



Town of
Parker COLORADO™

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2014 Annual Budget

Preliminary Design for the Parker Recreation Center Expansion





2014 Annual Budget





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Introduction

Included in this section of the budget document is the following information:

- **Town Officials**
- **Organizational Chart**
- **GFOA Award**
- **Budget Process**
- **Budget Calendar**
- **Budget Message**
- **Vision, Mission and Goals for the Town**
- **Town Profile**



Parker O'Brien Park



Elected Officials



Mike Waid

Mayor Mike Waid was elected to a four-year term as mayor in November 2012. Prior to being elected as mayor in 2012, he was elected and served as a councilmember in 2008.



Scott Jackson



Amy Holland



Josh Martin



John Diak



Debbie Lewis



Joshua Rivero

Councilmember Scott Jackson was re-elected to a second four-year term in November 2010. He was also elected into office in April 2005 in a special election to fill a council vacancy.

Councilmember Amy Holland was elected to a four-year term in November 2010.

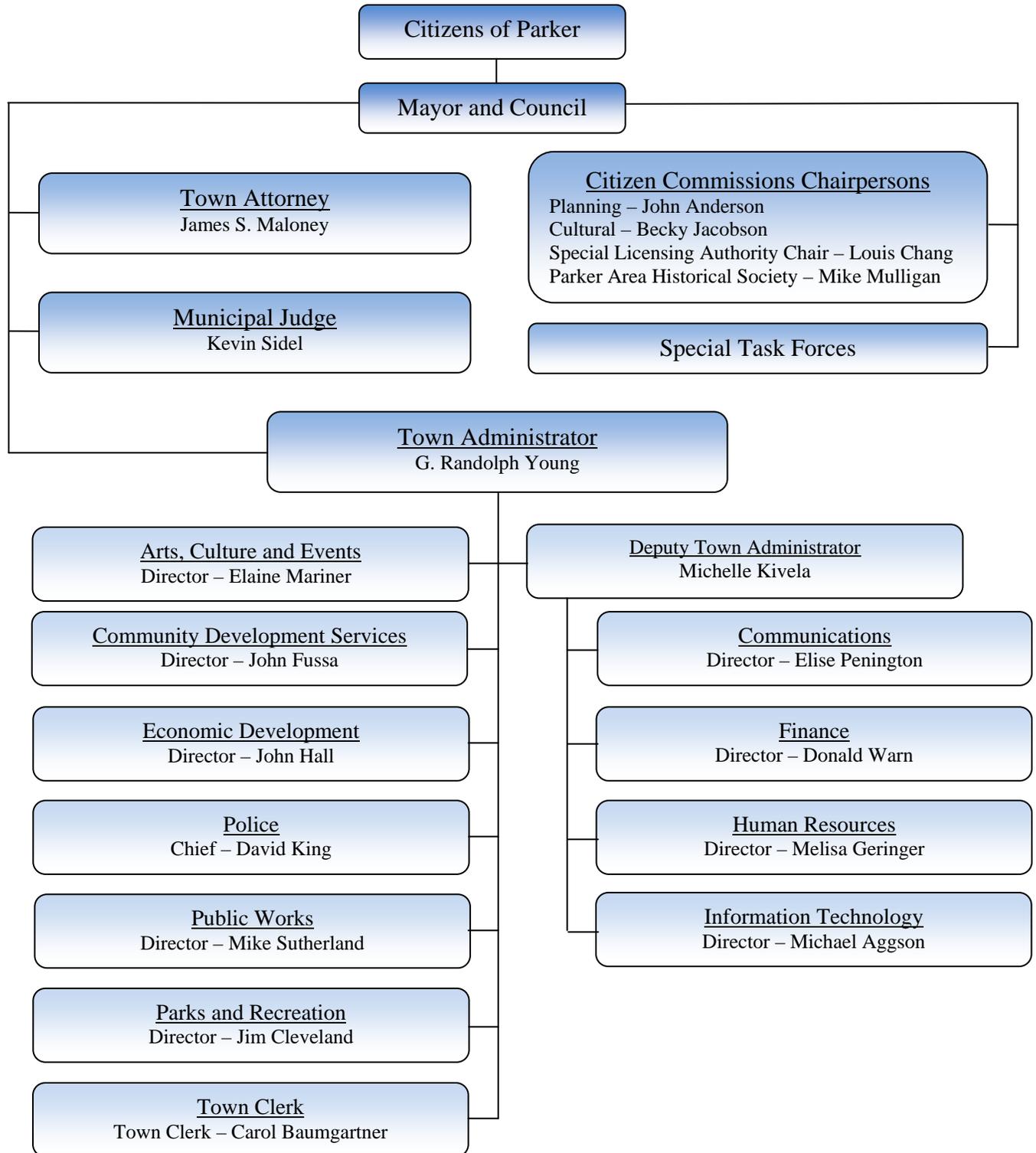
Councilmember Josh Martin was elected to a four-year term in November 2010.

Councilmember John Diak was elected to a four-year term in November 2012.

Councilmember Debbie Lewis was elected to a four-year term in November 2012.

Councilmember Joshua Rivero was elected to a four-year term in November 2012.

Organizational Chart



GFOA Distinguished Budget Award



The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Presentation to the Town of Parker for its annual budget for the fiscal year beginning January 1, 2013. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device. The award is valid for one budget period only. The Town of Parker believes our current budget continues to conform to the program requirements, and we are submitting it to GFOA to determine its eligibility for another award. 2013 was the ninth time the Town of Parker has received this budget award.

Budget Process

The Finance Department is responsible for the budget preparation process and organizing the data submitted by each department. The budget and budget document are prepared using the requirements and guidelines of the Town Charter, State budget law and the Government Finance Officers Association. The Town prepares an annual budget for each calendar year.

The steps that occur during the annual budget cycle are as follows:

- Town goals are developed or reaffirmed by the Town Council. Budget requests must state how they meet some or all of the goals.
- Specific budget requests are completed by the departments for the purpose of identifying and justifying additional funding for new staff or equipment. Requests are also received for special projects and changes to other line items.
- The executive management team reviews each budget request and proposed compensation increases and makes recommendation to the Town Council. Study sessions throughout the process are held to inform and seek the input of the Town Council and adjustments are made as necessary.
- A proposed budget must be submitted to the Town Council by Oct. 15. The Town Council must then hold a public hearing on the proposed budget by Nov. 15 and adopt the budget and the annual appropriations by Dec. 15.

Citizen Involvement in the Budget Process

Citizen involvement is a way of making decisions that ensures the participation of the people affected by those decisions. The proposed budget and detailed justifications for capital outlay and staffing additions are made available on the Town's Web site prior to adoption. Through the Talk of the Town newsletter and an email blast, interested citizens are made aware that the proposed budget is available online for their review and they are invited to provide feedback regarding the proposed budget. Two public hearings are held as Council considers the annual budget adoption. Prior to adoption of the budget, the Town holds several study sessions which are open to the public. At these meetings, Council and staff openly discuss budget requests, including proposed major capital projects and new staff positions, capital outlay and special project items.

2014 Budget Calendar

May 21 Executive Management Team meeting

- discuss 2014 budget process

May 24

- budget request worksheets sent to departments

June 21

- budget requests due to Finance
 - department line items, new personnel requests, department capital outlay

June 28

- long-range capital improvement plans (capital projects) meeting #1

July 12

- long-range capital improvement plans (capital projects) meeting #2

July 25 Executive Management Team meeting

- review budget requests, capital projects plan

August 19

- compensation plan completed

August 26 Council study session

- revenue projections
- personnel
- compensation plan
- community organization funding

September 12 Executive Management Team meeting

- review compensation plan

September 23 Council study session

- revised revenue projections
- capital outlay
- capital projects

October 10 Executive Management Team meeting

- discuss proposed budget

October 14 Council study session

- proposed budget submitted to Council

October 21 Council meeting dinner session

- proposed budget follow-up

October 28

- proposed budget posted on Town Web site for public inspection

November 4 council meeting

- first reading, public hearing on proposed 2014 annual budget

December 2 council meeting

- second reading, public hearing on proposed 2014 annual budget (adoption)



Reader's Guide to the Budget Document

The primary purpose of this document is to provide citizens with a comprehensive overview of the Town's adopted budget, the budget process, Town services and operations and the resources that fund those services. This document first outlines the process, policies, goals and issues involved in developing the budget. It then provides a discussion on the financial structure of the Town with an overview of the Town's various funds, where the money comes from and how it is spent. Details about the budget, forecasted revenue and appropriated expenditures follow, along with an in-depth look at Town departments and programs. In addition to this document, Town staff receives a detailed line item budget document to assist them throughout the year.

This document is divided into the following sections:

Introduction

The purpose of this section is to provide the reader with general information about the Town's history, demographics and economy. The Town's vision, mission, goals and strategic initiatives, organizational structure, budget message and budget process are also included in this section.

Budget Overview

Information in this section gives the reader an understanding about the services the Town provides to our citizens and the costs incurred in the provision of those services. It also includes the sources of funding, including long-term debt financing, that support the Town's operations and capital needs. This section also contains summaries of the 2014 budget, a fund structure matrix, a description of major fund types and a discussion by revenue and expenditures and how they are forecasted.

Revenue Manual

This manual provides information on the Town's major revenues that are received primarily from outside sources. Major revenues are greater than \$100,000 received annually.

Budget Detail

Presented in this section are summaries of the overall 2014 budget by fund, sources of revenue, types of expenditures and costs by departments, along with the authorized staffing levels by department or division. For comparison, the 2013 projected amount and 2012 actual amounts are presented alongside the 2014 figures. There is also a fund balance summary for all funds.

Following the fund summaries is information at the department and division level, including a list of the services provided by the department or division, prior year accomplishments and 2014 goals, authorized positions and significant changes within the department or division. This section also details capital outlay and capital projects that are included in this budget.

Appendix

This section contains a copy of the signed budget ordinance, demographic information, a glossary and the Financial Trends Monitoring System (FTMS).



Budget Message

To the Honorable Mayor, Members of Town Council and Citizens of the Town of Parker, Colorado:

We are pleased to present the 2014 Annual Budget. Following a lengthy budget development process, public inspection and two public hearings, the Town Council adopted the proposed annual budget on December 2, 2013.

The economic downturn that impacted all annual budgets from 2009 through 2012 is behind us. The local economy continues to improve as indicated by increased consumer spending for 2012 and again for 2013. In addition, the housing market has rebounded with home sales in Parker increasing for the second straight year. As a result, the 2014 budget is developed under much better economic circumstances. Town revenues, such as sales tax and use tax, have shown significant improvement in 2012 and 2013.

Year-over-year financial results have improved since 2011 and revenue projections for 2014 and beyond reflect a positive outlook. As of October 2013, revenue was exceeding both budget expectations and the prior year for the second year in a row. Sales tax and General Fund revenues were up 8.1 percent and 6.7 percent respectively. As of October 2013, with 310 single-family residential building permits issued, building-related revenues use tax, excise tax, building permit fees and other related revenues are on pace with 2012 and show significant increases over the last few years.

With the improved revenue picture, the budget was built on more of a zero-based approach than an incremental approach. Expenditure increases that were increased incrementally are tied to projected inflation and population growth of 2.5 and 2.2 percent, respectively. We were also able to continue to provide significant increases in funding for maintenance of the Town's roadway infrastructure and for replacement of aging or outdated equipment. This budget also includes funding that will enhance levels of service in areas including streets, public safety, parks and recreation. Still, even with the improved outlook and as with any budget year, expenditures including capital outlay, new programs, new positions and other budget increases were not automatic; they had to be justified.

The 2014 budget is balanced in all funds, maintains appropriate reserves and continues to position the Town for continued long-term financial health. In addition, this budget includes funding to accomplish long-term strategic Town goals that are geared towards improving recreation, transportation, active adult population, economic development, community enhancement, arts and culture, core values and government transparency and accountability opportunities. Examples of funding for Town goals in the 2014 budget follow and many cross over into several other goals.

Town Strategic Goals

Parks, Recreation and Open Space:

Parker will be the regional leader serving all ages by providing comprehensive recreational opportunities.

- Update the Parks Master Plan
 - Include options for a splash park and ice sheet
 - Include options for passive park development
- Develop the Salisbury Master Plan
 - Identify multiple options for Council consideration (to include adventure races, ball fields, etc.)
- Update the O'Brien Park Master Plan
 - Include options for existing park site and north site
- Expansion of H2O' Water Park
- Possible relocation of ball field to Bar CCC Park
- Investigate the feasibility of a Competitive Aquatic Center
 - Contract with consulting firm to develop options and identify partners/participants and their contribution
 - Set realistic budget and timeline
- Ensure a balance of the varying interests and time demands on a facility
- Expansion of the Recreation Center
- Staff provide options for Council consideration (with multiple options and associated costs)
 - Include options for Active Adult population

Arts and Culture:

Parker will maintain a connection to our past while growing our identity as a vibrant arts, culture and entertainment destination, embracing innovation and collaboration to enable active community engagement.

- Develop and implement marketing strategies to promote Parker as an Arts, Culture and Entertainment destination, including PACE, Mainstreet Center, and the Creative District
 - Use various media and capitalize on technology, including QR codes, social media, mobile apps, etc.
- Continue and expand collaborations and partnerships (with Library, schools, nonprofit and for-profit businesses, etc.)
- Develop a Creative District for the Town and apply to be a state-certified Creative District

Economic Development:

Parker will be the regional economic driver by providing expansion and annexation opportunities, capitalizing on the recruitment of new businesses in support of our existing vertical markets.

- Identify and plan for Parker’s unmet market opportunities for business and employment growth. Narrow targeted industries (including, but not limited to medical, R&D, healthcare, etc.)
- Formulate a Business Roundtable to facilitate private sector input, and to create open and two-way communication. Identify common needs and where appropriate align visions.
- Enhance outreach and marketing programs (e.g., Structured Retention Visits with Council attendance) for public and business education, including promoting Town programs, such as PIP, BIT, etc.
 - Leverage outreach and marketing opportunities with strategic partners (e.g. DOLA and the State Office of Economic Development)
- Build a more comprehensive marketing program to expand business and economic development awareness regarding Parker opportunities (e.g. increase Denver Business Journal exposure)

FINANCIAL HIGHLIGHTS

Overall budget summary

The total 2014 budget, which covers all Town funds, is \$88,798,306 (excludes interfund transfers). The total budget increased from the amended budget for 2013, which was \$64,229,953. The primary reason for the overall increase from 2013 is due to several major projects: the Parker Recreation Center expansion project in the Parks and Recreation Fund, Pikes Peak Court extension, construction of Todd Drive, widening of Hess Road and construction of a new Public Works facility in the Public Improvements Fund.

The General Fund decreased \$1.9 million or 5 percent due to several factors; there was a one-time purchase in 2013 for land that significantly increased the 2013 Amended Budget. In addition, the Information Technology fund will be a true Internal Service Fund in 2014 and all expenditures for IT that historically have been charged to the General Fund were moved from the General Fund to the Technology Management Fund, resulting in an increase of \$1.4 million. Additionally, the Recreation Fund increased by \$357,600 and the PACE Fund by \$519,800.

Expenditure and Budget Summary	2012		2013		2013		2014		2013 Amend	
	2012		Original		Amended		Adopted		to 2014	
	Actual	Budget	Budget	Budget	Budget	Budget	Budget	% Change		
General Fund	\$ 35,865,239	\$ 38,309,700	\$ 42,076,647	\$ 40,158,830						-5%
Parks and Recreation Fund	813,211	1,865,000	3,697,483	12,249,400						231%
Law Enforcement Assistance Fund	101,380	228,900	228,900	155,900						-32%
PACE Fund	1,845,425	1,952,200	2,098,191	2,617,988						25%
Recreation Fund	4,926,005	5,133,400	5,399,281	5,756,911						7%
Mainstreet Center Fund	265,800	251,100	326,100	1,069,540						228%
Public Improvements Fund	6,832,924	1,590,000	4,303,700	18,777,255						336%
Police Station and PACE Center Construction Fund	340,374	-	528,995	-						-100%
Recreation Debt Service Fund	1,244,300	1,240,900	1,240,900	1,795,400						45%
Stormwater Utility Enterprise Fund	1,499,072	1,580,100	1,649,742	1,671,329						1%
Fleet Services Internal Service Fund	702,252	1,614,200	1,769,097	1,623,900						-8%
Technology Management Internal Services Fund	517,772	766,900	766,900	2,189,178						185%
Facility Services Internal Services Fund	697,754	741,800	741,800	732,674						-1%
Total Expenditures	\$ 55,651,508	\$ 55,274,200	\$ 64,827,736	\$ 88,798,306						

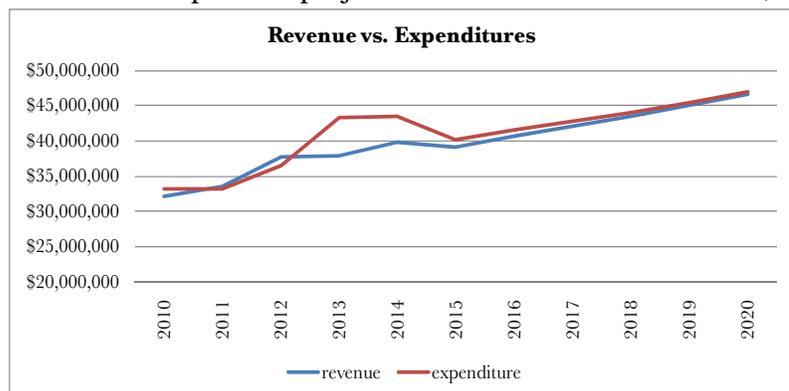
Note: Interfund transfers are not included.

