balances are preserved at levels required by the City's Fund Balance Policy. The budget process is ongoing throughout the year. This process allows Staff to identify when revenues are not in line with expenditures, thereby providing the opportunity to examine any shortfall that the City may experience and to adjust spending accordingly.

Budget Priorities

The annual budget for 2018 is based on achieving goals and priorities established by the City Council. The top priority of the City Council in 2018 is to continue work on a new Public Works Facility, a new City Hall, and redevelopment of John Meade Park and Alan Hutto Memorial Commons. The 2018 budget also takes into consideration the following additional priorities:

- Continue to proactively address safety, health and welfare issues within the City
- Evaluate and, where possible, enhance service delivery and responsiveness
- Manage the public's monies in a fiscally responsible manner
 - Stay within budget
 - Adhere to and monitor the Strategic Financial Plan
 - Evaluate possible alternative revenue sources
- Master Plan implementation
- Code review and revisions
- Quincy Farm planning process
- Hampden Underpass



Budget Message

- Glenmoor Traffic Signal Project (partnered with the Glenmoor HOA, Glenmoor Country Club and City of Greenwood Village)
- Improve public outreach efforts
 - Village Crier (monthly publication), Villager, website, social media, HOA meetings, school interactions, etc.
 - Special events: Winter Celebration, Exotic Car Show, Summer Movie Night, Spring clean-up, Prescription Drug Take Back, National Night Out, electronics turn-in, Farmer's Market and Art Commission events
- Maintain and evaluate IT systems
- Employee training and development
 - Establish training in critical areas for all employees on an annual basis
 - Leadership training for supervisory and management staff
- Annual Employee Compensation Study
 - Evaluate employee benefit programs
- Determine community strategies for open space acquisitions
- Maintain close staff liaison with the various City Boards and Commissions

Projects and COP Funding

The City has three major projects that will continue in 2018. These consist of the construction of a new Public Works Facility, the construction of a new City Hall and the redevelopment of John Meade Park and Alan Hutto Memorial Commons. \$11.8 million in Certificates of Participation (COP's) were received in 2017 to fund all of the work. A COP Project Fund was created to account for the COP proceeds and expenditures. The COP payment in 2018 for each of the respected allocations will be split as follows: \$332,004 will be paid from the General Fund operating budget and \$405,783 will be paid from the Parks and Recreation Fund.

Economic Conditions

In 2012, the City began to experience the effects of the downturn in the housing market and saw a 16% decline in property tax revenue. The City experienced an additional 4% decline in property tax revenue in 2014, which remained in 2015. The City saw a 15% increase in property tax revenue in 2016, which remained stable in 2017, finally bringing property tax revenue closer to pre-2012 levels.

2018 is a property tax reassessment year. Section 3(1)(b) of Article X of the Colorado Constitution (known as the Gallagher Amendment) and § 39-1-104.2(5)(a) of the Colorado Revised Statutes (C.R.S.), require an adjustment in the residential assessment rate (RAR) in order to keep a consistent relationship between the total assessed value of residential property compared to non-residential property. The adjustment is intended to stabilize residential real property's share of the property



Budget Message

tax base. Section 39-1-104.2(3) C.R.S. is amended by the General Assembly during years of reassessment by the adoption of a new residential target percentage and RAR. The last change to the RAR occurred in 2003. Based on this adjustment, the RAR was reduced from 7.96 to 7.20 for 2018.

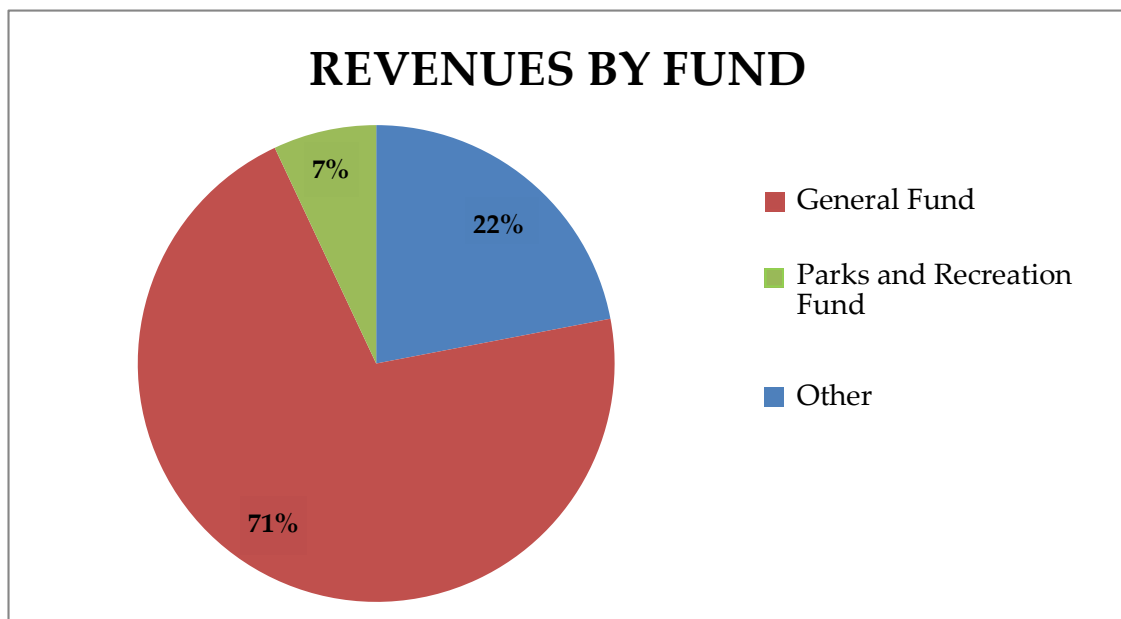
Even with the reduction in the RAR, Arapahoe County has reported that Cherry Hills Village will see a slight increase in assessed value resulting in approximately \$65,698 in additional property tax revenue for 2018. Staff has used several indicators to conservatively plan and estimate all other revenues for 2018. Other sources of revenue such as motor vehicle use tax, building permits and franchise fees have continued to remain steady or increase slightly.

2018 Adopted Budget-Revenues

All Funds Revenues

The City is heavily dependent on property tax revenue as the majority of our revenue source for the General Fund and the Parks and Recreation Fund. Budgeted revenues for all funds in 2018, as compared to the 2017 adopted budget, are expected to remain flat with the exception of a one-time increase of \$11.8 million bond proceeds received in 2017. The total budget shows revenue of \$9.8 million in all funds.

The following graph depicts the total revenue by fund:



General Fund Revenues

The General Fund is the major operating fund of the City and is used to account for all resources that are not required to be accounted for in another fund. General Fund revenues represent seventy-one percent (71%) of the City's total revenue. Budgeted revenues for the General Fund are expected to increase slightly from the 2017 budget by \$135,545 or 2 percent (2%).



Budget Message

Property tax continues to be the General Fund's largest source of revenue, representing approximately thirty-five percent (35%) of General Fund revenues. The 2018 budget for property tax reflects a slight increase from the 2017 budget of approximately \$35,371 or less than one percent (<1%).

Use tax revenue represents fourteen percent (14%) of General Fund revenues. The 2018 budget for use tax reflects a slight increase from the 2017 budget of \$15,548 or less than one percent (<1%). This increase in use tax revenue is based on the 2017 projection and the slight increase the City has begun to see of vehicles sales.

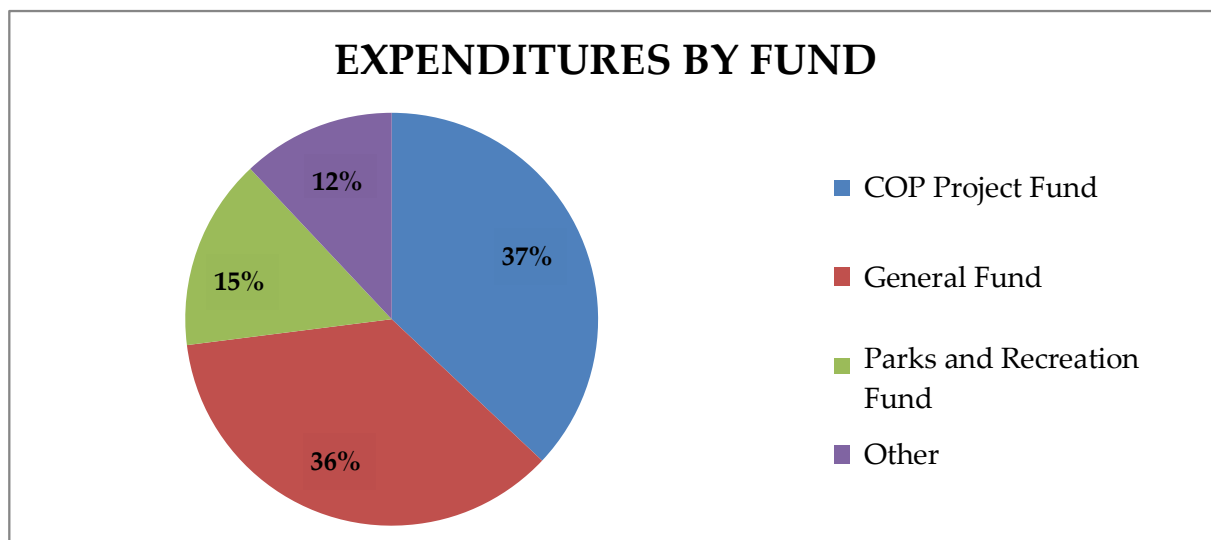
Building permit revenue represents nine percent (9%) of General Fund revenues. The 2018 budget for building permit revenue reflects an increase of \$45,000 or eight percent (8%) from the 2017 budget based on increases the City has seen in 2017.

2018 Adopted Budget-Expenditures

All Funds Expenditures

Staff has strived to minimize 2018 expenditure increases, except for instances where mandated costs (contractual obligations, legal liabilities, utilities, etc.) are fixed. Any increases beyond the 2017 budgeted amounts were presented to City Council at the budget study session. Budgeted expenditures for all funds in 2018, as compared to the 2017 adopted budget, are expected to decrease approximately thirteen percent (13%) to \$19.5 million. This decrease is mainly due to the full amounts for the three major capital projects that were budgeted in 2017 and have not yet been completed.

The following is a graph of total expenditures by fund:



The City's full time employee count consists of 51 full time employees and approximately 9 part-time/seasonal employees.



Budget Message

General Fund Expenditures

The City's total General Fund budget expenditures for 2018 are \$7,060,999 and reflect a two percent (2%) increase from the 2017 budget. This increase is mainly due to salary, insurance and COP payment increases.

Capital Fund Expenditures

The total Capital Fund budget expenditures for 2018 are \$655,700. Overall Capital Fund expenditures for 2018 have decreased from 2017 by eighty-three percent (83%). This decrease is due to moving project expenses to the COP Project Fund.

COP Project Fund Expenditures

The COP Project Fund was created in 2017 to account for the three major project expenditures: the new Public Works facility, the new City Hall project and the John Meade Park and Alan Hutto Memorial Commons redevelopment project. \$7,230,000 has been budgeted in this fund for 2018.

Conservation Trust Fund Expenditures

The City's total Conservation Trust Fund budget for 2018 is \$417,500. This represents a twenty-seven percent (27%) decrease from 2017. The decrease is due to the completion of the Woodie Hollow project in 2018.

Catherine H. Anderson Land Donation Fund Expenditures

The City's total Catherine H. Anderson Land Donation Fund budget expenditures for 2018 is \$431,720, an increase of \$265,300 from the 2017 budget. This represents a one hundred fifty-nine percent (159%) increase. In July of 2016 the City took possession of Catherine H. Anderson's property, Quincy Farm. The additional expenditures in 2018 are for utilities, grounds maintenance, water attorney fees, consulting fees and other necessary expenses related to this property. Also, the City received a reimbursement grant in the amount of \$187,800 for irrigation and trees. These expenses are budgeted in the 2018 budget, but will be reimbursed from Arapahoe County.

Arapahoe County Open Space Fund Expenditures

The City's total Arapahoe County Open Space Fund budget for 2018 is \$225,000, a thirteen percent (13%) increase from the 2017 budget. The increase is mainly due to the carry-over from 2017 for a Parks and Open Space Master Plan consultant. Similar to the 2017 budget, the 2018 budget also includes funding for trail and park improvements.

Water and Sewer Fund Expenditures

The City's total Water and Sewer Fund budget for 2018 is \$547,112, a decrease of two percent (2%) from the 2017 budget. This decrease is due to fewer funds required for engineering costs.

Parks and Recreation Fund Expenditures

The City's total Parks and Recreation Fund budget for 2018 is \$2,852,831, a decrease of approximately seventy-two percent (72%) over the 2017 budget. This decrease is due to moving the funds for the new buildings and the John Meade Park redevelopment to the COP Project Fund.



Budget Message

2018 Adopted Budget-Fund Balance

General Fund - Fund Balance

The City Council implemented a policy that establishes the City's General Unreserved Fund Balance be minimum of six months (or approximately 50%) of current year's expenditures. The General Fund balance for 2018 is budgeted at one hundred twelve percent (112%) of the annual expenditures and exceeds the Fund Balance policy. The General Fund balance is projected to end 2018 at approximately \$7.9 million.

Capital Fund - Fund Balance

The Capital Fund began 2017 with a fund balance of \$5.5 million. The Capital Fund is projected to end 2018 with a remaining fund balance of \$4.2 million.

COP Project Fund - Fund Balance

Bond proceeds in the amount of \$12 million were received in 2017. The beginning fund balance for 2018 is projected to be approximately \$7.3 million and end 2018 with \$110,000.

Parks and Recreation - Fund Balance

The Parks and Recreation Fund began 2017 with a fund balance of \$2.3 million and is projected to end 2018 with a fund balance of \$1.3 million.

Conclusion

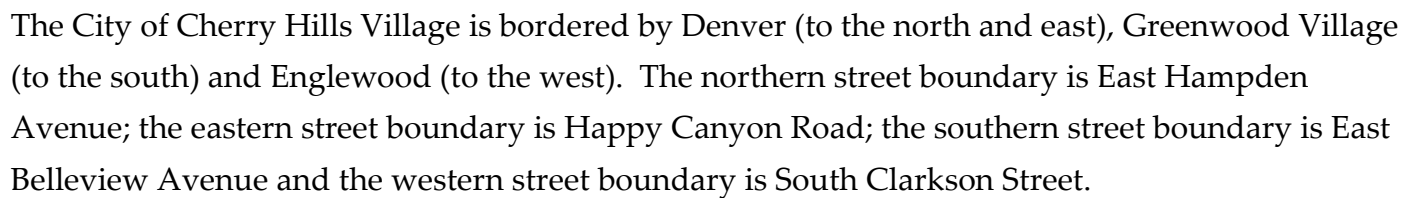
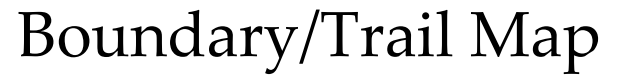
It is with great appreciation for the continued leadership and support of the Mayor and members of City Council that Staff presents the 2018 budget document. I would also like to thank each of the department directors for their help in the preparation of this document. The creation of such a document is a year long process that requires the vision of Cherry Hills Village's elected leaders and the hard work and participation of the City Staff. The result is a comprehensive financial plan that will guide the City through the next year as we implement City Council's goals and objectives.

It is Staff's desire to produce a budget that is transparent and demonstrates accountability in the use of revenues for the provision of City services. It is our hope that we have fulfilled the residents' expectations and that this document presents the financial and policy plans in a clear, concise and understandable manner.

Sincerely,

Jim Thorsen
City Manager

Karen L. Proctor
Director of Finance and Administration





Demographics

History

The City of Cherry Hills Village's unique history of development and semi-rural character have shaped the community into what it is today; one of the premier communities in the Denver metropolitan area. Incorporated in 1945, the City of Cherry Hills Village is comprised of 6.5 square miles in Arapahoe County and is an integral part of the south Denver metropolitan region. The residents of the City pride themselves on their sense of community, their quality of life and their unique park and trail systems.

The Cherry Hills Village City Council is committed to developing the most effective means of delivering services and programs to the residents. City Council members continue to work to ensure that the Police Department, Public Works Department and all City employees are responsive to residents, businesses and customers. They sincerely believe that the City of Cherry Hills Village is the best place in the entire metropolitan area to live and raise a family. The City of Cherry Hills Village has prevailed in maintaining its semi-rural character against changing economic trends. Although new development will continue, the City strives to preserve its unique character as a quality, single-family residential community in the Denver metropolitan area.

Demographics

The City of Cherry Hills Village is 10 miles south of Denver and sits at an altitude of approximately 5,426 feet. Residents chose to incorporate in 1945. Between 1950 and 1970, the City grew from 750 residents in 1950 to 4,605 residents in 1970. There was a 23% population growth from 1980 to 2005 and a 7% population increase from 2010 to 2016. The City of Cherry Hills Village is still predominantly residential. According to the 2016 Census, the population of the City registers at approximately 6,585 residents, the median age of Village residents was 47.5 and the median household income is \$224,125.

Cherry Hills Village Profile

The City of Cherry Hills Village has 6 businesses located in a small commercially zoned area in its northwest corner.

Subject	Cherry Hills Village, Colorado	
	Estimate	Percent
SEX AND AGE		
Total population	6,414	
Male	3,221	50.2%
Female	3,193	49.8%
Under 5 years	231	3.6%
5 to 9 years	455	7.1%
10 to 14 years	834	13.0%
15 to 19 years	550	8.6%
20 to 24 years	103	1.6%
25 to 34 years	121	1.9%
35 to 44 years	579	9.0%
45 to 54 years	1,213	18.9%
55 to 59 years	661	10.3%
60 to 64 years	466	7.3%
65 to 74 years	721	11.2%
75 to 84 years	335	5.2%
85 years and over	145	2.3%
Median age (years)	47.5	
18 years and over	4,504	
Male	2,230	49.5%
Female	2,274	50.5%
65 years and over	1,201	
Male	626	52.1%
Female	575	47.9%



Demographics

Figure 2: Cherry Hills Village, CO Median Household Income

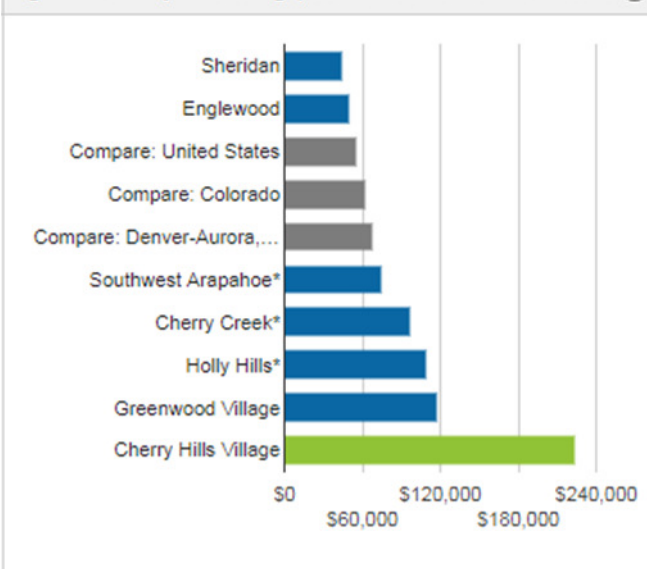


Figure 2 shows a more complete view of income, which includes all members in a household using the median household income. Cherry Hills Village has a median household income of \$224,125, which is the highest of the surrounding areas.

Cherry Hills Village Profile continued

There are also 3 schools within the City boundaries (St. Mary's Academy, Kent Denver School and Cherry Hills Village Elementary School), two country clubs (Cherry Hills Country Club and Glenmoor Country Club) and several churches. Fire protection services are provided by South Metro Fire Rescue Authority; which has no affiliation with the City of Cherry Hills Village, but does reside in the same building as the Cherry Hills Village Police Department.

The City boasts an exceptional parks and trails system, with over 30 miles of trails, 47 acres of parkland, rights-of-way improvement and two horse arenas. The High Line Canal passes through the City and provides continuity to the north and south. The City of Cherry Hills Village provides a full range of services, including police protection, municipal court, construction/maintenance of streets

and other infrastructure, in addition to general government services. The City does not have its own post office and addresses that fall within the city limits can have one of four zip codes (80110, 80111, 80113 and 80121).

The City of Cherry Hills Village has five active Boards and Commissions. The Planning and Zoning Commission reviews all subdivision applications, rezoning requests, floodplain modifications and other development applications submitted to the City and provides recommendations to City Council on those various applications. The Planning and Zoning Commission is also responsible for the preparation of the City's Master Plan and for making recommendations to the City Council regarding updates to the Master Plan. The Board of Adjustment and Appeals hears appeals on zoning and building code decisions and requests; as well as requests for variances to the zoning ordinance. The Parks, Trails and Recreation Commission was established to advise City Council on matters related to parks, trails, recreation and open space within the community. This Commission also provides recommendations to the City Council on preliminary plat subdivision development applications concerning the dedication of land. The Public Art Commission was established in 2011 to provide guidance in selecting, acquiring and maintaining public art within the City based on the Public Art Master Plan. The Quincy Farm Committee was created to identify and evaluate the possible opportunities presented to the City through the gift of the Quincy Farm Life Estate Catherine H. Anderson bestowed upon the City in 2007.

**The demographic data was obtained from the 2016 United States Census Bureau website: <https://www.census.gov/quickfacts/fact/table/cherryhillsvillagecitycolorado/PST045217#viewtop>.



Demographics



The Cherry Hills Village Parks, Trails and Recreation Commission hosts an annual movie night at the end of August. This event is always well attended by both residents and non-residents. The attendees enjoy free popcorn, ice cream, a bubble tower and jumping castles for the children to go along with the featured movie.



Demographics



The Parks, Trails and Recreation Commission also hosts an annual Car Show at the end of the summer for residents and non-residents to enjoy. The event allows car owners the chance to display their exotic vehicles, such as the 1955 Chrysler Ghia Streamline X “Gilda” above or the 1958 Morgan Plus 4 below.





Demographics



Another event hosted by the Parks, Trails and Recreation Commission is the Annual Winter Celebration. This event is always well attended by residents. They can have their picture taken with Santa, ride a horse drawn carriage through the City, get their face painted and enjoy the festivities with free hot cocoa, apple cider, chili and cookies.



Elected Officials

Elected Officials and Office Terms

Cherry Hills Village is a home rule community with a Council-Manager form of government. The City is divided into six districts and a Councilmember from each is elected to staggered four year terms with term limits of two consecutive terms. The Mayor is elected at-large to two year terms with a term limit of three consecutive terms. The City Council appoints the City Manager, City Attorney, City Treasurer, Municipal Judge and City Clerk.

Article III of the City of Cherry Hills Village Charter establishes the roles and duties of the City Council. The Council is empowered to “...enact and provide for the enforcement of all ordinances necessary to protect life, health and property; to declare, prevent and summarily abate and remove nuisances; to preserve and enforce good government, general welfare, order and security of the City and the inhabitants thereof; to provide for the granting of probation and the conditional suspension of sentences by the Municipal Court; and to delegate to boards and commissions...such functions, powers and authority as proper and advisable”.

Mayor



Laura Christman was elected Mayor in November of 2014 and commenced her term in January of 2015. She was re-elected for another 2 year term in January 2017. Mayor Christman, a twenty-five year resident of the City of Cherry Hills Village, practiced law for more than thirty-five years specializing in corporate real estate, finance and development. She received a BA in Economics from The Colorado College and her JD from The College of William and Mary.



Elected Officials



Pictured left to right: Randy Weil, Mike Gallagher, Earl Hoellen, Laura Christman, Katy Brown, Dan Sheldon & Al Blum

Councilmembers

Randy Weil (District 1) was elected in January 2017. His current term will be up in January 2021. Mr. Weil has been a resident of Cherry Hills Village since 2010. He has a MBA that he received from Berkeley. For the past twelve years, he has owned a manufacturing company, Unique Industries, and commercial real estate.

Earl Hoellen (Mayor Pro-Tem & District 2) was elected in January 2015. His current term will be up in January 2019. Mayor Pro-Tem Hoellen, a twenty year resident of the Village, spent over thirty years as an executive in the nuclear power and energy trading industries. He earned a BS in Nuclear Engineering from the University of Virginia, an MBA from the University of North Carolina, and a JD from the University of Denver.

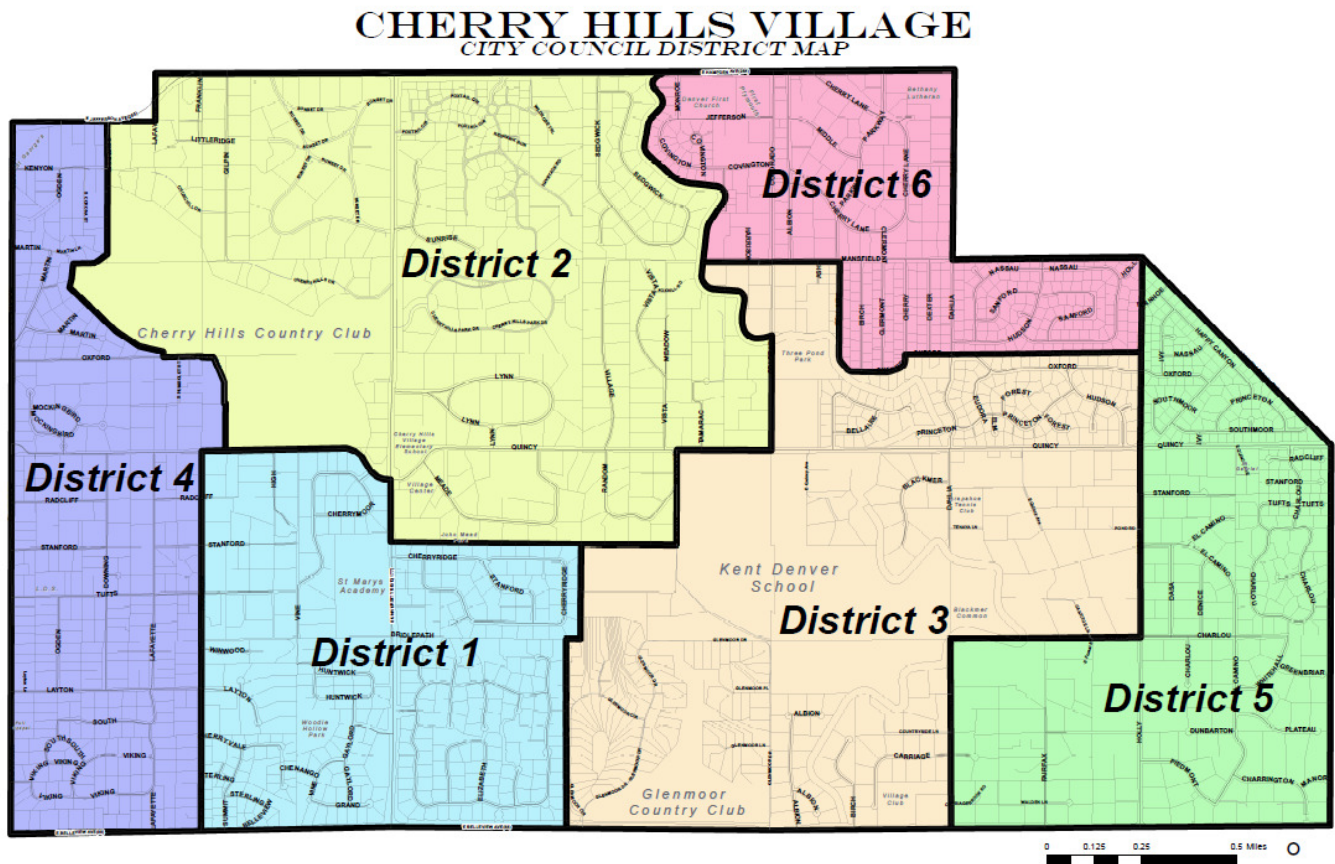
Al Blum (District 3) was elected in January 2017. His current term will be up in January 2021. Mr. Blum has been a resident of Cherry Hills Village since 1995. He holds bachelor degrees from the University of Colorado and a JD degree along with a Masters in Laws degree from the University of Denver. He is currently CEO of a homebuilding company and general counsel to a real estate development company.

Mike Gallagher (District 4) was elected in January 2015. His current term will be up in January 2019. Mr. Gallagher has been a resident of Cherry Hills Village since 1983. Since 2000, he has owned and operated Colorado Insurors Service, Inc., an independent insurance agency. He has a BA in Economics that he received from Bowdoin College and has a Chartered Property and Casualty Underwriters designation.

Dan Sheldon (District 5) was elected in January 2017. His current term will be up in January 2021. Mr. Sheldon has been a resident of Cherry Hills Village since 2007. He has a degree from the University of Colorado in Political Science. He is a 3rd generation Denver real estate developer.

Katy Brown (District 6) was appointed in November 2012. Her current term will be up in January 2019. Ms. Brown has been a resident of Cherry Hills Village since 2005. She has a BS in Computer Science and Engineering that she received from MIT and a MS in Media Arts and Sciences from MIT. Ms. Brown owns a small web development company specializing in the tourism industry.

City Council District Map



- District 1: Randy Weil
- District 2: Earl Hoellen
- District 3: Al Blum
- District 4: Mike Gallagher
- District 5: Dan Sheldon
- District 6: Katy Brown



Short Term Goals

Goal 1. Continue construction of a new City Hall

- * Design and construct a new City Hall that is ADA accessible, includes safety and security features for staff and visitors and has adequate space for meeting rooms, offices and records storage.
- * Ensure the new location is constructed above the 100-year floodplain to remain in compliance with FEMA regulations.

Goal 2. Develop John Meade Park and Alan Hutto Memorial Commons

- * Regrade John Meade Park to improve drainage flows and reduce flooding.
- * Improve wildlife and plant habitats and restore wetlands.
- * Construct a restroom, picnic area, ADA-accessible playground and community performance area.