General Fund

The General Fund is the main operating fund of the Town. Town operations, which include public safety, public works (maintaining streets and parks), building inspection, community development, municipal court and administration, are accounted for in this fund. The majority of its support (91 percent) comes from taxes - local and intergovernmental.

Summary of General Fund	2012		2013		2013		2014	
	Projection	Original Budget	Original Budget	Amended Budget	Projection	Original Budget		
Beginning Fund Balance	\$ 22,785,264	\$ 23,965,324	\$ 23,965,324	\$ 23,965,324	\$ 23,965,324	\$ 18,517,568		
Revenue	37,645,300	35,007,100	35,540,500	37,896,485	39,864,919			
Expenditures	36,465,239	38,923,500	43,940,447	43,344,241	43,423,830			
Ending Fund Balance	\$ 23,965,324	\$ 20,048,924	\$ 15,565,377	\$ 18,517,568	\$ 14,958,657			
Fund Balance as % of Expenditures	66%	52%	35%	43%	34%			

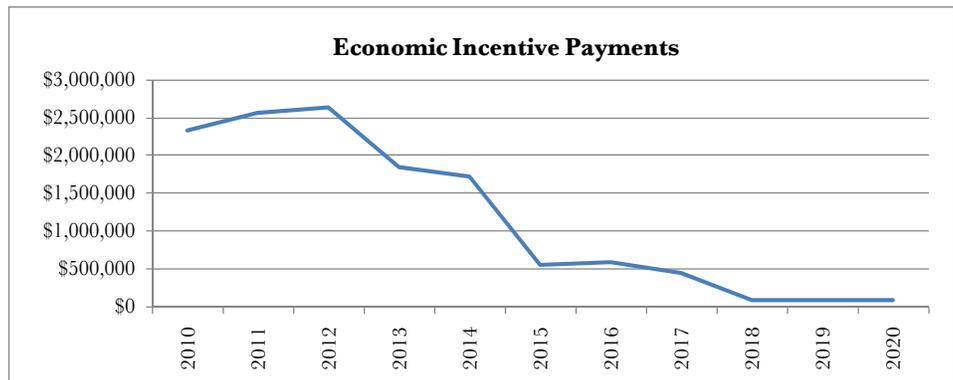
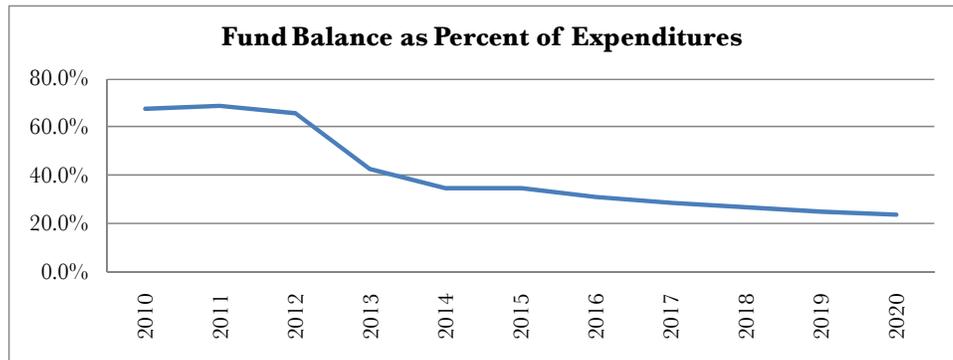
The total 2014 budget is \$43,423,830. Projected revenues of \$39,864,919 and revenue from prior years (fund balance) of \$3,558,911 balance the budget. The General Fund has a very healthy fund balance, which the Town has planned to use to cover an increase in expenditures that arose from additional interfund transfers for the General Fund's contribution to the new Public Works facility and the Recreation Center expansion projects. As the charts show below, there will be a negative gap between revenue and expenditures resulting in a drawdown of fund balance over the next several years; however, through proper management of the budget and expiration of economic incentive obligations, revenues will catch up to expenditures and the fund balance will stabilize at a healthy level.



General Fund revenue
 Revenue in 2014 is conservatively estimated to increase 5 percent from projected 2013 revenues; and, the projection is 8 percent higher than the 2013 adopted budget.

Certain revenues are projected to increase 4.7 percent based on a combination of our estimated population growth (2.5%) and inflation (2.2%). These revenues include other taxes (cable/gas franchise and electric excise) and motor vehicle registration

fees. Sales tax, which makes up 65 percent of the fund's revenue, is projected to increase 4%. Other revenues are estimated based on population growth alone. They include road and bridge shareback revenue and fines and forfeitures revenue. Property tax is expected to remain flat and is calculated using the assessed valuation of property within the Town provided by the Douglas County Assessor.



General Fund Summary	2012		2013		2013		2014		% Change	% Change
	Actual		Original Budget	Amended Budget	Original Budget	Original Budget	2013 Orig. Budget	2013 Projection		
Revenue:										
<u>Taxes</u>										
Sales Tax	\$	23,952,885	\$	24,078,800	\$	25,070,000	\$	26,072,800	8.3%	4.0%
Property Tax		1,425,634		1,463,200		1,461,500		1,466,200	0.2%	0.3%
Other Taxes		2,028,004		2,206,500		2,147,500		2,240,800	1.6%	4.3%
Total Taxes		27,406,523		27,748,500		28,679,000		29,779,800	7.3%	3.8%
<u>Licenses and Permits</u>										
Building Permit Fee		1,917,714		687,300		1,300,000		1,341,500	95.2%	3.2%
Other Licenses and Permits		224,167		157,200		181,700		208,800	32.8%	14.9%
Total Licenses and Permits		2,141,881		844,500		1,481,700		1,550,300	83.6%	4.6%
<u>Intergovernmental</u>										
Highway User Tax Fund		1,006,558		1,013,300		1,008,350		1,033,600	2.0%	2.5%
Road/Bridge Shareback		1,205,315		1,258,300		1,233,800		1,270,800	1.0%	3.0%
Build America Bonds Credit		892,819		892,800		860,677		892,819	0.0%	3.7%
Motor Vehicle Registration		141,467		143,400		144,700		148,300	3.4%	2.5%
Other Intergovernmental		476,363		640,300		759,333		628,800	422.7%	-17.2%
Total Intergovernmental		3,722,521		3,948,100		4,006,860		3,974,319	15.9%	-0.8%
<u>Charges for Services</u>										
Deficit Reduction Fee		905,543		488,600		916,000		1,802,800	269.0%	96.8%
Intergov. Agreement Services		643,393		641,100		551,825		859,500	34.1%	55.8%
Other Charges for Services		616,145		639,200		638,925		651,500	1.9%	2.0%
Total Charges for Services		2,165,081		1,768,900		2,106,750		3,313,800	87.3%	57.3%
Fines and Forfeitures		177,561		222,000		169,400		173,100	-22.0%	2.2%
Other Revenue		227,133		126,800		551,075		126,000	-0.6%	-77.1%
Transfers In		1,804,600		881,700		901,700		947,600	9.1%	5.1%
Total Revenue	\$	37,645,300	\$	35,540,500	\$	37,896,485	\$	39,864,919	13.9%	5.2%

Building permit fee and deficit reduction fee revenues are projected to increase due to the resurgence of residential construction and the expiration of the 50% rebate of deficit reduction fees that was instituted during the height of the recession in an attempt to spur construction. Our 2014 projection for the number of permits to be issued for single-family residential homes is 360, which is consistent with the projection for 2013 of 360 permits. This number far exceeds the number of permits issued annually in 2007 through 2011. Although the number of permits issued in 2012 far exceeded the 2013 and 2014 estimates and prior year figures, we felt it would be prudent to set our estimate at 360 permits for 2014.

General Fund expenditures
Total expenditures are budgeted to decrease 1 percent or \$516,617.

While the chart shows that General Fund expenditures will decrease, this is misleading due to the IT expenditures being moved to the Technology Management Fund in 2014. Salaries and benefits show a decrease of \$196,983, however, when IT salaries

General Fund Summary	2013		2014	
	Adopted	Adopted	Adopted	% change
	Budget	Budget	Budget	
Expenditures:				
Salaries and Benefits	\$ 18,443,283	\$ 18,246,300		-1%
Supplies	856,800	937,214		9%
Purchased Services	12,594,564	13,195,632		5%
Debt Service	3,784,000	4,665,284		23%
Capital Outlay	3,876,400	841,800		-78%
Economic Development Incentives	1,840,000	1,720,000		-7%
Other	681,600	552,600		-19%
Transfers Out	1,863,800	3,265,000		75%
Total Expenditures	\$ 43,940,447	\$ 43,423,830		-1%

and benefits are excluded from 2013, there is actually an increase of 5 percent or \$888,800 in salaries and benefits. The increase consists of the Police Department adding a new Report Technician, new Sergeant, two new Police Officers, Parks, Forestry and Open Space added a new Parks Technician, an average 3.0 percent performance-based merit increase, salary range movement and step increases for police officers, an 1.8 percent increase in health insurance and a 17 percent increase in workers compensation insurance.

Purchased services expenditures are increasing by 5 percent, or \$601,068, primarily due to the Internal Service Fund allocation for Technology Management.

The increase in debt service is due to the anticipated issuance of Certificates of Participation for the new Public Works Facility and the estimated principal and interest payments associated with the issuance of the new debt.

The increase in transfers out is primarily due to the \$2 million transfer to the Parks and Recreation Fund for the Recreation Center Expansion.

Economic development incentive expenditures are budgeted to decrease in 2014 because of final payment made or expiration of certain incentive agreements in 2013 and the anticipated final payment of another incentive in 2014.

Notable changes in the departmental budgets are as follows.

- Most departments are increasing due to the increased technology management fees charged by the Technology Management Fund.
- Town Clerk also increased due to furniture and software expenditures.
- Human Resources increased due to additional training and professional service fees.
- Risk Management is increasing due to the addition of \$100,000 for insurance deductibles.
- Parks/Public Works Buildings is decreasing 67 percent due to \$300,000 that was budget in 2013 for the design of a new Public Works facility that will not occur again in 2014.

- Police is increasing 11 percent primarily due to the addition of 4 new employees that were approved by Town Council.
- Interfund Transfers is increasing 75 percent primarily due to the \$2 million transfer to the Parks and Recreation Fund for the Recreation Center Expansion.

Other highlights of the General Fund budget are as follows:

- \$8.9 million included for Public Works, which includes maintenance of streets, parks and open space, snow removal and street sweeping.
- \$4.6 million for repayment of debt issued to fund the construction of the Police Station, PACE Center and new Public Works Facility.
- \$950,000 investment in PACE Center operations.
- \$200,000 contingency funds to cover unforeseen expenditures.
- \$80,000 for the Town's small business assistance program.
- Additional departmental goals and highlights are included in the detail section of this budget document.

General Fund Summary	2013	2014	% change
	Adopted Budget	Adopted Budget	
Expenditures:			
Elected Officials	\$ 127,800	\$ 130,100	2%
Town Clerk	263,900	365,414	38%
Municipal Court	355,500	314,423	-12%
Town Administrator	501,400	533,574	6%
Elections	19,800	23,000	16%
Finance	788,500	757,070	-4%
Sales Tax	335,800	352,786	5%
Legal Services	495,100	524,636	6%
Human Resources	625,500	734,226	17%
Risk Management	222,300	340,780	53%
Community Development	2,049,930	1,516,225	-26%
Information Technology	1,279,200	-	-100%
Communications	667,100	682,421	2%
General Government Buildings	2,516,731	461,500	-82%
Customer Service	125,600	135,983	8%
Historic Preservation	5,000	5,000	0%
Interdepartmental	760,300	591,200	-22%
Debt Service	3,784,000	4,665,284	23%
Police	11,211,883	12,494,468	11%
Building Inspection	932,543	993,418	7%
Public Works	8,933,800	8,921,025	0%
Parks, Forestry and Open Space	3,031,018	3,091,981	2%
Parks/Public Works Buildings	622,300	203,300	-67%
Economic Development	581,642	601,016	3%
Economic Incentives	1,840,000	1,720,000	-7%
Interfund Transfers	1,863,800	3,265,000	75%
Total Expenditures	<u>\$ 43,940,447</u>	<u>\$ 43,423,830</u>	<u>-1%</u>

The 2014 annual budget maintains a healthy fund balance in the General Fund. The resulting fund balance is 34.4 percent of expenditures, well ahead of the Town policy amount of 16.7 percent.

Highlights of other funds

Conservation Trust Fund

From 2010 through 2012, \$300,000 was transferred each year from the Conservation Trust Fund to the General Fund to offset some of the parks maintenance costs and help balance the General Fund during the economic downturn. With the economy showing signs of improvement and revenue taking a turn in the positive direction, this transfer was not necessary in 2013 or 2014. Therefore, the annual revenue received, which is projected at \$396,000, will stay in the Conservation Trust Fund and those funds will be used to fund a significant portion of the Recreation Center expansion project.

Parks and Recreation Fund

Revenue in this fund consists mainly of sales tax, which is projected to increase 4 percent or \$200,600 over the projected 2013 amount. A total of \$16.2 million in expenditures in 2014 includes the following:

- \$10 million for the expansion of the Parker Recreation Center
- \$1.8 million payment on the debt issued to construct the Parker Fieldhouse and Recreation Center expansion
- \$1.096 million to support the Parker Recreation Center operations
- \$927,600 for part of the total budget for parks maintenance in the General Fund
- \$147,700 to support the Mainstreet Center operations
- \$800,000 to construct the Town's portion of the east/west regional trail extending from the Cherry Creek trail to the existing undercrossing of Chamber Road; this will be part of a trail that will connect Parker to Chatfield State Park.
- \$300,000 to design the civic plaza located adjacent to the new Douglas County Library
- \$250,000 for a new disc golf course
- \$250,000 for trail development and gap closures

Law Enforcement Assistance Fund

This fund accounts for court surcharges and grants received to pay for victim/witness assistance services and other law enforcement needs. In 2014, \$40,000 from court surcharges will be used to purchase two license plate readers for patrol cars.

PACE Fund

Current year revenue of \$1,375,709, fund balance and a \$950,000 investment from the General Fund will support expenditures of \$2,617,988, which includes the third year of operations at the PACE Center, as well as other arts and culture activities. The budget leaves an ending fund balance of \$7,398.

Mainstreet Center

The Mainstreet Center provides rental space for artistic performances and recitals in the 200-seat auditorium, classroom experiences and youth sports programming in the center's gymnasium. The facility will be undergoing a major renovation project budgeted at \$820,000 in 2014. Funding for the project will come from a State Historic Society grant (\$310,000) and a transfer from the Excise Tax Fund (\$510,000). The total budget is \$1,069,540.

Public Improvements Fund

Projected revenues and beginning fund balance will provide total resources of \$30 million to the fund in 2014. The total \$18.7 million budget for expenditures includes the following capital projects.

- \$10.2 million to construct a new Public Works facility.
- \$4.79 million for Hess Road widening project between Motsenbocker Road and Leesburg/Natè.
- \$1.3 million for the construction of Todd Drive between Jordan Road and Motsenbocker Road.
- \$750,000 for the construction of the Pikes Peak Court extension.
- \$500,000 for median and entryway beautification, sidewalk gap closures and roadway safety enhancements.
- \$400,000 for the Townwide sign program.
- \$350,000 for improvements to Chambers Road between Main and Newlan Gulch.
- \$225,000 for a traffic signal at Pine Drive and Summerset
- \$150,000 for widening Motsenbocker between Clarke Farms and Todd Drive

Excise Tax Fund

In 2014 \$510,000 will be transferred to the Mainstreet Center Fund for the facility restoration projects.

Stormwater Utility Fund

A total of \$1.67 million is budgeted to provide for stormwater management, drainage repair and maintenance and capital projects. Capital projects include the following:

- \$200,000 for Cherry Creek Stabilization at Norton Open Space.
- \$50,000 to construct the Potestio Brothers Drainage Improvements.

Staffing

The Summary of FTEs chart illustrates the change in FTE (full-time equivalent) from the 2013 original budget to the 2014 original budget.

A Report Technician will be added to the Police Department. The front desk at the police department serves as the primary “front end” customer service source for residents who walk in or call in through non-emergency phone numbers. A permanent, full time Report Technician will decrease front desk employment turnover and provide a familiar face to citizens.

Two Police Officers will be added to the Police Department. One officer position will backfill for the re-assigned officer from the patrol division that went to instruct the Y.E.S.S. program (Youth Education Safety in Schools) for the department and community. The officer assigned to this position will also be a backup to the already approved and funded School Marshal program that started in August of 2013. The second officer will backfill for the re-assigned officer from the patrol division that went to work on crime prevention programs for the department and community four years ago.

A Sergeant position will be added to the Police Department. With the hiring of additional patrol officers and the potential of hiring eight to ten total within the next 2 to 3 years, and because the Town of Parker is experiencing significant growth, adding supervision is critical to make sure that the goals and objectives of the Town and the department are met.

A Parks Technician I will be added to the Parks Division. Since 2009, Parks has assumed responsibility for a number of new properties without adding an additional FTE. Additional median landscaping that will start on Lincoln Avenue east of Parker Road in 2014 will require another position.

An Assistant Day Camp Director will be added to the Recreation Department. Historically, the position has been part-time; however, due to 2014 limitations with respect to maximum weekly hours (30) for part-time staff, it has become necessary to elevate this position to full-time status.

Summary of FTEs	2013		2014
	FTE	Added	FTE
General Fund:			
Town Clerk	2.50	-	2.50
Municipal Court	2.80	-	2.80
Town Administrator	3.00	-	3.00
Finance	11.00	-	11.00
Town Attorney	2.00	-	2.00
Human Resources	6.00	-	6.00
Community Development	12.50	-	12.50
Communications	3.50	-	3.50
Customer Service	2.60	-	2.60
Police	94.80	4.00	98.80
Building Inspection	9.50	-	9.50
Public Works	30.47	-	30.47
Parks/Forestry/Open Space	20.90	1.00	21.90
Economic Development	3.00	-	3.00
General Fund Total	204.57	5.00	209.57
Parks and Recreation Fund	1.60	-	1.60
Law Enforcement Assistance Fund	1.50	-	1.50
PACE Fund	10.50	-	10.50
Recreation Fund	19.90	2.00	21.90
Mainstreet Center Fund	1.50	-	1.50
Stormwater Utility Enterprise Fund	8.00	-	8.00
Fleet Services Internal Service Fund	4.40	-	4.40
Information Technology	9.00	-	9.00
Facility Services Internal Services Fund	7.40	-	7.40
Total	268.37	7.00	275.37

A Maintenance and Facility Attendant will be added to the Recreation Department. The Recreation Maintenance and Facility Attendant position is responsible for the ongoing upkeep and light maintenance of the recreation facilities (Parker Recreation Center, Fieldhouse and H2O'Brien Pool). Historically, the position has been part-time; however, due to 2014 limitations with respect to maximum weekly hours (30) for part-time staff, it has become necessary to elevate this position to full-time status.

The increase of 7 FTE increases the total FTE to 275.37, a 2.6 percent increase. The Town also employs between 200 and 250 part-time employees throughout the year, which are primarily for recreation services.

Acknowledgements

Again, we are pleased to provide you this year's budget. The annual budget was adopted by Town Council on December 2, 2013. Council and staff worked hard over the course of several months in 2013 to develop this financial plan for 2014 and we would like to extend our sincere thanks and appreciation to the entire Town Council, department directors and staff for their valuable assistance and input. The Town welcomes citizen comments and questions about this budget.

Respectfully submitted,


G. Randolph Young
Town Administrator


Donald P. Warn
Finance Director

Vision, Mission and Goals

Each year, as a part of the budget process, the Town develops new or updates existing goals that seek to achieve our long-term vision and mission statements. Shorter term strategic initiatives are also updated or added to guide the Town towards achieving the long-term goals.

Vision

Parker will be a full-service community with a hometown feel.

Mission

The mission of the Town of Parker is to serve our citizens, businesses and visitors by enhancing the health, safety and welfare of our community. We promote a strong, diverse economy and provide a wide range of services while maintaining our hometown feel.

Goals

Recreation

Parker will be the regional leader serving all ages by providing comprehensive recreational opportunities.

- Master plan Salisbury North, Reata West, Reuter-Hess and O'Brien North
- Construct a regional aquatic facility - Olympic-sized pool
- Construct a regional outdoor water park at O'Brien North
- Install a Tough Mudder at the Salisbury multi-use trail facility

Transportation

Parker will be the leader in providing cost-effective local transportation throughout our community.

- Explore the development a Parker Transit Authority
- Explore or develop potential joint partnerships
- Explore call-n-ride joint venture

Active Adult Population

Parker will provide a comprehensive range of services and programs to enrich the lives of our active adult community.

- Explore acquisition of new facilities or property trade

Economic Development

Parker will become the regional economic driver by pursuing expansion and annexation opportunities, capitalizing on the recruitment of new business in support of our existing vertical markets.

- Develop a concentric circles A and B plan (selling Parker first - then Douglas County on border with Parker)
- Develop off-the-shelf packages for different levels of development
- Seek out higher education opportunities
- Develop partnerships with utility providers
- Explore national and international opportunities for exposure
- Capitalize on small and medium businesses

Community Enhancement

Parker will create a community where residents always feel at home by providing needed facilities, infrastructure, services and maintenance while enhancing the image and identity of our Town.

- Work to maintain current level of service to citizens in an environment of constrained resources.
- Explore options for partnerships with public and private agencies to maximize resources and create community value.

Core Values

Parker is committed to maintaining a friendly, home town atmosphere through emphasis on our core values: teamwork, quality service, integrity and innovation.

- Promote and reinforce the Town's Core Values through training, employee events and recognition.

Government Transparency/Accountability

Parker will increase public participation and the level of transparency and accountability to our citizens.

- Engage in strategic planning for the future of our community and organization through the development and implementation of accreditation processes and master plans.
- Use all available tools to make information more easily available and encourage community participation on major issues and decisions.

Town Profile

The Town is located in southeast Metro Denver and northern Douglas County. With approximately 48,000 residents, the Town boasts a highly-educated population with average household incomes that exceed most of the Denver metropolitan area.

Parker is a well-planned community that offers excellent opportunities for investors, retailers and developers to relocate or expand. Both businesses and residents enjoy the open space and trails, recreational amenities, opportunities for community involvement and great schools. They also enjoy a wide range of shopping venues, access to many modes of transportation and quality services.

History

Parker's very modest beginning came in 1860, when a one-room shack was moved from Pine Grove to Cherry Creek to serve as a stage stop called the Twenty Mile House. The humble little shack grew into a 10-room inn and eventually became a major stopping point for the railroad in 1882 under the ownership of James S. Parker.



When the Town incorporated in 1981, it was one square mile and had a population of 285. Since then, Parker has transformed from the rural equestrian capital of Colorado to an exciting town with beautiful open spaces and well-planned residential and commercial developments. Today, Parker is a little over 20 square miles and has a population of approximately 46,000. At 5,900 feet above sea level, our climate is known to be one of the best in the nation with more than 300 days of sunshine, clear blue skies and less than 15 inches of precipitation each year. The municipalities of Lone Tree and Aurora are directly adjacent to Parker while Castle Rock is located just to the south.

Governance

The Town is a home rule municipality that is governed by a Council-Administrator form of government. The community at large elects six Councilmembers and the Mayor to staggered four-year terms such that no more than three Councilmember terms expire every two years. Councilmembers and the Mayor are limited to two consecutive four-year terms.

Town Council is given the power by the Town Charter to enact and provide for the enforcement of ordinances, make policy decisions and approve the Town budget. They also hire, supervise and direct the Town Administrator, Town Attorney and Municipal Court Judge. The Town Administrator carries out the Council's directives and is responsible for all other Town staff and day-to-day activities.

Parker Amenities

Healthcare

State-of-the-art Parker Adventist Hospital is located in Parker and offers a wide array of specialists and services, including a branch of The Children's Hospital. New medical offices and practices continue to locate near this facility and the surrounding area. In addition, Skyridge Hospital in Lone Tree is 10 miles west of Parker and continues to attract a high quality workforce to the community. Since their opening, both hospitals have added new facilities to accommodate the growth that Parker and Douglas County have experienced in recent years.

Parker is also home to the Rocky Vista University College of Osteopathic Medicine. The Rocky Vista campus includes state-of-the-art technology, AV capabilities and educational support which are evident throughout the approximately 145,000 square feet of campus and buildings of the University.

Water

Three special districts serve the greater Parker area's water needs: Parker Water and Sanitation District, Cottonwood Water and Sanitation District and Stonegate Village Metropolitan District. Currently, most of the Town's water comes from ground water; however, long-range projections by Parker Water point to a water shortage. To resolve this issue, Parker Water recently completed and started filling a reservoir designed to meet expected future demand from Parker and other neighboring communities in Douglas County. The Reuter-Hess Reservoir will serve Parker's ongoing water needs and will solve the projected water shortage problem.

Roadways and Travel

Parker is located in northeast Douglas County approximately five miles east of I-25. The E-470 toll way runs through the northern area of town and the 15 to 20 minute commute to the Meridian, Inverness and Denver Tech Center business parks is easily made via the expressway.

Minutes away from downtown Parker, Centennial Airport is the third busiest general aviation facility in the country, handling corporate and charter air traffic.

Denver International Airport is approximately 30 miles northeast of Parker and can easily be reached in 30 minutes via E-470.



South Parker Road (Highway 83) provides connectivity and convenient access for commuters. The Regional Transportation District (RTD) also serves the Parker community by providing

rapid transit services, including the Light Rail on Lincoln Avenue and a Call-N-Ride system to various businesses and residents.

Housing

Parker's residential communities include a variety of well-planned housing opportunities, ranging from entry level homes to luxury executive housing to multi-family townhomes, condos and apartments. Mixed-use neighborhoods are being developed in Parker, as well as a variety of homes along golf courses, parks and open space. The median home value is in the low \$300,000 range.

Recreation

Parker residents enjoy a wide variety of recreational activities. There is one library, a senior center and 12 public parks. The public parks contain a variety of facilities including soccer, baseball and softball fields, basketball courts, tennis courts, a skate park, walking trails, picnic pavilions and playgrounds.

The Town's Railbender Skate and Tennis Park is a favorite for many local in-line skaters and skateboarders. The Town also has two recreation centers which are fully utilized by the citizens.



The Parker Fieldhouse is a 100,000-square-foot structure that features two regulation or four youth-sized basketball courts, a 25-foot indoor climbing wall, a 185 x 85-foot inline hockey rink, a 170 x 85-foot turf field, a fitness center, a running track, batting cages and a play structure for children. Since it opened, program participation has exceeded expectations.

The Recreation Center is home to an Olympic-size indoor swimming pool that is used by the high school swim teams, as well as for swimming lessons, exercise classes and year-round recreational swimming. There are basketball courts, a work-out area with state-of-the-art equipment, a cycling area and classrooms for various activities. The Recreation Center will be undergoing a major expansion in 2014. Approximately 24,600 square feet will be added to the existing facility, and approximately 8,000 square feet of the current facility will be renovated. Included with this construction will be a new indoor leisure pool with zero-depth entry, lazy river, new waterslide, aquatic climbing wall and water play features. Additional amenities will include a therapy pool, additional lap lanes, a new half gymnasium, new children's party room, new classrooms/child care rooms and new fitness studio. Eight (8) family changing rooms will be added, men's and women's locker rooms will be renovated and the lobby and reception area will be expanded. The exterior of the recreation center will feature an expanded parking lot and enhanced exterior architecture.

The H2O'Brien Pool is an outdoor swimming pool that features slides, a zero-depth entry, water cannons and a fort in the pool that allows kids and adults to play and relax.

Of course, Parker recreation is much more than facilities. Our community enjoys a full range of adult and youth programming choices. Offerings include year-round swimming lessons, youth and adult special interest classes, arts and crafts classes and cultural events. Recreational sport leagues are available year-round for nearly all age groups.

Many residents take advantage of Parker’s close proximity to the Rocky Mountains and enjoy skiing at world-class ski resorts, hiking, fishing and just being outdoors. All of the major professional sports are close by including football, basketball, hockey, baseball, soccer and lacrosse.

Arts, Culture and Events

From festivals and events to public arts and performances, Parker is an exceptionally artistic and creative community.

The Parker Arts, Culture and Events (PACE) Center opened in the fall of 2011 and is home to a 500-seat theater, 250-seat amphitheater, art gallery, event room, dance studio, culinary teaching kitchen, visual arts studios, media room and several classrooms. The PACE Center provides a wide variety of family-oriented cultural, arts, scientific and educational programming to the region and serve as a rental venue for community, business and social events.

The Mainstreet Center, located in the heart of downtown Parker will continue to house fantastic events, shows, classes and art. Originally opened in 1915 as the Parker School House, the building operated as a school until 1967. It was acquired by the Town in 1995 and renamed the Mainstreet Center. The center’s auditorium seats 200 and hosts cultural events including plays, concerts, children’s performances, recitals and large classes. The gymnasium is home to numerous youth sports and other recreation activities. It is also the site for year-round events including tot classes, music, theater, languages and art.

Education

Parker is served by the Douglas County School District Re. 1(DCSD). The third largest school district in the state, DCSD serves more than 61,000 students and is one of the highest performing districts in Colorado. There are 4 high schools, 3 middle schools, 12 elementary schools and 3 charter schools that serve the Parker area.

In addition to the Rocky Vista University College of Osteopathic Medicine, Parker is also home to the Arapahoe Community College Parker Campus, which provides a convenient location for educational opportunities for higher education to those living or working in and around Douglas County.

Parker Tax Rates

The Town’s property tax rate is 2.602 mills, which is one of the lowest property tax rates in the state.

The Town’s sales tax rate is 3 percent and is the largest revenue source for the Town. The total sales tax rate in Parker is 8 percent and includes the state, county and RTD. Of the Town’s 3 percent sales tax, 2.5

The total sales tax rate within the Town is 8 percent, which is made up of the combined tax rates of the following jurisdictions.	
Town	3.0%
County	1.0%
State	2.9%
RTD/SCFD	1.1%
Total	8.0%

percent is directed to the General Fund to support the majority of the Town's operations including public safety and public works. The other 0.5 percent is dedicated to meeting parks, recreation and open space needs.

Economy and Demographics

In addition to the excellent recreation, education, health care, transportation access and water amenities currently available, strong demographics in Parker and Douglas County support the Town's economic activity and growth. The following set of data and graphical information illustrates various demographic and economic indicators of the Town and the surrounding area.