Goal 3. Improve traffic calming efforts

- * Coordinate with CDOT, Glenmoor Country Club, Glenmoor HOA and the City of Greenwood Village to install a traffic signal at Glenmoor and Belleview.

Goal 4. Upgrade sewer system

- * Investigate methods that can be used to attach sewer system to an alternate provider.



Long Term Goals

Goal 1. Maintain fiscally responsible practices that continually evaluate the cost and benefit of current and potential services in the City to ensure a balanced budget

- * Efficiently and effectively manage Cherry Hills Village revenues and expenditures.
- * Identify potential (new and existing) revenue sources.
- * Conduct a comprehensive analysis of revenues.

Goal 2. Maintain the existing land use and development pattern

- * Discourage rezoning property that would increase residential density or intensity from what is allowed through the City's current zoning regulations.
- * Maintain the City's floodplain management regulations and revise as necessary.
- * Encourage property owners to rezone floodplain areas on their property to Open Space (O-1).
- * Encourage the use of natural materials to address drainage and erosion issues or other impacts to development.

Goal 3. Promote the overall semi-rural character of Cherry Hills Village through design and maintenance of streetscapes, public lands and public facilities

- * Encourage limited use of street lights and other outdoor lighting that are designed to preserve a "dark sky", while providing adequate safety.
- * Investigate standards that will accommodate all users, such as motorists, equestrians, pedestrians, bicyclists and at the same time maintain the semi-rural character of the City.
- * Consider pedestrian improvements for school-safe zones at street crossings and along major roads adjacent to schools.

Goal 4. Enhance public outreach and continue to provide excellent customer service to Cherry Hills Village residents

- * Maintain the high level of award winning service provided by the Cherry Hills Village Police Department.



Goal 5. Increase training and communication for all Cherry Hills Village employees

- * Create an ongoing training schedule that will provide employees with increased training in the areas of diversity, ethics, harassment.
- * Increase inside and outside training opportunities for employees.
- * Enhance new employee orientation as needed.

Goal 6. Increase and protect the amount of City owned open space while identifying and protecting key scenic treasures

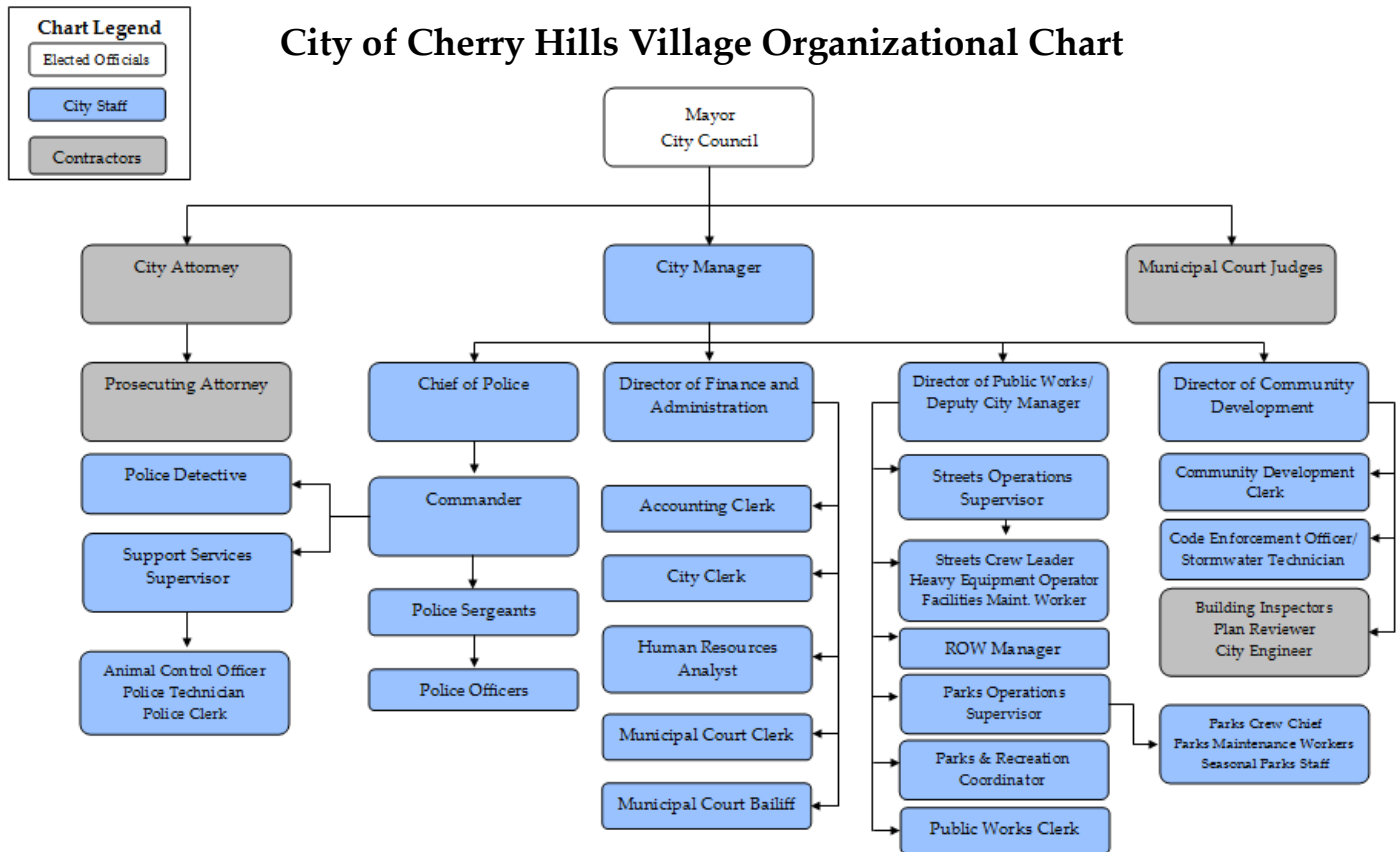
- * Encourage open area preservation and open space acquisition through conservation easements, deed restrictions, recreational easements and other land use restrictions.
- * Develop an inventory of potential open space sites, historic properties, scenic areas and scenic vistas in the City that can be preserved both practically and economically and that provide public value in that they contribute to openness, provide scenic views or support the preservation of public trails, natural open spaces, wetlands and wildlife habitats.
- * Establish the necessary City processes, including a process of working with residents, to find, acquire and protect open space, scenic areas and scenic vistas.
- * Develop design standards for structures and facilities in public areas that encourage blending into the natural setting and that minimize impact on the environment and on scenic vistas.

Goal 7. Preserve, maintain and improve the current trail system while identifying opportunities to establish new parks through land dedication, donation and acquisition

- * Identify and investigate opportunities to fill in gaps in the trail system and to increase connectivity with open space and City parks, especially the City Hall and John Meade Park.
- * Implement consistent, functional design standards for trail markers, signage, bridges and installed (manmade) elements such as trash cans, sign posts and benches.
- * Develop natural, sustainable and low water consuming landscapes in City parks through energy efficient and other innovative technologies and environmentally sensitive sign design.
- * Establish parks that are dedicated to preservation of views, wildlife corridors and water habitats.
- * Continue to sponsor special events within the City, such as the Exotic Car Show, Movie Night and the Annual Winter Celebration.

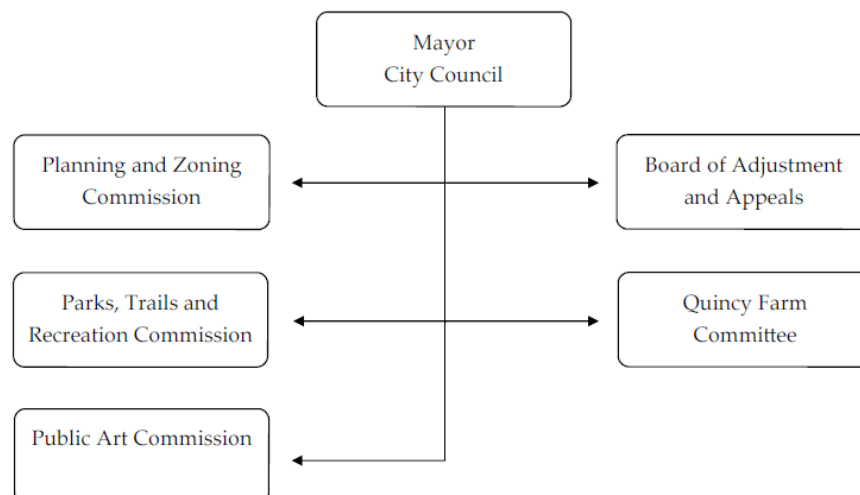


Organization



**Fire services are provided by South Metro Fire; which is a completely separate entity from Cherry Hills Village.

Boards and Commissions





City Structure

Administrative Positions	2013	2014	2015	2016	2017	2018
City Manager	1	1	1	1	1	1
Director of Finance & Administration	1	1	1	1	1	1
Accounting Clerk		1	1	1	1	1
City Clerk	1	1	1	1	1	1
Human Resource Analyst	1	1	1	1	1	1
Municipal Court Clerk	1	1	1	1	1	1
Bailiff	0.5	0.5	0.5	0.5	0.5	0.5
Police Department Positions						
Police Chief	1	1	1	1	1	1
Commander	1	1	1	1	1	1
Sergeants	4	4	4	4	4	4
Police Officers	16	16	17	17	17	17
Support Services Supervisor		1	1	1	1	1
Evidence Technician	1	1	1	1	1	1
Detective	1	1	1	1	1	1
Animal Control Officer	1	1	1	1	1	1
Police Clerk	1	1	1	1	1	1
Public Works/Parks Positions						
Public Works Director	1	1	1	1	1	1
PW Project and Right of Way Manager		1	1	1	1	1
Special Projects Coordinator/Parks & Recreation Coordinator	1	1	1	1	1	1
Street Operations Supervisor	1	1	1	1	1	1
Streets Crew Leader	1	1	1	1	1	1
Heavy Equipment Operators	3	3	3	3	3	3
Parks, Trails & Recreation Administrator/ Parks Operations Supervisor	1	1	1	1	1	1
Parks Crew Leader	1	1	1	1	1	1
Parks Maintenance Workers II	3	3	3	4	4	3
Public Works Administrative Assistant	1	1	1	1	1	1
Janitors/Facilities Maintenance Worker	2	2	1	1	1	1
Seasonal Parks Workers	6	6	6	6	6	6
Community Development Positions						
Community Development Director	1	1	1	1	1	1
Community Development Clerk	1	1	1	1	1	1
Code Enforcement Off/Stormwater Technician	1	1	1	1	1	1
City Wide Totals	55.5	58.5	58.5	59.5	59.5	58.5



City Structure

Employees and Benefits

Cherry Hills Village has 52 full-time employees, 1 part-time employee and an average of 6 seasonal employees. Cherry Hills Village reviews the Colorado Municipal League Compensation Analysis and the Mountain States Projection and Planning Survey along with other resources to determine annual salary adjustments. The City offers health insurance benefits to all employees that work twenty or more hours per week. Full-time employees that decline the City's coverage have the option of receiving cash equivalent payments of \$38.47 per pay check, which will total up to \$1,000.00 over the course of the year. Other Cherry Hills Village benefits include: dental insurance, life insurance, long-term disability insurance, short-term disability insurance, worker's compensation insurance, flexible spending account plans, retirement benefits, Roth IRA plan, deferred compensation plan, employee assistance plan, holiday leave, paid time off, bereavement leave, alternative scheduling, computer loan program and tuition reimbursement.

Cherry Hills Village City Services

The City of Cherry Hills Village is comprised of a number of different departments that provide essential services to the residents. These departments strive to maintain and enhance the quality of life that the Cherry Hills Village residents enjoy. They include:

- Administration/Finance Department
- Animal Control
- Code Enforcement/Stormwater Technician
- Community Development
- Municipal Court
- Parks, Trails and Recreation
- Public Works
- Police Department

Administration Department

The administration team is made up of the City Manager, Director of Finance & Administration, City Clerk, Municipal Court Clerk, Accounting Clerk and Human Resource Analyst. The City Manager serves at the direction of the City Council and is responsible for the general financial and personnel administration of the City. Additionally, the City Manager oversees the daily administration and management of all City departments and provides monthly reports to the Council on activities and projects performed by the departments. There are no expected changes to personnel counts for the Administration Department in 2018.

The City Manager's office is at the center of City operations. The City Manager is responsible for the design, implementation and oversight of all programs necessary to meet the City Council's mission, commitment to residents and community values. The City Manager sets the standard for the City, which provides quality service to the public. The City Manager also provides the executive management, leadership, guidance and support for the City government and oversees the City's image and reputation. Finally, the City Manager is responsible to the City Council for the administration of all business within the City limits and is required to present the annual budget to the City Council for approval.

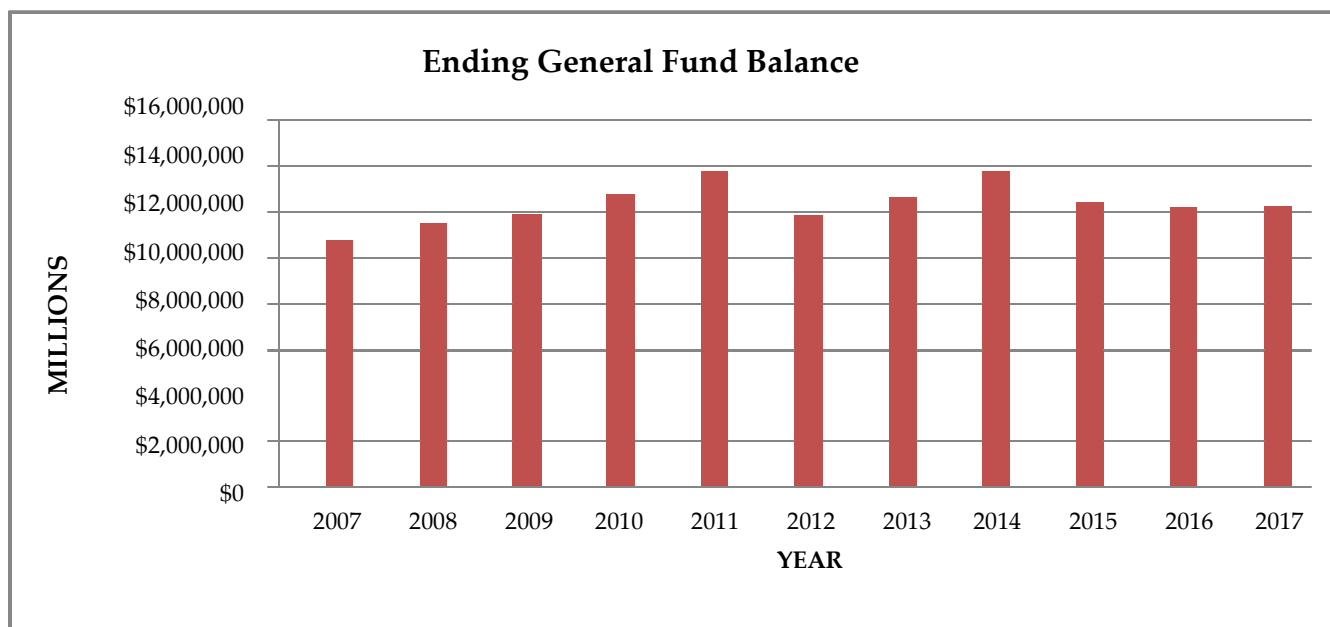


City Structure

Administration Department continued

The Department of Finance and Administration consists of four primary functions, including the following: Finance, City Clerk, Human Resources and Municipal Court. The Finance & Accounting Department performs all financial functions for the City of Cherry Hills Village. These functions include budgeting, financial analysis and reporting, cash and debt management, investments, accounts payable, utility billing, sales tax collection, payroll and maintenance of the fixed asset inventory.

The Finance Department is also charged with maintaining an unreserved fund balance for the General Fund equivalent to a minimum of six months of the current year's expenditures less capital outlay and transfers out budgeted for the fund. The 2017 ending fund balance for the General Fund and Capital Fund was \$12.2 million. A 10 year review of the fund balance for Cherry Hills Village is charted below:



The duties and responsibilities of the City Clerk are set forth in State statutes as well as the City's Charter and ordinances. The City Clerk is appointed by the City Council and serves as the Secretary to the Council. Other duties assigned to the City Clerk include the following: seal and attest all legal documents, conduct municipal elections, issue business and liquor licenses and serve as Deputy County Clerk and Recorder for purposes of voter registration. The City Clerk prepares all City Council meeting minutes, ordinances and resolutions and is the official custodian of the City's public records. The City Clerk is also responsible for the legal retention of all documents of the City and for preservation of all archival documents. The City Clerk's office compiles the bi-weekly City Council packets; publishes legal notices and codification of the municipal code and administers the City's website and Cable Channel 22.

Human Resources' responsibilities include new-hire orientation, benefits administration, retention and recognition programs, worker's compensation and property casualty claim administration, risk management, employee relations, compensation and benefits package analysis, employment-related policy updates, applicant recruitment, applicant selection process (including interviewing as



City Structure

Administration Department continued

needed and conducting background screening) and other miscellaneous employment-related functions.

The Cherry Hills Village Municipal Court processes citations for traffic, parking and code violations, accepts payment for fines and schedules court appearances. Municipal Court is held every other Wednesday morning and is presided over by Judges James Turre and Jeff Welborn. The jurisdiction of the Municipal Court has been authorized to issue local rules adopted by the State of Colorado Model Traffic Code, along with other various City ordinances.

Key Performance Measures

	2014	2015	2016	2017
Employee Turnover below 12%	4 employees 8%	9 employees 17%	7 employees 13%	9 employees 17%
Reduce Number of Property Casualty Claims (less than 5)	4	8	4	7
Reduce Number of Worker's Compensation Claims (less than 5)	6	5	0	0
Increase number of residents reached by website "Notify Me"	0	0	0	270

Goals and objectives of the Administration Department:

- Conservative fiscal management
- Provide excellent customer service
- Continual training and education for employees
- Remain a competitive employer
- Leadership development and transitional training
- Minimal worker's compensation and property casualty claims
- Increase financial transparency
- Establish a 10% vehicle accident goal to comply with CIRSA program

Challenges

- Flat revenue with an increase in service requests/expenses
- Complete three major capital projects over the next two years

Program Measures

The Administration Department will measure the success of several of the objectives defined above by analyzing the employee turnover rate at the end of every year. It will also measure the success of how well it maintained fiscal conservancy by analyzing the department's expenditures versus revenue at the end of every year. In an effort to provide improved communication with the residents, the Department re-developed the City's website, to include an enhanced "Notify Me" section for residents. The "Notify Me" section allows residents to customize the notifications they receive from the City. The City has begun tracking how many residents have signed up for this feature and has developed a plan to promote the notification system so residents are using it to stay informed.

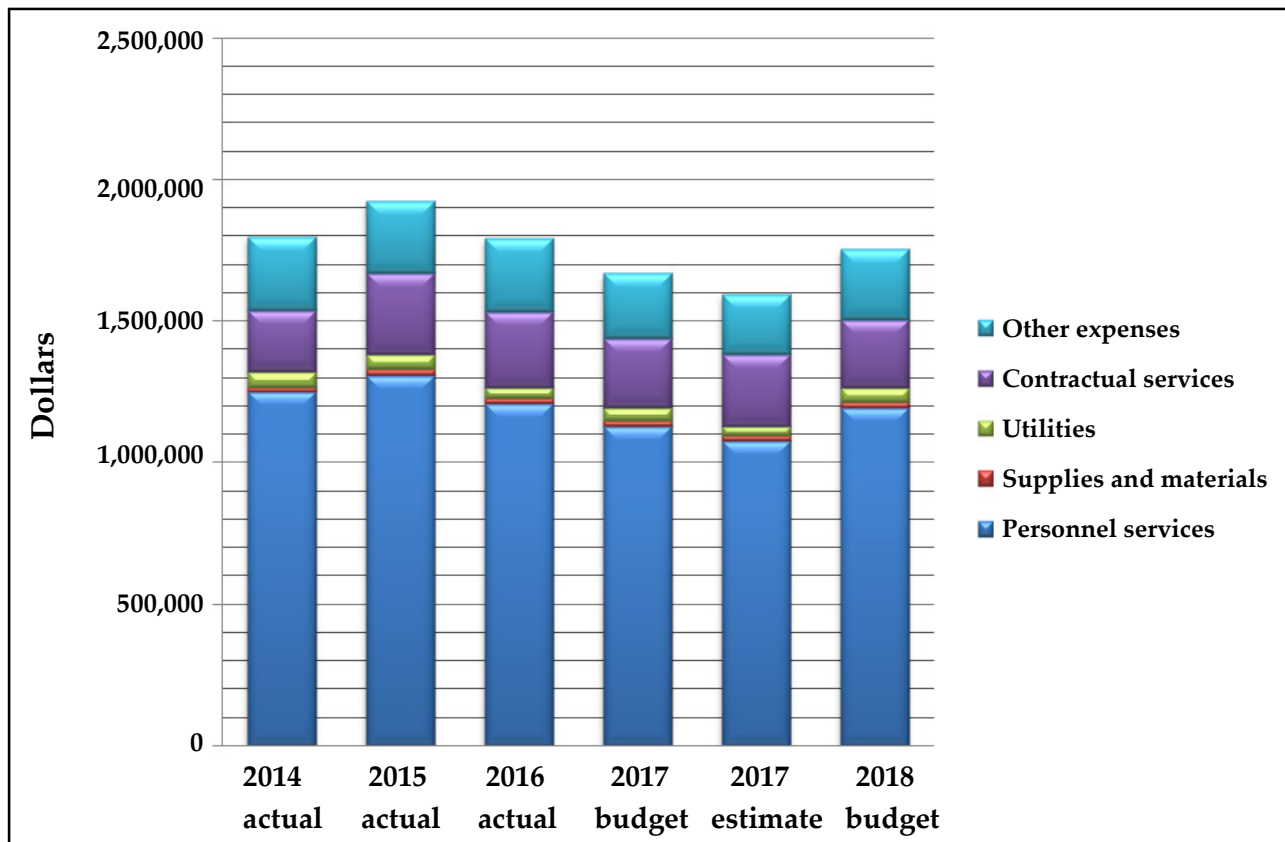


City Structure

Administration Department continued

The total Administration Department expenditures by category for a 5 year period are listed below:

	2014 actual	2015 actual	2016 actual	2017 budget	2017 estimate	2018 budget
Personnel services	1,250,173	1,309,437	1,206,751	1,128,553	1,075,693	1,193,875
Supplies and materials	16,620	21,074	18,809	20,000	18,935	21,500
Utilities	53,863	50,400	39,557	43,872	34,050	50,018
Contractual services	215,428	287,636	267,655	246,828	256,173	241,964
Other expenses	262,947	255,733	259,622	228,581	209,510	247,066
Total Administration expenses	\$1,799,031	\$1,924,280	\$1,792,394	\$1,667,834	\$1,594,361	\$1,754,423





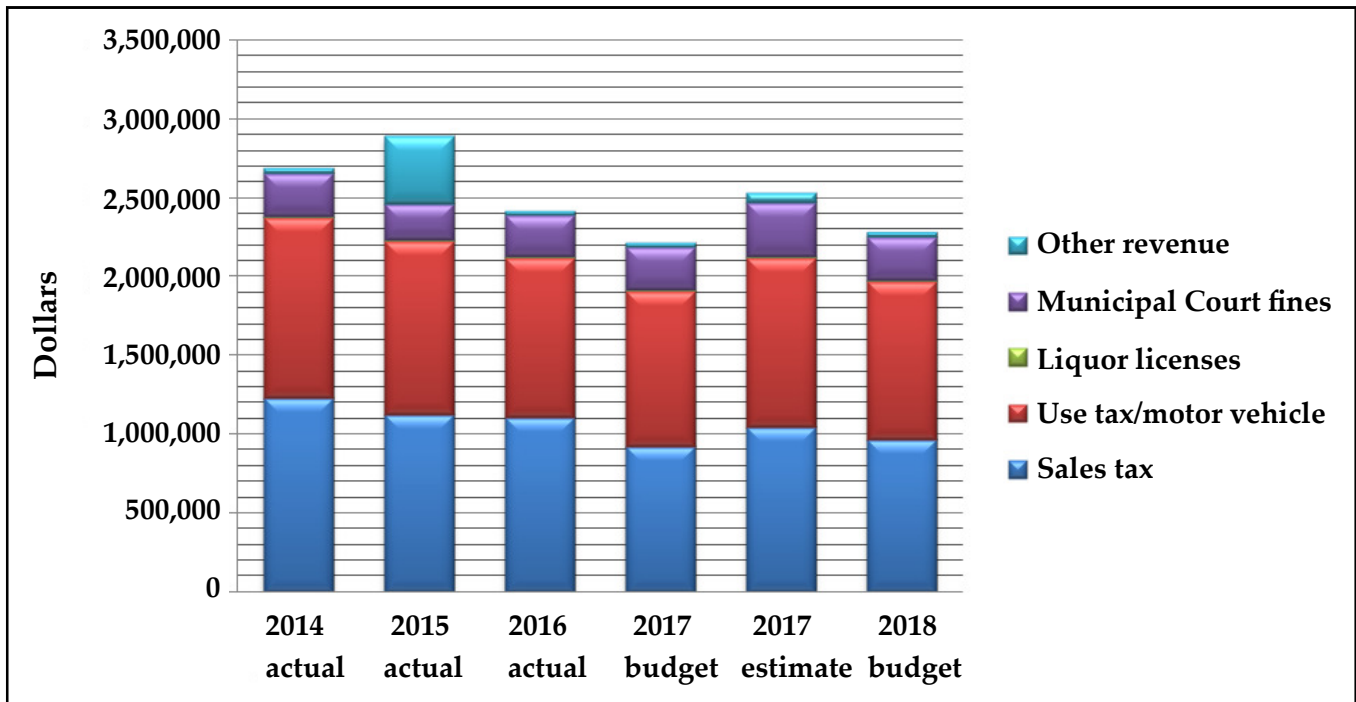
City Structure

Administration Department continued

The total Administration Department revenues by category for a 5 year period are listed below:

	2014 actual	2015 actual	2016 actual	2017 budget	2017 estimate	2018 budget
Sales tax	1,225,012	1,122,134	1,110,445	925,000	1,041,022	967,201
Use tax/motor vehicle	1,146,976	1,105,996	1,006,797	984,452	1,080,481	1,000,000
Liquor license	8,350	7,025	8,628	6,328	7,489	6,328
Municipal Court fines	278,297	228,886	260,762	270,000	338,905	280,000
Other revenue	35,079	426,326*	28,010	30,000	66,603	30,000
Total Administration revenue	\$2,693,714	\$2,890,367	\$2,414,642	\$2,215,780	\$2,534,500	\$2,283,529

* In 2015, Cherry Hills Village residents donated \$349,979 towards the purchase of a Deborah Butterfield statue.





City Structure

Police Department

The Cherry Hills Village Police Department contributes to the safety of persons and property within the City by providing law enforcement, animal control and code enforcement services. Members of the department provide police service through proactive crime prevention, criminal investigation, traffic enforcement, animal control, code enforcement, disaster preparedness, a school resource officer, public information and assistance with various non-criminal matters. Educating the public and establishing strong alliances between the Police Department and our residents has proven to be the most effective way to gain support for crime reduction and enhancing public safety within the City.

The mission of the Cherry Hills Village Police Department is to promote strong community partnerships while providing courteous, professional and ethical police services. The Cherry Hills Village Police Department employees are dedicated to an ethical work environment within the agency with both criminal and non-criminal issues. There are no expected changes to personnel counts for the Police Department in 2018.

Goals and objectives of the Police Department:

- The number one call for service in the City of Cherry Hills Village are traffic related issues. As a result, the Department will enhance the traffic safety for residents traveling throughout the City by identifying areas of concern and responding with appropriate enforcement, educating and engineering efforts. This approach will include pedestrian and bicycle safety, education and enforcement.
- The Colorado Peace Officers Standards and Training (POST) requires certified officers to complete 24 hours of in-service training annually. Of the 24 hours, a minimum of 12 hours shall be perishable skills training including firearms, arrest control and emergency driving. In addition, the Department has many certifications to maintain annually. The supervisory staff is responsible for maintaining, scheduling and mentoring/counseling staff to achieve these standards.
- The Police Department strives to connect with our community members. Working with other City departments, the Department hosts and manages the National Night Out event to enhance community relations with respect to crime prevention in the City. In addition, the Department attends safety meetings with the faith based community in Cherry Hills Village, evaluates and facilitates emergency drills at all educational facilities and attends homeowners association meetings. The Department also assists with events like the Barn Tour, Car Show and Outdoor Movie Night.

Program Measures

The Police Department will measure the success of accident reduction by analyzing the accident rate percentage at two key locations (East Hampden Avenue at South Colorado Boulevard and East Hampden Avenue at South University Boulevard; which are the top two accident locations in the City). The Department will also measure its effectiveness to identify areas of concern from residents by responding with extra patrols and selective traffic enforcement within the City limits.