Building Permits - Parker						
Year	New Single Family		New Multi-Family		Commercial	
	Permits	Value	Permits	Value	Permits	Value
2007	232	\$ 67,334,924	3	\$ 618,078	582	\$ 75,476,426
2008	142	\$ 45,050,250	0	\$ -	615	\$ 45,345,961
2009	43	\$ 16,005,637	0	\$ -	631	\$ 41,666,769
2010	112	\$ 32,509,630	0	\$ -	466	\$ 36,123,583
2011	183	\$ 55,076,498	7	\$ 1,338,620	416	\$ 25,251,892
2012	381	\$ 119,581,591	38	\$ 7,420,142	515	\$ 19,139,317
2013 proj	360	\$ 123,480,000	0	\$ -	465	\$ 17,100,000
2014 proj	360	\$ 127,188,000	0	\$ -	465	\$ 15,750,000

source: Town of Parker

Assessed Valuation - Real Property (by year tax is collected)				
Year	Commercial/ Industrial	Residential	Other non-exempt	Total
2007	\$ 138,392,000	\$ 276,215,000	\$ 51,425,000	\$ 466,032,000
2008	\$ 154,483,000	\$ 314,795,000	\$ 57,822,000	\$ 527,100,000
2009	\$ 170,354,000	\$ 323,750,000	\$ 57,543,000	\$ 551,647,000
2010	\$ 191,563,000	\$ 321,775,000	\$ 48,508,000	\$ 561,846,000
2011	\$ 200,349,000	\$ 323,341,000	\$ 47,098,000	\$ 570,788,000
2012	\$ 184,847,000	\$ 303,025,000	\$ 38,857,000	\$ 526,729,000
2013	\$ 187,142,000	\$ 307,673,000	\$ 38,800,000	\$ 533,615,000
2013	\$ 181,230,960	\$ 321,360,510	\$ 35,063,784	\$ 537,655,254

source: Douglas County Assessor

	Unemployment						
	Dec-07	Dec-08	Dec-09	Dec-10	Dec-11	Dec-12	Oct-13
Parker*	2.5%	3.4%	5.0%	4.9%	6.3%	6.5%	6.0%
Douglas County*	3.5%	4.8%	6.9%	6.8%	5.8%	5.9%	5.6%
Colorado	4.1%	6.1%	8.6%	8.9%	7.9%	7.5%	6.8%
U.S.	5.0%	7.3%	9.9%	9.4%	8.5%	7.8%	7.3%

*not seasonally adjusted

source: www.google.com - public data

Households			
	Town	5-mile Radius	7-mile Radius
Households	20,646	32,658	59,137
Median Household Income	\$ 90,808	\$ 92,136	\$ 122,125

source: Town of Parker Economic Development Department

Population					
	Town	10-mile Radius	Douglas County	Metro Denver	State
Population	59,413	403,583	301,505	2,600,457	5,143,578
Median Age	35.82	33.68	36.15	36.60	36.37
Households	20,646	145,527	107,033	1,027,778	2,019,541
Median Household Income	\$ 90,808	\$ 86,702	\$ 95,621	\$ 59,493	\$ 55,568
Civilian Employed Population	34,077	226,626	171,127	1,400,457	2,693,454

source: Town of Parker Economic Development Department

Workforce Educational Attainment			
	Town	5-mile Radius	7-mile Radius
Less than 9th Grade	0.48%	0.70%	1.04%
Some High School, No Diploma	2.32%	2.18%	1.96%
High School Graduate or GED	15.07%	16.09%	15.42%
Some College, No Degree	25.46%	24.59%	23.14%
Associate Degree	9.16%	8.84%	8.52%
Bachelor's Degree	33.24%	32.98%	33.45%
Master's Degree	11.27%	11.54%	12.71%
Professional School Degree	2.06%	2.03%	2.54%
Doctorate Degree	0.95%	1.05%	1.23%

source: Town of Parker Economic Development Department

Largest Employers in the Town of Parker		
Name of Employer	Product or Service	# Employees
Parker Adventist Hospital	Health care	685
Town of Parker	Local government	492
Walmart	Retail	375
King Soopers (two stores)	Retail grocery	355
Lifetime Fitness	Fitness and health	294
Costco Wholesale	Wholesale retail	200
Super Target	Retail	175
Oralabs, Inc.	Manufacturing health/beauty	170
Kohl's	Retail	165

source: Town of Parker

Age 25+ Educational Attainment					
	Town	10-mile Radius	Douglas County	Metro Denver	State
Bachelor's Degree	33%	33%	37%	25%	23%
Master's Degree	11%	13%	13%	9%	9%
Professional School Degree	2%	3%	3%	2%	2%
Doctorate Degree	1%	1%	1%	1%	1%

source: Town of Parker Economic Development Department

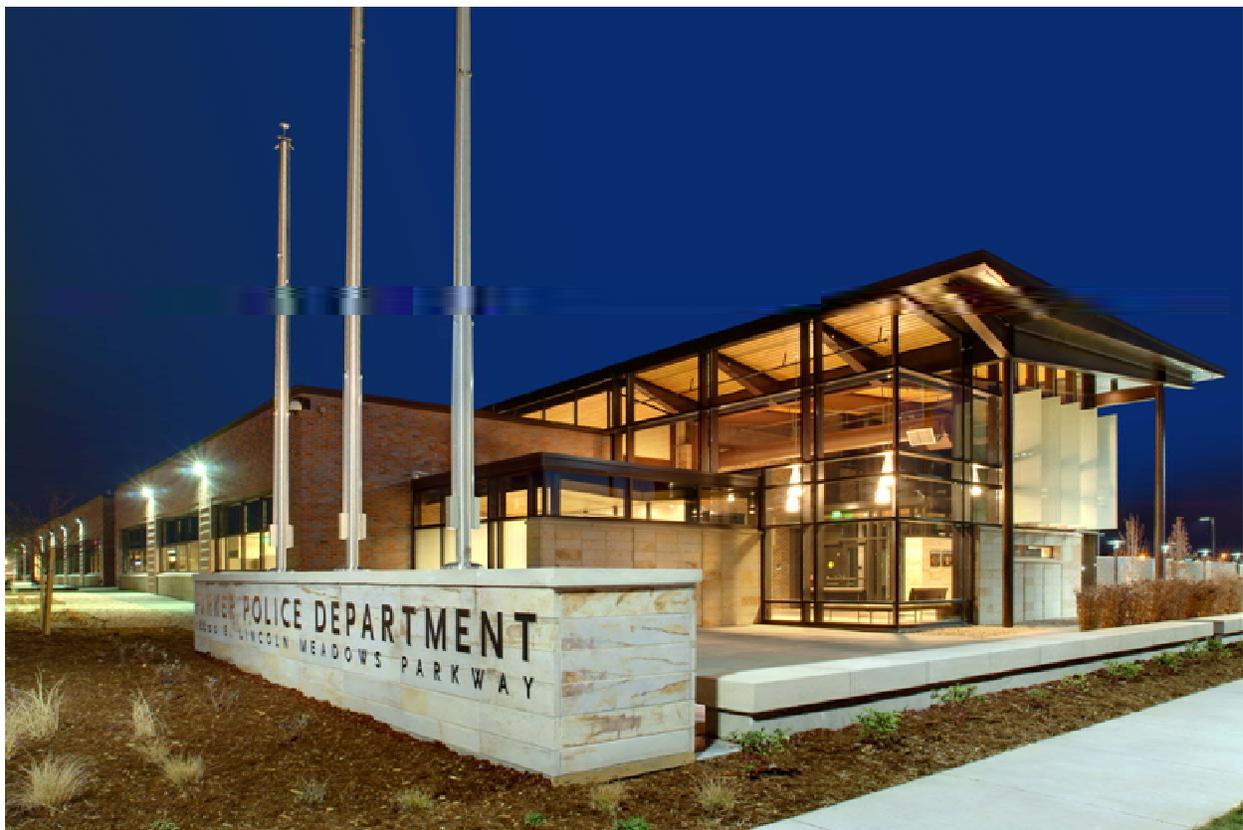
Population by Age Group						
	Town		5-mile Radius		7-mile Radius	
Under 15	15,374	26%	20,945	23%	39,365	23%
15 to 24	6,822	11%	11,560	13%	22,942	14%
25 to 44	18,500	31%	26,061	29%	44,029	26%
45 to 64	15,312	26%	26,105	29%	49,314	29%
65+	3,405	6%	5,811	6%	11,941	7%
Median Age	35.82		36.28		35.60	

source: Town of Parker Economic Development Department

Budget Overview

Included in this section of the budget document is the following information:

- **Basis of Presentation, Budgeting and Accounting**
- **Fund Descriptions**
- **Fund/Department Matrix**
- **Budget Policy Summary**
- **Fund Structure**
- **Fund Summary Graphs**
- **Summary of All Funds Revenues and Expenditures**
- **Summary of All Funds by Fund Type**
- **Summary of All Funds by Year to Year Comparison**
- **Debt Service**
- **Tax Spending and Debt Limitations**
- **Staffing Levels**



Parker Police Department

SECTION OVERVIEW

This section of the 2014 budget document provides an overview of the departmental narratives, revenues and expenditures in the Town's primary funds. In addition, this section provides a definition and explanation of the fund types used by the Town, and an explanation of the budgeting and accounting basis for presentation of revenues and expenditures by fund and a summary of budget policies.

DEPARTMENTAL NARRATIVES

The mission of the Town of Parker is to serve the citizens, business and visitors by enhancing the health, safety and welfare of our community. We promote a strong, diverse economy and provide a wide range of services, while maintaining our hometown feel. To that end, each department and division budget narrative provides a detailed description of the activities, budgeted staffing levels, as well as goals for the upcoming budget and accomplishments for the current budget year.

BASIS OF PRESENTATION, BUDGETING AND ACCOUNTING

Basis of Presentation – Fund Accounting

The activities of the Town are organized into separate funds that are designated for a specific purpose or set of purposes. Each fund is considered a separate accounting entity, so the operations of each fund are accounted for with a set of self-balancing accounts that comprise its revenues, expenses, assets, liabilities, and fund equity as appropriate.

The number and variety of funds used by the Town promotes accountability but can also make municipal budgeting and finance complex. Therefore, understanding the fund structure is an important part of understanding the Town's finances. The three basic fund categories are Governmental Funds, Proprietary Funds and Fiduciary Funds; within each fund category there are various fund types. Following is a description of the six fund types that contain the Town's various funds.

Governmental Funds

General Fund

The General Fund is the Town's primary operating fund and is used to track the revenues and expenditures associated with the basic Town services that are not required to be accounted for in other funds. This includes services such as police, public works, parks and recreation, and other support services such as human resources. These services are funded by general purpose tax revenues and other revenues that are unrestricted. This means that the Town Council, with input from the public, has the ability to distribute the funds in a way that best meets the needs of the community as opposed to other funds that are restricted to predefined uses.

Special Revenue Funds

Special Revenue funds account for activities supported by revenues that are received or set aside for a specific purpose that are legally restricted. The Town has seven Special Revenue funds that it budgets; Parks and Recreation Fund, Conservation Trust Fund, Law Enforcement Assistance Fund, PACE Fund, Recreation Fund, Mainstreet Center Fund, and Capital Renewal and Replacement Reserve Fund.

Capital Projects Funds

Capital Projects funds account for financial resources that must be used for the acquisition, improvements or construction of major capital projects. The Town has four Capital Projects funds; Public Improvement Capital Project Fund, Excise Tax Fund, Parkglenn Construction Fund and Police Station/PACE Center Construction Fund. The 10 year capital improvements plan lists approved and anticipated capital projects of the Town, and can be located in the capital section of the budget document.

Debt Service Funds

Debt Service funds are used to account for resources that will be used to pay the interest and principal of long-term debts. The Town has one Debt Service fund; Recreation Debt Fund.

Proprietary Funds

Enterprise Funds

Enterprise funds account for operations that are financed and operated in a manner similar to private business, where the intent of the Town is that the fund will be self supporting. This requires that the expense of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges. In the event that these user charges are insufficient to cover the operations of the Enterprise fund, transfers can be made from other fund types to provide additional support. The Town's Enterprise funds consist of the Stormwater Utility Fund.

Internal Service Funds

Internal Service funds account for the financing of goods and services provided primarily by one Town department to other Town departments or agencies, or to other governments, on a cost-reimbursement basis. The Town's Internal Service funds consist of the Fleet Management Fund, Information Technology Fund and Facility Services Fund.

Fiduciary Funds (Agency Funds)

Trust Funds

Agency funds account for resources that the Town does not have the authority to spend on its own because the Town is holding assets of these funds in a trustee capacity or as an agent for

another organizational unit. The Town has one Agency fund which is **not** budgeted; Security Escrow Fund.

Basis of Budgeting

Basis of budgeting refers to the methodology used to include revenues and expenditures in the budget. The Town of Parker primarily budgets on a cash basis. The Town does not budget for non-cash items such as depreciation and amortization. The revenues and expenditures are assumed to be collected or spent during the period appropriated. Using this assumption, the current year revenues are compared to expenditures to ensure that each fund has sufficient revenues to cover expenditures during the budget year, or that there are sufficient cash reserves in the fund to cover a revenue shortfall.

Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported in the financial statements. The government-wide financial statements, as well as the financial statements for proprietary funds and fiduciary funds, are reported using the economic resource measurement focus and the accrual basis of accounting. Under accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of when the cash is received or disbursed.

Governmental fund financial statements are reported using current financial resources measurement focus and the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recognized as soon as they become both measurable and available, and expenditures are recorded in the period that the expenditure occurs and becomes a liability.

Basis of Budgeting vs. Basis of Accounting

The basis of budgeting differs from the basis of accounting only by the assumptions that are made in regards to the timing of the recognition of revenues and expenditures. The budget assumes that all revenues and expenditures as well as, the associated cash, will be expended or received during the budget period. Conversely, the basis of accounting only recognizes revenues when they become both measurable and available, and expenditures when incurred. Cash is not necessarily received or expended at the same time.

Major Funds

The Town reports the following major governmental funds:

General Fund – This is the Town’s primary operating fund. It accounts for all financial resources of the Town except those required to be accounted for in another fund.

Parks and Recreation Fund – Accounts for the resources accumulated and expenditures made for the acquisition, development and maintenance of parks, open space and recreational facilities.

Public Improvements Fund – Accounts for the financing and construction of street and street-related improvements.

The Town reports the following major proprietary fund:

Stormwater Utility Fund – Accounts for the collection of stormwater fees from residential and commercial property owners in the Town. These fees are used to fund the planning and construction of drainage improvements, maintenance of storm sewers and detention facilities, and monitoring and safeguarding water quality.

Other (Non-Major) Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are restricted to expenditures for specific purposes. The Parks and Recreation Fund, discussed in the Major Funds section above, is a special revenue fund.

Conservation Trust Fund – Accounts for lottery proceeds from the State of Colorado and the subsequent transfer of those monies for expenditures for parks and recreation purposes.

Law Enforcement Assistance Fund – Accounts for Victim Assistance Law Enforcement (VALE) grant funds and court surcharge revenues that are used to fund the victim/witness program and other Police-related expenditures.

PACE Fund – Accounts for grant revenues and expenditures related to bringing arts and cultural activities to Parker, as well as the new PACE (Parker Arts, Culture and Events) Center that opened 2011.

Recreation Fund – Accounts for the revenue and expenditures of all recreation programs and the operations of the Parker Recreation Center, Parker Fieldhouse and H2O'Brien.

Mainstreet Center Fund – Accounts for the revenues and expenditures of the Mainstreet Center, which is used for cultural, recreational and community events.

Capital Renewal and Replacement Reserve Fund – Accounts for funds transferred from other funds for the purpose of saving for future capital facility needs.

Capital Projects Funds

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and infrastructure other than those financed by other funds including the General Fund, Parks and Recreation Fund and the Stormwater Utility Fund. The Public Improvements Fund, discussed in the Major Funds section above, is a capital projects fund.

Excise Tax Fund – Accounts for the collection of excise tax on new development for the purpose of building streets, parks and recreation facilities, and police and municipal

facilities. At Town Council's discretion, accumulated funds are transferred to the fund where the expenditures will take place.

Police Station and PACE Center Construction Fund – This fund was created in 2009 and accounts for the construction of the new Police Station and the new PACE Center. The Police Station was substantially completed in 2010 and the PACE Center in 2011. There is still a small balance remaining in the fund that can be used for capital items at these facilities.

Parkglenn Construction Fund – This fund consists of revenue received and being held for the purpose of installing a traffic signal at the Parker Road and Parkglenn Way intersection once federal warrants are met.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs.

Recreation Debt Service Fund – Accounts for payments of principal and interest on the 2006 sales and use tax issued to construct the Fieldhouse. This fund will also be used for debt service payments associated with the issuance of Certificates of Participation for the Recreation Center expansion.

Enterprise Funds

Enterprise funds account for activities that are operated in a manner similar to private business, where costs are predominantly supported by user charges or where management has decided periodic determination of revenues, expenses and changes in net assets are appropriate. The Stormwater Utility Fund, discussed above in the Major Fund section, is the Town's only enterprise fund.

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units on a cost reimbursement basis.

Fleet Services Internal Service Fund – Accounts for repairs and preventative maintenance of Town vehicles and vehicle-related equipment. Revenue is derived from participating departments based upon services rendered and fleet replacement schedules.

Technology Management Internal Service Fund – Accounts for IT personnel, the purchasing of computer equipment, software, licenses, copiers, and computer repair and maintenance for all departments of the Town. Revenue is derived from all departments based on their estimated share of these costs.

Facility Services Internal Service Fund – Accounts for the cleaning and maintenance of Town facilities. Funding is charged to applicable departments based on the square footage and amount of usage of each building.