City Structure

Police Department continued

Key Performance Measures

	2014	2015	2016	2017
Total number of traffic accidents	283	259	260	262
Reduce number of theft, criminal mischief & burglary cases to less than 90	97	67	62	71
Reduce on the job injuries resulting in lost time to less than 5	2	0	2	0

The total Police Department expenditures by category for a 5 year period are listed below:

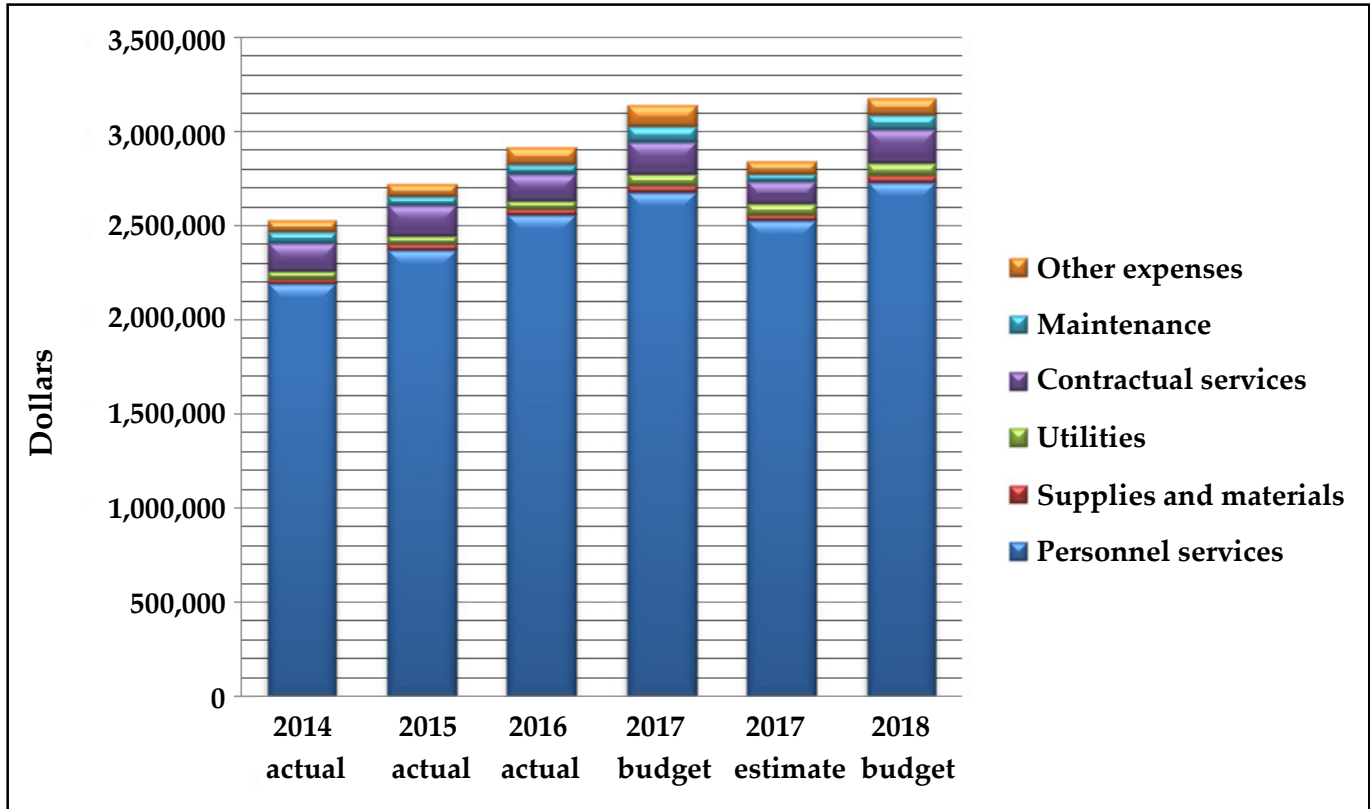
	2014 actual	2015 actual	2016 actual	2017 budget	2017 estimate	2018 budget
Personnel	2,196,065	2,372,641	2,557,915	2,677,908	2,529,418	2,734,377
Supplies and materials	21,395	33,528	30,759	36,300	30,932	37,700
Utilities	41,415	41,156	45,155	58,960	60,251	60,110
Contractual Services	152,409	163,631	145,131	173,915	116,497	179,000
Maintenance	57,352	48,998	45,686	80,150	41,462	77,700
Other expenses	60,452	63,446	89,846	112,100	67,373	86,875
Total Public Safety expenses	\$2,529,088	\$2,723,400	\$2,914,491	\$3,139,333	\$2,845,943	\$3,175,762



City Structure

Police Department continued

The total Police Department revenues by category for a 5 year period are listed below:

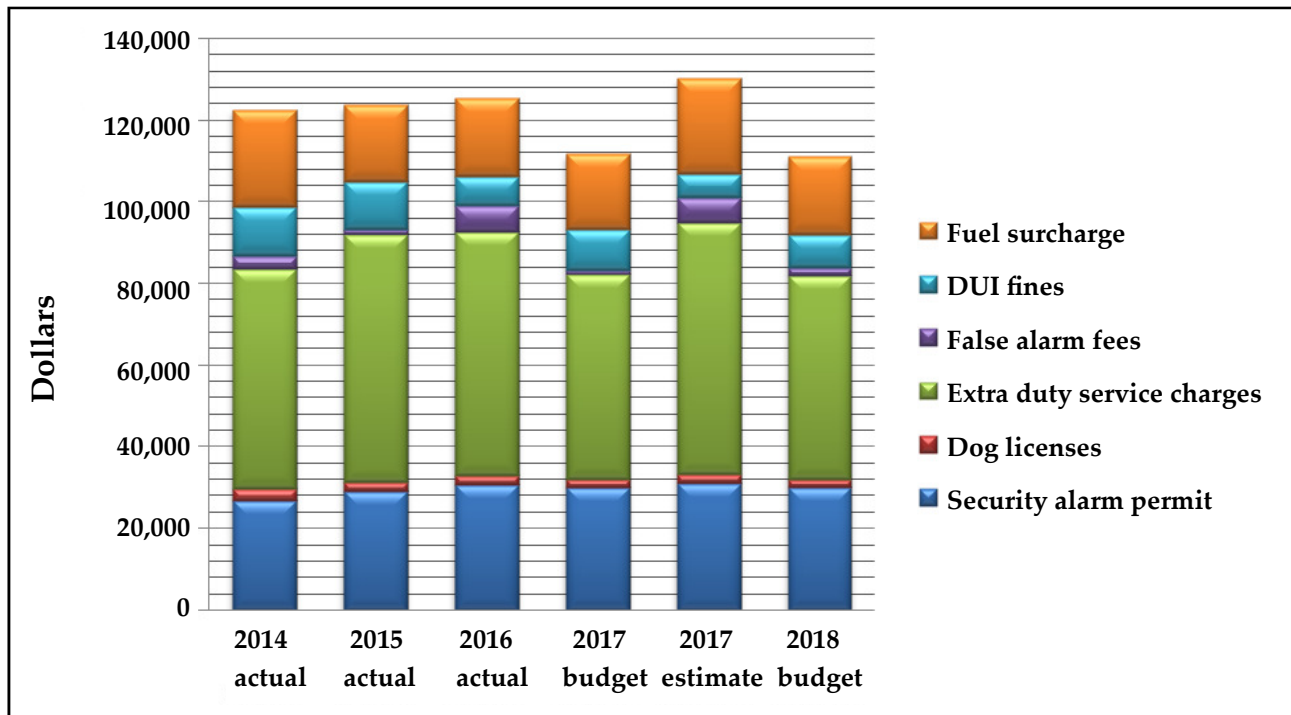


	2014 actual	2015 actual	2016 actual	2017 budget	2017 estimate	2018 budget
Security alarm permit	26,950	29,119	30,700	30,000	31,050	30,000
Dog licenses	2,990	2,330	2,330	2,200	2,202	2,000
Extra duty service charges	53,740	60,689	59,646	50,000	61,761	50,000
False alarm fees	3,100	1,200	6,500	1,000	6,200	2,000
DUI fines	11,886	11,754	7,132	10,000	5,626	8,000
Fuel surcharge	23,965	18,640	19,210	18,500	23,280	19,000
Total Public Safety revenue	\$122,631	\$123,732	\$125,518	\$111,700	\$130,119	\$111,000



City Structure

Police Department continued



Public Works Department

The Public Works Department is dedicated to maintaining and improving the quality of life in Cherry Hills Village by planning for future needs of streets and parks, promoting environmental quality, building and maintaining municipal infrastructure, managing public capital improvement projects and protecting health and safety. In addition, the Department provides for the design, construction, operation and maintenance of public works and related services within the City. In 2014, the Public Works Department was awarded accreditation status by the American Public Works Association (APWA). Cherry Hills Village is the 94th agency in the nation to achieve accreditation through APWA.

The Public Works Department is responsible for general management, operation and care of the infrastructure found in the City's right-of-way including: streets, bridges, curbs, gutters, trails, traffic, traffic signage, street striping, storm drain system, irrigation, street sweeping, entry features and tree trimming, right-of-way permits and inspections, snow removal as well as general management operation and care of City facilities and properties.

Another component of the Public Works Department is the Parks Division. The Parks Division is dedicated to enhancing the quality of life for all residents of Cherry Hills Village by providing a variety of opportunities that encourage physical and social health, community pride, relaxation and enjoyment of the City's open space, trails and parks. The Parks Division maintains over 30 acres of parks and open space lands as well as over 26 miles of bridal paths and hard surface trails.

The mission of the Public Works Department is to provide superior quality, safe and appropriate infrastructure and natural areas for all residents. By establishing positive relationships with the community, the Department is able to provide effective, safe and well managed streets, parks and



City Structure

public facilities. The Department will be stewards of the environment and be fiscally responsible in all aspects of its operation. All Public Works employees will be highly qualified individuals and will be provided with the opportunity to continually increase their knowledge through education and training. The vision for the Public Works Department is to be a well managed, highly effective department that responds to the current and future needs through creativity and innovation in order to maintain and enhance the community's essential infrastructure and natural resources. There are no expected changes to personnel counts for the Public Works Department in 2018.

Goals and objectives for the Public Works Department:

- Ensure that all employees have a healthy, safe and secure work environment by limiting on the job accidents
- Achieve high levels of customer service and satisfaction
- Enhance the quality of life for residents by implementing proactive programs to improve all City owned rights-of-way and natural resource areas
- Operate, maintain and improve the City's streets to optimize their intended function, serve residents' needs, protect property, health and safety and meet the needs of the residents in the future
- Develop a well-rounded succession plan to ensure institutional knowledge is retained as long-term employees leave their position with the Department
- Repair and maintain the City's facilities to ensure a sustainable work environment
- Ensure that our activities provide the best result and benefits for our customers through strict budgeting processes and fiscal responsibility
- Develop and maintain an exceptionally qualified and well-trained staff to carry out the Department's mission

Program Measures

Key Performance Measures

	2014	2015	2016	2017
Public Works Resident Satisfaction Survey Score	0	0	0	5.98
Work requests processed	110	184	155	125
Reduce on the job injuries resulting in lost time to less than 4	2	2	0	0

The Public Works Department will develop tools that can be implemented to measure the level of customer service that is provided to residents and contractors. The Department currently measures the level of customer service provided throughout the year by analyzing the number of work requests that were completed. The Department measures its commitment to developing and maintaining exceptionally qualified and well-trained employees by holding mandatory monthly safety trainings, annual customer service and ethics trainings and periodic OSHA, defensive driving, flagger certification and worker's compensation trainings; because of this commitment, the Public Works Department and Parks Division experienced an accident and injury free year for the second year in a row in 2017.



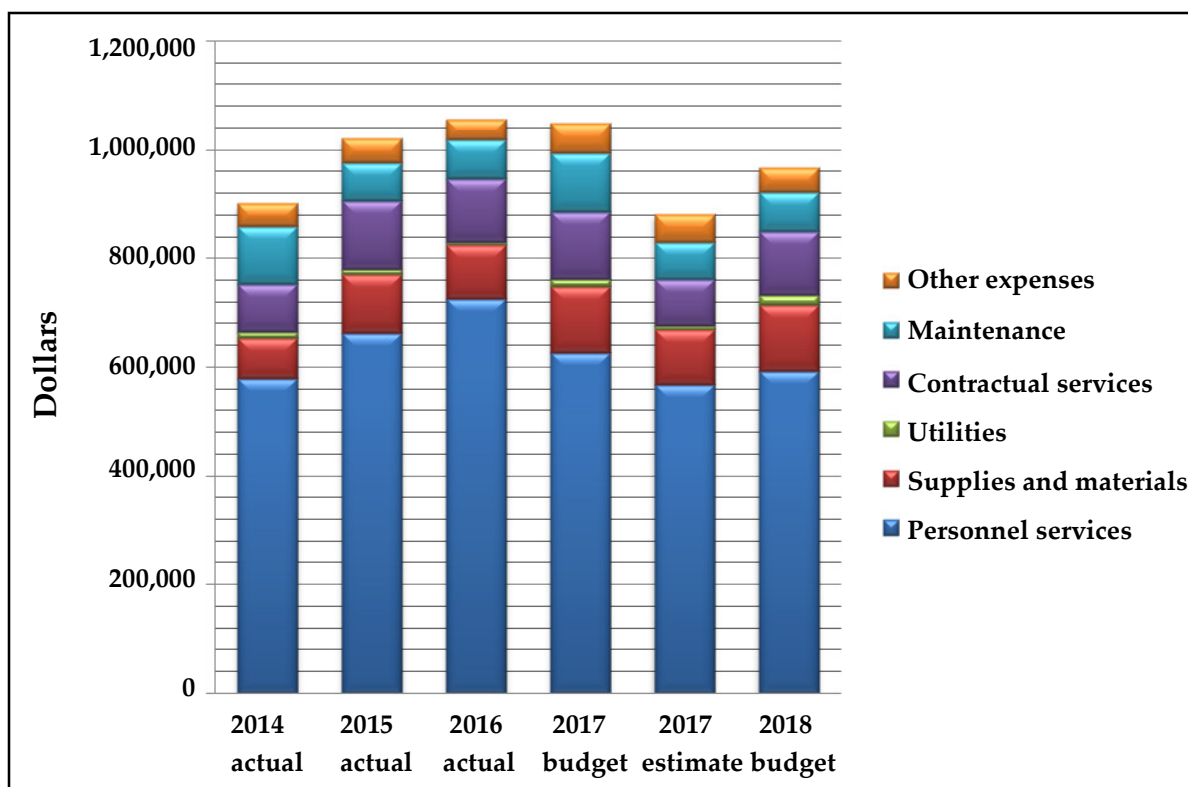
City Structure

Public Works Department continued

The Department also created a Public Works Resident Satisfaction survey in which residents rated the Public Works Department on topics related to street maintenance, park maintenance and communication on a scale of 1-7.

The total Public Works Department expenditures by category for a 5 year period are listed below:

	2014 actual	2015 actual	2016 actual	2017 budget	2017 estimate	2018 budget
Personnel services	578,939	662,909	727,113	626,729	568,335	593,295
Supplies and materials	75,080	107,681	98,600	121,500	100,678	121,500
Utilities	11,838	9,650	3,774	14,150	6,849	19,150
Contractual services	87,526	127,167	116,909	124,500	85,513	116,000
Maintenance	105,914	69,858	72,179	108,500	69,515	72,000
Other expenses	42,176	44,896	37,974	54,000	50,315	45,000
Total Public Works expenses	\$901,474	\$1,022,162	\$1,056,549	\$1,049,379	\$881,205	\$966,945



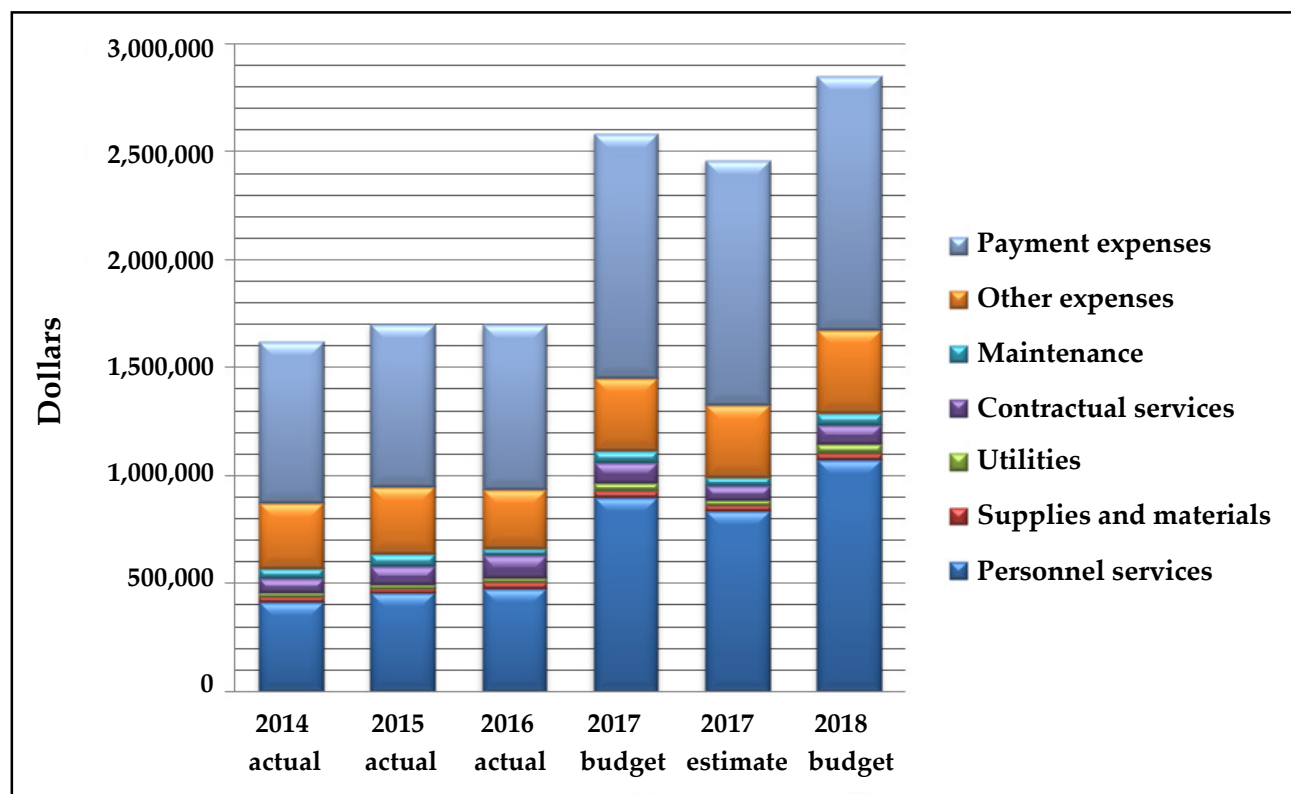


City Structure

Public Works Department continued

The total Parks Division expenditures by category for a 5 year period are listed below:

	2014 actual	2015 actual	2016 actual	2017 budget	2017 estimate	2018 budget
Personnel services	416,432	456,230	479,149	901,467	837,600	1,076,376
Supplies and materials	24,910	22,237	29,163	30,900	25,180	28,000
Utilities	19,712	19,602	21,737	33,200	24,700	41,200
Contractual services	64,040	82,157	103,614	97,298	68,000	91,800
Maintenance	47,530	57,095	30,298	51,500	40,000	51,500
Other expenses	299,994	310,688	275,088	340,029	334,900	388,258
Payment expenses	748,625	753,550	759,973	1,130,342	1,130,342	1,175,697
Total Parks Division expenses	\$1,621,244	\$1,701,558	\$1,699,023	\$2,584,736	\$2,460,722	\$2,852,831



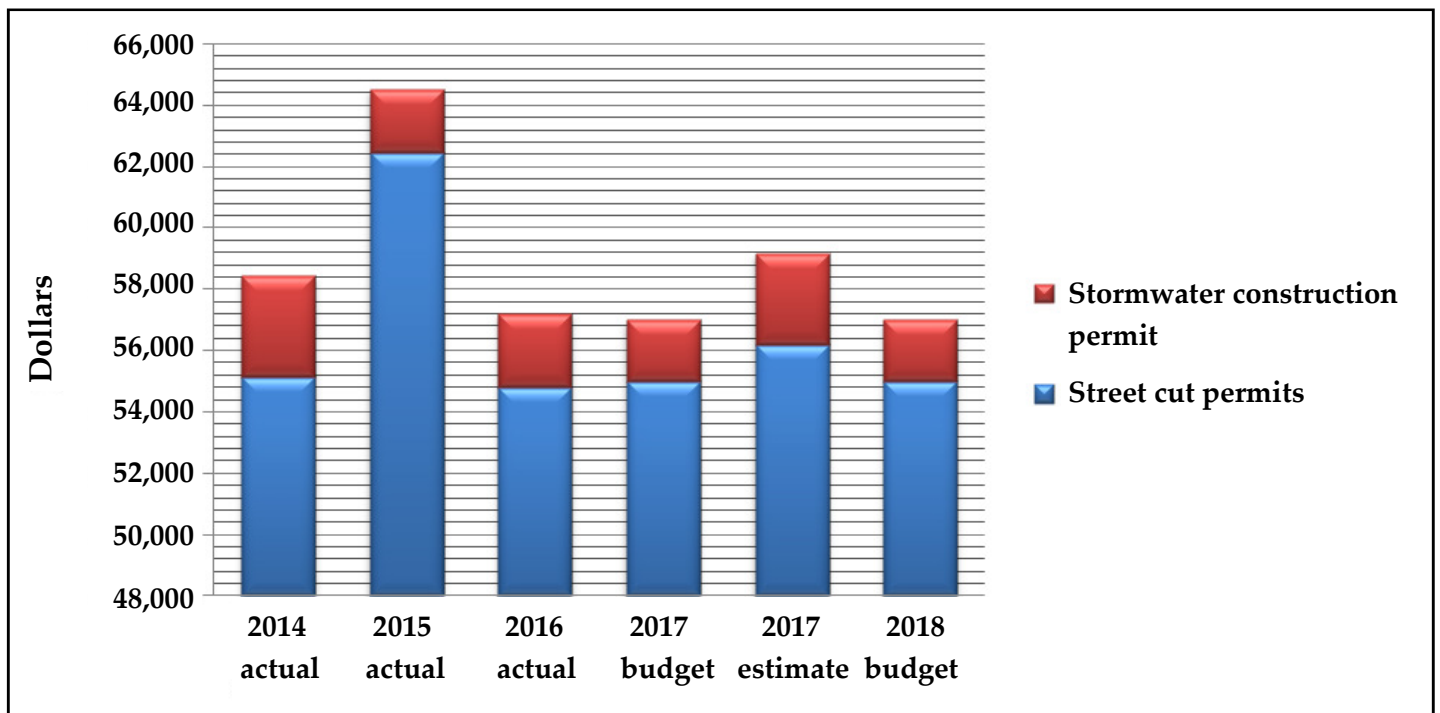


City Structure

Public Works Department continued

The total Public Works Department revenues by category for a 5 year period are listed below:

	2014 actual	2015 actual	2016 actual	2017 budget	2017 estimate	2018 budget
Street cut permits	55,154	62,438	54,818	55,000	56,175	55,000
Stormwater construction permit	3,300	2,100	2,400	2,000	3,000	2,000
Total Public Works revenue	\$58,454	\$64,538	\$57,218	\$57,000	\$59,175	\$57,000



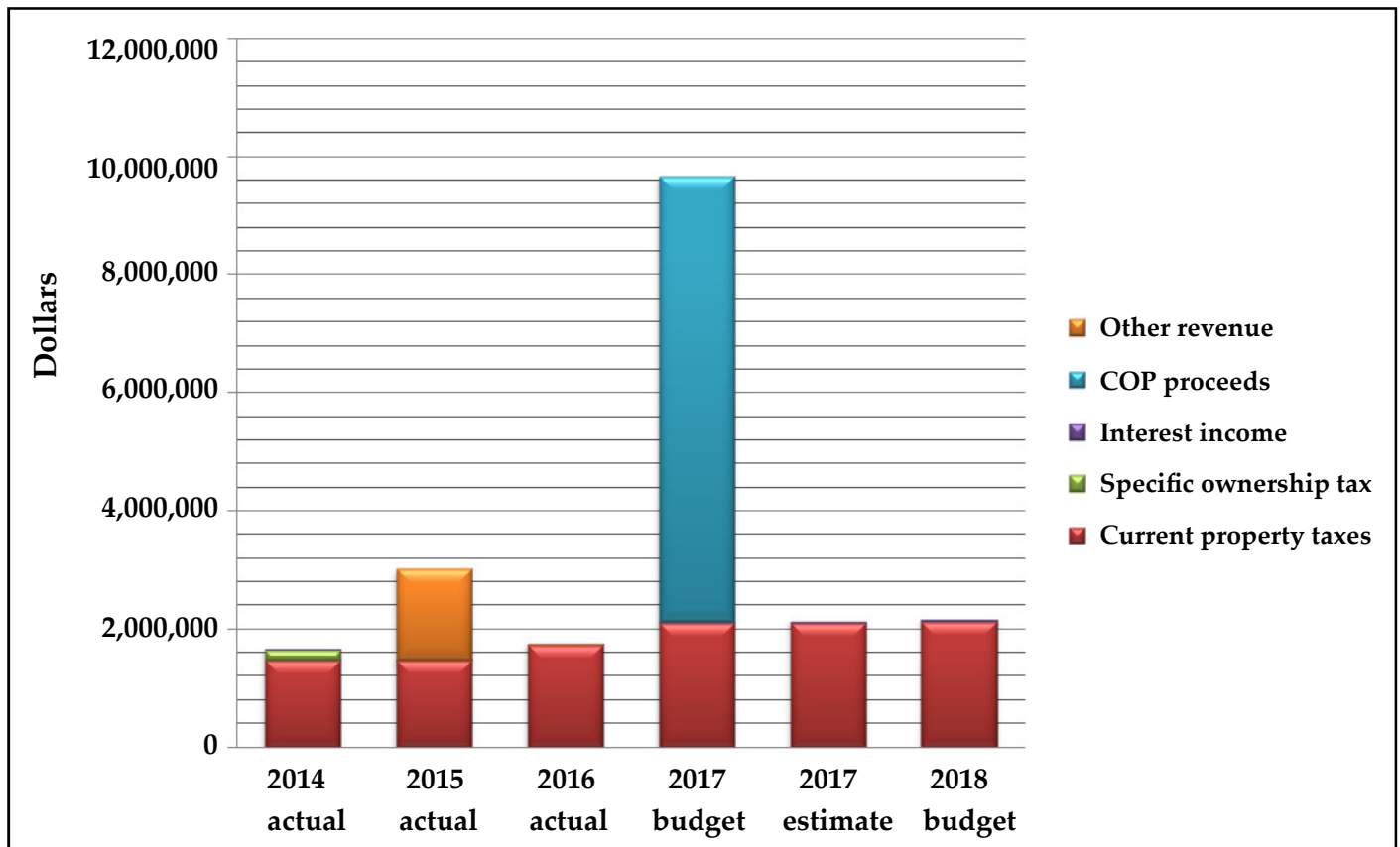


City Structure

Public Works Department continued

The total Parks Division revenues by category for a 5 year period are listed below:

	2014 actual	2015 actual	2016 actual	2017 budget	2017 estimate	2018 budget
Current property taxes	1,466,977	1,471,282	1,723,059	2,099,817	2,099,817	2,130,144
Specific ownership tax	177,750	0	0	0	0	0
Interest income	4,761	6,251	20,173	15,000	30,600	30,000
COP proceeds	0	0	0	7,550,000	0	0
Other revenue	0	1,542,491	1,869	0	0	0
Total Parks Division revenue	\$1,649,488	\$3,020,024	\$1,745,101	\$9,664,817	\$2,130,417	\$2,160,144





Community Development Department

The Community Development Department is responsible for the development and maintenance of community goals regarding the natural and built environment. This is achieved through guiding physical development of private property in a manner that complies with the City's Master Plan, Municipal Code standards and National and State codes. The Department is comprised of three divisions: Planning, Building and Engineering. In addition to overseeing the implementation of the City's Master Plan and all construction-related activities within the City, the Department is responsible for enforcing municipal ordinances, standards and regulations. For example, many development applications pertain to enforcement of municipal ordinances relating to the subdivision of land, zoning regulations, floodplain management, building codes and coordination of utility services. The Community Development Department reviews building permit applications for compliance with all applicable building codes and performs all necessary building inspections during the construction process. The Community Development Department has been accredited through the American Public Works Association (APWA) since 2014; Cherry Hills Village was the 94th agency in the nation to achieve accreditation through APWA.

The mission of the Community Development Department is to provide excellent service to the residents, builders, contractors and designers working in the City through the Planning, Building and Engineering Divisions. The Community Development Department protects the public health, safety and welfare of the residents by ensuring that development and land use in the City are consistent with Cherry Hills Village City codes and the Cherry Hills Village Master Plan. There are no expected changes to personnel counts for the Community Development Department in 2018.

Goals and objectives of the Community Development Department:

- Improve each customer's experience by ensuring the development application review timelines are within established goals and standards
- Improve each customer's experience through efficient administration of building permits, including ensuring maximum timeframes are met for differing types of permits; as well as ensuring the number of inspections and re-inspections are within established goals and standards
- Maintain an annual National Flood Insurance Program (NFIP) Community Rating System (CRS) of 7 by ensuring that all floodplain development and administration requirements are met and annual recertification is completed with the Federal Emergency Management Association (FEMA)
- Utilize new technology to provide cost savings and improve department wide efficiency and customer service

Program Measures

The Community Development Department will measure the success of the NFIP program by reviewing the rating that is provided through formal documentation by FEMA. The Department also tracks the average amount of time it takes to review a building permit for a new single family residence. These types of permits have to be reviewed by the Zoning Department, as well as the City's contracted plans reviewer and City Engineer. In 2018, the Community Development Department created an electronic plan review submittal application process that they will encourage applicants to utilize. They will measure the success of this program throughout the course of 2018 and develop an acceptable standard with which to compare all subsequent years in order to establish benchmarks.



City Structure

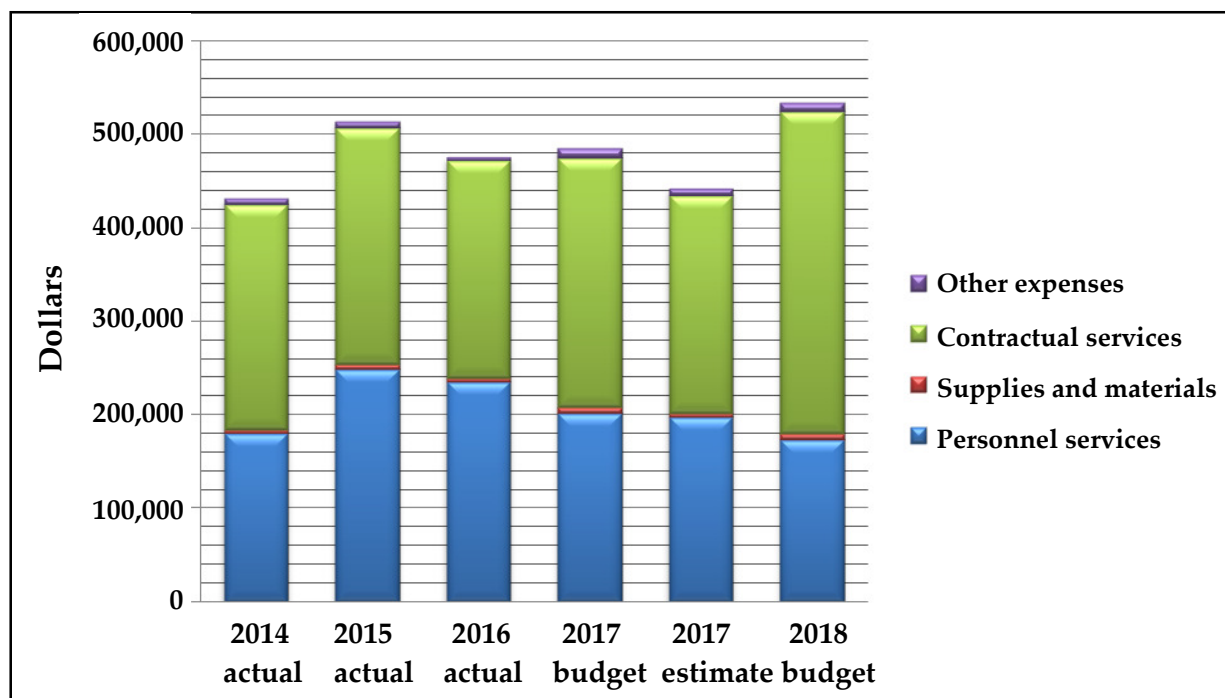
Community Development Department continued

Key Performance Measures

	2014	2015	2016	2017
Maintain annual NFIP CRS rating of at least 8	8	8	7	7
Average permit review time for new single family residence - acceptable benchmark 70 working days	70 working days	60 working days	99 working days	66 working days

The total Community Development Department expenditures by category for a 5 year period are listed below:

	2014 actual	2015 actual	2016 actual	2017 budget	2017 estimate	2018 budget
Personnel services	180,310	248,460	235,287	201,772	197,430	173,099
Supplies and materials	3,555	5,611	4,088	6,750	4,334	6,750
Contractual services	240,847	252,858	232,718	266,200	233,218	344,700
Other expenses	6,766	6,921	3,676	10,200	7,177	9,800
Total Community Development expenses	\$431,478	\$513,850	\$475,769	\$484,922	\$442,159	\$534,349



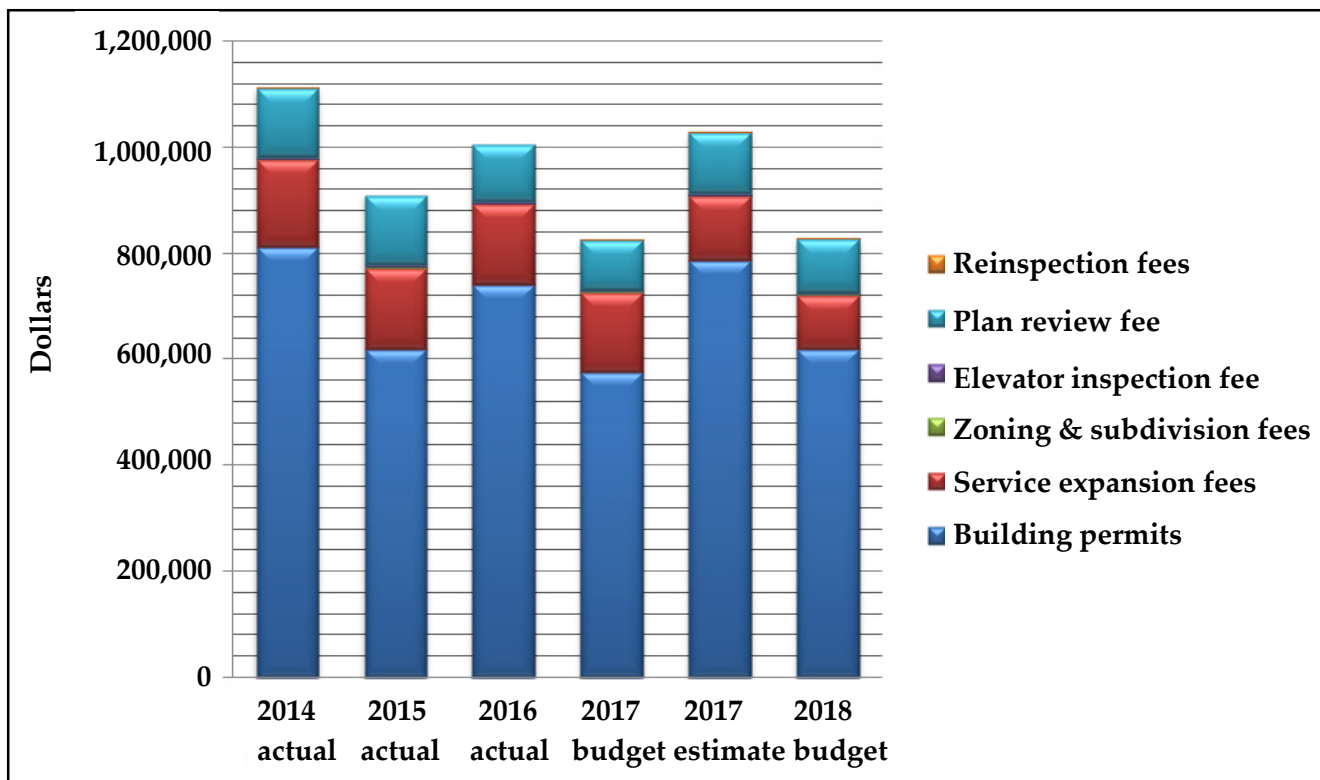


City Structure

Community Development Department continued

The total Community Development revenues by category for a 5 year period are listed below:

	2014 actual	2015 actual	2016 actual	2017 budget	2017 estimate	2018 budget
Building permits	811,537	617,789	741,167	575,000	786,702	620,000
Service expansion fees	164,276	154,522	150,968	150,000	120,514	100,000
Zoning & subdivision fees	1,900	1,900	0	2,000	674	2,000
Elevator inspection fees	3,600	5,000	5,000	3,600	4,680	4,000
Plan review fee	129,455	129,377	106,795	95,000	115,293	100,000
Reinspection fees	150	0	0	500	1,000	500
Total Community Development revenue	\$1,110,918	\$908,588	\$1,003,930	\$826,100	\$1,028,863	\$826,500





Financial Policies

Fund Balance / Reserve Policy

The City of Cherry Hills Village recognizes the importance of maintaining an appropriate level of undesignated fund balance to provide the required resources to meet operating needs and to allow for unforeseen needs of an emergency nature. After evaluating the City's operating characteristics, tax base, non-tax revenue sources, capital needs, local and economic outlooks, emergency and disaster risk and other contingent issues, the City establishes the following policy regarding the undesignated fund balances and reserves for the City of Cherry Hills Village.

Purpose

To establish a Fund Balance/Reserve Policy tailored to the needs of the City to ensure against unanticipated events that would adversely affect the financial condition of the City and jeopardize the continuation of necessary public services. This policy will ensure the City maintains an adequate fund balance and reserves to:

- provide sufficient cash flow for daily financial needs
- offset significant economic downturns or revenue shortfalls
- provide for unforeseen expenditures related to emergencies

Definitions

Emergency Reserve - an additional reserve to provide for unforeseen reductions in revenues in the current year or expenditures that are greater than the current year revenues.

Fund Balance - the cumulative difference of all revenues and expenditures.

Reserved Fund Balance - portion of the fund balance that is legally restricted to a specific use or otherwise not available for appropriation or expenditures.

Unreserved Fund Balance - a measure of how much fund balance is left over at the end of the current year which can be used for the subsequent year's budget.

Policy

It is the policy of the City Council to ensure the fiscal health of the community against unforeseen circumstances by maintaining fund balances and emergency reserves at sufficient levels for operations to continue. Use of excess fund balance is intended only for one-time or non-recurring expenditures. Listed on the following page are the Council's approved Fund Balance/Reserve Policy for each fund of the City of Cherry Hills Village.



Fund Balance / Reserve Policy (continued)

General Fund - In the General Fund, there shall be maintained an unreserved fund balance equivalent to a minimum of six months of the current year's expenditures less capital outlay and transfers out budgeted for the fund. For purposes of this calculation, the expenditures shall be the budget as originally adopted by ordinance in December for the subsequent budget year. In addition, the City Council has determined that additional reserves be established in the General Fund to provide for unforeseen reductions in revenues in the current year or expenditures that are greater than the current year revenues. The minimum reserve amount should be 10% of approved general fund operating expenditures.

Conservation Trust Fund - This fund is a special revenue fund created to account for the proceeds of specific revenue sources that are legally restricted for specified expenditure purposes. No specific fund balance or reservation of fund balance is created by virtue of enactment of this policy. The amount of any reservation of fund balance shall be governed by the legal authority underlying the creation of this fund.

Catherine H. Anderson Land Donation Fund - This fund was created to account for the resources designated to foster and encourage the preservation of natural open space through financial assistance to residents interested in preserving natural areas in the City, but may also be used by the Council for park-related purposes. No specific requirement is established for this fund. However, at a minimum, the year end reserved fund balance and estimated revenues for the ensuing year must be sufficient to meet all outstanding fund encumbrances.

Sid #7 Bond Fund - Debt service funds are subject to the creation of very specific reserve amounts as part of the ordinance which authorizes the issuance of the bonds. This policy does not create any specific reservation of fund balance for this fund. Reserve requirements for any outstanding bond issue will be consistent with the ordinance authorizing the issuance of the bonds.

Arapahoe County Open Space Fund - This fund is a special revenue fund created to account for the proceeds of specific revenue sources that are legally restricted to be expended for specified purposes. No specific fund balance or reservation of fund balance is created by virtue of enactment of this policy. The amount of any reservation of fund balance shall be governed by the legal authority underlying the creation of this fund.

Water and Sewer Fund - This fund is a special revenue fund created to account for all revenue and expenses associated with the consolidation of water and sewer utilities coming under auspices of the City. No specific fund balance or reservation of fund balance is created by virtue of enactment of this policy.



Financial Policies

Fund Balance / Reserve Policy (continued)

Parks and Recreation Fund - There shall be maintained an unreserved fund balance equivalent to a minimum of three months of current year expenditures less capital outlay and transfers out budgeted for the fund. In addition, 3% of operating expenditures shall be maintained as an emergency reserve.

Capital Fund - The Capital Fund was established to separately track and fund the costs of capital assets for the City. No specific fund balance or reservation of fund balance is created by virtue of enactment of this policy.

Utilization of Minimum Reserves

Appropriation from the minimum unreserved fund balance shall require the approval of the City Council and shall be only for one-time expenditures and not for ongoing expenditures unless a viable revenue plan designated to sustain the expenditure is simultaneously adopted.

Replenishment of Minimum Fund Balance/Reserve Deficits

If it is anticipated at the completion of any year that the projected or estimated amount of unreserved fund balance will be less than the minimum requirement, then the City Manager shall prepare and submit in conjunction with the proposed budget a plan for the expenditure or expense reductions and/or revenue increases necessary to restore the minimum requirements in subsequent budget years.

Utilization of Surplus Reserves

In the event that the unreserved fund balance exceeds the minimum requirements, the excess may be utilized for any lawful purpose approved by the City Council. It is recommended that the first priority be given to utilizing the excess within the fund in which it was generated. In order to minimize the long term effect of such use, the excess shall be appropriated to fund one time expenditures or expenses which do not result in recurring operating costs.

Annual Review

Compliance with the provisions of this policy shall be reviewed as part of the annual budget adoption process. The current version of the Fund Balance / Reserve Policy was formally adopted by resolution on April 21, 2015.



Financial Policies

Investment Policy

The following Investment Policy for the City of Cherry Hills Village addresses the methods, procedures and practices that must be exercised to ensure effective and judicious fiscal and investment management of the City's funds.

Scope

The Investment Policy governs the investment activities of the City with regard to investing the financial assets of all funds, with the exception of the retirement funds and deferred compensation funds.

Objectives

The overall objectives of the City's investment program, in order of priority, are safety, liquidity and yield.

Safety

Protection of principal is the primary objective of the City investment activities and is the single most important factor any investment decisions of the investment officer. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. For purposes of this policy, the two most significant risks to the City are:

- Credit Risk - Credit risk shall be limited by restricting the credit ratings on securities that may be purchased and through diversification of investments to reduce exposure to any one security type, issuer or account.
- Interest Rate Risk - Interest rate risk shall be limited by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily with durations of no longer than five years, money market mutual funds or similar investment pools.

Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands of the City. Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets. Alternatively, a portion of the portfolio may be placed in money market mutual funds or local government investment pools which offer same day liquidity for short-term funds.

Yield

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk assumed. Securities shall generally



Financial Policies

Investment Policy (continued)

be held until maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal
- A security swap that would improve the quality, yield or target duration in the portfolio
- Liquidity needs of the portfolio require that the security be sold

Prudence

The standard of care to be used by the investment official shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes.

The “prudent person” standard states that “investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived”.

Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City of Cherry Hills Village.

Delegation of Authority

In accordance with Article VI, Section 6.3 of the City of Cherry Hills Village Charter, the responsibility for conducting investment transactions resides with the City Treasurer/Director of Finance (investment officer). No person may engage in an investment transaction except as provided under the terms of the Cherry Hills Village investment policy.

Authorized Financial Institutions, Depositories and Brokers/Dealers

A list will be maintained of financial institutions and depositories authorized to provide investment services. In addition, a list will be maintained of approved security broker/dealers selected by creditworthiness (i.e. a minimum capital requirement of \$10,000,000 and at least five years of operation). These may include “primary” dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule). All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as applicable or required by the investment officer:



Financial Policies

Investment Policy (continued)

- Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines
- Proof of Financial Industry Regulatory Authority (FINRA) certification
- Proof of state registration
- Completed broker/dealer questionnaire (not applicable to Certificate of Deposit counterparties)
- Certification of having read and understood the City of Cherry Hills Village Investment Policy and agreeing to comply with it
- Evidence of adequate insurance coverage

An annual review of the financial condition and registration of all qualified financial institutions and broker/dealers will be conducted by the investment officer.

Registered Investment Auditor

The City of Cherry Hills Village may elect to engage the services of a Registered Investment Advisor (RIA) to manage the City's portfolio. The RIA will manage the portfolio in conformance with State and Federal guidelines. Qualified RIA's must demonstrate the following:

- Domiciled in Colorado
- Primary focus should be local governments in Colorado
- At least five years of experience
- SEC registered
- Errors & Omissions insurance in an amount of at least \$5 million dollars and provide a copy for the City's files
- A third party custodian that meets the minimum capital requirements of \$10,000,000 in assets
- A copy of their audited financial statements

Safekeeping and Custody

All trades of marketable securities will be executed by delivery versus payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds. Securities will be held by an independent third-party custodian selected by the entity as evidenced by safekeeping receipts in the City of Cherry Hills Village's name. The safekeeping institution shall annually provide a copy of their most recent report on internal controls-Service Organization Control Reports prepared in accordance with the Statement on Standards for Attestation Engagements (SSAE) No. 16.

The investment officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City of Cherry Hills Village are protected from loss, theft or misuse. Accordingly, the investment officer shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures or alternatively, compliance should be assured through the City of Cherry Hills Village's annual independent audit.



Financial Policies

Investment Policy (continued)

Suitable Authorized Investments

The following investments will be permitted by the Cherry Hills Village investment policy and are defined by state and local law where applicable:

- U.S. Treasury obligations: Treasury Bills, Treasury Notes, Treasury Bonds and Treasury Strips which carry the full faith and credit guarantee of the United States government, are considered to be the most secure instruments available and have a final maturity not exceeding five years from the date of the trade settlement.
- Federal Agency Securities: Debentures and mortgage-backed securities with a stated final maturity not exceeding five years from the date of trade settlement and issued by the Government National Mortgage Association (GNMA).
- Bankers' acceptances.
- Federally insured time deposits (non-negotiable certificates of deposits) in state or federally chartered banks, saving and loans or credit unions, provided that the amount per institution is limited to the maximum coverage under federal insurance.
- Time deposits (non-negotiable certificates of deposits) in state or federally chartered banks, savings and loans or credit unions in excess of insured amounts which are fully collateralized with securities in accordance with state law.
- Negotiable certificates of deposit (NCDs).
- Commercial paper rated at least A-1, P-1 or the equivalent by at least two Nationally Recognized Statistical Rating Organization (NRSROs) and by each NRSRO that rates the commercial paper.
- Investment-grade obligations of state and local governments and public authorities. No security may be purchased pursuant to this paragraph unless, at the time of purchase, the security is rated in one of the three highest rating categories by a nationally recognized organization that regularly rates such obligations.
- Money market mutual funds regulated by the Securities and Exchange Commission whose portfolios consist only of dollar-denominated securities and have a rating of AAAm or Aaa or the equivalent by each NRSRO that rates the fund.
- Local government investment pools either state administered or developed through joint powers statutes and other intergovernmental agreement legislation. They must be "no-load", have constant net asset value of \$1.00, limit assets of the fund to securities authorized by statute and have a rating of AAAm or Aaa or the equivalent by each NRSRO that rates the fund.



Financial Policies

Investment Policy (continued)

Investment in derivatives of the above instruments shall require authorization by the Cherry Hills Village City Council.

Collateralization

To qualify as a depository, financial institutions must be listed as eligible depositories by the State Commissioner of Financial Services or the State Division of Banking. Acceptable collateral for bank deposits and repurchase agreements shall include only:

- Obligations of the U.S. Government, its agencies and GSEs, including mortgage backed securities.
- Obligations of any state, city, county or authority rated at least AA by two nationally recognized statistical rating organizations.

Diversification

The investments shall be diversified by limiting investments for any one type of security to 5% of the total portfolio to avoid overconcentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities); limiting investment in securities that have higher credit risks; investing in securities with varying maturities and continuously investing a portion of the portfolio in readily available funds such as local government pools (LGIPs), money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

Maximum Maturities

To the extent possible, the City of Cherry Hills Village shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City of Cherry Hills Village will not directly invest in securities maturing more than five (5) years from the date of purchase. The City of Cherry Hills Village shall adopt weighted average maturity limitations (which often range from 90 days to 3 years), consistent with the investment objectives. Reserve funds and other funds with longer term investment horizons may be invested in securities exceeding five (5) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of funds. The intent to invest in securities with longer maturities shall be disclosed in writing to the City Council prior to investing.

Comparison to Market

In order to ensure fair institution execution, the investment officer shall compare to market, using Bloomberg, each purchase of investment instruments purchased on the secondary market.

If the City's funds are being managed by an outside investment organization, the Portfolio Manager will document secondary purchases and sales and provide a trade recap for the date of purchase or sale.



Financial Policies

Investment Policy (continued)

Reporting Methods

The investment officer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last quarter and provide it to City Council. The report shall include the following:

- An asset listing showing par value, cost and accurate and complete market value of each security, type of investment, issuer and interest rate
- Average maturity of the portfolio and modified duration of the portfolio
- Maturity distribution of the portfolio
- Time-weighted total rate of return for the portfolio for the prior one month, three months, twelve months, year to date and since inception compared to the Benchmark Index returns for the same periods
- Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks
- Distribution of type of investment

Performance Standards

The investment portfolio will be managed in accordance with the parameters specified within this policy. The City's cash management portfolio shall be designed to attain a market rate of return through budgetary and economic cycles, taking into account prevailing market conditions, risk constraints for eligible securities and cash flow requirements. The performance of the portfolio shall be compared to the average yield on the U.S. Treasury security that most closely corresponds to the portfolio's weighted average effective maturity. When comparing the performance of the City's portfolio, all fees involved with managing the portfolio shall be included in the computation of the portfolio's rate of return net of fees.

Marking to Market

The market value of the portfolio shall be calculated monthly and a statement of the market value of the portfolio shall be issued at least quarterly. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed.

Approval of Investment Policy

The City's Investment Policy shall be adopted by resolution of the City Council. The policy shall be reviewed by staff on an annual basis and any modifications made must be approved by the City Council. The current version of the Investment Policy was formally adopted on April 21, 2015.



Financial Policies

Purchasing Policy

The purpose of the Purchasing Policy is to provide guidance to Cherry Hills Village City staff and City Council in an effort to set forth a prudent system and standard of integrity when purchasing supplies, services, materials and equipment on behalf of the City; which would maximize the purchasing value of public funds, provide for timely purchases and follow common sense and good business practices.

It shall be the objective of the department making the purchase to procure from reliable vendors supplies, services, materials and equipment of the best quality, for use at the required time and at the best possible price. When price, cost of procurement, quality and availability are comparable, priority shall be given to local vendors. This objective shall be achieved by following General Procedures, which are applicable to all purchases in either the Specific Procedures for General Fund or the Specific Procedures for Other Fund Expenditures.

General Procedures

Conflict of interest

Section 3.4 of the Cherry Hills Village City Charter states “No member of the Council shall have any direct financial interest in any contract with the City”.

Spending authority

Cherry Hills Village assigns responsibility of the purchasing function to the Finance Director’s office and utilizes a system of purchasing in which purchasing authority and responsibility is designated to Department Directors. The Finance Director is charged with monitoring purchases, establishing a purchasing system and providing assistance to departments making purchases. Unless otherwise noted in this policy, no employee may purchase goods or services unless such person is designated by the Department Director, Finance Director or City Manager.

Code of ethics

All employees engaged in purchasing products or services on behalf of Cherry Hills Village shall ensure that all organizations are afforded equal opportunity to compete and are bound by the code of ethics outlined in Chapter 2, Article 9 of the Cherry Hills Village Municipal Code.

Unauthorized purchasing actions

The following purchasing actions are unauthorized and violate the Cherry Hills Village Purchasing Policy:

- The use of public funds to purchase goods and services for personal use or gain either with or without later reimbursement.
- Splitting larger purchases into smaller amounts to circumvent the Purchasing Policy guidelines.
- Directing a contractor to proceed without a fully executed or authorized contract.
- The acquisition of traveler’s checks, cashier’s checks or the utilization of ATM machines.



Financial Policies

Purchasing Policy (continued)

Tax exempt status

The City of Cherry Hills Village qualifies as a tax-exempt organization under the State of Colorado. Employees are encouraged to avoid paying sales tax when purchasing on behalf of the City, whether it is by cash, purchase card or check. The City's tax-exempt number, which is available from the Finance Department, should be given to the vendor before the sale is completed.

Tax reporting

All vendors must complete a Request for Taxpayer Identification Number and Certification W-9 form prior to conducting business with the City of Cherry Hills Village. A completed W-9 is only required once from each vendor unless its business information changes. It is the responsibility of the employee making the purchase to request a completed W-9 form from the vendor in order for the Finance Department to issue payment.

Finance Director notification for cash flow

The Finance Director shall review all Accounts Payable Payment Approval reports and the Check Register after every check run is processed. This will assist the City in cash flow management and investment programs.

Emergency purchases

The City of Cherry Hills Village is subject to unforeseen emergencies which could require a substantial outlay of City funds immediately. Such emergencies could include floods, explosions, civil disturbances, falling aircraft, fire, major drainage disorders and other civil disasters affecting the lives and safety of the residents and/or employees of the City.

In such cases of emergencies which require the immediate purchase of non-appropriated supplies or services to avoid the loss of life, property or detriment to the community, the City Manager or designated Department Director has the authority to authorize immediate expenditure of City funds without a competitive bidding process, regardless of the amount. The City Manager or designated Department Director shall obtain verbal approval from the Mayor, or in his/her absence, the Mayor Pro-Tem prior to initiating non-appropriated emergency purchases or services in excess of \$100,000. Immediately following the purchase, a written report shall be made by the authorizing individual to the City Manager's office stating the nature of the emergency, the amount and type of expenditure. This report shall be distributed to the Mayor and City Council within seven (7) days of the emergency.

Exceptions

Exceptions to these policies will be allowed only when requested in writing by the City Manager and approved by the City Council with a motion.

Contracts and records maintenance

All original contracts and agreements shall be provided to the City Clerk for maintenance with the City records.



Purchasing Policy (continued)

Specific Procedures for General Fund Expenditures

Purchases under \$2,000

The responsibility and authority for purchasing transactions and negotiations of purchases under \$2,000 rests with the Department Director functioning under the general direction of the City Manager. Employees are encouraged to obtain the lowest and/or best price for goods or services and, when applicable, utilize comparative pricing via verbal or informal methods. Periodic checks should be made on these purchases to be certain they are secured according to the purchasing objectives.

Purchases over \$2,000 but under \$10,000

The Department Director or other designated party responsible for a budgetary account shall obtain quotations prior to the purchase from more than one source for all purchases over \$2,000 but under \$10,000. Material purchases which are on a volume basis (i.e. gallons, tons) and utilized throughout the year (i.e. asphalt, road base and gasoline) shall be subject to an annual quotation only. Single source purchases (i.e. gas and electricity) are acceptable if approved by the City Manager. The Department Director shall recommend to the City Manager the vendor believed to be the most qualified on the basis of the purchasing objectives listed above. The City Manager, along with the Department Director, shall make the final purchasing decision.

Purchases over \$10,000 but under \$25,000

All purchases over \$10,000 but under \$25,000 should be awarded on the basis of competitive bids. The Department Director or other designated party responsible for a budgetary account shall solicit quotations prior to the purchase from more than one source. The Department Director shall recommend to the City Manager the vendor believed to be the most qualified on the basis of the purchasing objectives listed above. The City Manager, along with the Department Director, shall make the final purchasing decisions.

Purchases over \$25,000

All purchases over \$25,000 should be awarded on the basis of formal bids or proposals. The following policy shall govern obtaining bids or proposals:

1. Prior approval from City Council to initiate competitive purchasing procedures or purchases for any item approved in the adopted annual City budget is not required.
2. Three (3) or more formal bids or proposals shall be obtained. If three (3) bids or proposals cannot be secured, a lesser number may be obtained; however, a written explanation must accompany the bid documents and be approved by the City Manager.
3. Colorado State bid prices and purchases may be used in lieu of competitive or other purchasing procedures when in the best interest of the City.



Financial Policies

Purchasing Policy (continued)

4. A Notice of Invitation for Bid shall be prepared by the Department Director and inserted by the City Clerk or other designated employee in the newspaper utilized by the City of Cherry Hills Village for its legal advertising. Such notice shall include the following information:
 - a. The Department Director that is responsible for the bid.
 - b. The location where bids will be received.
 - c. The location where bids will be opened.
 - d. A statement that Cherry Hills Village reserves the right to reject any or all bids.
 - e. A statement that written specifications are available from the Department Director upon request.
5. The City of Cherry Hills Village reserves the right to reject any of all bids, parts of bids or bids for any one or more supplies or contractual services included in the proposed contract when in the best interest of the City. Bids shall be evaluated and awarded to the bid that best meets the City's needs and requirements. Each bid, with the name of the bidder, shall be entered on the record and preserved for a period of seven (7) years for accepted bids and three (3) years for unaccepted bids for all inspection and maintained by the City Clerk with the City records.
6. The Department Director shall itemize all bids or proposals and, along with the appropriate City consultant(s), prepare a report for the City Manager summarizing the bids or proposals received and make a recommendation for award in accordance with the purchasing objectives.
7. The City Manager shall approve all General Fund bids in excess of \$25,000.
8. The City Council may approve a purchase in the open market under any one of the following circumstances:
 - A. Inadequate or absence of bids throughout the normal process.
 - B. Single source supplies for specialized or unique equipment, products or services.
 - C. Acceleration of delivery date when time is a major factor and it is in the City's best interest to shorten the delivery date.

Exceptions requiring City Council approval

Exceptions that require City Council approval shall include the following:

1. Non-budgeted transactions over \$10,000.
2. Budgeted purchases over \$25,000 and/or 10% over the budgeted amount.

Specific Procedures for Other Fund Expenditures

Purchases under \$10,000

Other fund expenditures under \$10,000 shall follow the same purchasing policy that is outlined for



Financial Policies

Purchasing Policy (continued)

purchases under \$2,000 in the Specific Procedures for the General Fund.

Purchases over \$10,000 but under \$25,000

Other fund expenditures over \$10,000 but under \$25,000 should be awarded on the basis of competitive bids. The Department Director or other designated party responsible for a budgetary account shall solicit quotations prior to the purchase from more than one source. The Department Director shall recommend to the City Manager the vendor believed to be the most qualified on the basis of the purchasing objectives listed above. The City Manager, along with the Department Director, shall make the final purchasing decision.