Department/Fund	Governmental Funds										Proprietary Funds							
	General Fund	Parks and Recreation Fund	Law Enforcement Assistance Fund	PACE Fund	Recreation Fund	Special Revenue Funds	Recreation Fund	Mainstreet Center Fund	Public Improvements Fund	Excise Tax Fund	Police Station/PACE Center Construction Fund	Parkleem Construction Fund	Recreation Debt Service Fund	Stormwater Utility Fund	Fleet Services Fund	Technology Management Fund	Internal Service Funds	Facility Services Fund
Elected Officials	X														X			
Town Clerk	X														X			
Municipal Court	X														X			
Town Administrator	X														X			
Elections	X														X			
Finance	X														X			
Sales Tax	X														X			
Legal Services	X														X			
Human Resources	X														X			
Risk Management	X														X			
Community Development	X														X			
Information Technology	X														X			
Communications	X														X			
General Government Buildings	X														X			
Customer Service	X														X			
Historic Preservation	X														X			
Interdepartmental	X														X			
Debt Service	X														X			
Police	X														X			
Building Inspection	X														X			
Public Works	X														X			
Parks, Forestry and Open Space	X														X			
Public Works Buildings	X														X			
Economic Development	X														X			
Economic Incentives	X														X			
Interfund Transfers	X														X			

BUDGET POLICY SUMMARY

The Town of Parker has an important responsibility to its citizens to account for public funds and manage municipal finances wisely. This section provides a summary of the significant elements of the adopted 2014 Annual Budget and major financial policies in place to ensure that the funding for the Town's services is managed in a responsible manner.

The Town of Parker prepares the operating and capital budgets simultaneously on an annual basis. All funds are included in the operating budget.

Balancing the Budget

- Proposed expenditures must be equal to or less than forecasted revenues and fund balance for any budgeted year in all funds contained in the budget.
- The budget must be balanced when it is formally presented to the Town Council by the Town Administrator and when it is passed by the Town Council.
- Sales and excise taxes are the primary revenues used by the Town to offset expenditures and balance the budget. Property taxes, charges for services and other revenues are also used to balance the budget.
- Alternative forms of revenue may be used to balance the budget, such as bonds, grants, and lease and purchase agreements.
- Revenues remaining from the previous year will be placed in the fund balance and can be used for the purpose of balancing the budget, as long as the Council-mandated contingency amount is maintained.

Budget Reserves

- Non-appropriated General Fund balance will be maintained at levels sufficient to provide necessary working capital and contingency reserves at the level of at least two months (16.7 percent) of expenditures for the budget year. In addition, reserves for future major capital expenditures may be accrued in the fund balance.
- Non-appropriated emergency reserves will be maintained at 3 percent of budgeted expenditures, in accordance with Article X of the Colorado Constitution (TABOR).
- Use of the budget reserves must be recommended by the Town Administrator and be approved by a majority vote of the Town Council.

Revenues

Revenue Limitation

In 1992, voters approved an amendment to the Colorado Constitution that places limits on revenue and expenditures of the state and local governments. Even though the limit is placed on both revenue and expenditures, the constitutional amendment in reality applies to a limit on revenue collections. Growth in revenue is limited to the increase in the Denver-Boulder Consumer Price Index plus local growth (new construction and annexation). This percentage is added to the preceding year's revenue base, giving the dollar limit allowed for revenue collection in the ensuing year. Any revenue collected over the limit must be refunded to the citizens. Federal grants or gifts to the Town are not included in the revenue limit.

In April 1996, the Town of Parker's voters approved a ballot measure that allows the Town to retain revenues that exceed the growth limit imposed by Article X, Section 20. The measure was effective for 1996 and ensuing years.

One-time Revenues

One-time revenues are federal, state or private grants and tax windfalls that may occur in any given year.

- Grants must be shown as revenue in the appropriate fund and approved for expenditure by the Town Council. Also, the funds may only be used for the intended purpose as outlined by the contributing party.
- One-time revenues, such as tax windfalls, will be placed into the fund balance of the appropriate fund. The funds can be utilized only after the Town Council has approved the expenditure.

Service Charges and Fees

Service charges and fees should be reviewed annually. This review process should coincide with the annual budget process.

Temporary Loans between Funds

The transfer of revenues between funds to cover temporary short-falls in cash revenue is at the discretion of the Finance Director, but is only permissible under the following circumstances:

- A temporary loan can be made to funds that may experience a revenue lag due to collections.
- A temporary loan can be used to satisfy a shortfall in a transfer to a subsidized fund until the budget can be revised to the required transfer amount.

Expenditures

Expenditure Types

The expenditure types that are used throughout all Town's funds include salary and benefits, supplies, purchased services, capital outlay, debt service, contributions, interfund transfers and other.

Personnel

Only positions approved by Council may be filled. New positions may not be created during the year without Council approval.

Budget Reallocation

Budget reallocations may be made between line items by completing a budget reallocation form and obtaining the approval of the Town Administrator and Finance Director. Reallocations must be approved before goods or services are ordered. Budget reallocations to or from personnel line items will not be approved.

Capital Outlay

Capital outlay funds are to be appropriated for specific capital assets. Purchasing, acquiring or constructing a capital asset must be verified by the Finance Department prior to the purchase or contract to ensure that the expenditure of capital outlay funds has been specifically approved by Council during the budget process. Expenditure of capital outlay funds that are not on the approved list must be approved by the Town Administrator before making the purchase.

Enterprise Funds

Enterprise funds act like a private sector enterprise and revenues must cover 100 percent of the expenditures.

Authority over Expenditures

All expenditures for a department must be authorized by the Department Director. The ultimate responsibility of a departmental budget lies with that Department's Director. Directors must approve all disbursements by signing the source document to be paid or in a manner that signifies their approval.

There are certain instances in which an additional signature or delegated approval signature may be desirable for the Director.

- The Department Director may delegate their approval to a direct report when the director will be away from the office for a period longer than one (1) week.
- The Department Director may delegate their approval on invoices or other cash disbursements under \$5,000 to a direct report.
- The Department Director may delegate their approval to another director for purchases that are routinely made by the other department on behalf of their department.
- In all of these instances, written authorization delegating the Department Director's approval must be submitted to the Finance Department.

Executive Termination of Approved Spending

The Town Administrator may stop a department from spending appropriated funds in the event there is evidence that funds are being misused. The Town Administrator must present the reasons for the action to the Town Council within 30 days of the expenditure stoppage.

Debt Management

Short-term Debt/Lease-purchase Agreements

Short-term borrowing or lease-purchase contracts should be considered for financing major operating capital equipment when the Finance Director, along with the Town Administrator, determine that this is in the Town's best financial interest and the Town Council concurs. Lease-purchase decisions should have the approval of the appropriate operating manager.

Long-term Debt

Long-term debt will not be used to finance current operating expenses. When long-term debt is warranted for a project, the payback period for bonds used for the project must not exceed the useful life of the project.

Bond Rating

The Town will attempt to obtain the best possible bond rating and to maintain a favorable rating through prudent financial management and adherence to a policy of full disclosure on financial reports.

Voter Approval of Debt

As required by the Town Charter and State Statute, appropriate elections will be held to obtain voter approval for debt issuance.

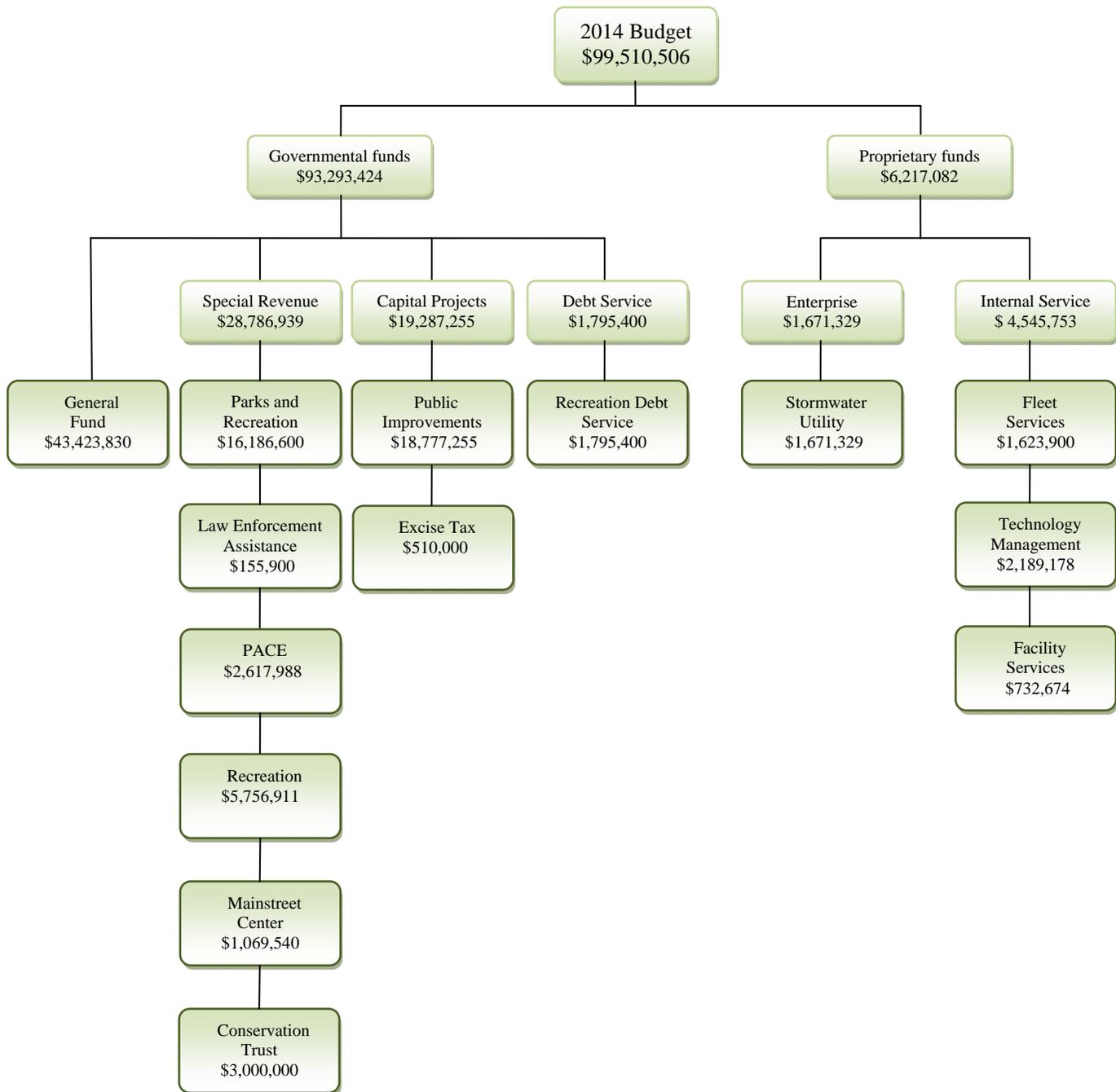
Budget Amendments

The Town Council may make additional appropriations by ordinance during the fiscal year for unanticipated expenditures of the Town. Such appropriations shall not exceed the amount by which actual and anticipated revenues of the year exceed the revenues estimated in the budget,

unless the appropriations are necessary to relieve an emergency endangering public peace, health, safety or property.

Fund Structure

The following chart illustrates the fund structure and the various funds the Town uses. Also shown is the total budget, the total budget for each fund type and the budget for each fund. The total appropriation amount for all funds, including interfund transfers, is \$99,510,506.



**Town of Parker
2014 Budget**

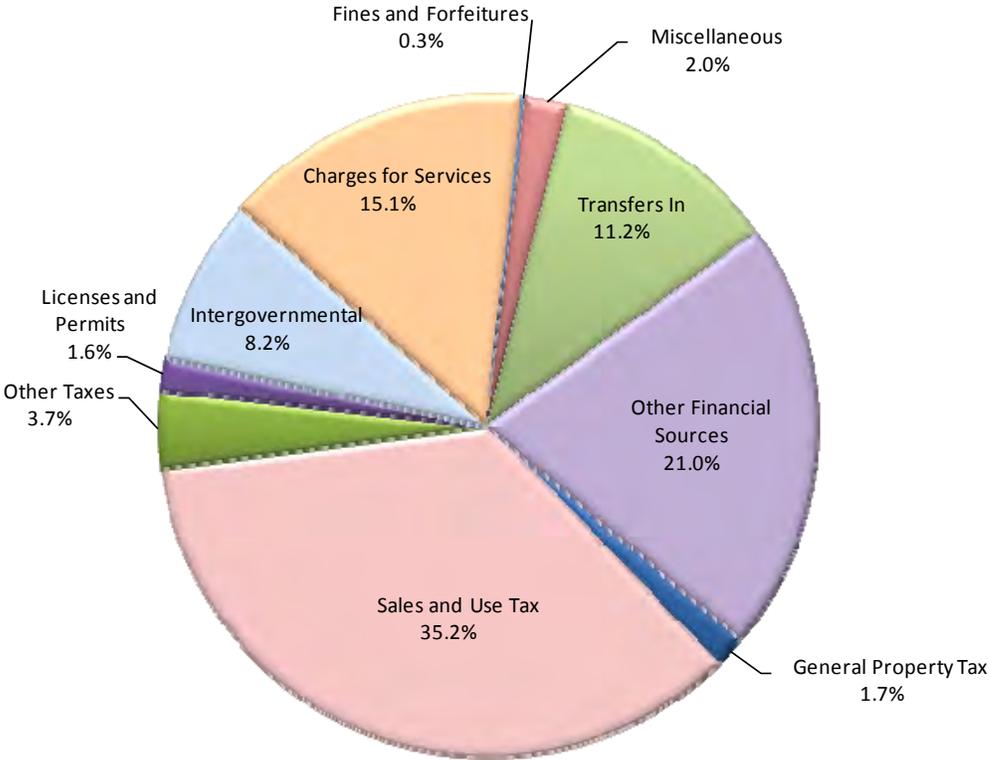
FUND BALANCE PROJECTION - ALL GOVERNMENTAL FUNDS

Fund	Fund Balance 12/31/2011	Budget 2012 Revenue	Budget 2012 Expenditure	Fund Balance 12/31/2012	Projected 2013 Revenue	Projected 2013 Expenditure	Fund Balance 12/31/2013	Budget 2014 Revenue	Budget 2014 Expenditure	Fund Balance 12/31/2014
<u>OPERATING FUND</u>										
General Fund	22,785,264	37,645,300	36,465,239	23,965,324	37,896,485	43,344,241	18,517,568	39,864,919	43,423,830	14,958,657
<u>SPECIAL REVENUE FUNDS</u>										
Conservation Trust	2,704,127	394,197	300,000	2,798,324	397,400	-	3,195,724	403,760	3,000,000	599,484
Parks and Recreation	4,323,587	5,553,071	4,168,362	5,708,296	5,286,700	5,595,860	5,399,136	18,007,400	16,186,600	7,219,936
Law Enforcement Assistance	200,835	134,599	101,380	234,054	140,000	227,500	146,554	142,200	155,900	132,854
Parker Arts, Culture and Entertainment	600,184	1,714,264	1,845,425	469,023	1,950,809	2,119,606	300,226	2,325,700	2,617,988	7,938
Recreation	867,419	5,312,924	4,926,005	1,254,338	5,207,088	5,311,281	1,150,145	4,866,050	5,756,911	259,285
Mainstreet Center	182,984	236,677	265,800	153,861	180,100	257,200	76,761	1,017,700	1,069,540	24,921
Capital Renewal/Replacement Reserve	389,750	1,550,036	-	1,939,786	5,600	-	1,945,386	1,900	-	1,947,286
<u>CAPITAL PROJECT FUNDS</u>										
Public Improvements	8,551,967	5,815,962	7,144,524	7,223,404	6,065,726	2,853,400	10,435,730	19,566,425	18,777,255	11,224,900
Excise Tax	1,572,343	1,722,143	200,000	3,094,486	1,557,500	-	4,651,986	1,625,300	510,000	5,767,286
Police Station/PACE Center Construction	2,473,044	8,230	1,890,374	590,900	1,700	528,995	63,605	100	-	63,705
Parkglen Construction	198,204	549	-	198,753	600	-	199,353	400	-	199,753
<u>DEBT SERVICE FUND</u>										
Recreation Debt Service	124	1,244,052	1,244,300	(124)	1,241,024	1,240,900	-	1,795,400	1,795,400	-