Purchases over \$25,000

Other fund expenditures in excess of \$25,000, with the exception of work performed directly by City employees, shall be contracted utilizing the procedure outlined below:

1. All City/contractor relationships will be centralized into one responsible party for each entity. The responsible Department Director shall serve this function on behalf of the City of Cherry Hills Village.
2. When plans and specifications approach completion, the Department Director or designated employee must be supplied with the following information so that he may advertise the project in the newspaper utilized by the City of Cherry Hills Village for its legal advertising within at least twenty (20) days prior to the proposed bid opening date:
 - a. Name, description and location of the project.
 - b. Source of funds (i.e. City, State, Federal and/or Special District).
 - c. Desired bid opening date and time.
3. Colorado State bid prices and purchases may be used in lieu of competitive purchasing procedures when in the best interest of the City.
4. The Department Director will receive all sealed bid proposals prior to the established bid opening time. All bids received after the specified time and date will be rejected by the City.
5. The Department Director shall itemize all bids and, along with the appropriate City consultant(s), prepare a report for the City Manager summarizing the bids received and make a recommendation for award in accordance with the purchasing objectives.

Exceptions requiring City Council approval

Exceptions that require City Council approval shall include the following:

1. Non-budgeted transactions over \$10,000.
2. Budgeted purchases over \$25,000 and/or 10% over the budgeted amount.



Financial Policies

Purchasing Policy (continued)

Acquisition Methods

Petty Cash

Petty cash procedures shall be established by the Director of Finance or other designated employee. Petty cash must be kept in a locked safe, locked cash box or secure location at all times and only the assigned Administrative staff shall be allowed access to the petty cash funds. Petty cash transactions shall not exceed \$50 and must be approved by the appropriate Department Director. The Administrative employee is responsible for ensuring that cash given to the requesting employee exactly matches the Petty Cash Authorization form signed by the Department Director.

To obtain an advance from petty cash, employees must complete the Petty Cash Authorization form and have it signed by the appropriate Department Director. The form will be kept inside the locked cash register until the employee returns with the original vendor receipt and any excess cash received from the advance. The Administrative employee shall ensure that the excess cash received exactly matches the vendor receipt provided by the employee.

In cases of reimbursement requests that are more than \$50, the employee shall submit a completed Expense Reimbursement form, signed by the appropriate Department Director, along with original itemized receipts. Upon receiving the Expense Reimbursement form and itemized receipts, the Accounting Clerk shall provide reimbursement on the next scheduled check-run.

Purchasing Card

Please refer to the Wells Fargo Commercial Card Program policy for more information regarding purchasing card rights and responsibilities.

Check Request

A check request shall be used for purchases which are not applicable to the use of petty cash or purchasing cards. All check request transactions shall be supported via a vendor-issued invoice or original itemized receipt. The Director of Finance and/or City Manager shall perform a final review of all processed check request transactions to ensure compliance with the policies.

Approval of Purchasing Policy

The City's Purchasing Policy shall be adopted by resolution of the City Council. The policy shall be reviewed by staff on an annual basis and any modifications made must be approved by the City Council. The current version of the Purchasing Policy was formally adopted on April 21, 2015.



Financial Policies

Check Controls Policy

The City of Cherry Hills Village will follow these policies related to check controls and the signing of checks.

1. Payment Discounts - The City will take advantage of, when possible, payment discounts to reduce expenditures when the rate offered is less than the rate of investment income the City is earning on cash.
2. Check Requirements - In most cases, staff will be required to complete the following steps to obtain a check:
 - a. Budget - Adequate budget funds must exist before staff considers a purchase.
 - b. Department Approval - All invoices must have a signature of approval by the department that received the items/service indicating the invoice is acceptable to pay.
 - c. Coding - All invoices must have a vendor number and budget account to which the item will be charged against.
 - d. Invoices - All invoices will be given to the Accounting Clerk for entry into the accounting system.
3. Check Signatures - Two signatures are required on all checks. One signature will be from the City Manager and the other from an approved Department Director. Electronic signatures are acceptable so long as the Payment Approval report has been reviewed and signed by those whose signatures appear on the check and/or the Director of Finance.
4. Distribution of Checks - Checks will be mailed following the signing of the Payment Approval report.
5. Check Register - The check register will be available for review at any time by the City Council and/or the residents for up to seven years (in accordance with the Colorado Municipal Records Retention Schedule) following the issue of payment.

Approval of Check Controls Policy

The City's Check Controls Policy shall be adopted by resolution of the City Council. The policy shall be reviewed by staff on an annual basis and any modifications made must be approved by the City Council. The current version of the Check Controls Policy was formally adopted on April 21, 2015.



Debt Procedure

Section 9.12 of the Cherry Hills Village City Charter states “The City may, subject to applicable limitations in the Colorado Constitution (including without limitation applicable provisions of Article X, Section 20 also known as the TABOR Amendment), borrow money or enter into other obligations and issue securities or other evidences of such obligations in such form and manner as determined by the Council to be in the best interests of the City”. The Colorado Revised Statutes provides that general obligation indebtedness for all purposes shall not at any time exceed 3 percent (3%) of the actual value, as determined by the County Assessor, of the taxable property in the City. The City’s legal debt limit is shown in the table below:

Assessed Value	\$340,332,958
Actual Value	\$4,558,553,915
Debt Limit: 3 Percent of Actual Value	\$136,756,617
Less: Assets in Debt Service	\$19,297,728
Legal Debt Margin	\$123,256,152
Amount of Bonded Debt Applicable to Debt Limit	\$19,297,728

The City initiated exclusion from the South Suburban Parks and Recreation District (“District”). The resulting litigation produced an order from the District Court dated November 2004. The order required the City to pay the District \$9,660,838 for the conveyance and transfer of facilities, including water rights, parks, trails and other considerations. The City’s appeal process ended in November 2009 with a final decision by the Colorado Supreme Court, in which they denied the appeal. The City was ordered to make annual principal and interest payments, beginning in December 2006 through 2019. Interest on the obligation accrues at the two-year Treasury bill rate. Annual debt service requirements for the outstanding obligation at December 31, 2017 are estimated at a 0.995% interest rate and are as follows:

Year	Principal	Interest	Total
2018	\$ 744,609	\$ 25,305	\$ 769,914
2019	\$ 757,156	\$ 12,758	\$ 769,914
Total Debt Service Requirements	\$ 1,501,765	\$ 38,063	\$ 1,539,828

Section 1.3 of the Cherry Hills Village City Charter allows the City to enter into a long-term rental or lease agreement in order to provide necessary land, buildings, equipment and other property for governmental purposes. The agreements may include an option to purchase and acquire title to such leased property within a period not exceeding the useful life of such property and in no case exceeding 30 years. In order to complete the three projects City Council identified as top priorities (a new Public Works Facility, a new City Hall and improvements to John Meade Park and Alan Hutto Memorial Commons), Council found it necessary and in the best interest of the City to undertake lease purchase financing.



Debt Procedure

In the financing transaction, the City leased two pieces of land it owned to a trustee Bank pursuant to a Site Lease, in return for a lump-sum payment equal to the cost of the projects, plus the cost of marketing and closing the transaction. The Bank simultaneously entered into a Lease Purchase Agreement with the City, under which the Bank leased the land, and the buildings to be constructed on it, back to the City for rental payments sufficient to amortize the total amount financed over the term of the Lease Purchase Agreement. The Bank's right to receive the rental payments under the Lease Purchase Agreement was divided into participations (COPs), which were sold to investors to raise the Bank's initial lump-sum payment for the Site Lease. The COPs represent proportionate interests in the Bank's right to receive rental payments under the Lease Purchase Agreement, with each year's rental payments consisting of a principal component and an interest component. The interest component of the city's lease payment is treated for federal and Colorado income tax purposes as interest on an obligation of the City and is therefore tax-exempt in the same way as interest on a municipal bond. When all of the rental payments are made under the Lease Purchase Agreement, both the Lease Purchase Agreement and the Site Lease shall terminate. During this process the City received the highest possible rating given to a municipality. S&P Global Ratings assigned its 'AAA' issuer credit rating (ICR) to Cherry Hills Village and also assigned its 'AA+' rating to the City's series 2017 certificates of participation.

Annual debt service requirements for the outstanding debt at December 31, 2017 are as follows:

Year Ended December 31,	Principal	Interest	Total
2018	\$285,000	\$452,788	\$737,788
2019	\$295,000	\$444,238	\$739,238
2020	\$305,000	\$435,388	\$740,388
2021	\$315,000	\$426,238	\$741,238
2022	\$325,000	\$416,788	\$741,788
2023-2027	\$1,815,000	\$1,888,236	\$3,703,236
2028-2032	\$2,280,000	\$1,420,602	\$3,700,602
2033-2037	\$2,795,000	\$900,810	\$3,695,810
2038-2041	\$2,700,000	\$257,812	\$2,957,812
Total Debt Service Requirements	\$11,115,000	\$6,642,900	\$17,757,900



Budget Policy

The City's annual budget is prepared in accordance with the guidelines of the Governmental Accounting, Auditing, and Financial Reporting (GAAFR), the Government Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA). As required by the City Charter, the budget is prepared on a calendar year basis beginning on the first day of January and ending on the thirty-first day of December each year. The budget must be balanced or have a revenue surplus. A balanced budget means that expected expenditures do not exceed forecasted revenues.

The Cherry Hills Village budget is created by the City staff and City Council respectively. Department Directors continuously prepare or update the operational budget and prioritize projects throughout the year. The Cherry Hills Village City Charter states that "The Council shall adopt a budget calendar by resolution on or before the twentieth (20) day of September of each year, and shall adopt an ordinance for the budget and an ordinance for the annual appropriations in accordance with said calendar. When finally adopted, the budget shall become a public record, and sufficient copies shall be deposited with the Clerk to ensure adequate circulation".

The budget process takes into consideration the following priorities:

- Pro-actively address safety, health and welfare issues within the City
- Improve service delivery and responsiveness
- Master Plan implementation
- Ensure the City remains fiscally responsible and conservative
- Improve public outreach efforts
- Professional development (accreditation, GFOA, intergovernmental cooperation, conferences)
- Evaluate staffing levels and job functions
- Maintain and evaluate IT systems
- Employee training and development
- Annual compensation study
- Determine community strategies for open space acquisitions and High Line Canal connectivity
- Closely coordinate/monitor activities of the outside entities that have a direct impact on City operations and quality of life issues, such as: the Colorado Department of Transportation (CDOT), Denver Water, Xcel Energy and Century Link

Consequently, every Department Director will provide the City Manager with their recommendations and projections prior to the twentieth (20) day of September deadline for the following year's budget. Once the City Manager has received the recommendations from the Department Director, the budget calendar on page 63 will be followed.



Budget Policy

The Council shall hold a public hearing on the proposed budget each year. The notice of the time and place of the hearing will be published at least five (5) days prior to the hearing and copies of the proposed budget shall be made available to the public, whether on the City's website or available by printed copy in the City Clerk's office. The Council may at any time before the final adoption increase, decrease, add or strike out any item in the budget.

Annual Budget Scope

The Cherry Hills Village City Charter states that "the budget adopted by the Council shall contain: (a) an estimate of anticipated revenue from all sources other than the tax levy for the ensuing year; (b) an estimate of the general fund cash surplus at the end of the current fiscal year, or of the deficit to be made up by appropriate; (c) the estimated expenditures necessary for the operation of the several departments, offices and agencies of the City; (d) debt service requirements for the ensuing fiscal year; (e) an estimate of the sum required to be raised by the tax levy for the ensuing fiscal year, and the rate of the levy necessary to produce such a sum based on the percentage of current levy collection experience during the three preceding fiscal years; (f) a balance between the total estimated expenditures; including any deficit to be met, and monies set aside for public improvements and total anticipated revenue, plus any surplus. All estimates shall be in detail showing revenues by source and expenditures by organization units, activities, character and object."

Special Funds

The Cherry Hills Village City Charter allows for the creation of additional funds, otherwise known as special funds, to be used for special purposes such as: depreciation and obsolescence; debt service; equipment and building replacement; special services; local improvements; City-owned utilities; trust funds and endowments; and such other purposes as the Council may determine.

Amendment Procedure

The Cherry Hills Village City Charter states that "The Council may make additional appropriations by ordinance during the fiscal year for unanticipated expenditures required of the City, but such additional appropriations shall not exceed the amount by which actual and anticipated revenues of the year are exceeding the revenues as estimated in the budget, unless the appropriations are necessary to relieve an emergency endangering the public peace, health or safety". Any annual departmental appropriation or portion thereof, remaining unexpended or unencumbered at the close of the fiscal year, shall revert to the general fund.



Budget Policy/Calendar

Basis for Budgeting

The City uses the same basis of budgeting that it uses for its audited financial statements. The modified accrual basis of accounting is used for all fund operations and for the financial statements, except for the proprietary fund (Water Fund) which uses the accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon thereafter to pay liabilities of the current period. The City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Under the full accrual basis of accounting used for the City's government-wide financial statements and proprietary fund financial statements, revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of timing of related cash flows.

2018 Budget Calendar

September 19, 2017 - The City Manager submitted the proposed 2018 budget to the City Council.

October 3, 2017 & October 17, 2017 - The City Council held study sessions to review the proposed 2018 budget.

November 21, 2017 - A public hearing was held for the proposed 2018 budget and first readings of the Appropriations Ordinance and Mill Levy Ordinance.

December 13, 2017 - The 2018 Annual Budget and the Appropriations Ordinance and Mill Levy Ordinance were adopted on second and final reading.



Budget Details

Fund accounting is used for budgeting and accounting purposes. Each fund is created for a specific purpose. City Council must approve the appropriation of expenditures from each fund. Approval generally occurs at the beginning of each fiscal year, but may occur by City Council any time throughout the year if funds are available. All City funds described below are appropriated by City Council.

The City's budget contains the General Fund and seven small funds. The General Fund is broken out into Revenues, Administration, Judicial, Information Technology, Community Development, Public Safety, Village Crier, Public Works and Capital. Approximately 38% of the General Fund revenue comes from property taxes, approximately 30% from use tax/sales tax, approximately 10% from building permits and the remainder of revenue is from municipal court fines and other taxes received from the State and County.

- ♦ The **Administration Department** is comprised of the City Manager, Director of Finance and Administration, HR Analyst, Accounting Clerk and City Clerk. Some expenses of this division include: salaries, election costs, personnel management, City insurance programs, records management and utilities.
- ♦ The **Judicial Department** is comprised of the Court Clerk, Bailiff and Municipal Judges. The expenses of this Department are all for the purpose of running the Municipal Court.
- ♦ The **Information Technology Division** accounts for all computer related expenses of the City.
- ♦ The **Community Development Department** is comprised of a Community Development Director, Community Development Clerk and a Code Enforcement Officer/Stormwater Technician. This Department provides day-to-day administration and coordination of all building activities along with consultants and civil engineers.
- ♦ The **Public Safety Department** delivers a full range of professional law enforcement services. The Police Department staff includes the Police Chief, Police Commander, Support Services Specialist, four Sergeants, sixteen Police Officers, Animal Control Officer, Police Technician and Police Clerk. The total expenditures include expenses to run the Department such as salaries, uniforms, crime prevention, animal control, vehicle and equipment maintenance, training and investigations.
- ♦ The **Village Crier** is the official Cherry Hills Village City government sponsored publication. It is published every month and mailed or emailed to all Cherry Hills Village residents. The Village Crier division is used to track expenses for the publication of The Village Crier. The expenses of this Department are funded by contributions from residents and advertisements.
- ♦ The **Public Works Department** is responsible for the maintenance of City buildings, grounds and streets. The Department includes the Public Works Director, Streets Crew Leader, Project Manager, four Heavy Equipment Operators, Administrative Assistant, Facilities Maintenance Worker and two seasonal Maintenance Workers.



Budget Details

- ♦ The **Capital Fund** is used to track equipment or vehicles that cost in excess of \$5,000 and have a useful life greater than one year.

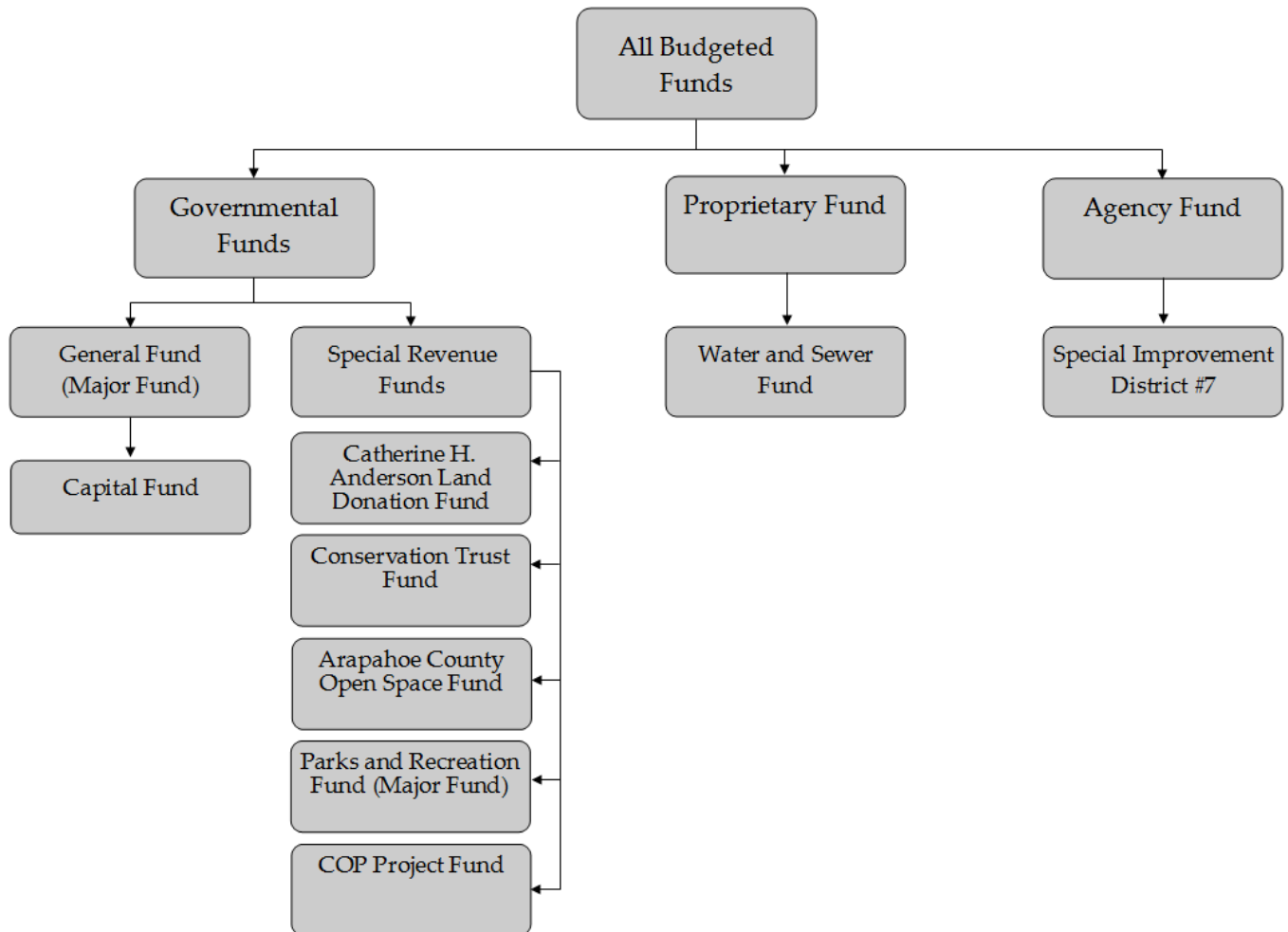
The seven small funds are the Conservation Trust Fund, the Catherine H. Anderson Land Donation Fund, the Arapahoe County Open Space Fund, the Special Improvement District #7 Fund, the Water and Sewer Fund, the Parks and Recreation Fund and the COP Project Fund.

- ♦ The Colorado State Legislature requires the establishment of the **Conservation Trust Fund** if a local government desires to receive state allocations for the acquisition, development and maintenance of parks and open space properties. The Colorado Lottery is the primary source of this fund.
- ♦ The **Catherine H. Anderson Land Donation Fund** was established by the subdivision regulations of the City and derives its revenue from subdividers within the City, in addition to recreation reimbursement donations or charitable contributions. These revenues are earmarked for parks, open space, trails or other public improvements.
- ♦ The **Arapahoe County Open Space Fund** was created to account for sales tax revenues generated from the Arapahoe County Open Space ballot measure. The City receives a shareback of the tax revenues collected. These funds may be used to acquire real estate, easements, water rights and to improve, restore and protect open space.
- ♦ The **SID #7 Bond Fund** was established for collecting assessments and paying debt services on the bonds that finance the construction of the new water improvement system for the Cherry Hills Village residents of the subdivisions Charlou Park and Charlou Park second addition. The first year of collections was in 2001 and the final payments are to be made in 2020.
- ♦ The **Water and Sewer Fund** was created to account for all the revenues and expenses associated with the consolidation and operation of water and sewer utilities coming under the auspices of the City of Cherry Hills Village.
- ♦ The **Parks and Recreation Fund** was established in 2004 for the purpose of accounting for costs related to the exclusion of the City from the South Suburban Park and Recreation District and to establish park and recreation functions within the City of Cherry Hills Village. The Parks and Recreation Department is comprised of the Parks Operations Supervisor, Parks and Recreation Coordinator, three Parks Maintenance Workers and six seasonal Parks Maintenance Workers.
- ♦ The **COP Project Fund** was created in 2017 to account for the COP proceeds and expenditures for the new Public Works Facility, new City Hall and John Meade Park improvements for which the COP's were received to fund.



Fund Structure

Fund Organization for the 2018 Budget





Department Fund Source

Department	Funding Source
City Council	General Fund
City Manager	General Fund
Finance Department	General Fund
• Accounting Clerk	General Fund
• City Clerk	General Fund
• Human Resources	General Fund
• Municipal Court	General Fund
Police Department	General Fund
• Support Services	General Fund
• Animal Control	General Fund
• Code Enforcement	General Fund
• Patrol	General Fund
• Capital Purchases	Capital Fund
Public Works Department	General Fund
• Street Maintenance	General Fund
• Grounds and Building Maintenance	General Fund
• Fleet Maintenance	General Fund
• Parks and Trails Maintenance	Parks and Recreation Fund
• Capital Purchases	Capital Fund / COP Project Fund
Community Development Department	General Fund
• Planning	General Fund
• Building Inspections	General Fund
Information Technology Division	General Fund
• Capital Purchases	Capital Fund



Budget Ordinance

ORDINANCE NO. 11

Series 2017

November 21, 2017: Introduced as Council Bill 9, Series 2017 by Councilor Katy Brown, seconded by Councilor Earl Hoellen and considered in full text on first reading. Passed by a vote of 5 yes and 0 no.

December 13, 2017: Considered in full text on second reading. Passed by a vote of 6 yes and 0 no.

A BILL FOR AN ORDINANCE ADOPTING A BUDGET AND LEVYING PROPERTY TAXES FOR THE CITY OF CHERRY HILLS VILLAGE, COLORADO FOR FISCAL YEAR 2018

WHEREAS, the City of Cherry Hills Village prepared and established a Budget for fiscal year 2018, made such Budget available for public inspection, and held a public hearing prior to adoption of the Budget by the City Council pursuant to Article IX of the Charter of Cherry Hills Village; and

WHEREAS, the Budget provides for expenditures and transfers for all purposes in the amount of \$19,529,659 and

WHEREAS, the Arapahoe County Assessor has certified a taxable assessed valuation for the City of Cherry Hills Village \$340,332,958; and

WHEREAS, \$4,614,575 of the total expenditures and transfers required shall be derived from ad valorem taxes, and the balance shall be derived from other sources.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF CHERRY HILLS VILLAGE, COLORADO, ORDAINS:

Section 1. The City of Cherry Hills Village Budget in the total amount of \$19,529,659 for the fiscal year beginning January 1, 2018 and ending December 31, 2018, is hereby approved and adopted.

Section 2. The Mayor and City Clerk of the City of Cherry Hills Village, Colorado, are hereby authorized and directed to certify a General Purpose Levy of fourteen and seven hundred and twenty two thousandths (14.722) mills to the Board of County Commissioners of Arapahoe County, Colorado, on or before the 15th day of December 2017, to be levied against all property within the City of Cherry Hills Village for taxes to be collected in 2018 for the valuation year 2017.

Section 3. The City Council, pursuant to Article XX of the Colorado Constitution, supersedes and deems the provision of C.R.S. 1972, 29-1-301, inapplicable.

Section 4. Should any section, clause, sentence or part of this Ordinance be adjudged by any court to be unconstitutional or invalid, the same shall not affect, impair or invalidate the ordinance as a whole or any part thereof other than the part so declared to be invalid, except to the extent that such invalidation defeats the purpose and intent of the City Council in adopting this Ordinance.

Adopted as Ordinance No. 11, Series 2017, by the City Council of the City of Cherry Hills Village, Colorado the 13th day of December, 2017.


Laura Christman, Mayor

ATTEST:

APPROVED AS TO FORM:


Laura Smith, City Clerk


Linda Michow, City Attorney



Budget Ordinance-Appropriations

ORDINANCE NO. 12

Series 2017

November 21, 2017: Introduced as Council Bill 10, Series 2017 by Councilor Dan Sheldon, seconded by Councilor Al Blum and considered in full text on first reading. Passed by a vote of 5 yes and 0 no.

December 13, 2017: Considered in full text on second reading. Passed by a vote of 6 yes and 0 no.

A BILL FOR AN ORDINANCE OF THE CITY OF CHERRY HILLS VILLAGE, COLORADO AUTHORIZING APPROPRIATIONS FOR FISCAL YEAR 2018

WHEREAS, the City of Cherry Hills Village has prepared and approved a Budget for fiscal year 2018 and the City is authorized and required to make appropriations by ordinance for each fiscal year pursuant to Article IX of the Charter of Cherry Hills Village, and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CHERRY HILLS VILLAGE, COLORADO ORDAINS:

Section 1. From the monies obtained from taxation and from all other sources of revenue of the City of Cherry Hills Village, Colorado, during the year beginning January 1, 2018, and ending December 31, 2018, there is hereby appropriated the following sums for the following funds, to-wit:

General Fund	7,060,999
Capital Fund	655,700
COP Project Fund	7,230,000
Land Donation Fund	431,720
Conservation Trust Fund	417,500
Special Improvement District No. 7	108,797
Water & Sewer Enterprise Fund	547,112
Arapahoe County Open Space Fund	225,000
Parks and Recreation Fund	2,852,831
TOTAL	<u>\$19,529,659</u>

Section 2. The City Council, pursuant to Article XX of the Colorado Constitution, deems that this ordinance supersedes the provisions of C.R.S. 1972, 29-1-301, and that said statute is inapplicable to the matters addressed by this ordinance.

Section 3. Should any section, clause, sentence or part of this ordinance be adjudged by any court to be unconstitutional or invalid, the same shall not affect, impair or invalidate the ordinance as a whole or any part thereof other than the part so declared to be invalid, except to the extent that such invalidation defeats the purpose and intent of the City Council in adopting this ordinance.

Adopted as Ordinance No. 12, Series 2017, by the City Council of the City of Cherry Hills Village, Colorado, the 13th day of December, 2017.



Laura Christman, Mayor

ATTEST:

APPROVED AS TO FORM:



Laura Smith, City Clerk



Linda Michow, City Attorney

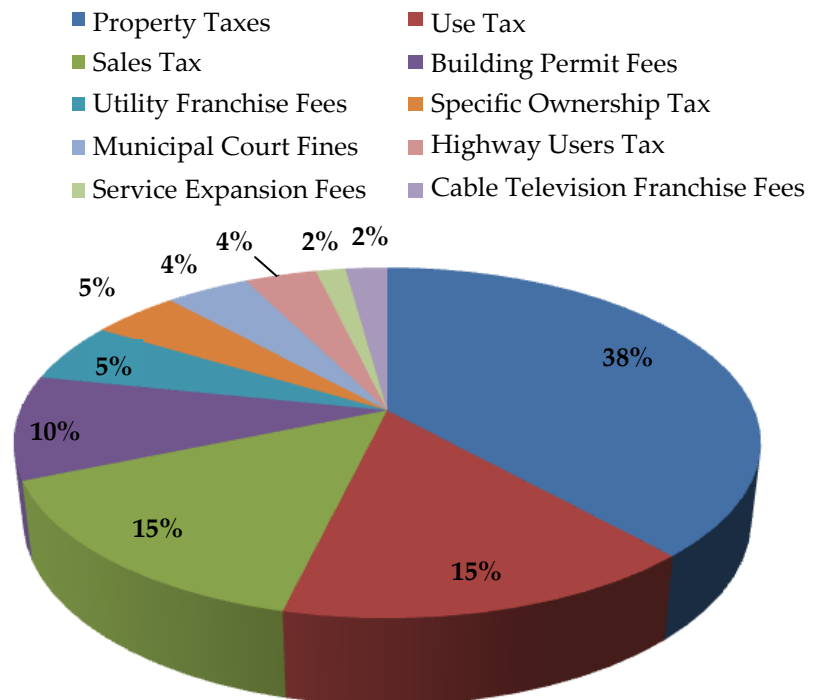


Revenue Summary

Revenue Sources	Revenue	Percentage
Property Taxes	\$2,484,431	38%
Use Tax	\$1,000,000	15%
Sales Tax	\$967,201	15%
Building Permit Fees	\$620,000	10%
Utility Franchise Fees	\$355,000	5%
Specific Ownership Tax	\$295,000	5%
Municipal Court Fines	\$280,000	4%
Highway Users Tax	\$240,861	4%
Cable Television Franchise Fees	\$140,000	2%
Service Expansion Fees	\$100,000	2%
Total	\$6,482,493	100%

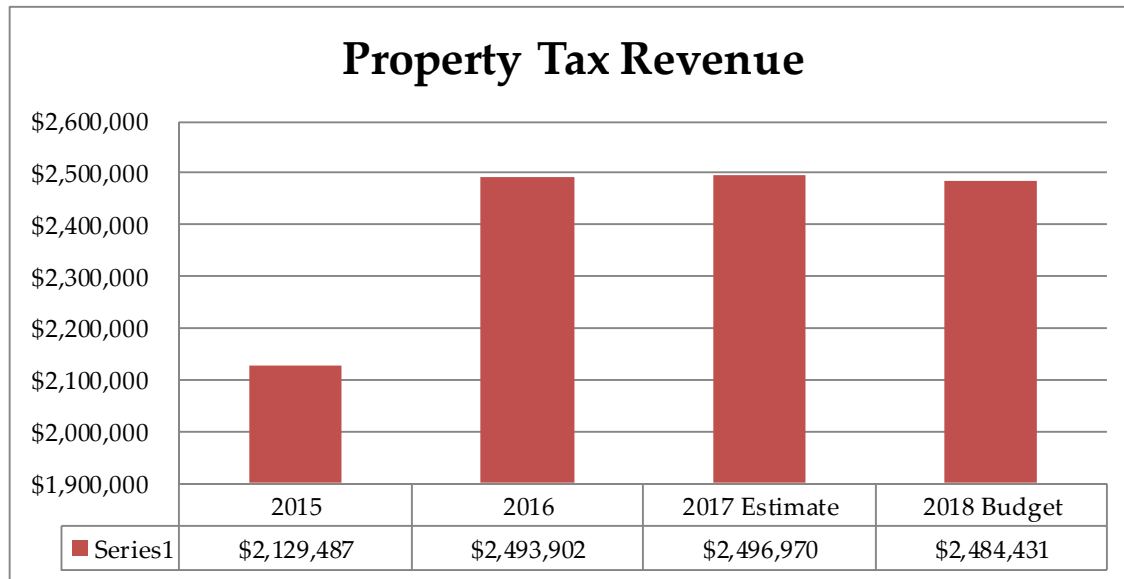
The General Fund is the primary operating fund for the City of Cherry Hills Village. The major revenue sources for the General Fund are property taxes, use tax, sales tax, building permit fees and municipal court fines. 2018 revenue collections are projected at \$6,482,493 which is a decrease of 6% from the 2017 projections of \$6,926,454. Cherry Hills Village City staff is challenged with providing outstanding customer service levels and responses while maintaining fiscally responsible practices. The graph to the right indicates the breakdown of revenues collected by the City of Cherry Hills Village.

2018 General Fund Revenue Projections



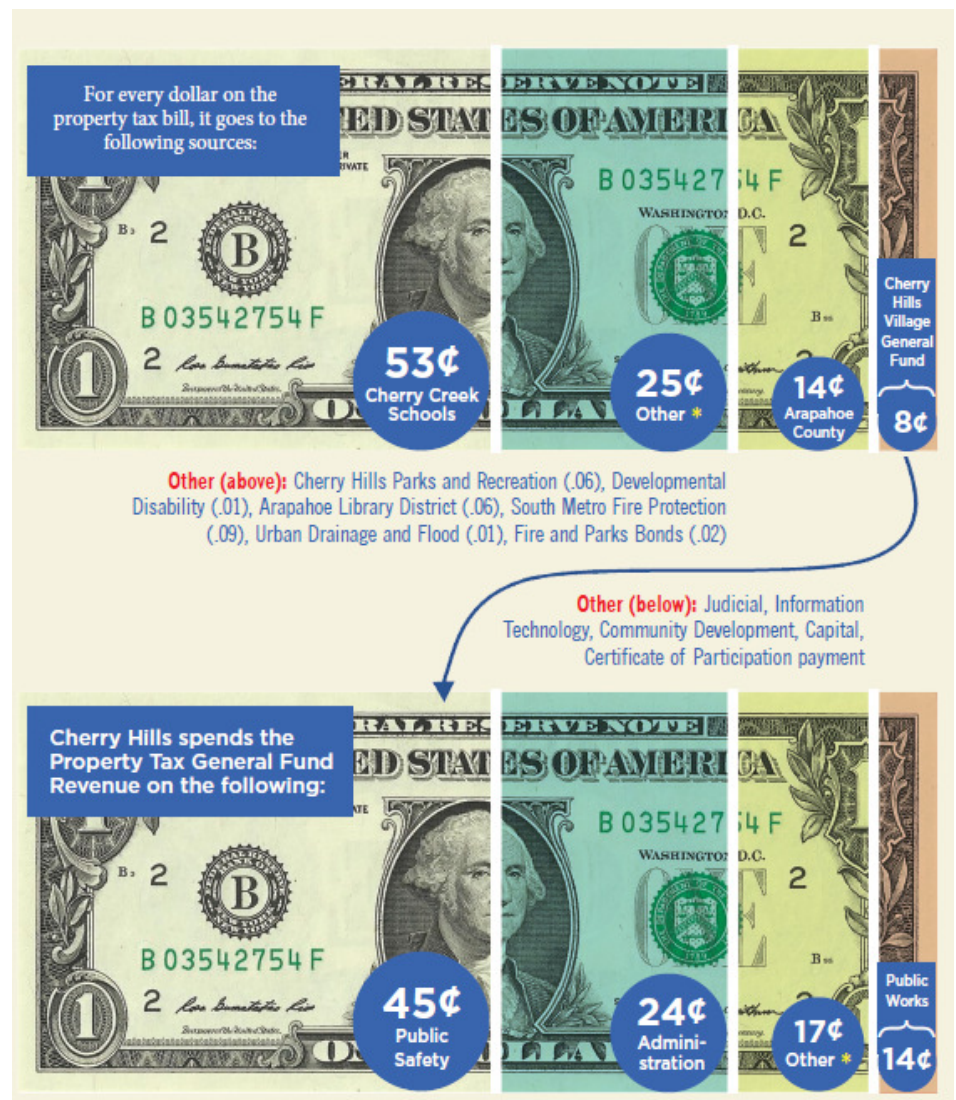


Revenue Summary



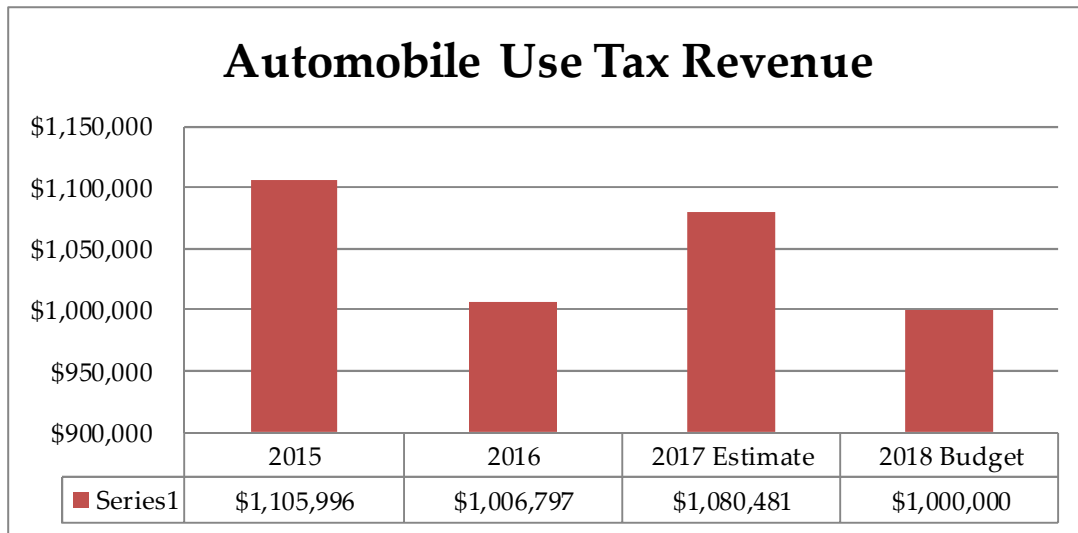
Property Taxes

The property tax valuation and assessments in Cherry Hills Village are determined every two years by Arapahoe County using a "Sales Comparison Approach". This approach directly compares properties that are similar in general location, design, size, age and amenities. The property taxes are calculated by taking the actual value multiplied by the assessment rate multiplied by the mill levy. The residential assessment rate is 7.2% and all other property (including vacant land) is 29%. Each residence is mailed a Personal Property Notice of Valuation indicating the location, classification, characteristics subject to germane value and the actual value of the property for the prior and current year. The breakdown of how property taxes are assessed for Cherry Hills Village residents and how the City utilizes the property taxes is to the right.



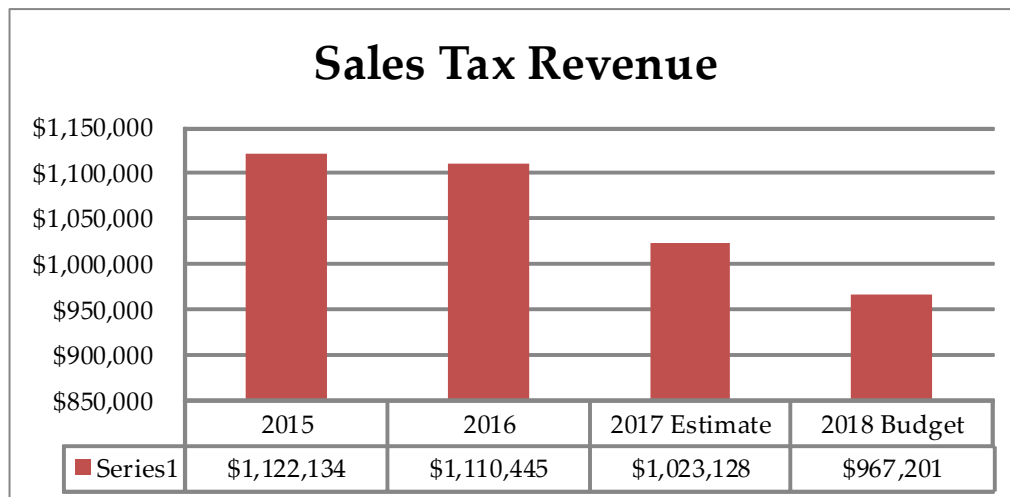


Revenue Summary



Automobile Use Tax

The City of Cherry Hills Village has a use tax of 3% that is assessed on all vehicle purchases. This fee is collected by the dealerships, remitted to the Arapahoe County Treasurer and then forwarded to Cherry Hills Village. This tax accounts for 15% of the General Fund revenue. The City of Cherry Hills Village has seen an increase in the purchase of vehicles and their value. The estimate for 2017 is approximately \$96,029 more than the budgeted amount, while the 2018 projection was increased by 1% to provide a conservative budget based on past trends.

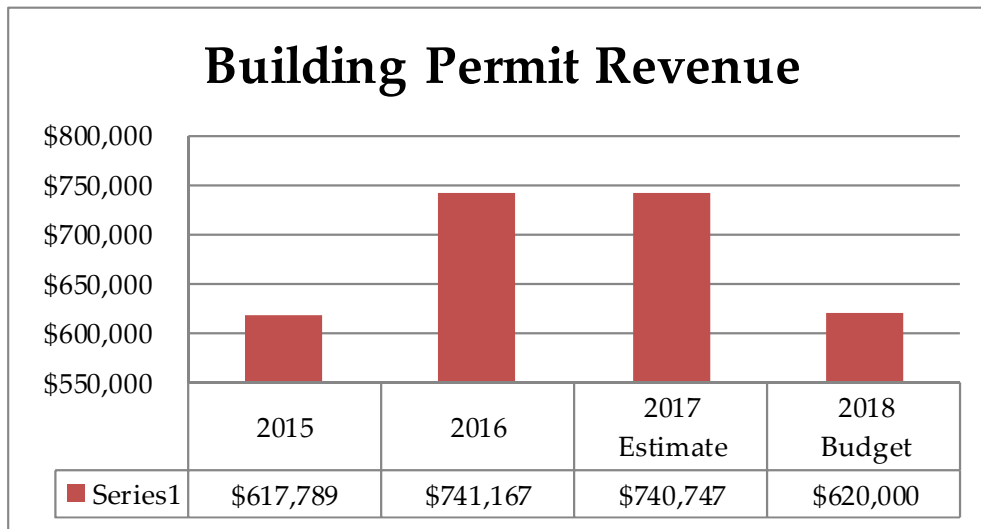


Sales Tax

The City of Cherry Hills Village has a sales tax rate of 3.5% that is assessed on tangible personal property that is sold within the Cherry Hills Village City limits. Cherry Hills Village does not charge a sales tax on deliveries into the City or services provided (even if they are performed within the City limits). Collection of these sales tax fees accounts for 15% of the General Fund revenue. The 2017 estimate is \$98,128 above the budgeted amount, while the 2018 projection was increased by 1% to provide a conservative budget based on past trends.



Revenue Summary



Building Permit Fees

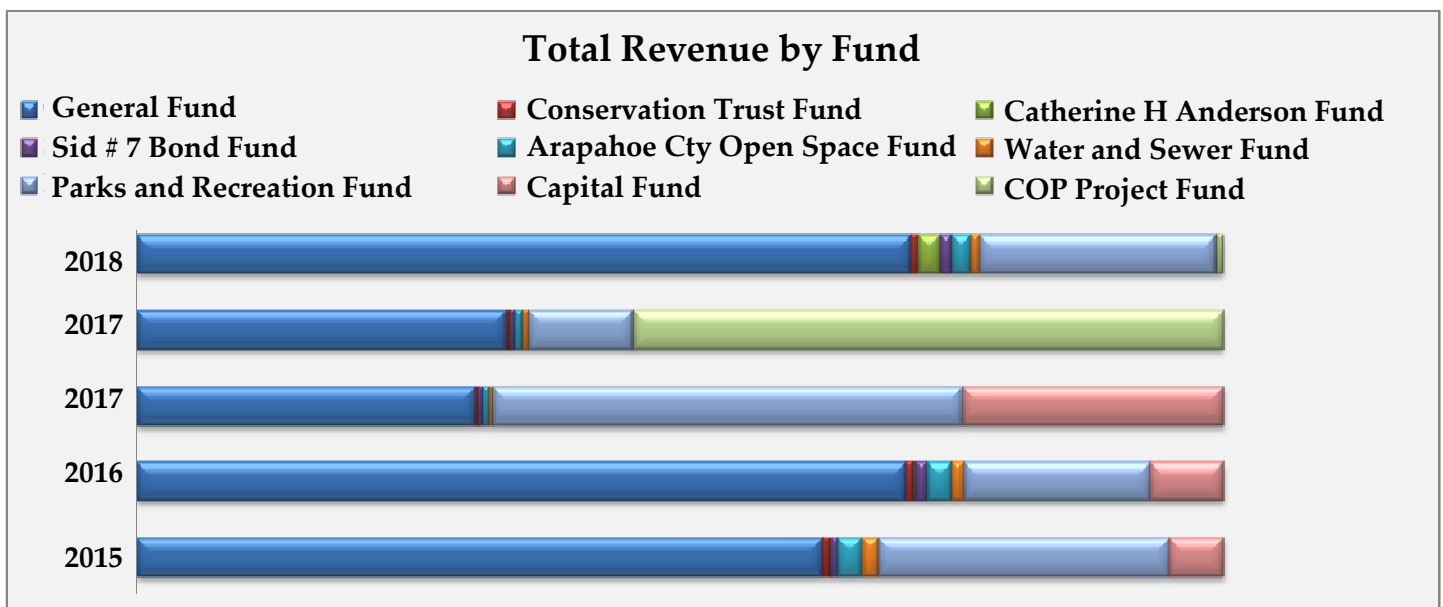
Cherry Hills Village assesses a building permit fee on every permit issued by the Building Department. The building permit fee is 1% of the project valuation that is calculated by the contractor or home owner. This valuation only includes the costs for labor and materials. Over the last year, Cherry Hills Village has experienced an increase in building permit fees, which accounts for 10% of the General Fund revenue. The 2017 estimate is \$165,747 above the budgeted amount based on actual permits issued. Because of the uncertainty of new permits and past trends, the 2018 projection was only increased 1% above the 2017 budget.

Total Revenue by Fund					
	2015 Actual	2016 Actual	2017 Budget	2017 Estimate	2018 Budget
General Fund	7,124,879	7,171,406	6,925,454	7,542,418	7,060,999
Conservation Trust Fund	60,643	72,338	60,600	61,600	61,600
Catherine H. Anderson Fund	9,812	14,243	8,000	13,700	201,300
Sid #7 Bond Fund	81,253	105,930	100,797	98,925	108,797
Arapahoe County Open Space Fund	257,613	231,694	147,000	169,454	162,000
Water and Sewer Fund	160,799	111,470	73,488	129,489	84,988
Parks and Recreation Fund	3,020,024	1,745,102	9,664,817	2,130,417	2,160,144
Capital Fund	569,740	685,379	5,363,000	12,756	10,000
COP Project Fund	-	-	-	12,074,671	60,000
Total Revenue	\$11,284,763	\$10,137,562	\$22,343,156	\$22,233,430	\$9,909,828



Revenue Summary

Total Revenue by Fund					
	2015 Actual	2016 Actual	2017 Budget	2017 Estimate	2018 Budget
General Fund	63.14%	70.74%	31.00%	33.92%	71.25%
Conservation Trust Fund	0.54%	0.71%	0.27%	0.28%	0.62%
Catherine H. Anderson Fund	0.09%	0.14%	0.04%	0.06%	2.03%
Sid #7 Bond Fund	0.72%	1.04%	0.45%	0.44%	1.10%
Arapahoe County Open Space Fund	2.28%	2.29%	0.66%	0.76%	1.63%
Water and Sewer Fund	1.42%	1.10%	0.33%	0.58%	0.86%
Parks and Recreation Fund	26.76%	17.21%	43.25%	9.58%	21.80%
Capital Fund	5.05%	6.77%	24.00%	0.06%	0.10%
COP Project Fund	0.00%	0.00%	0.00%	54.32%	0.61%
Total Revenue	100.00%	100.00%	100.00%	100.00%	100.00%





Revenue Summary

Revenue Summary with Percentage Change			
	2017 Budget	2018 Budget	2018 % of Total
General Fund	6,925,454	7,060,999	71%
Conservation Trust Fund	60,600	61,600	1%
Catherine H. Anderson Fund	8,000	201,300	2%
Sid #7 Bond Fund	100,797	108,797	1%
Arapahoe County Open Space Fund	147,000	162,000	2%
Water and Sewer Fund	73,488	84,988	1%
Parks and Recreation Fund	9,664,817	2,160,144	21%
Capital Fund	5,363,000	10,000	0%
COP Project Fund	-	60,000	1%
Total Revenue	\$22,343,156	\$9,909,828	100%
Percentage Change		-56%	

The General Fund property tax revenue increased by \$35,371 because 2018 was a reassessment year. Sales tax revenues were budgeted at 4% based on 2017 receipts. Additionally, motor vehicle use tax revenues were budgeted at an increase of 2% for 2018 based on 2017 receipts. Building permit revenue was budgeted at an increase of 8% based on increased building activity. Other revenues have remained relatively flat or slightly increased. The overall decrease in revenue of 56% was due to the receipt of COP proceeds in 2017 noted in the Capital Fund and the Parks and Recreation Fund.



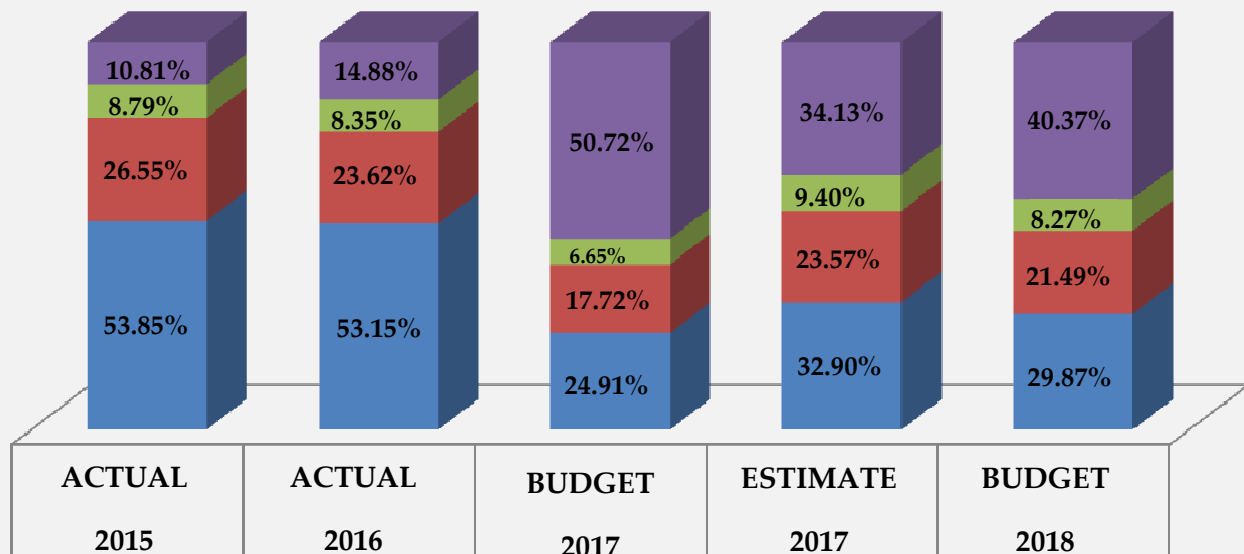
Expenditure Summary

All Fund Expenditures by Category

	2015 Actual	2016 Actual	2017 Budget	2017 Estimate	2018 Actual
Personnel	5,117,343	5,281,854	5,612,741	5,286,571	5,835,313
Operations & Maintenance	2,522,837	2,347,010	3,992,389	3,787,111	4,197,149
Debt Service	834,804	829,766	1,497,790	1,511,160	1,616,498
Capital Outlay	1,027,472	1,478,864	11,426,804	5,484,820	7,885,700
Total Expenditures	\$9,502,456	\$9,937,494	\$22,529,724	\$16,069,662	\$19,534,659
Personnel	53.85%	53.15%	24.91%	32.90%	29.87%
Operations & Maintenance	26.55%	23.62%	17.72%	23.57%	21.49%
Debt Service	8.79%	8.35%	6.65%	9.40%	8.27%
Capital Outlay	10.81%	14.88%	50.72%	34.13%	40.37%
Total Expenditures	100.00%	100.00%	100.00%	100.00%	100.00%

2015-2018 Total Expenditures by Category

■ Personnel ■ Operations & Maintenance ■ Debt Service ■ Capital Outlay





Expenditure Summary

Expenditure Summary with Percentage Change			
	2017 Budget	2018 Budget	2018 % of Total
Personnel	5,612,741	5,835,313	31%
Operations & Maintenance	3,992,389	4,197,149	21%
Debt Service	1,497,790	1,616,498	8%
Capital Outlay	11,426,804	7,885,700	40%
Total Expenditures	\$22,529,724	\$19,534,659	100%
Percentage Change		-13%	

Personnel costs increased approximately 4% due to merit and public safety step increases. Operations and maintenance increased 5% due to additional and longer court sessions, modernization of the zoning code, trail improvements, Quincy Farm operations and sewer repairs. Debt service increased by 8% due to a full year of Certificate of Participation principal and interest payments and an interest rate increase for the South Suburban payment. Capital outlay decreased by 31% because the project costs for a new Public Works Facility, a new City Hall and the John Meade Park and Alan Hutto Memorial Commons improvements were spread over a three year period.



Capital Project Plan

Objective

The following projects were identified by City Council and will be implemented over a period of years. Preliminary estimates of costs were used in the analysis and will change as more accurate cost information is developed. No tax increases or additional revenue sources were incorporated into the analysis. Continuation of the current level of services was assumed as part of the evaluation.

Capital Projects

Project	Cost	Time Frame
Public Works Facility	Approximately \$4.7 million	Complete by 2018
City Hall	Approximately \$4.5 million	Complete by 2019
John Meade Park/Alan Hutto Memorial Commons	Approximately \$2.6 million	Complete by 2020
Quincy Farm Improvements	\$350,000	Complete by 2018
Hampden Underpass	\$312,500	Complete by 2019
Ongoing Capital Needs (vehicles, equipment, streets, etc.)	Approximately \$1 million	Annual

Assumptions

In order to create a comprehensive capital plan, the following assumptions were used:

- The Hampden Underpass project will be paid for out of the Conservation Trust Fund.
- General Parks and Trail improvements, which are currently paid for out of the Conservation Trust Fund and Arapahoe County Open Space Fund, will be paid from the Parks Fund beginning in 2020 (approximately \$130,000).
- In 2019, the final payment will be made to South Suburban.
- The City will utilize a total of \$11.8 million in COP proceeds in 2018 and 2019 to finance the Public Works Facility, new City Hall and John Meade Park and Alan Hutto Memorial Commons projects.



Capital Project Plan

Assumptions continued

- COP payments of approximately \$740,000 will be paid annually from the General Fund and the Parks Fund.
- It was assumed that each reassessment year the assessed property value would increase by approximately 5%.
- It was also assumed that there would be a 1% annual increase in all other revenues.
- The final assumption was that there would be an 11% increase in expenditures in 2018 and a 1-2% increase every year thereafter.

Below is a 5 year chart used to forecast revenue and balances for each fund. The original forecast goes through 2030 and shows positive cumulative fund balances remaining after the completion of the COP payments:

	2018	2019	2020	2021	2022
Capital Fund					
Beginning fund balance	4,871,196	4,225,496	3,243,496	2,261,496	1,279,496
Annual revenue	10,000	13,000	13,000	13,000	13,000
Bond proceeds	-	-	-	-	-
Annual expenditures	(655,700)	(995,000)	(995,000)	(995,000)	(995,000)
Ending fund balance	4,225,496	3,243,496	2,261,496	1,279,496	297,496
Conservation Trust Fund					
Beginning fund balance	896,227	540,327	220,327	205,327	265,327
Annual revenue	61,600	60,000	60,000	60,000	60,000
Annual expenditures	(417,500)	(380,000)	(75,000)	-	-
Ending fund balance	540,327	220,327	205,327	265,327	325,327
Catherine H. Anderson Land Donation Fund					
Beginning fund balance	680,720	450,300	256,680	138,060	144,440
Annual revenue	201,300	7,000	7,000	7,000	7,000
Annual expenditures	(431,720)	(200,620)	(125,620)	(620)	(200,620)
Ending fund balance	450,300	256,680	138,060	144,440	(49,180)



Capital Project Plan

Forecast revenue balances continued

	2018	2019	2020	2021	2022
Arapahoe County Open Space Fund					
Beginning fund balance	984,297	921,297	900,297	887,297	817,297
Annual revenue	162,000	130,000	130,000	130,000	130,000
Annual expenditures	(225,000)	(151,000)	(143,000)	(200,000)	-
Ending fund balance	921,297	900,297	887,297	817,297	947,297
General Fund					
Beginning fund balance	7,943,814	7,943,814	7,876,502	7,864,786	7,783,106
Annual revenue	7,061,001	7,128,921	7,322,306	7,392,742	7,594,909
Annual expenditures	(7,061,001)	(7,196,233)	(7,334,022)	(7,474,421)	(7,617,486)
Ending fund balance	7,943,814	7,876,502	7,864,786	7,783,106	7,760,529
Parks and Recreation Fund					
Beginning fund balance	2,060,336	1,362,648	692,121	1,155,393	1,587,456
Annual revenue	2,160,144	2,160,444	2,682,852	2,683,158	2,816,079
Bond proceeds	-	-	-	-	-
Annual expenditures	(2,857,831)	(2,830,972)	(2,219,580)	(2,251,094)	(2,286,065)
Ending fund balance	1,362,648	692,121	1,155,393	1,587,456	2,120,470
COP Project Fund					
Beginning fund balance	7,280,260	110,260	-	-	-
Annual revenue	60,000	-	-	-	-
Annual expenditures	7,230,000	-	-	-	-
Ending fund balance	110,260	110,260	-	-	-



Capital Improvement Overview/Programs

Overview

The Capital Fund was established in 2011 in order to track and fund the costs of capital assets for the City of Cherry Hills Village. A capital asset for the City is defined as:

- Any public facility
- Equipment or vehicle that costs more than \$5,000
- Has a useful life greater than 1 year

Typically items such as police cars, public works vehicles, parks and recreation equipment, major streets and storm drainage improvements and building improvements are included in this fund. The majority of the capital improvements listed below are funded directly with City revenues in order to avoid bonds or any other type of debt. The approved budgeted amounts can be found under the current year; while any forecasted amounts will be found under future year columns.

Public Works Equipment

The Cherry Hills Village Public Works Department has put together a long range equipment replacement plan based on useful life of the equipment and has placed anticipated costs for these replacement vehicles in upcoming years. The Department also tracks maintenance and repair costs and will accelerate the replacement of specific equipment that is no longer fiscally practical to maintain.

In 2018, the Public Works Department budgeted a pavement marking mill planer. Aside from the purchase price of the pavement marking mill planer, there will be no additional impacts to the operational budget for 2018. The City anticipates an operational savings in future budgets because the Public Works Department currently paints all 44 crosswalks within the City each year at an average cost of \$5,500 a year. By milling the cross walks and applying thermoplastic material, this process will only need to be completed every three years, thus saving the City approximately \$11,000 every three years.

Project Cost Estimate by Year/Funding Source						
	2017 estimate	2018 budget	2019 forecast	2020 forecast	2021 forecast	2022 forecast
Capital Fund	\$0	\$7,500	\$50,000	\$50,000	\$50,000	\$50,000
Savings	N/A	N/A	N/A	N/A	\$11,000	N/A
Total Cost	\$0	\$7,500	\$50,000	\$50,000	\$39,000	\$50,000



Capital Improvement Programs

Street Improvement Program

Each year the City repairs and maintains a portion of the one hundred lane miles of asphalt streets within its control. These projects consist of asphalt overlays and chip seal applications. These funds are from both the Highway User Tax fund and the City's Capital Improvement fund. The City has invested significant funds in the past to upgrade and repair its streets and is currently in full maintenance mode. The City of Cherry Hills Village has found chip seal to be the most effective, efficient and affordable asphalt maintenance tool for extending the life of the City's streets. The City has a very aggressive maintenance program and chip seals all new asphalt within 4 years. After the initial application of chip seal the City reapplies the product at 6 year intervals.