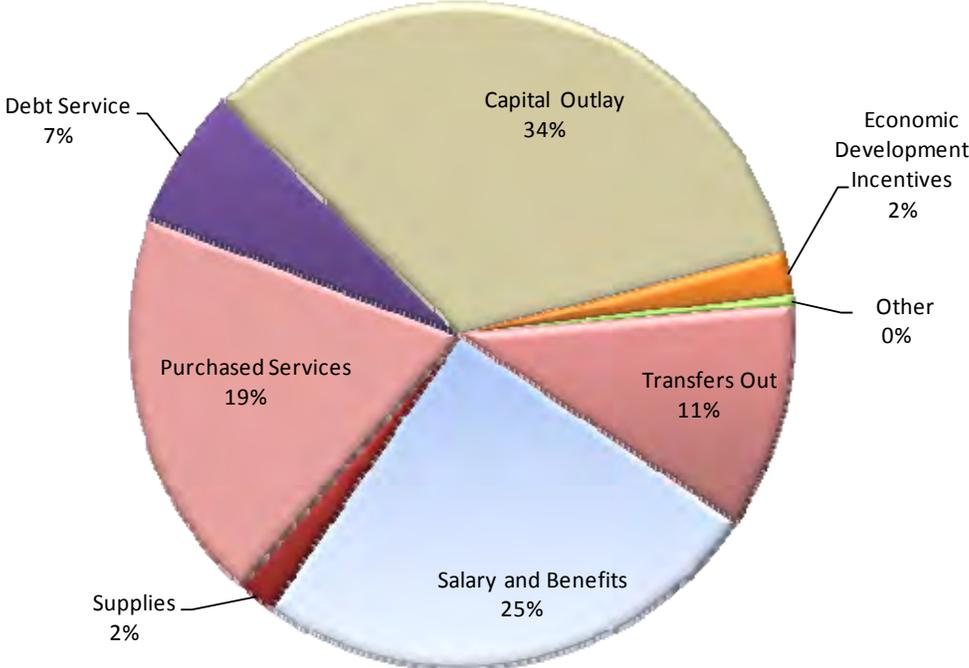
FUND CASH PROJECTION - ALL PROPRIETARY FUNDS

Fund	Fund Balance 12/31/2011	Budget 2012 Revenue	Budget 2012 Expenditure	Fund Balance 12/31/2012	Projected 2013 Revenue	Projected 2013 Expenditure	Fund Balance 12/31/2013	Budget 2014 Revenue	Budget 2014 Expenditure	Fund Balance 12/31/2014
<u>ENTERPRISE FUNDS</u>										
Stormwater Utility	2,106,732	3,128,226	1,499,072	3,735,886	1,764,800	1,709,500	3,791,186	1,831,300	1,671,329	3,951,157
<u>INTERNAL SERVICE FUNDS</u>										
Fleet Services	68,167	1,349,667	702,252	715,582	1,643,265	1,606,600	752,247	1,368,416	1,623,900	496,763
Technology Management	12,371	652,885	517,772	147,484	765,625	736,706	176,403	2,182,309	2,189,178	169,534
Facility Services	14,780	-	-	14,780	-	-	14,780	-	-	14,780

Where it comes from... revenues (all funds)



Where it goes... expenditures (all funds)



Summary of All Funds

For the Years Ended December 31, 2011-2014

	Actual 2011	Actual 2012	Projected 2013	Adopted 2014
Revenues				
General Property Tax	\$ 1,644,027	\$ 1,538,460	\$ 1,579,500	\$ 1,590,000
Sales and Use Tax	27,681,831	31,544,855	32,332,000	33,707,500
Other Taxes	2,624,202	3,531,342	3,446,600	3,578,300
Licenses and Permits	925,714	2,141,881	1,481,700	1,550,300
Intergovernmental	6,274,228	7,369,863	7,249,486	7,833,504
Charges for Services	9,443,716	11,617,229	12,445,084	14,420,675
Fines and Forfeitures	324,725	264,020	262,400	268,900
Miscellaneous	2,489,773	2,667,381	980,029	1,955,600
Transfers In	5,297,976	6,470,752	5,075,524	10,732,200
Other Financial Sources	-	-	-	20,095,000
Total Revenues	56,706,192	67,145,782	64,852,323	95,731,979
Expenditures				
General Government	7,071,830	7,379,778	11,418,064	10,087,666
Public Safety	10,188,732	11,350,249	12,502,328	13,643,785
Public Works	10,388,522	15,696,120	13,409,300	29,254,581
Parks, Recreation and Culture	20,707,594	10,325,884	13,376,873	24,558,470
Community Development	1,083,838	1,131,120	2,206,100	1,516,225
Economic Development	3,259,490	3,485,556	2,696,200	2,650,016
Other	165,429	1,252,929	578,200	410,200
Transfers Out	5,297,975	6,316,751	5,055,524	10,712,200
Debt Service	5,267,198	5,029,873	5,024,900	6,677,363
Total Expenditures	63,430,607	61,968,259	66,267,489	99,510,506
Net Increase (Decrease) in Fund Balances	(6,724,415)	5,177,523	(1,415,166)	(3,778,527)
Beginning Fund Balances	52,216,018	45,491,603	50,669,125	49,253,959
Ending Fund Balances	\$ 45,491,603	\$ 50,669,125	\$ 49,253,959	\$ 45,475,432

Summary of All Funds

2014 Annual Budget - By Fund Type

	General Fund	Enterprise Fund	Speical Revenue	Capital Projects	Internal Service	Debt Service	Total All Funds
Revenues							
General Property Tax	\$ 1,590,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,590,000
Sales and Use Tax	26,226,400	-	5,617,900	1,863,200	-	-	33,707,500
Other Taxes	1,963,400	-	-	1,614,900	-	-	3,578,300
Licenses and Permits	1,550,300	-	-	-	-	-	1,550,300
Intergovernmental	3,974,319	-	1,255,860	2,603,325	-	-	7,833,504
Charges for Services	3,313,800	1,823,600	5,001,350	-	4,281,925	-	14,420,675
Fines and Forfeitures	173,100	-	95,800	-	-	-	268,900
Miscellaneous	126,000	7,700	119,600	1,700,800	1,500	-	1,955,600
Transfers In	947,600	-	7,674,200	315,000	-	1,795,400	10,732,200
Other Financial Sources	-	-	7,000,000	13,095,000	-	-	20,095,000
Total Revenues	39,864,919	1,831,300	26,764,710	21,192,225	4,283,425	1,795,400	95,731,979
Expenditures							
General Government	5,541,913	-	-	-	4,545,753	-	10,087,666
Public Safety	13,487,885	-	155,900	-	-	-	13,643,785
Public Works	9,022,675	1,454,650	-	18,777,255	-	-	29,254,581
Parks, Recreation and Culture	3,193,631	-	21,364,839	-	-	1,795,400	26,353,870
Community Development	1,516,225	-	-	-	-	-	1,516,225
Economic Development	2,321,016	-	329,000	-	-	-	2,650,016
Other	410,200	-	-	-	-	-	410,200
Transfers Out	3,265,000	-	6,937,200	510,000	-	-	10,712,200
Debt Service	4,665,284	216,679	-	-	-	-	4,881,963
Total Expenditures	43,423,830	1,671,329	28,786,939	19,287,255	4,545,753	1,795,400	99,510,506
Net Increase (Decrease) in Fund Balances	(3,558,911)	159,971	(2,022,229)	1,904,970	(262,328)	-	(3,778,527)
Beginning Fund Balances	18,517,568	3,791,186	10,653,653	15,350,674	940,878	-	49,253,959
Ending Fund Balances	\$ 14,958,657	\$ 3,951,157	\$ 8,631,424	\$ 17,255,644	\$ 678,550	\$ -	\$ 45,475,432

Summary of All Funds
Year-to-Year Comparison

	2012 Actual	2013 Original Budget	2013 Adopted Budget	2013 Projected	2014 Adopted Budget	% Change Adopted Budget
Beginning Fund Balances	\$ 45,491,603	\$ 45,817,683	\$ 50,669,125	\$ 50,669,125	\$ 49,253,959	-3%
Revenues						
General Fund	35,994,700	34,138,800	34,658,800	37,014,785	38,937,319	12%
Special Revenue Funds						
Conservation Trust	394,197	355,900	355,900	397,400	403,760	13%
Parks and Recreation	5,553,071	5,061,800	5,061,800	5,286,700	13,007,400	157%
Law Enforcement Assistance	134,599	139,500	139,500	140,000	142,200	2%
PACE	1,114,264	1,189,700	1,189,700	1,337,009	1,375,700	16%
Recreation	4,136,824	3,865,700	3,930,700	4,217,588	3,799,550	-3%
Mainstreet Center	140,677	100,100	100,100	100,600	360,000	260%
Capital Renewal/Replacement Reserve	36	400	400	5,600	1,900	375%
Capital Project Funds						
Public Improvements	5,815,962	3,353,600	3,353,600	4,815,726	19,251,425	474%
Excise Tax	1,722,143	886,600	886,600	1,557,500	1,625,300	83%
Police Station/PACE Center Construction	8,230	-	-	1,700	100	
Parkglenn Construction	549	-	-	600	400	
Debt Service Fund						
Recreation Debt Service	1	-	-	-	-	
Enterprise Fund						
Stormwater Utility	3,128,226	1,760,400	1,760,400	1,764,800	1,831,300	4%
Internal Service Funds						
Fleet Services	1,349,667	1,631,100	1,631,100	1,643,265	1,368,416	-16%
Technology Management	652,885	767,100	767,100	765,625	2,182,309	184%
Facility Services	683,001	741,900	741,900	747,901	732,700	-1%
Total Revenues	60,829,031	53,992,600	54,577,600	59,796,799	85,019,779	56%

Summary of All Funds
Year-to-Year Comparison

	2012 Actual	2013 Original Budget	2013 Adopted Budget	2013 Projected	2014 Adopted Budget	% Change Adopted Budget
<i>Expenditures</i>						
General Fund	35,865,239	38,309,700	42,076,647	41,480,441	40,158,830	-5%
Special Revenue Funds						
Parks and Recreation	813,211	1,865,000	3,697,483	2,417,536	12,249,400	231%
Law Enforcement Assistance	101,380	228,900	228,900	227,500	155,900	-32%
PACE	1,845,425	1,952,200	2,098,191	2,119,606	2,617,988	25%
Recreation	4,926,005	5,133,400	5,399,281	5,311,281	5,756,911	7%
Mainstreet Center	265,800	251,100	326,100	257,200	1,069,540	228%
Capital Project Funds						
Public Improvements	6,832,924	1,590,000	4,303,700	2,840,000	18,777,255	336%
Police Station/PACE Center Construction	340,374	-	528,995	528,995	-	-100%
Debt Service Fund						
Recreation Debt Service	1,244,300	1,240,900	1,240,900	1,240,900	1,795,400	45%
Enterprise Fund						
Stormwater Utility	1,499,072	1,580,100	1,649,742	1,709,500	1,671,329	1%
Internal Service Funds						
Fleet Services	702,252	1,614,200	1,769,097	1,606,600	1,623,900	-8%
Technology Management	517,772	766,900	766,900	736,706	2,189,178	185%
Facility Services	697,754	741,800	741,800	735,700	732,674	-1%
Total Expenditures	55,651,508	55,274,200	64,827,736	61,211,965	88,798,306	37%
Ending Fund Balances	\$ 50,669,125	\$ 44,536,083	\$ 40,418,989	\$ 49,253,959	\$ 45,475,432	13%

Note: Interfund transfers have been eliminated

Debt Service and Financial Obligations

Occasionally, the Town has issued debt as a means of providing the necessary funding to construct major capital projects. When advantageous, the Town has also used long-term financing to fund land and major equipment purchases.

The Town has outstanding long-term financial obligations in the form of sales and use tax revenue bonds and certificates of participation. There are currently no plans to increase the amount of debt.

2006 Sales and Use Tax Revenue Bonds

In May 2006, revenue bonds were issued in the amount of \$17,025,000 to provide funds for the acquisition and construction of the Parker Fieldhouse and related improvements and the refunding of outstanding revenue bonds that were issued in 1993 for the Recreation Center. The annual debt service payments are accounted for in the Recreation Debt Service Fund, which receives a transfer from the Parks and Recreation Fund. The refunding portion was satisfied in 2011. The bonds will be fully satisfied in 2025. The debt service payment schedule for the outstanding debt is shown in the following table.

<i>Sales and Use Tax Revenue Bonds</i>			
Year	Principal	Interest	Total
2014	\$745,000	\$481,700	\$1,226,700
2015	\$775,000	\$449,438	\$1,224,438
2016	\$805,000	\$417,838	\$1,222,838
2017	\$840,000	\$383,888	\$1,223,888
2018	\$880,000	\$347,338	\$1,227,338
2019	\$915,000	\$308,622	\$1,223,622
2020	\$955,000	\$267,716	\$1,222,716
2021	\$1,000,000	\$224,325	\$1,224,325
2022	\$1,045,000	\$178,313	\$1,223,313
2023	\$1,095,000	\$130,163	\$1,225,163
2024	\$1,145,000	\$79,763	\$1,224,763
2025	\$1,200,000	\$27,000	\$1,227,000

2009 Certificates of Participation

In 2009, the Town issued \$44,250,000 in certificates of participation to finance the cost of constructing a Police station and the PACE Center. To obtain favorable interest rates, the Town issued most of the COPs (\$40,720,000) using the federal government's Build America Bond program under the American Recovery and Reinvestment Act of 2009. With the Build America Bonds, the Town will receive a credit of 35 percent of the interest payment from the federal government. The remaining COPs (\$3,530,000) were issued using traditional municipal tax-exempt bonds. The debt service payment schedule for the outstanding debt is shown in the following table.

Certificates of Participation					
Year	Principal	Interest	Total	BABs credit	Net
2014	\$1,230,000	\$2,550,910	\$3,780,910	(\$892,819)	\$2,888,091
2015	\$1,265,000	\$2,499,250	\$3,764,250	(\$874,738)	\$2,889,512
2016	\$1,300,000	\$2,441,693	\$3,741,693	(\$854,593)	\$2,887,100
2017	\$1,345,000	\$2,378,643	\$3,723,643	(\$832,525)	\$2,891,118
2018	\$1,390,000	\$2,309,375	\$3,699,375	(\$808,281)	\$2,891,094
2019	\$1,435,000	\$2,235,705	\$3,670,705	(\$782,497)	\$2,888,208
2020	\$1,485,000	\$2,158,215	\$3,643,215	(\$755,375)	\$2,887,840
2021	\$1,540,000	\$2,075,798	\$3,615,798	(\$726,529)	\$2,889,269
2022	\$1,595,000	\$1,988,788	\$3,583,788	(\$696,076)	\$2,887,712
2023	\$1,655,000	\$1,896,278	\$3,551,278	(\$663,697)	\$2,887,581
2024	\$1,730,000	\$1,786,220	\$3,516,220	(\$625,177)	\$2,891,043
2025	\$1,805,000	\$1,671,175	\$3,476,175	(\$584,911)	\$2,891,264
2026	\$1,880,000	\$1,551,142	\$3,431,142	(\$542,900)	\$2,888,242
2027	\$1,960,000	\$1,426,122	\$3,386,122	(\$499,143)	\$2,886,979
2028	\$2,045,000	\$1,295,782	\$3,340,782	(\$453,524)	\$2,887,258
2029	\$2,135,000	\$1,159,790	\$3,294,790	(\$405,927)	\$2,888,863
2030	\$2,225,000	\$1,017,812	\$3,242,812	(\$356,234)	\$2,886,578
2031	\$2,325,000	\$867,625	\$3,192,625	(\$303,669)	\$2,888,956
2032	\$2,425,000	\$710,688	\$3,135,688	(\$248,741)	\$2,886,947
2033	\$2,535,000	\$544,575	\$3,079,575	(\$190,601)	\$2,888,974
2034	\$2,650,000	\$370,928	\$3,020,928	(\$129,825)	\$2,891,103
2035	\$2,765,000	\$189,402	\$2,954,402	(\$66,291)	\$2,888,111

Note: 2014 includes taxable and tax-exempt interest. The 35 percent credit is on the taxable interest amount only.

Town Credit Ratings

Credit ratings can affect the interest rate (i.e. cost of borrowing). In order to reduce the cost of borrowing, the Town strives to achieve the highest credit rating possible. The Town's current credit ratings are as follows.

2006 Sales and Use Tax Revenue Bonds – AA Standard & Poor's, Fitch
 2009 Certificates of Participation – AA Standard & Poor's

Tax, Spending and Debt Limitations

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations applicable to the State of Colorado and all local governments, including revenue growth limitations, spending abilities, creation of multiple-fiscal year debt or other financial obligations, tax rate increases, imposing new taxes and other specific requirements.