In 2018, all approved budgeted funds will be used for crack seal, chip seal and concrete projects. Aside from the approved budgeted costs for overseeing the contracts for each project, there is not a significant impact to the operational budget that is anticipated at this time.

Project Cost Estimate by Year/Funding Source						
	2017 estimate	2018 budget	2019 forecast	2020 forecast	2021 forecast	2022 forecast
Capital Fund	\$478,887	\$430,000	\$570,000	\$570,000	\$570,000	\$570,000

Police Department Vehicles

The Cherry Hills Village Police Department has a vehicle replacement plan based on the useful life of each vehicle. The Police Department also tracks maintenance and repair costs and accelerates the replacement of specific vehicles that are no longer fiscally practical to maintain.

In 2018, the Police Department will purchase and equip one new SUV. Beyond the initial costs for purchasing and equipping the vehicle, the only other impacts to the operational budget are routine maintenance and fuel expenses. The new vehicle will be used to replace an existing vehicle; which will either be sold at auction or transferred to another department if appropriate.

Project Cost Estimate by Year/Funding Source						
	2017 estimate	2018 budget	2019 forecast	2020 forecast	2021 forecast	2022 forecast
Capital Fund	\$196,089	\$88,200	\$189,500	\$189,500	\$189,500	\$189,500
Replacement Vehicles	3	1	2	2	2	2



Capital Improvement Programs

Quincy Farm Improvements

In 2007, Cherry Hills Village resident, Catherine H. Anderson, placed a conservation easement on her 17.5 acre property and donated it to the City of Cherry Hills Village. Upon her passing in June of 2016, the City took ownership of the property and began the process of maintaining and restoring the estate to ready it for public use.

In 2018, the City budgeted a new sewer line installation, new irrigation system, tree trimming and removal, consulting fees for an engineering firm to perform an analysis on the dam at Quincy Farm and for general infrastructure maintenance of the facilities. The house is listed on the National Register of Historic Places so it is best practice to follow the Secretary of the Interior's Standards for the Treatment of Historic Buildings when replacing the wood siding of the farmhouse at Quincy Farm that is deteriorated beyond repair. An engineer is required to evaluate the structure of the dam to determine if work on the dam will be necessary prior to dredging the pond at the estate. The design and installation of a new irrigation, which includes the purchase of a new water tap, will preserve the existing tree canopy and the health of the pastures, improve grass locations, flower gardens and mature trees within the farm. Now that the City has taken possession of the estate, a tree inventory has been completed allowing the City to identify which trees need immediate attention, as well as which trees can be maintained long-term.

The approved budgeted costs for the improvements are listed below, including grant funds that have already been awarded by Arapahoe County. The impact to the operational budget has been estimated, but could increase due to unexpected costs. If the engineer's analysis or the siding repair estimates come back higher than expected, it could have a greater impact to the operational budget than initially anticipated.

Project Cost Estimate by Year/Funding Source						
	2017 estimate	2018 budget	2019 forecast	2020 forecast	2021 forecast	2022 forecast
Arapahoe County Open Space Fund	\$75,000	\$70,000	N/A	N/A	N/A	N/A
Catherine H. Anderson Land Donation Fund	\$85,620	\$431,720	\$200,000	\$200,000	\$200,000	\$200,000
Arapahoe County Grant Revenue	N/A	(\$187,800)	N/A	N/A	N/A	N/A
Total Project Costs	\$160,620	\$313,920	\$200,000	\$200,000	\$200,000	\$200,000



Capital Improvement Programs

Hampden Underpass

As part of an effort to improve regional trail connectivity, the City has partnered with the City and County of Denver and Arapahoe County to build two underpasses at Hampden Avenue and Colorado Boulevard. Both of these roads are high-speed state highways that create a barrier for recreational users of the High Line Canal. The trail ends to the south of Hampden Avenue and users are forced to cross the intersection at grade and reconnect with the trail going east in Denver. Installation of the underpass is intended to improve pedestrian and cyclist safety as a significant trail connection will be established and users will be able to cross underneath the roadways instead. In 2015, the Denver Regional Council of Governments (DRCOG) and Colorado Department of Transportation (CDOT) awarded \$4,050,000 to complete the project through the Transportation Improvement Program. The required local cash match is \$1,350,000, which is to be provided by the City of Cherry Hills Village, Denver and Arapahoe County.

For 2017, the City budgeted \$175,000 for its share of the project and, because the project was delayed, the approved funds carried over into the 2018 budget. The operational impact for this project will be minimal. The maintenance of the Underpass will be performed by City employees and the costs for materials and equipment will be absorbed by the Parks and Recreation Fund.

Project Cost Estimate by Year/Funding Source						
	2017 estimate	2018 budget	2019 forecast	2020 forecast	2021 forecast	2022 forecast
Conservation						
Trust Fund	N/A	\$175,000	N/A	N/A	N/A	N/A

Public Works and Administrative Facility

The City of Cherry Hills Village's Administrative and Public Works Department facilities are located on the Village Center campus at South University Boulevard and East Quincy Avenue; both facilities are antiquated and provide operating challenges in their current configurations. In January of 2017, City Council approved the purchase of a parcel of land located in Sheridan, Colorado; which is now the new location for the Public Works Facility. Construction of the Public Works Facility should be completed in April of 2018. The Administrative Staff has moved into temporary quarters while the old City Hall is demolished and rebuilt. Construction of the new City Hall should be completed in February of 2019. In the long range financial plan, the City has included COP funds and payments in the 2018 budget for the design of these two facilities.

The impact to the operational budget was forecasted using current expenditures for the old City Hall as it is approximately the same size as the new Public Works Facility. This impact could increase as actual costs or unexpected expenses occur.



Capital Improvement Programs

Public Works and Administrative Facilities

Project Cost Estimate by Year/Funding Source						
	2017 estimate	2018 budget	2019 forecast	2020 forecast	2021 forecast	2022 forecast
COP Project Fund-Public Works	\$3,317,269	\$700,000	N/A	N/A	N/A	N/A
COP Project Fund-City Hall	\$328,439	\$4,000,000	\$171,561	N/A	N/A	N/A
Total Project Costs	\$3,645,708	\$4,700,000	\$171,561	N/A	N/A	N/A

John Meade Park/Alan Hutto Memorial Commons

As the only neighborhood park with playground equipment near the existing City Hall, John Meade Park and Alan Hutto Memorial Commons are meant to serve as a central gathering space and recreational facility. Re-development of the park and the creation of the memorial commons will provide new recreation opportunities for residents and visitors, as well as educational opportunities for students. Construction is expected to be completed in phases as the scope of work is too large for the City to complete at one time. The first phase of the project focuses on completing the engineering design for the park and the memorial commons, replacing box culverts underneath two roadway crossings to improve drainage and performing site grading and channel work to restore Greenwood Gulch and improve its riparian habitat. The goal of the project is to create an active gathering space and recreational amenity that will meet the needs of visitors and become a valued community asset for years to come.

In the long range financial plan, the City has included COP funds and payments in the 2018 budget for the design of the Park. The impact to the operational budget is expected to be minimal as this project will likely be delayed until 2019.

Project Cost Estimate by Year/Funding Source						
	2017 estimate	2018 budget	2019 forecast	2020 forecast	2021 forecast	2022 forecast
COP Project Fund-John Meade Park	\$176,006	\$2,520,000	N/A	N/A	N/A	N/A



All Funds Summary

Revenue & Expenditure Statement By Fund	2016 Actual	2017 Budget	2018 Budget	% Change from 2017 to 2018
GENERAL FUND				
BEGINNING FUND BALANCE	5,989,268	4,613,343	7,931,977	72%
TOTAL REVENUE	7,171,406	6,925,454	7,060,999	2%
TOTAL APPROPRIATION	6,477,466	6,925,454	7,060,999	2%
TRANSFER OUT	-	-	-	-
ENDING FUND BALANCE	6,683,208	4,613,343	7,931,977	72%
CAPITAL FUND				
BEGINNING FUND BALANCE	6,342,155	4,716,425	4,805,634	2%
TOTAL REVENUE	685,379	5,363,000	10,000	-100%
TRANSFER IN FROM GENERAL FUND	-	-	-	-
TOTAL APPROPRIATION	1,478,864	3,846,379	655,700	-83%
ENDING FUND BALANCE	5,548,669	6,233,046	4,159,934	-33%
WATER & SEWER FUND				
BEGINNING FUND BALANCE	923,098	995,054	885,241	-11%
TOTAL REVENUE	111,470	73,488	84,988	16%
TOTAL APPROPRIATION	46,704	557,112	547,112	-2%
ENDING FUND BALANCE	987,864	511,430	423,117	-17%
CATHERINE H ANDERSON LAND DONATION FUND				
BEGINNING FUND BALANCE	657,792	656,372	590,950	-10%
TOTAL REVENUE	14,243	8,000	201,300	2416%
TOTAL APPROPRIATION	9,164	166,420	431,720	159%
ENDING FUND BALANCE	662,870	497,952	360,530	-28%
CONSERVATION TRUST FUND				
BEGINNING FUND BALANCE	777,130	819,491	869,481	6%
TOTAL REVENUE	72,338	60,600	61,600	1.65%
TOTAL APPROPRIATION	13,563	568,500	417,500	-27%
ENDING FUND BALANCE	835,905	311,591	513,581	65%



All Funds Summary

Revenue & Expenditure Statement By Fund	2016 Actual	2017 Budget	2018 Budget	% Change from 2017 to 2018
SPECIAL IMPROVEMENT DISTRICT (SID #7)				
BEGINNING FUND BALANCE	16,545	41,076	869,481	3%
TOTAL REVENUE	105,930	79,801	61,600	0.50%
TOTAL APPROPRIATION	69,793	100,797	417,500	8%
ENDING FUND BALANCE	52,682	20,080	513,581	-32%
ARAPAHOE COUNTY OPEN SPACE FUND				
BEGINNING FUND BALANCE	771,555	837,008	42,234	11%
TOTAL REVENUE	231,694	147,000	80,201	10%
TOTAL APPROPRIATION	142,917	200,000	108,797	13%
ENDING FUND BALANCE	860,332	784,008	13,638	11%
PARK & RECREATION FUND				
BEGINNING FUND BALANCE	2,275,957	2,388,822	929,628	-17%
TOTAL REVENUE	1,745,102	9,664,817	162,000	-78%
TOTAL APPROPRIATION	1,699,023	10,134,736	225,000	-73%
ENDING FUND BALANCE	2,322,036	1,918,903	866,628	-32%
COP PROJECT FUND				
BEGINNING FUND BALANCE	-	-	7,280,260	-
TOTAL REVENUE	-	12,900,000	60,000	-100%
TOTAL APPROPRIATION	-	10,372,679	7,230,000	-30%
ENDING FUND BALANCE	-	2,527,321	110,260	-96%
TOTAL REVENUE	10,137,562	35,222,160	9,881,232	-72%
TOTAL APPROPRIATIONS	9,937,495	32,872,077	19,529,659	-41%
TOTAL ENDING FUND BALANCE	17,953,567	17,417,674	15,678,709	-10%



Revenue/Expenditure Statement

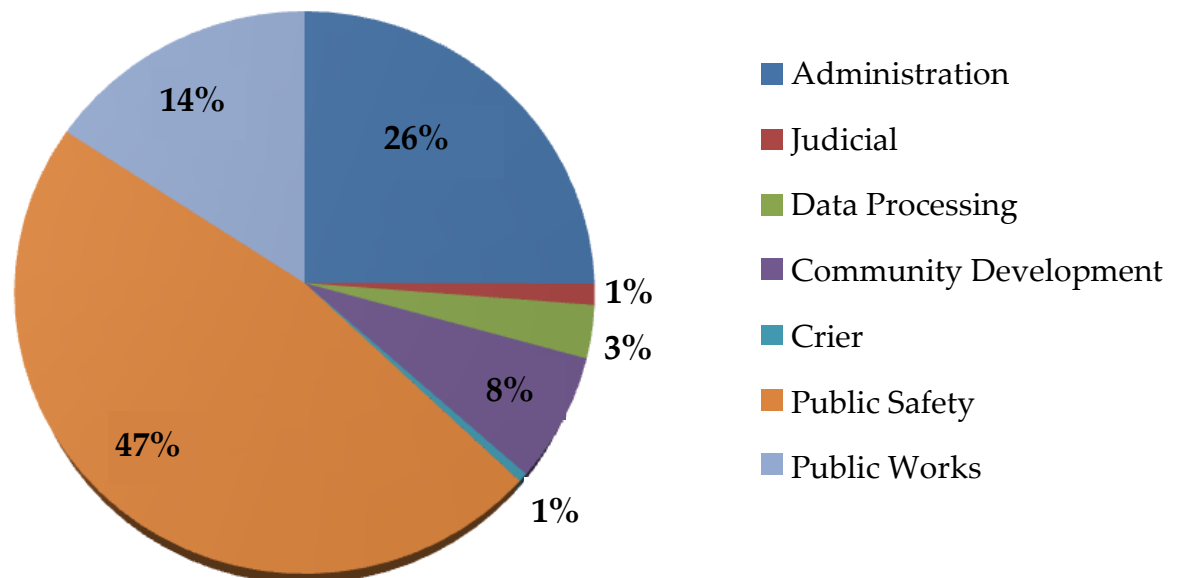
General Fund Statement of Revenues and Expenditures					
	2015	2016	2017	2017	2018
	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
REVENUE					
CURRENT PROPERTY TAXES @ 7.30 MILLS	2,129,487	2,493,902	2,449,060	2,496,970	2,484,431
USE/TAX MOTOR VEHICLES	1,105,996	1,006,797	984,452	1,080,481	1,000,000
SALES TAX	1,122,134	1,110,445	925,000	1,023,128	967,201
SERVICE EXPANSION FEES	154,522	150,968	150,000	102,359	100,000
BUILDING PERMITS	617,789	741,167	575,000	740,747	620,000
FRANCHISE FEES	407,553	380,672	355,000	381,558	355,000
HIGHWAY USERS TAX	254,789	249,435	252,584	225,183	240,861
MUNICIPAL COURT FINES	228,886	260,762	270,000	334,655	280,000
COUNTY ROAD & BRIDGE LEVY	113,995	110,270	109,704	117,005	110,778
SPECIFIC OWNERSHIP TAX	-	-	295,000	358,657	295,000
OTHER REVENUES	989,728	666,988	559,654	681,674	607,728
TOTAL OPERATING REVENUE	7,124,879	7,171,406	6,925,454	7,542,418	7,060,999
EXPENDITURES					
ADMINISTRATION	1,924,281	1,792,394	1,667,833	1,585,746	1,734,484
JUDICIAL	67,248	74,620	79,592	74,012	85,131
DATA PROCESSING	121,615	134,050	203,044	171,341	196,250
COMMUNITY DEVELOPMENT	513,851	475,769	484,922	436,480	534,349
VILLAGE CRIER	21,361	29,592	34,700	33,387	36,075
PUBLIC SAFETY	2,723,400	2,914,491	3,139,333	2,793,405	3,175,762
PUBLIC WORKS	1,022,162	1,056,549	1,049,379	916,854	966,945
TOTAL OPERATING EXPENDITURES	6,393,918	6,477,466	6,658,804	6,011,224	6,728,995
COP PAYMENT	-	-	266,651	282,425	332,004
TOTAL EXPENDITURES	6,393,918	6,477,466	6,925,454	6,293,648	7,060,999
OPERATING GAIN/(LOSS)	730,961	693,940	-	1,248,769	-



Revenue/Expenditure Statement

General Fund Statement of Revenues and Expenditures					
	2015	2016	2017	2017	2018
	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
EXTRAORDINARY EXPENSES					
TRANSFER TO PARKS AND REC FUND	1,542,491	-	-	-	-
TRANSFER TO CAPITAL FUND	-	-	-	-	-
TOTAL EXTRAORDINARY EXPENSES	1,542,491	-	-	-	-
BEGINNING FUND BALANCE	6,800,798	5,989,268	4,613,343	6,683,208	7,931,977
ADD/(SUBTRACT) OPERATING DIFFERENCE	730,961	693,940	-	1,248,769	-
LESS: EXTRAORDINARY EXPENSES	(1,542,491)	-	-	-	-
AVAILABLE FUND BALANCE	5,989,268	6,683,208	4,613,343	7,931,977	7,931,977

Operating Expenditure Percentage by Department





2018 Budget

General Fund Revenues					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
ASSESSED VALUE	291,710,547	-	335,487,662	337,216,810	340,332,958
MILL LEVY	7.30	7.30	7.30	7.30	7.30
CURRENT PROPERTY TAXES	2,129,487	2,493,902	2,449,060	2,496,963	2,484,431
SPECIFIC OWNERSHIP TAXES	-	-	295,000	389,520	295,000
UTILITY FRANCHISE FEE	407,553	380,672	355,000	382,043	355,000
CABLE TELEVISION FEES	144,164	147,816	135,000	149,672	140,000
CURRENT TAX INTEREST	4,466	7,740	6,000	7,878	4,500
SALES TAX	1,122,134	1,110,445	925,000	1,041,022	967,201
USE TAX/MOTOR VEHICLES	1,105,996	1,006,797	984,452	1,080,481	1,000,000
EXCISE TAX	-	-	-	-	-
TOTAL TAXES AND FEES	4,913,800	5,147,372	5,149,512	5,547,580	5,246,132
LIQUOR LICENSES	7,025	8,628	6,328	7,489	6,328
SECURITY ALARM PERMITS	29,119	30,700	30,000	31,050	30,000
BUILDING PERMITS	617,789	741,167	575,000	786,702	620,000
SERVICE EXPANSION FEES	154,522	150,968	150,000	120,514	100,000
ZONING & SUBDIVISION FEES	1,900	-	2,000	674	2,000
ELEVATOR INSPECTION FEE	5,000	5,000	3,600	4,680	4,000
PLAN REVIEW FEES	129,377	106,795	95,000	115,293	100,000
REINSPECTION FEES	-	-	500	1,000	500
DOG LICENSES	2,330	2,330	2,200	2,202	2,000
STREET CUT PERMITS	62,438	54,818	55,000	56,175	55,000
STORMWATER CONST. PERMIT	2,100	2,400	2,000	3,000	2,000
ENGINEERING REVIEW	6,375	10,313	25,536	9,943	20,000
TOTAL LICENSES/PERMITS	1,017,975	1,113,117	947,164	1,138,721	941,828



2018 Budget

General Fund Revenues					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
MOTOR VEH REGISTRATION	25,793	25,128	25,000	25,331	25,000
CIGARETTE TAX	3,336	3,503	3,000	3,473	3,000
HIGHWAY USERS TAX	254,789	249,435	252,584	225,867	240,861
COUNTY ROAD/BRIDGE LEVY	113,995	110,270	109,704	117,005	110,778
TOTAL INTERGOVERNMENTAL	397,913	388,337	390,288	371,676	379,639
EXTRA DUTY SERVICE CHARGES	60,689	59,646	50,000	61,761	50,000
FALSE ALARM FEES	1,200	6,500	1,000	6,200	2,000
MUNICIPAL COURT FINES	228,886	260,762	270,000	338,905	280,000
DUI FINES	11,754	7,132	10,000	5,626	8,000
FUEL SURCHARGE	18,640	19,210	18,500	23,280	19,000
PHOTO RED LIGHT FINES	25	-	-	-	-
TOTAL CHARGES FOR SERVICE	321,194	353,250	349,500	435,772	359,000
INTEREST INCOME	16,357	51,003	35,000	90,295	80,000
PENALTY-BUILDING PERMIT	5,718	3,705	3,000	1,550	3,000
CRIER CONTRIBUTIONS	7,376	5,426	5,000	7,145	6,000
CRIER ADVERTISEMENT	10,055	9,770	8,000	9,363	7,500
DONATIONS TO ART COMMISSION	-	63,130	-	7,740	-
OTHER REVENUES	426,326	28,010	30,000	66,603	30,000
LEASE PROCEEDS	8,165	8,286	7,990	8,286	7,900
TOTAL MISC REVENUES	473,997	169,330	88,990	190,981	134,400
TOTAL REVENUES	7,124,879	7,171,406	6,925,454	7,684,731	7,060,999

Notes:

- Property tax revenue increased by \$35,371
- Slight increase in sales tax revenue based on the 2017 projection
- Slight increase in motor vehicle use tax based on the 2017 projection
- 8% increase in building permit revenue
- Slight increase in municipal court fines
- Increase in interest income based on increase in interest rates

Overall: 2% increase from the 2017 adopted budget



2018 Budget

General Fund Administration					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
PERSONNEL SERVICES:					
PERSONNEL SERVICES	539,883	508,069	422,973	442,474	441,650
FEE PERSONNEL	15,000	17,400	17,400	17,600	25,000
SOCIAL SECURITY TAXES	40,285	38,475	41,500	34,606	33,786
RETIREMENT 401-NONSWORN	29,376	25,299	35,000	30,239	40,000
RETIREMENT 457	66,091	71,746	70,000	66,532	72,000
HEALTH-LIFE-DENTAL INSURANCE	550,493	491,219	465,000	432,941	502,352
UNEMPLOYMENT-WORKERS COMP INS	66,372	53,103	75,680	49,385	58,147
OVERTIME	1,937	1,440	1,000	1,916	1,000
TOTAL PERSONNEL SERVICES	1,309,437	1,206,751	1,128,553	1,075,693	1,173,935
SUPPLIES AND MATERIALS:					
OFFICE SUPPLIES-POSTAGE	17,491	14,660	15,000	14,593	16,000
PRINTING-REPRODUCTION	1,953	2,130	2,500	2,001	3,000
SPECIAL MATERIALS	1,631	2,020	2,500	2,341	2,500
TOTAL SUPPLIES AND MATERIALS	21,074	18,809	20,000	18,935	21,500
UTILITIES:					
GAS-HEAT-LIGHT	18,406	19,022	19,360	15,776	22,000
COMMUNICATIONS	29,215	17,681	22,000	16,241	25,000
SEWER	2,779	2,853	2,512	2,033	3,018
TOTAL UTILITIES	50,400	39,557	43,872	34,050	50,018



2018 Budget

General Fund Administration					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
CONTRACTUAL SERVICES:					
COUNTY TREASURER FEES	23,958	28,190	24,491	26,421	24,844
COUNTY USE TAX FEES	55,361	50,348	49,223	55,524	50,000
AUDIT	8,500	8,500	7,480	7,480	6,480
LEGAL	180,210	148,768	150,800	155,914	137,700
OTHER CONTRACTUAL SERVICES	19,608	31,848	14,834	10,834	22,940
TOTAL CONTRACTUAL SERVICES	287,636	267,655	246,828	256,173	241,964
OTHER EXPENSES:					
BUILDING MAINTENANCE	-	-	-	-	35,000
INSURANCE-PROPERTY/CASUALTY	119,487	123,350	96,800	99,006	104,101
ELECTION EXPENSE	1,499	4,798	-	-	6,000
TRAINING-DUES-TRAVEL-SUBSCRIPTION	62,348	49,589	74,381	33,445	44,865
TESTING-PHYSICALS	57	234	300	-	300
LEGAL PUBLICATIONS	-	-	300	393	200
SPECIAL EVENTS	1,920	5,099	2,700	3,862	3,000
MISCELLANEOUS EXPENSES	68,172	76,552	52,600	72,803	52,600
EQUIPMENT	2,250	-	1,500	-	1,000
TOTAL OTHER EXPENSES	255,733	259,622	228,581	209,510	247,066
TOTAL ADMINISTRATION EXPENSES	1,924,281	1,792,394	1,667,834	1,594,361	1,734,484

Notes:

- 4% salary increases
- Expenses for Parks Division employees allocated to the Parks and Recreation Fund
- Decrease in tuition reimbursement requests

Overall: 4% increase from the 2017 adopted budget



2018 Budget

General Fund Judicial					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
PERSONNEL SERVICES:					
PERSONNEL SERVICES	49,627	54,323	53,900	53,980	55,960
FEE PERSONNEL	12,500	14,000	14,500	15,500	20,250
SOCIAL SECURITY TAXES	3,809	4,267	4,312	4,196	4,281
OVERTIME	-	-	-	-	-
TOTAL PERSONNEL SERVICES	65,936	72,590	72,712	73,676	80,491
SUPPLIES AND MATERIALS					
OFFICE SUPPLIES-POSTAGE	31	114	100	43	200
PRINTING-REPRODUCTION	-	165	400	165	400
TOTAL SUPPLIES AND MATERIALS	31	279	500	208	600
CONTRACTURAL SERVICES:					
JURY-WITNESS FEES	-	-	100	30	100
TOTAL CONTRACTURAL SERVICES	-	-	100	30	100
OTHER EXPENSES:					
TRAINING-DUES-TRAVEL-SUBSCRIPTION	420	573	600	496	600
INTERPRETERS	525	850	1,000	498	1,000
MISCELLANEOUS EXPENSES	336	329	4,680	-	2,340
EQUIPMENT	-	-	-	-	-
TOTAL OTHER EXPENSES	1,281	1,752	6,280	994	3,940
TOTAL JUDICIAL EXPENSES	67,248	74,620	79,592	74,907	85,131

Notes:

- 4% salary increases
- Increase in pay for judge based on longer court sessions
- 3 additional court sessions added

Overall: 1% increase from 2017 adopted budget



2018 Budget

General Fund Information Technology					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
DATA PROCESSING:					
SOFTWARE	9,788	26,859	18,164	16,401	17,000
OTHER CONTRACTUAL SERVICES	97,718	88,565	94,687	75,322	96,250
EQUIPMENT MAINTENANCE	4,060	-	-	-	5,000
MISCELLANEOUS EXPENSES	-	-	48,440	41,251	47,069
EQUIPMENT/HARDWARE	10,050	18,627	41,753	20,975	30,931
TOTAL DATA PROCESSING	121,616	134,050	203,044	153,948	196,250

Notes:

- North Star support 20 hrs/week
- Increase in monthly cost for Caselle upgrade to Connect
- Additional new computers, printers, switches and battery back-ups

Overall: 3% decrease from the 2017 adopted budget



2018 Budget

General Fund Community Development					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
PERSONNEL SERVICES:					
PERSONNEL SERVICES	230,842	218,199	183,809	183,277	160,798
SOCIAL SECURITY TAXES	17,618	17,088	17,963	14,153	12,301
OVERTIME	-	-	-	-	-
TOTAL PERSONNEL SERVICES	248,460	235,287	201,772	197,430	173,099
SUPPLIES AND MATERIALS:					
OFFICE SUPPLIES-POSTAGE	3,928	2,054	4,000	3,036	4,000
PRINTING-REPRODUCTION	1,423	1,933	2,500	1,240	2,500
SPECIAL MATERIALS	260	101	250	58	250
TOTAL SUPPLIES AND MATERIALS	5,611	4,088	6,750	4,334	6,750
CONTRACTUAL SERVICES:					
TELEPHONE	421	703	1,200	-	-
GREEN BUILDING REBATES	-	-	-	1,400	-
CONTRACTED PLAN REVIEW	71,975	68,613	70,000	70,643	80,000
ENGINEERING SERVICES	36,020	37,357	35,000	32,493	27,500
BUILDING INSPECTION	128,428	124,746	150,000	128,447	165,000
OTHER CONTRACTUAL SERVICES	16,014	1,300	10,000	235	72,200
TOTAL CONTRACTUAL SERVICES	252,858	232,718	266,200	233,218	344,700
OTHER EXPENSES:					
TRAINING-DUES-TRAVEL-SUBSCRIPTIONS	3,811	242	4,400	3,479	4,000
MISCELLANEOUS EXPENSES	3,110	2,606	4,000	3,698	4,000
EQUIPMENT	-	828	1,800	-	1,800
TOTAL OTHER EXPENSES	6,921	3,676	10,200	7,177	9,800
TOTAL COMMUNITY DEVELOPMENT	513,850	459,769	484,922	442,159	534,349

Notes:

- 4% salary increases
- Special Projects Coordinator position moved to the Parks and Recreation Fund
- \$70,000 for zoning code re-write

Overall: 10% increase from the 2017 adopted budget



2018 Budget

General Fund Village Crier					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
PERSONNEL SERVICES:					
PERSONNEL SERVICES	1,730	3,050	3,600	3,200	3,740
TOTAL PERSONNEL SERVICE	1,730	3,050	3,600	3,200	3,740
SUPPLIES AND MATERIALS:					
OFFICE SUPPLIES AND POSTAGE	6,794	9,072	10,100	9,331	10,495
PRINTING AND REPRODUCTION	12,837	17,470	21,000	19,054	21,840
TOTAL SUPPLIES AND MATERIALS	19,631	26,542	31,100	28,385	32,335
TOTAL VILLAGE CRIER	21,361	29,592	34,700	31,585	36,075

Notes:

- Increase in monthly cost for graphic artist

Overall: 4% increase from the 2017 adopted budget



2018 Budget

General Fund Public Safety					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
PERSONNEL SERVICES:					
PERSONNEL SERVICES	2,077,133	2,263,123	2,314,011	2,227,506	2,383,431
SOCIAL SECURITY TAXES	51,921	57,187	71,797	52,235	59,586
POLICE PENSION CONTRIBUTIONS	138,936	141,681	150,500	160,791	160,000
UNIFORM EXPENSE	15,884	18,355	27,100	18,560	26,860
OVERTIME	40,234	28,638	60,000	21,163	50,000
EXTRA DUTY CHARGES	48,533	48,931	54,500	50,383	54,500
TOTAL PERSONNEL SERVICES	2,372,641	2,557,915	2,677,908	2,530,638	2,734,377
SUPPLIES AND MATERIALS:					
OFFICE SUPPLIES-POSTAGE	8,191	8,280	8,800	5,916	8,800
PRINTING AND REPRODUCTION	3,424	4,777	6,000	5,383	6,000
CRIME PREVENTION	1,964	3,267	3,500	2,147	3,500
SCHOOL RESOURCE OFFICER	1,948	-	1,500	-	1,500
SPECIAL MATERIALS	17,553	14,060	15,500	16,806	16,900
ANIMAL CONTROL	450	374	1,000	680	1,000
TOTAL SUPPLIES AND MATERIALS	33,528	30,759	36,300	30,932	37,700
UTILITIES:					
ELECTRICAL/GAS	21,705	20,957	26,000	20,361	26,000
WATER	1,608	1,507	2,500	3,775	2,500
TELEPHONE	16,033	21,255	29,025	17,131	30,175
SEWER	1,810	1,436	1,435	1,513	1,435
TOTAL UTILITIES	41,156	45,155	58,960	42,780	60,110



2018 Budget

General Fund Public Safety					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
CONTRACTURAL SERVICES:					
VEHICLE MAINTENANCE CONTRACT	32,359	30,503	51,675	27,980	55,000
OTHER CONTRACTUAL SERVICES	131,272	114,627	122,240	89,532	124,000
TOTAL CONTRACTUAL SERVICES	163,631	145,131	173,915	117,512	179,000
MAINTENANCE:					
BUILDING MAINTENANCE	13,385	14,687	23,750	12,764	20,000
EQUIPMENT MAINTENANCE	3,411	2,629	9,800	1,910	11,000
VEHICLE MAINTENANCE	5,156	5,418	6,600	3,970	6,700
GASOLINE-OIL	27,046	22,953	40,000	22,792	40,000
TOTAL MAINTENANCE	48,998	45,686	80,150	41,436	77,700
OTHER EXPENSES:					
TRAINING-DUES-TRAVEL-SUBSCRIPTIONS	21,550	20,422	38,800	18,168	28,800
TESTING AND PHYSICAL EXAMS	12,236	10,044	15,000	5,759	15,000
PRISONER EXPENSES	3,642	1,380	7,800	2,360	7,800
SPECIAL INVESTIGATIONS	1,571	1,415	2,800	1,578	6,400
MISCELLANEOUS EXPENSES	17,797	12,325	15,000	10,531	15,000
EQUIPMENT	6,651	44,260	32,700	29,134	13,875
TOTAL OTHER EXPENSES	63,446	89,846	112,100	67,530	86,875
TOTAL PUBLIC SAFETY	2,723,400	2,914,491	3,139,333	2,830,827	3,175,762

Notes:

- 4% salary step increases
- One Officer and the Animal Control Officer allocated to the Parks and Recreation Fund
- Code Enforcement salary partially allocated to Parks and Recreation Fund

Overall: 1% increase from the 2017 adopted budget



2018 Budget

General Fund Public Works					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
PERSONNEL SERVICES:					
PERSONNEL SERVICES	597,926	664,794	552,767	516,612	532,183
SOCIAL SECURITY TAXES	44,443	47,730	53,562	41,746	40,712
UNIFORM EXPENSE	5,644	3,620	5,400	4,794	5,400
OVERTIME	14,896	10,969	15,000	5,183	15,000
TOTAL PERSONNEL SERVICES	662,909	727,113	626,729	568,335	593,295
SUPPLIES AND MATERIALS:					
OFFICE SUPPLIES-POSTAGE	1,383	849	2,000	760	2,000
SNOW & ICE MATERIALS	41,190	44,749	35,000	31,605	35,000
ROAD MAINTENANCE MATERIALS	42,215	30,688	52,000	36,555	52,000
CURB-GUTTER-SIDEWALKS	1,782	-	5,000	-	5,000
TRAFFIC CONTROL DEVICES	8,918	16,009	13,500	26,254	13,500
SPECIAL MATERIALS	12,192	6,305	14,000	5,504	14,000
TOTAL SUPPLIES AND MATERIALS	107,681	98,600	121,500	100,678	121,500
UTILITIES:					
GAS-HEAT-LIGHT	-	-	-	-	6,500
WATER	1,541	584	2,100	4,881	2,100
COMMUNICATIONS	5,299	3,190	7,050	1,968	7,050
STREET LIGHTING	2,810	-	5,000	-	3,500
TOTAL UTILITIES	9,650	3,774	14,150	6,849	19,150



2018 Budget

General Fund Public Works					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
CONTRACTUAL SERVICES:					
ENGINEERING SERVICES	11,337	3,619	12,500	-	12,500
VEHICLE MAINTENANCE CONTRACT	33,579	37,610	55,000	41,868	55,000
OTHER CONTRACTUAL SERVICES	82,251	75,681	57,000	43,644	48,500
TOTAL CONTRACTUAL SERVICES	127,167	116,909	124,500	85,513	116,000
MAINTENANCE:					
BUILDING MAINTENANCE	34,034	18,605	45,000	9,250	5,000
EQUIPMENT MAINTENANCE	5,646	15,565	8,500	5,327	8,500
VEHICLE MAINTENANCE	4,623	9,996	20,000	12,639	20,000
GASOLINE-OIL	25,554	28,012	35,000	42,299	38,500
TOTAL MAINTENANCE	69,858	72,179	108,500	69,515	72,000
OTHER EXPENSES:					
TRAINING-DUES-TRAVEL-SUBSCRIPTIONS	13,545	9,184	9,000	5,838	12,500
TESTING PHYSICALS	1,685	476	2,000	1,066	2,000
MISCELLANEOUS EXPENSES	16,122	10,831	9,000	12,153	9,000
PUBLIC ART	4,777	14,632	20,000	12,252	-
EQUIPMENT	8,767	2,851	14,000	19,007	21,500
TOTAL OTHER EXPENSES	44,896	37,974	54,000	50,315	45,000
TOTAL PUBLIC WORKS	1,022,160	1,056,549	1,049,379	881,205	966,945

Notes:

- 4% salary increases
- Partial salary allocations to the Park and Recreation Fund
- Decrease in building maintenance due to new building
- Public Art expense moved to the Parks and Recreation Fund

Overall: 8% decrease from the 2017 adopted budget



2018 Budget

Capital Fund					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
BEGINNING FUNDS AVAILABLE	6,799,886	6,342,154	4,716,425	5,548,669	4,871,214
REVENUES:					
CURRENT PROPERTY TAXES	271,026	317,406	-	-	-
SPECIFIC OWNERSHIP TAX	294,629	350,464	-	-	-
BOND PROCEEDS	-	-	5,350,000	-	-
INTEREST INCOME	4,085	17,509	13,000	12,954	10,000
OTHER REVENUES	-	-	-	-	-
TOTAL REVENUE	569,740	685,379	5,363,000	12,954	10,000
EXPENDITURES:					
COP PAYMENT	-	-	-	-	-
ART PURCHASES	-	395,000	-	-	-
VILLAGE CENTER IMPROVEMENTS	46,501	45,032	2,822,679	-	-
EQUIPMENT-COMPUTER	-	16,552	-	-	-
EQUIPMENT-ADMINISTRATION	-	-	-	-	-
EQUIPMENT-POLICE	49,725	33,114	16,000	15,106	13,000
VEHICLES-POLICE	156,922	149,242	197,700	179,412	75,200
MOTORCYCLE PROGRAM	-	34,667	-	-	-
STREET IMPROVEMENT PROGRAM	393,744	455,077	350,000	275,909	250,000
EQUIPMENT-PUBLIC WORKS	187,500	38,316	30,425	-	7,500
VEHICLES-PUBLIC WORKS	28,929	-	-	30,425	-
STORM SEWERS	12,800	-	50,000	5,865	30,000
TRAFFIC CALMING MEASURES	780	69,062	30,000	4,355	-
CRACK SEAL	17,117	18,648	30,000	12,671	30,000
CURB AND GUTTER	489	128,132	250,000	141,602	150,000
RIGHTS-OF-WAY IMPROVEMENTS	-	-	100,000	-	100,000
UNDERGROUNDING UTILITIES	-	-	-	-	-



2018 Budget

Capital Fund					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
LAND PURCHASE	7,481	77,321	-	25,000	-
TRAIL IMPROVEMENTS	-	-	-	63	-
SIGNS	-	-	-	-	-
EQUIPMENT-PARKS	91,065	18,702	-	-	-
VEHICLES-PARKS	34,419	-	-	-	-
LANDSCAPING	-	-	-	-	-
BUILDINGS	-	-	-	-	-
TOTAL CAPITAL EXPENDITURES	1,027,472	1,478,864	3,876,804	690,409	655,700
ADD/(SUBTRACT) OPERATING DIFFERENCE	(457,732)	(793,485)	1,486,196	(677,455)	(645,700)
TRANSFER OUT	-	-	-	-	-
TRANSFER IN	-	-	-	-	-
ENDING CAPITAL FUNDS AVAILABLE	6,342,154	5,548,669	6,202,621	4,871,214	4,225,514

Notes:

- COP expenditures moved to COP Project Fund
- One new vehicle for Public Safety
- Glenmoor light

Overall: 830% decrease in expenditures from the 2017 adopted budget



2018 Budget

COP Project Fund			
	2017	2017	2018
DESCRIPTION	BUDGET	ESTIMATE	BUDGET
BEGINNING FUNDS AVAILABLE:	-	-	7,280,260
REVENUES:			
INTEREST EARNINGS	-	70,000	60,000
COP PROCEEDS	-	12,004,671	-
TOTAL REVENUE	-	12,074,671	60,000
EXPENDITURES:			
COST OF ISSUANCE	-	204,671	-
PUBLIC WORKS FACILITY	-	4,000,000	700,00
CITY HALL PROJECT	-	500,000	4,000,000
JOHN MEADE PARK PROJECT	-	80,000	2,520,000
OTHER EXPENDITURES	-	9,740	10,000
TOTAL EXPENDITURES	-	4,794,411	7,230,000
ADD/(SUBTRACT) OPERATING DIFFERENCE	-	7,280,260	(7,170,000)
ENDING FUNDS AVAILABLE	-	7,280,260	110,260

Notes:

The COP Project Fund was created in 2017 to account for the COP proceeds and the expenditures for a new Public Works Facility, a new City Hall and the John Meade Park improvements for which the COP's were received to fund.



2018 Budget

Conservation Trust Fund 07					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
REVENUES:					
COLORADO LOTTERY	60,348	71,223	60,000	60,000	60,000
INTEREST ON INVESTMENT	295	1,115	600	1,600	1,600
OTHER REVENUES	-	-	-	-	-
TOTAL REVENUES	60,643	72,338	60,600	61,600	61,600
EXPENDITURES:					
TRAIL IMPROVEMENTS	7,771	13,563	568,500	25,000	417,500
TOTAL EXPENDITURES	7,771	13,563	568,500	25,000	417,500
INCREASE TO RESERVES	52,872	58,775	(507,900)	36,600	(355,900)
BALANCE IN RESERVES	775,312	830,711	309,773	867,633	511,733
EMERGENCY RESERVES	1,794	2,170	1,818	1,848	1,848

Notes:

- Miscellaneous bridal/asphalt trail restoration
- Overseeding of City parks and trails
- Trail development of First Church property
- Split rail fence
- Hampden Underpass

Overall: 27% decrease in expenditures from the 2017 adopted budget



2018 Budget

Catherine H. Anderson Land Donation Fund					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
REVENUES:					
REC REIMBURSEMENT DONATIONS	5,144	3,045	1,000	1,000	1,000
INTEREST ON INVESTMENT	1,433	5,409	3,000	8,500	8,500
OTHER REVENUES	3,235	5,789	4,000	4,200	4,000
EXCISE TAX	-	-	-	-	-
GRANT REVENUE	-	-	-	-	187,800
TOTAL REVENUES	9,812	14,243	8,000	13,700	201,300
EXPENDITURES:					
UTILITIES	-	5,469	10,800	10,000	10,800
THREE POND PARK WATER	619	619	620	620	620
PARKS & TRAIL IMPROVEMENTS	-	-	75,000	25,000	50,000
MISCELLANEOUS	-	3,077	80,000	50,000	370,300
TOTAL EXPENDITURES	619	9,164	166,420	85,620	431,720
INCREASE/(DECREASE) TO RESERVES	9,193	5,078	(158,420)	(71,920)	(230,420)
BALANCE IN RESERVES	657,498	662,443	497,712	590,539	354,491
EMERGENCY RESERVES	294	427	240	411	6,039

Notes:

- \$5,000 Quincy Farm Committee
- Utility expenses for Quincy Farm
- Grounds maintenance costs for Quincy Farm
- Consultant to work with Quincy Farm Committee on long term management plan
- Arapahoe County grant expenses for irrigation and trees at Quincy Farm

Overall: 159% increase in expenditures from the 2017 adopted budget



2018 Budget

Sid #7 Bond Fund					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
REVENUES:					
INTEREST INCOME	48	257	100	400	500
INTEREST ON ASSESSMENTS	13,198	12,248	9,176	9,176	6,975
ASSESSMENT REVENUE	59,192	93,425	70,525	70,525	72,726
TOTAL REVENUE	72,439	105,930	79,801	80,101	80,201
REDUCTION OF RESERVES	8,815	-	20,996	18,824	28,596
TOTAL FUNDS AVAILABLE	81,253	105,930	100,797	98,925	108,797
EXPENDITURES:					
COUNTY TREASURER FEES	724	953	797	865	797
INTEREST EXPENSE	10,530	8,840	10,000	8,060	8,000
BOND PRINCIPAL PAYMENT	70,000	60,000	90,000	90,000	100,000
TOTAL EXPENDITURES	81,254	69,793	100,797	98,925	108,797
INCREASE TO RESERVES	(1)	36,137	-	-	-
BALANCE IN RESERVES	22,748	57,880	17,686	39,831	11,232
EMERGENCY RESERVES	2,173	3,178	2,394	2,403	2,406

Notes:

Overall: 8% increase in expenditures from the 2017 adopted budget



2018 Budget

Arapahoe County Open Space Fund 14					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
REVENUES:					
OPEN SPACE SHAREBACK	142,285	151,811	140,000	156,954	150,000
SALES TAX COLLECTION FEE	3,338	3,607	3,000	3,000	3,000
INTEREST ON INVESTMENTS	2,828	12,014	4,000	9,500	9,000
OTHER REVENUES	109,162	64,262	-	-	-
TOTAL REVENUES	257,613	231,694	147,000	169,454	162,000
EXPENDITURES:					
ARAPAHOE COUNTY OPEN SPACE TAX	92	-	-	-	-
TRAIL IMPROVEMENTS	5,880	12,498	65,000	15,000	15,000
PARK IMPROVEMENTS	1,363	95,080	135,000	85,000	210,000
OTHER EXPENDITURES	150,061	35,339	-	160	-
TOTAL EXPENDITURES	157,396	142,917	200,000	100,160	225,000
INCREASE TO RESERVES	100,217	88,777	(53,000)	69,294	(63,000)
BALANCE IN RESERVES	763,829	853,383	779,598	924,544	861,768
EMERGENCY RESERVES	7,728	6,951	4,410	5,084	4,860

Notes:

- Concrete repair on City sidewalks
- Parks and Open Space improvements
- Quincy Farm general infrastructure maintenance
- Engineer to perform analysis of dam at Quincy Farm

Overall: 13% increase in expenditures from the 2017 adopted budget



2018 Budget

Water and Sewer Fund 20					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
BEGINNING FUNDS AVAILABLE	894,770	923,098	995,054	987,864	885,241
REVENUES:					
TAP FEES	53,700	3,000	-	27,050	5,000
SEWER ADMINISTRATION FEES	11,634	50	2,328	50	2,328
SEWER REPAIR & MAINTENANCE	63,655	102,586	69,660	95,389	69,660
INTEREST INCOME	1,294	4,884	1,500	7,000	8,000
OTHER REVENUES	30,516	950	-	-	-
TOTAL REVENUES	160,799	111,470	73,488	129,489	84,988
EXPENDITURES:					
LEGAL COUNSEL	1,571	1,773	2,500	2,500	2,500
OTHER CONTRACTUAL SERVICES	195	5,580	30,000	5,000	20,000
SEWER REPAIRS & MAINTENANCE	106,239	14,885	500,000	200,000	500,000
TRAINING-DUES-SUBSCRIPTIONS	854	854	1,000	1,000	1,000
MISCELLANEOUS EXPENSES	-	-	-	-	-
DEPRECIATION	23,612	23,612	23,612	23,612	23,612
TOTAL EXPENDITURES	132,471	46,704	557,112	232,112	547,112
INCREASE TO RESERVES	28,328	64,766	(483,624)	(102,623)	(462,124)
BALANCE IN RESERVES	918,274	984,520	573,994	881,356	420,567
EMERGENCY RESERVES	4,824	3,344	2,205	3,885	2,550

Notes:

- Required repairs to sewer lines

Overall: 2% decrease in expenditures from the 2017 adopted budget



2018 Budget

Parks and Recreation Fund 30					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
BEGINNING FUNDS AVAILABLE	957,490	2,275,957	2,388,822	2,322,036	1,991,731
REVENUES:					
ASSESSED VALUE	291,710,547	337,216,810	335,487,662	335,487,622	340,332,958
MILL LEVY	6.422	6.422	7.422	7.422	7.422
DEBT SERVICE MILL LEVY (ABATED)	1.165	1.165	1.163	1.163	1.163
APPLIED MILL LEVY	5.257	5.257	6.259	6.259	6.259
CURRENT PROPERTY TAXES	1,471,282	1,723,059	2,099,817	2,099,817	2,130,144
SPECIFIC OWNERSHIP TAX	-	-	-	-	-
INTEREST INCOME	6,251	20,173	15,000	30,600	30,000
COP PROCEEDS	-	-	7,550,000	-	-
OTHER REVENUES	1,542,491	1,869	-	-	-
TOTAL REVENUE	3,020,024	1,745,102	9,664,817	2,130,417	2,160,144
EXPENDITURES:					
PERSONNEL SERVICES					
PERSONNEL SERVICES	343,220	369,876	753,868	690,000	879,052
SOCIAL SECURITY TAXES	26,821	29,057	60,309	44,000	67,248
RETIREMENT 401 MANAGEMENT	4,590	4,898	4,725	7,000	9,000
RETIREMENT 457	8,135	9,260	8,600	11,000	11,000
HEALTH-LIFE-DENTAL INSURANCE	64,442	56,518	65,465	77,100	101,576
UNIFORMS	3,067	3,578	3,500	3,500	3,500
OVERTIME	5,955	5,962	5,000	5,000	5,000
TOTAL PERSONNEL SERVICES	456,230	479,149	901,467	837,600	1,076,376
SUPPLIES AND MATERIALS:					
OFFICE SUPPLIES/PRINTING	910	800	1,200	1,200	1,200
PLANT SUPPLIES	1,391	1,364	3,500	3,000	3,000
GENERAL INFRASTRUCTURE MAINTENANCE	15,936	18,487	16,200	11,280	16,000
SNOW AND ICE MELT	-	250	1,000	1,000	1,000
PARK SIGNAGE	1,165	-	1,000	700	1,000
SPECIAL MATERIALS	2,834	8,263	8,000	8,000	5,800
TOTAL SUPPLIES AND MATERIALS	22,236	29,163	30,900	25,180	28,000



2018 Budget

Parks and Recreation Fund 30					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
UTILITIES:					
ELECTRIC	-	-	-	-	6,500
WATER	18,352	19,164	30,000	20,000	30,000
COMMUNICATIONS	1,249	2,573	3,200	4,700	4,700
TOTAL UTILITIES	19,601	21,737	33,200	24,700	41,200
CONTRACTUAL SERVICES:					
COUNTY TREASURER FEES	14,603	17,231	20,998	21,000	21,000
LEGAL/SURVEYING	3,801	-	4,000	4,000	4,000
FORESTRY/ROW TREE MAINTENANCE	25,540	31,418	28,000	14,000	29,000
VEHICLE MAINTENANCE CONTRACT	24,469	16,501	16,000	16,000	17,000
ENGINEERING	9,744	33,293	14,000	9,000	10,000
OTHER CONTRACTUAL SERVICES	4,000	5,172	14,300	4,000	10,800
TOTAL CONTRACTUAL SERVICES	82,157	103,614	97,298	68,000	91,800
MAINTENANCE:					
BUILDING MAINTENANCE	-	-	-	-	5,000
EQUIPMENT MAINTENANCE	10,459	4,925	7,000	4,000	7,000
VEHICLE MAINTENANCE	2,406	4,225	4,500	4,000	4,500
GASOLINE-OIL	13,527	11,465	20,000	12,000	20,000
GROUNDS MAINTENANCE/IMPROVED	30,703	9,684	20,000	20,000	20,000
TOTAL MAINTENANCE	57,095	30,298	51,500	40,000	56,500



2018 Budget

Parks and Recreation Fund 30					
	2015	2016	2017	2017	2018
DESCRIPTION	ACTUAL	ACTUAL	BUDGET	ESTIMATE	BUDGET
OTHER EXPENSES:					
TRAINING-DUES-TRAVEL-SUBSCRIPTION	4,187	3,754	7,400	7,400	5,400
TESTING-PHYSICALS	160	50	500	500	500
SPECIAL EVENTS	12,737	19,832	15,000	15,000	15,000
MISCELLANEOUS EXPENSE	3,688	3,067	5,000	5,000	5,000
RECREATION REIMBURSEMENT	250,836	218,021	240,000	240,000	240,000
PUBLIC ART	-	-	-	-	20,000
EQUIPMENT	14,080	5,365	9,500	7,000	4,000
ADMINISTRATIVE SERVICES	25,000	25,000	62,629	60,000	98,358
TOTAL OTHER EXPENSES	310,688	275,088	340,029	334,900	388,258
ASSET & COP PAYMENT EXPENSES					
INTEREST EXPENSE	18,925	25,387	22,304	22,304	25,305
PRINCIPAL EXPENSE	734,625	734,586	739,804	739,804	744,609
COP PAYMENT	-	-	368,234	368,234	405,783
TOTAL PAYMENT EXPENSES	753,550	759,973	1,130,342	1,130,342	1,175,697
TOTAL OPERATING EXPENSES	1,701,557	1,699,023	2,584,736	2,460,722	2,857,831
JOHN MEADE PARK	-	-	(3,700,000)	-	-
PUBLIC WORKS/VILLAGE CENTER	-	-	(3,850,000)	-	-
ADD/(SUBTRACT) OPERATING DIFFERENCE	1,318,467	46,079	(469,918)	(330,305)	(692,687)
ENDING FUND AVAILABLE	2,275,957	2,322,036	1,918,904	1,991,731	1,294,044

Notes:

- 4% salary increases
- Recreation reimbursement \$240,000
- COP expenditures moved to the COP Project Fund
- Increase in personnel costs for employees with Parks duties
- Increase in administrative costs for the proper allocation of property/casualty, worker's compensation, sewer, IT, phone and audit expenses

Overall: 10% increase in expenses from the 2017 adopted budget



Glossary of Terms

AAA Credit Rating - An obligation rated 'AAA' has the highest rating assigned by S&P Global Ratings. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.

AA+ - An obligated rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong. Certain obligations are designated with a plus sign (+), this indicates that the obligor's capacity to meet its financial commitment on these obligations are extremely strong.

American Public Works Association (APWA) - A professional organization that serves in all aspects of public works.

Assessed Valuation - The valuation set upon real estate and certain property by the Arapahoe County Assessor's Office as a basis for levying property taxes.

Asset - Resources owned or held by the City that have monetary value.

Balanced Budget - A balance between revenues and expenditures; a budget is considered balanced when reserves are used to complement revenues.

Bond - A long-term promise to pay for a specified amount of money on a particular date.

Budget - A plan of financial activity for a specified period of time, which indicates all planned revenues and expenditures for the budget year. The City's budget is based on a calendar year beginning January 1st and ending December 31st.

Budget Calendar - The schedule of key dates that the City follows in preparation and adoption of the following year's budget. The City's budget process begins in September and ends in December.

Capital Asset - An item that has a value of at least \$5,000 and has a useful economic life of more than one year.

Capital Fund - A governmental fund used to track the costs of capital assets including police cars, public works vehicles, parks and recreation equipment, major street and storm water drainage improvements and building improvements.

Capital Improvement Program - The City's plan for capital outlay which will be incurred each year over a fixed number of years to meet capital expenditures arising from the City's long-term needs.

Capital Projects - Major construction, acquisitions or renovation activities which add value or increase the useful life of the City's physical assets.

Certificates of Participation (COP) - A type of financing used by municipal or government entities which allows an investor to purchase a share of the lease revenues, rather than the bond being secured by those revenues.

Community Rating System (CRS) - A voluntary incentive program used by the National Flood Insurance Program (NFIP) to recognize communities for implementing floodplain management practices that exceed Federal minimum requirements of the NFIP.

Contingency - A budgetary reserve set aside for emergencies or unforeseen expenditures that have not been budgeted.

Contractual Service Agreements - Contractual agreements such as maintenance agreements, information technology services and professional consulting services rendered to the City of Cherry Hills Village by private firms, individuals and other governmental agencies.



Glossary of Terms

Crisis Intervention Training (CIT) - a program model for community policing that brings together law enforcement, mental health providers, hospital emergency departments and individuals with mental illness and their families to improve responses to people in crisis.

Debt Service - The cost of paying principal and interest on borrowed money according to a predetermined payment schedule.

Deficit - The excess of the City's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

Department - The organizational unit of government that is unique in its delivery or services. The City of Cherry Hills Village has 5 major departments: City Manager, Community Development, Finance and Administration, Police and Public Works.

Depreciation - Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of physical elements, inadequacy or obsolescence.

Distinguished Budget Presentation Awards Program - A voluntary awards program administered by the Government Finance Officers Association (GFOA) to encourage governments to prepare effective budget documents.

Emergency Reserve - An additional reserve to provide for unforeseen reductions in revenues in the current year or expenditures that are greater than the current year revenues.

Employee Benefits - Contributions made by the City to meet commitments or obligations for employee benefits. The City's benefits are dental insurance, life insurance, long-term disability insurance, short-term disability insurance, workers' compensation insurance, flexible spending account plans, retirement benefits, Roth IRA plan, deferred compensation plan, employee assistance plan, holiday leave, paid time off, extended sick leave, bereavement leave, alternative scheduling, computer loan program and tuition reimbursement.

Expenditure - The payment of cash or the transfer of property or services for the purpose of acquiring an asset, service or settling a loss.

Expense - Charges incurred for operations, maintenance, interest or other charges.

Fiscal Year - A 12 month period designated as the operating year for accounting and budgetary purposes in an organization. The City's fiscal year is January 1st to December 31st.

Full Time Equivalent Employee (FTE) - A year round employee who is normally schedule to work a full work period of 40 or 80 hours, depending on his/her position.

Fund - A fiscal entity with revenues and expenditures that are segregated for the purpose of carrying out a specific purpose or activity.

Fund Balance - The cumulative difference of all revenues and expenditures.

General Fund - This fund is the City's primary operating fund and is used to account for services typically associated with local governments. It is used to account for activities that are not accounted for in the other funds. The City of Cherry Hills Village's General Fund includes Revenues, Administration, Judicial, Data Processing, Community Development, Public Safety, Village Crier, Public Works and Capital.

Generally Accepted Accounting Principles (GAAP) - Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules and procedures that define accepted accounting principles.

Infrastructure - The physical assets of the City (i.e. streets and public buildings).



Glossary of Terms

Interfund Transfers - The movement of moneys between funds of the same governmental entity.

Intergovernmental Revenue - Funds received from federal, state and other local governmental sources in the form of grants, shared revenues and payments in lieu of taxes.

Issuer Credit Rating - an S&P Global Ratings issue credit rating is a forward-looking opinion about an obligor's overall creditworthiness.

Long Term Debt - Debt with a maturity of more than one year after the date of issuance.

National Flood Insurance Program (NFIP) - A program created by Congress in 1968 to provide a means for property owners to financially protect themselves in the even of a flood.

Net Assets - Assets minus liabilities.

Obligations - Amounts that a government may be legally required to meet from its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Expenses - The cost for personnel, materials and equipment required for each department.

Operating Revenue - Funds that the government receives as income to pay for ongoing operations. It includes items such as taxes, fees from specific services and grant revenues. Operating revenues are used to pay for day to day services.

Personnel Services - Expenditures for salaries, overtime and benefits for employees.

Reserve - An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Reserved Fund Balance - A portion of the fund balance that is legally restricted to a specific use or otherwise not available for appropriation or expenditures.

Resources - Total amounts available for appropriation including estimated revenues, fund transfers and beginning balances.

Revenue - Sources of income financing the operations of a government.

Special Revenue Funds - Special Revenue Funds account for the proceeds of specific revenue sources (other than expendable trusts) that are legally restricted to expenditures for a specific purpose. The City has four Special Revenue Funds: Catherine H. Anderson Land Donation Fund, Conservation Trust Fund, Arapahoe County Open Space Fund and Parks and Recreation Fund.

Standard & Poor Global Rating - S&P Global Ratings provides high-quality market intelligence in the form of credit ratings, research and thought leadership.

Tax Levy - Tax rate per one hundred dollars multiplied by the tax base.

TABOR - The **T**Axpayer's **B**ill **O**f **R**ights established in 1992, restricts revenues for all levels of government (state, local and schools). Under TABOR, state and local governments cannot raise tax rates without voter approval and cannot spend revenues collected under existing tax rates if revenues grow faster than the rate of inflation and population growth, without voter approval.

Tap Fees - Fees for connecting to the City's water or sewer system.

Unreserved Fund Balance - A measure of how much fund balance is left over at the end of the current year which can be used for the subsequent year's budget.