In April 1996, voters in Parker approved an amendment to the Home Rule Charter which authorizes the Town to collect, retain and expend all revenue of the Town for 1996 and each subsequent fiscal year, notwithstanding any limitation contained in Article X, Section 20 of the State Constitution. The Amendment is complex and subject to judicial interpretation. The Town

believes it is in compliance with the requirements of the amendment. However, the Town has made certain interpretations in the amendment's language in order to determine its compliance.

The Town has no legal debt limit other than voters must approve the creation of multiple-fiscal year debt as required by the Amendment. Certificates of participation are a lease-purchase financing method and the annual lease payment must be appropriated by Town Council and does not create multiple-fiscal year debt. Therefore, voter approval is not required for COPs.

The Amendment requires that emergency reserves be established. These reserves must be at least 3 percent of fiscal year spending (excluding bonded debt service). The Town is not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls or salary or benefit increases.

Fund/Department	2009	2010	2011	2012	2013	2014
General Fund:						
Town Clerk	3.00	3.00	3.00	2.50	2.50	2.50
Municipal Court	2.80	2.80	2.80	2.80	2.80	2.80
Town Administrator	5.00	5.00	5.00	3.00	3.00	3.00
Finance	14.00	14.00	13.00	11.00	11.00	11.00
Town Attorney	2.00	2.00	2.00	2.00	2.00	2.00
Human Resources	5.00	5.00	5.00	6.00	6.00	6.00
Community Development	14.80	14.80	14.80	12.50	12.50	12.50
Communications	3.00	3.50	3.50	3.50	3.50	3.50
Customer Service	3.60	3.60	3.60	2.60	2.60	2.60
Police	90.20	90.20	90.20	91.80	95.06	99.06
Building Inspection	11.00	11.00	11.00	8.50	9.50	9.50
Public Works	31.70	31.70	31.70	30.70	30.47	30.47
Parks/Forestry/Open Space	20.50	20.50	20.50	20.90	20.90	21.90
Economic Development	1.00	1.00	1.00	1.00	3.00	3.00
General Fund Total	207.60	208.10	207.10	198.80	204.83	209.83
Parks and Recreation Fund	1.83	1.75	1.75	1.60	1.60	1.60
Law Enforcement Assistance Fund	2.00	2.00	2.00	1.50	1.50	1.50
PACE Fund	0.90	3.00	5.00	5.50	10.50	10.50
Recreation Fund	19.47	18.95	18.95	18.90	19.90	21.90
Mainstreet Center Fund	2.00	2.00	2.00	1.50	1.50	1.50
Stormwater Utility Enterprise Fund	8.00	8.00	8.00	8.00	8.00	8.00
Fleet Services Internal Service Fund	3.40	3.40	3.40	3.40	4.40	4.40
Information Technology	9.00	9.00	9.00	9.00	9.00	9.00
Facility Services Internal Services Fund	10.20	12.20	12.40	7.40	7.40	7.40
Total	264.40	268.40	269.60	255.60	268.63	275.63
Percentage Increase/Decrease	4.9%	1.5%	0.4%	-5.2%	5.1%	2.6%

2014 Staff Changes:

- 1- Police added: 1 Report Technician, 1 Sergeant, 2 Police Officers
- 2- Parks, Forestry and Open Space added: 1 Parks Technician
- 3- Recreation added: 1 Assistant Day Camp Director, 1 Maintenance and Facility Attendant

REVENUE MANUAL



AN EVALUATION OF MAJOR REVENUES 2008 - 2014

Prepared by

The Finance Department

INTRODUCTION

This manual provides information on the Town's major revenues that are received primarily from outside sources. Major revenues are greater than \$100,000 received annually. Cumulatively, the 2014 projections for the revenues identified in this manual account for 83% of the total revenues anticipated to be received by the Town.

Interfund Transfers are not included in this manual or in the calculation of percentage of total revenues.

The information provided in this manual for each revenue source includes:

- Distribution – the fund or funds where the revenue is accounted for.
- Source – the source of the revenue stream.
- Collection – the basis for and the logistics of the collection of the revenue.
- Five Year Trend – includes actual collections for the prior four years and the projection for the current year.
- Forecast – the projected revenue for the next two years.
- Rationale – the basis for the forecasted revenues.

PROPERTY TAX REVENUE

Distribution: General Fund 100%

Source: Parker property owners.

Collection: The collection process begins with the Douglas County Assessor's Office. Two types of property are valued by the Assessor's Office: 1) "real property" (land & buildings) and 2) "personal property" (business machines & equipment). Once market values are established, the Assessor's Office computes the assessed valuation of property based on State-legislated assessment percentages. Property is assessed at the end of one year, for collection in the following year. An eight year history of these assessment percentages is provided in the table below:

Assessment Percentages

<u>Property Class</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Real Property:								
Commercial	29.00	29.00	29.00	29.00	29.00	29.00	29.00	29.00
Residential	7.96	7.96	7.96	7.96	7.96	7.96	7.96	7.96
Personal Property:	29.00	29.00	29.00	29.00	29.00	29.00	29.00	29.00

Town of Parker Assessed Valuations

Total assessed valuation (in millions) for the Town of Parker for the past eight years is demonstrated by the following table:

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Assessed Valuation	\$450.5	\$493.6	\$556.0	\$582.4	\$597.0	\$603.6	\$559.4	\$564.6

Mill Levies for Parker Residents

Assessments are furnished to the Douglas County Treasurer's Office. The Treasurer's Office issues property tax bills to every property owner based on the property's assessed valuation and the total mill levy which local governments have certified for the year. Within Parker, mill levies are certified by the Town Of Parker (2.602), Douglas County Government (19.774), Douglas County Libraries (4.068), Douglas County Schools (48.727), Parker Fire Protection (14.220), Urban Drain & Flood South Platte (0.058), Urban Drainage & Flood Control (0.599), and Cherry Creek Basin Water Quality (0.500). In addition, many Parker property owners also are subject to mill levies issued by the Parker Water & Sanitation (9.727), Cottonwood Water & Sanitation District (27.000), and various Metro Districts throughout the Town.

Payment

Property owners pay property taxes to Douglas County in either two installments due February 28 and June 15 or in one installment due April 30. Douglas County wire transfers the Town's property taxes directly to the Town's main bank account on the 10th of the month following the month that the collection is processed by Douglas County.

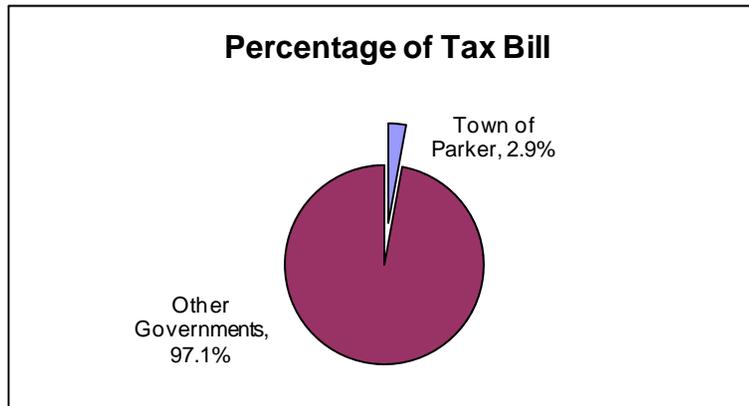
PROPERTY TAX REVENUE, continued

A five-year history of the mill levies which apply to all Parker taxpayers is provided in the table below:

Five Year Mill Levy History

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Town of Parker	2.602	2.602	2.602	2.602	2.602
Douglas County	19.774	19.774	19.774	19.774	19.774
Douglas County School District	47.103	46.983	43.890	48.788	48.727
Douglas County Libraries	4.052	4.016	4.034	4.040	4.068
Parker Fire Protection	14.215	14.013	14.129	14.276	14.220
Cherry Creek Basin Water	0.408	0.405	0.441	0.500	0.500
Urban Drainage District	0.591	0.569	0.576	0.623	0.657
Total	88.745	88.362	85.446	90.603	90.548
Town's % of Tax Bill	2.9%	2.9%	3.0%	2.9%	2.9%

Town of Parker Percentage of Tax Bill



Computing the Property Tax Bill

The formulas used for computing property taxes are as follows:

$$\begin{aligned} \text{Assessed valuation} &= \text{Property market value} \times \text{Assessment ratio} \\ \text{Property tax} &= \text{Assessed valuation} \times \text{Mill Levy} / 1000 \end{aligned}$$

For the 2011 assessments paid in 2012, the owner of a home valued at \$300,000 would have paid \$62 in property taxes to the Town of Parker and \$2,100 to the other governments.

	<u>Parker</u>	<u>Other Governments</u>
Market value	\$ 300,000	\$ 300,000
x Assessment ratio	7.96%	7.96%
Assessed value	\$ 23,880	\$ 23,880
x Mill Levy	2.602	87.946
Divided by 1000	/1000	/1000
Property tax	\$62	\$2,100

Using the 29% business assessment percentage, a business with a 2012 market value of \$300,000 would have paid \$226 in property taxes to the Town of Parker in 2012, and \$7,651 to the other governments.

SALES TAX REVENUE

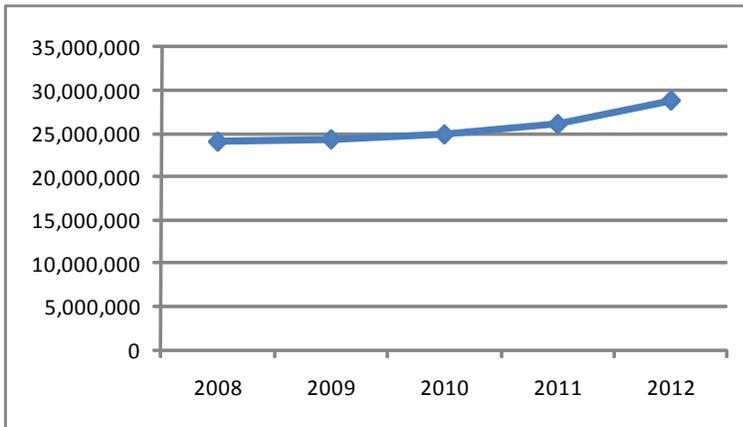
Distribution: General Fund 83%
Parks and Recreation Fund 17%

Source: Visitors, residents and employees in Parker.

Collection: In 1981, the citizens of Parker voted to install a 1% sales and use tax. In 1982, the citizens voted to increase the sales and use tax rate to 2.5%. In 1984 Parker became a home-rule municipality with power to self-govern in matters of local and municipal concern. In 1990, the citizens voted to increase the sales tax rate to the current level of 3%, with the extra .50% to be earmarked for parks and recreation improvements. Sales tax is charged on certain services and all retail purchases including food.

As a home rule Town, Parker collects and administers its own sales and use tax. Businesses remit tax to Parker on a monthly, quarterly or annual basis. Taxes collected are due to the Town by the 20th of the month following collection. The Town has established a lockbox for the efficient and secure deposit of sales and use tax monies. Returns are mailed directly to the bank, eliminating processing float. The Town utilizes a number of enforcement procedures to collect from delinquent accounts including taxpayer education, delinquency notices, personal phone contact and visits, audits, summons to municipal court and seizures.

Five Year Trend:



<u>Year</u>	<u>General Fund</u>	<u>P&R Fund</u>	<u>Total</u>
2008	20,080,197	4,016,037	24,096,234
2009	20,301,754	4,060,349	24,362,102
2010	20,763,213	4,152,606	24,915,819
2011	21,730,518	4,347,687	26,078,205
2012	23,952,885	4,790,577	28,743,462

Local retail sales growth, as evidenced by sales tax receipts, remained positive during the downturn. Sales tax, the Town's largest revenue source increased 10.2 percent in 2012 compared 2011, which in turn was 4.7 percent greater than 2010. Unlike many governments across the nation and fortunately for the Town, sales tax revenues never dipped during this economic downturn. This was due to Costco, a large regional wholesale/retail warehouse, coming to Parker in August 2008.

Forecast: **2013 \$30,084,000** **2014 \$31,287,400**

Rationale: Sales tax revenues are projected to increase slowly and gradually, 2012 notwithstanding. Forecast anticipates a 4.6% and 4.0% growth in Sales Tax for 2013 and 2014 respectively, allowing for population increases, inflation, and some new commercial activity.

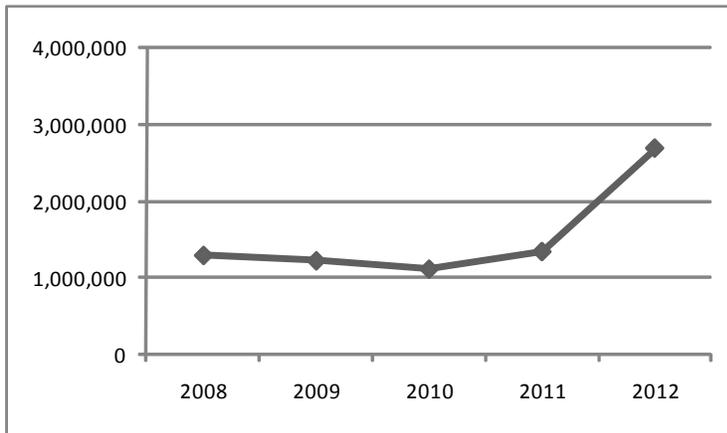
BUILDING USE TAX REVENUE

Distribution: Capital Improvements Fund 83%
Parks and Recreation Fund 17%

Source: Contractors, developers, Parker businesses and residents.

Collection: Building use tax is assessed at 4% (3% is Town of Parker and 1% is collected and remitted to Douglas County) on 50% of the estimated value of the construction project. Construction labor is typically not subject to use tax, and the Town of Parker estimates that 50% of the building permit value is related to taxable materials, equipment, appliances, etc. Building use tax is estimated and collected by the Building Department at the time a building permit is obtained. Monies collected are deposited through the Finance Department.

Five Year Trend:



<u>Year</u>	<u>Capital</u>		<u>Total</u>
	<u>P&R Fund</u>	<u>Improvement Fund</u>	
2008	214,905	1,074,284	1,289,189
2009	203,322	1,016,629	1,219,951
2010	185,289	926,444	1,111,733
2011	222,563	1,117,267	1,339,830
2012	447,086	2,234,997	2,682,084

Building Use Tax includes new residential construction and home improvements, as well as commercial construction and can fluctuate annually, primarily based on commercial construction. The significant improvement in 2012 is due to an increase in home construction and roofing permits caused by the summer hailstorm. New home construction continues to improve since it hit an all-time low in 2009, with the number of single-family residential permits issued growing from 183 permits in 2011 to 381 in 2012

Forecast: **2013 \$2,240,700** **2014 \$2,235,800**

Rationale: Forecast anticipates continued growth in new residential building permits in 2013 and 2014. However, growth is anticipated to be less than 2012 because the hailstorm skewed the revenue figures.

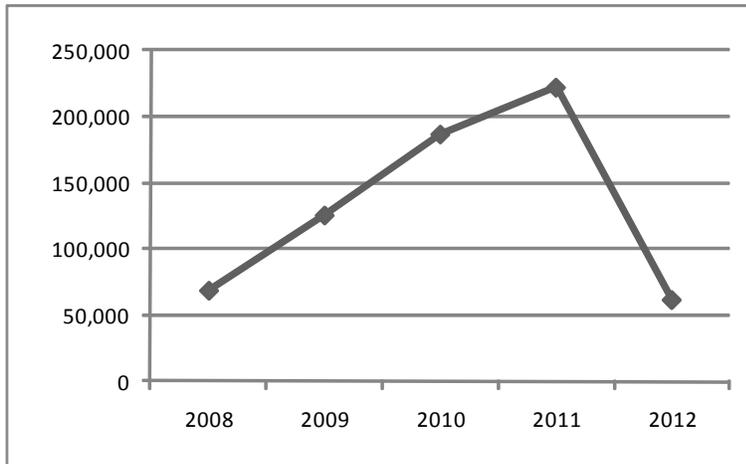
SALES & USE TAX AUDIT REVENUE

Distribution: General Fund 83%
Parks and Recreation Fund 17%

Source: Businesses doing business in Parker, also audits of construction projects for building use tax.

Collection: The Town's audit program emphasizes taxpayer education and voluntary compliance. As a result, the Town works with businesses which are delinquent or not remitting taxes to educate them on the correct way to calculate and remit sales and use tax. An audit may take 2 hours, or several months, to perform, depending on the complexity of the organization. Once the Town completes an audit, it meets with the taxpayer to go over the audit assessment and make any appropriate adjustments or corrections. The taxpayer then has 30 days to pay the assessment, work out a settlement or payment plan, or protest the assessment. The Town collects assessments through the Finance Department.

Five Year Trend:



<u>Year</u>	<u>General Fund</u>	<u>P&R Fund</u>	<u>Total</u>
2008	56,712	11,342	68,054
2009	104,324	20,864	125,189
2010	155,551	31,110	186,661
2011	185,209	37,042	222,251
2012	50,804	10,161	60,964

Audit revenues will fluctuate based on the size and number of audits, and the timing of collection. Audits are performed through on-site visits and by mail/e-mail correspondence (desk audits).

Forecast: **2013 \$100,000** **2014 \$102,500**

Rationale: Forecast is based on the continuation of the audit program with anticipated audits of several large businesses and re-engaging businesses for the next three-year audit period.

LODGING TAX

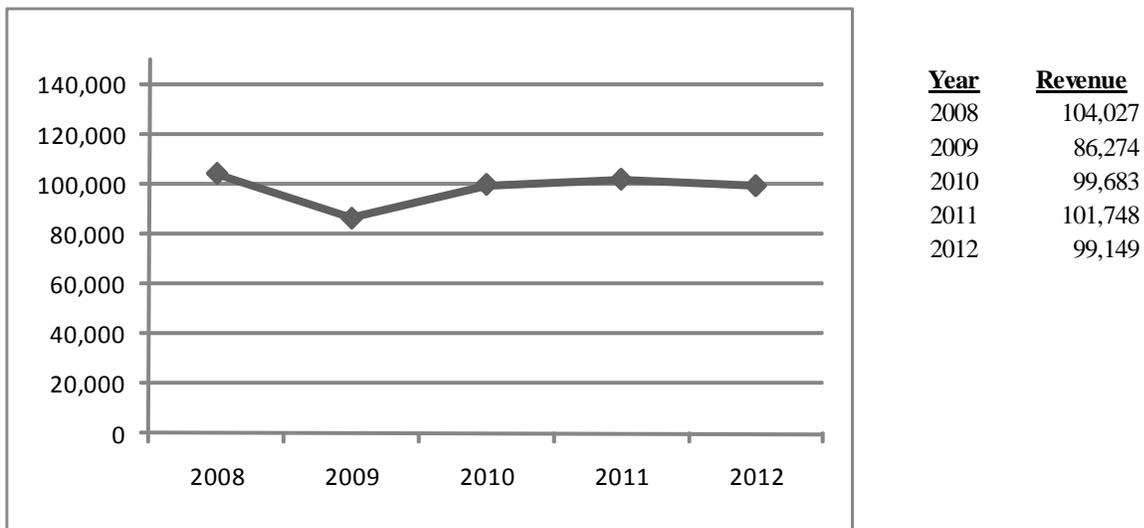
Distribution: General Fund 100%

Source: Visitors, residents and employees in Parker.

Collection: In 2003, the citizens of Parker voted to install a 3% lodging tax on the purchase price for lodging within the Town of Parker.

As a home rule Town, Parker collects and administers its own lodging. Vendors remit tax to Parker on a monthly and taxes collected are due to the Town by the 20th of the month following collection. The Town has established a lockbox for the efficient and secure deposit of lodging tax monies. Returns are mailed directly to the bank, eliminating processing float. The Town utilizes a number of enforcement procedures to collect from delinquent accounts including taxpayer education, delinquency notices, personal phone contact and visits, audits, liens on tangible personal property.

Five Year Trend:



Lodging tax revenues have rebounded from the economic recession that started late in 2008 and impacted the Town more significantly in 2009, the recovery in lodging tax was aided by a PGA event in 2010, that brought visitors from across the country to Parker.

Forecast: **2013 \$105,000** **2014 \$101,600**

Rationale: Forecast anticipates stable revenue in 2013 and 2014, but there is a slight increase anticipated in 2013 due to the Solheim Cup, an international LPGA event coming to Parker which will draw visitors from around the world to the Town during the summer months.

SPECIFIC OWNERSHIP TAX REVENUE

Distribution: General Fund 100%

Source: Residents and businesses of Parker.

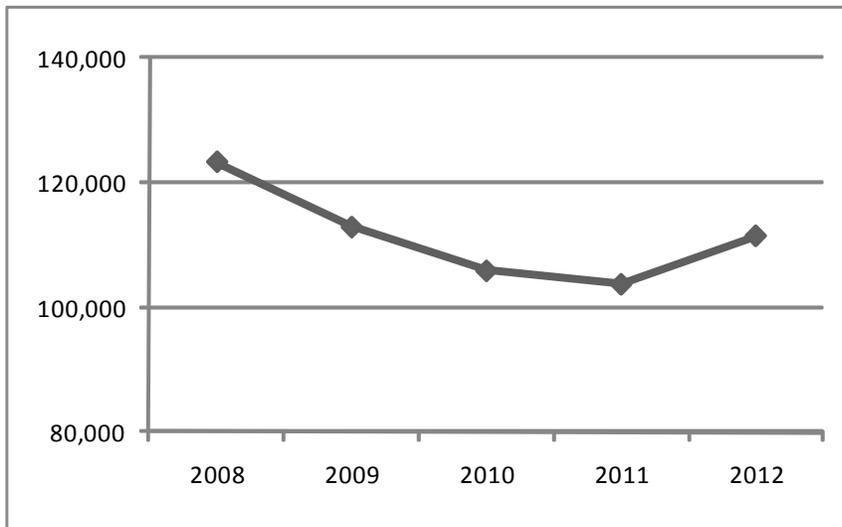
Collection: The State of Colorado establishes the statutory authority for collecting auto ownership tax. Specific vehicle ownership taxes are based on the year of manufacture and the original taxable value. The original taxable value is determined when the vehicle is new and does not change throughout the life of the vehicle. Taxable value for passenger vehicles is 85 percent of the MSRP (Manufacturer's Suggested Retail Price); for trucks the taxable value is 75 percent of the MSRP.

:

- (1) 46% of ownership tax is allocated to the school district.
- (2) 4% is allocated to law enforcement.
- (3) 21% to Douglas County Road & Bridge, Social Services, Debt Service, Capital Expenditures and the General Fund.
- (4) 29% is disbursed to a variety of other districts – which includes the Town of Parker.

The Town of Parker receives its share via wire transfer from Douglas County into its main bank account on the 10th of the month following the month that the collection is processed by Douglas County.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	123,325
2009	112,921
2010	105,954
2011	103,804
2012	111,537

The fluctuations are due to changes in the patterns of new car purchases and the value of the cars purchased.

Forecast: **2013 \$117,000** **2014 \$122,200**

Rationale: Forecast anticipates stable revenue in 2013 and 2014. New car purchases and subsequent ownership tax is expected to increase as consumer confidence and the economy continue to improve.

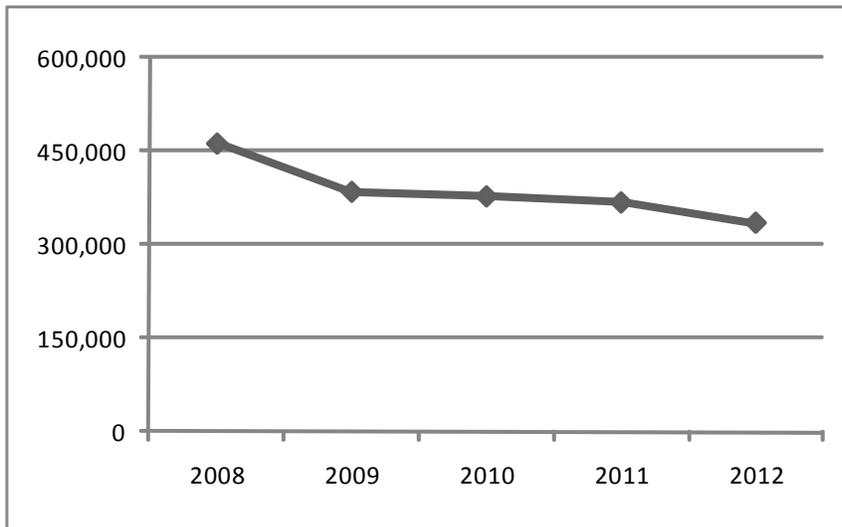
XCEL ENERGY FRANCHISE FEE

Distribution: General Fund 100%

Source: 3% of gross revenues received by Xcel Energy on sales of gas within the Town.

Collection: Under the auspices of the franchise agreement with Xcel Energy, they are to remit to the Town monthly payments no later than 30 days following the close of the month.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	462,912
2009	384,921
2010	377,576
2011	367,785
2012	335,072

Revenues fluctuate based on the combination of the number of customers, consumption, and utility rates. Several rate increases have occurred over the last few years. Consumption varies primarily with the severity of temperatures in the summer and winter months.

Forecast: **2013 \$361,400** **2014 \$366,800**

Rationale: Forecast anticipates a conservative increase of approximately 1.5% in 2014 to allow for an increase in the customer base, consumption, and/or rate increases.

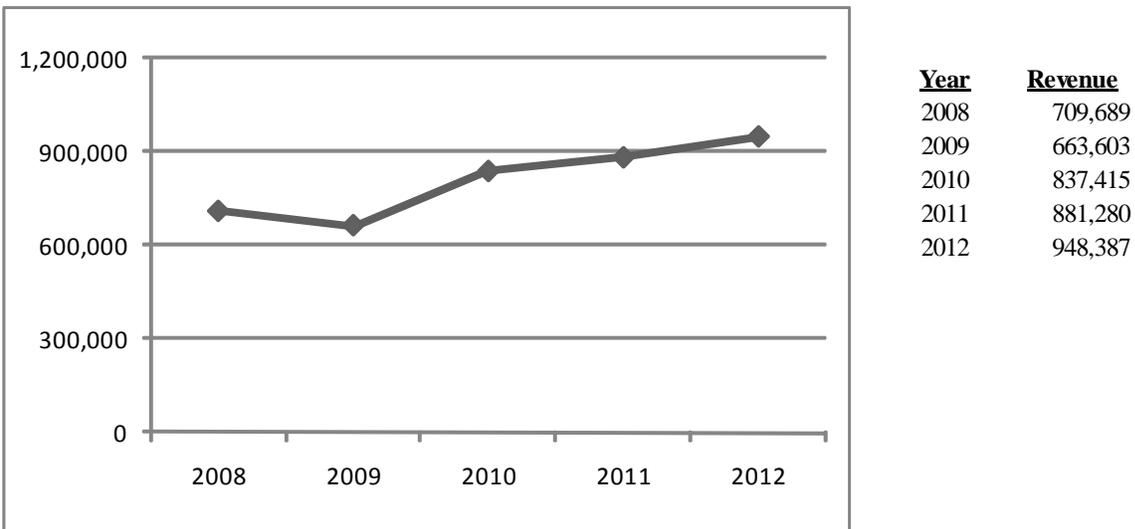
INTERMOUNTAIN RURAL ELECTRIC ASSOCIATION (IREA) EXCISE TAX

Distribution: General Fund 100%

Source: 4% of gross revenues received by IREA on sales of electric power within the Town.

Collection: Under the auspices of the franchise agreement with IREA, they are to remit to the Town monthly payments no later than 30 days following the close of the month.

Five Year Trend:



Revenues fluctuate based on the combination of the number of customers, consumption, and utility rates. Several rate increases have occurred over the last few years. Consumption varies primarily with the severity of temperatures in the summer and winter months.

Forecast: **2013 \$990,000** **2014 \$1,040,000**

Rationale: Forecast anticipates a conservative increase of approximately 4% in both 2013 and 2014 to allow for an increase in the customer base, consumption, and/or rate increases.

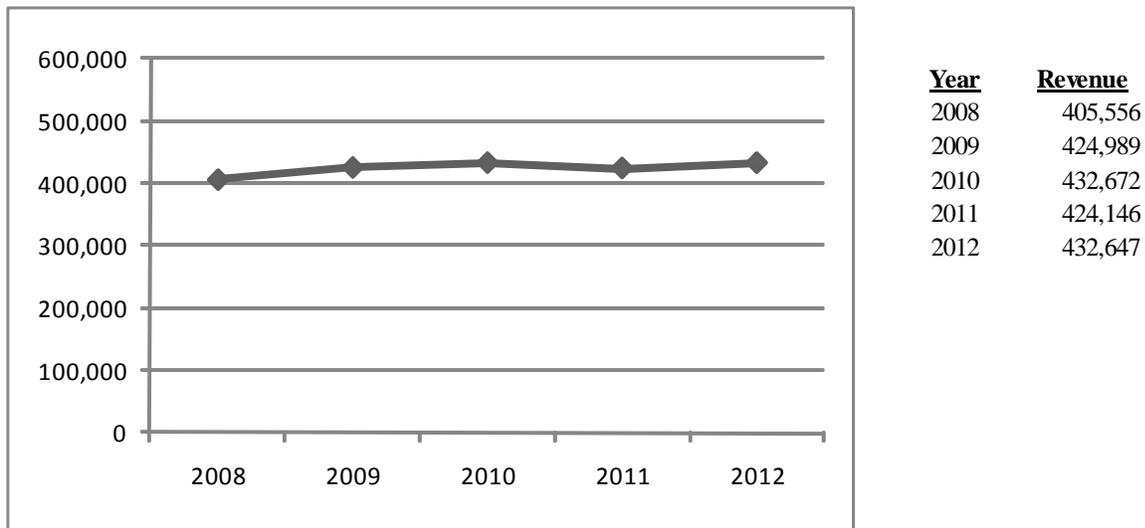
CABLE FRANCHISE FEE

Distribution: General Fund 100%

Source: 5% of gross revenues received by Comcast on sales of cable television within the Town. The Franchise Agreement allows Comcast a right of way on/under Town streets to operate its cable system in exchange for a fee charged on revenues from the Cable System.

Collection: Under the auspices of the franchise agreement with Comcast, they are to remit to the Town quarterly payments no later than 30 days following the close of each quarter.

Five Year Trend:



The fluctuations reflect changes in service base and rates.

Forecast: **2013 \$442,600** **2014 \$453,600**

Rationale: Forecast anticipates a conservative increase of approximately 2.5% increases to allow for increased population subscribing to cable service, as well as periodic rate increases.

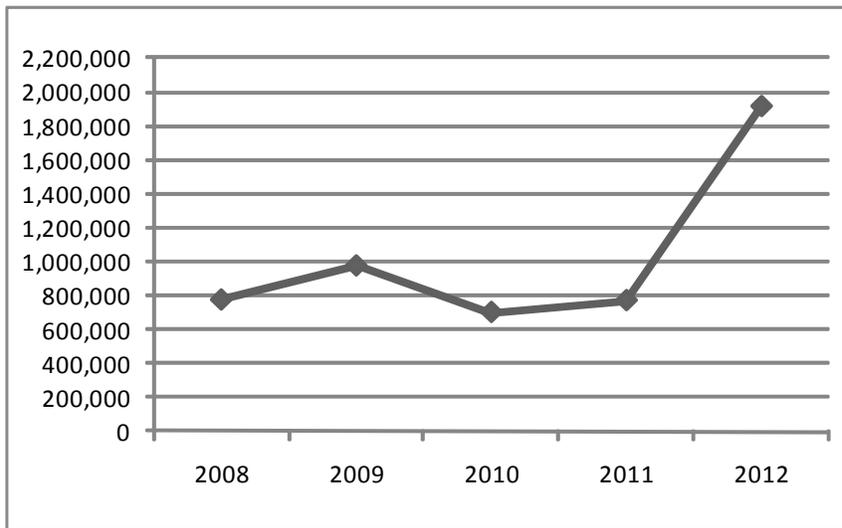
BUILDING PERMIT REVENUE

Distribution: General Fund 100%

Source: Contractors, Developers, Parker businesses and residents.

Collection: The building permit fee is determined by Public Works in accordance with the standard fee schedule based on total valuation of the construction project contained in the Uniform Building Code. The fee is paid at the time a building permit is obtained. Monies collected are deposited through the Finance Department. Additional fees are collected as determined through the audit of building projects.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	774,121
2009	976,144
2010	700,959
2011	770,985
2012	1,917,714

The impact of residential and commercial construction is reflected in the fluctuations in revenues. The increase in 2009 includes numerous re-roof permits due to a summer hail storm. The increase in 2012 is the result of significant new home construction and a summer hail storm.

Forecast: **2013 \$1,300,000** **2014 \$1,341,500**

Rationale: While the hailstorm in 2012 created a significant increase in revenues, the forecast anticipates increased Building Permit revenue in 2013 and 2014 compared to historical averages. This is based on increased residential development and two large commercial projects beginning construction in 2014.

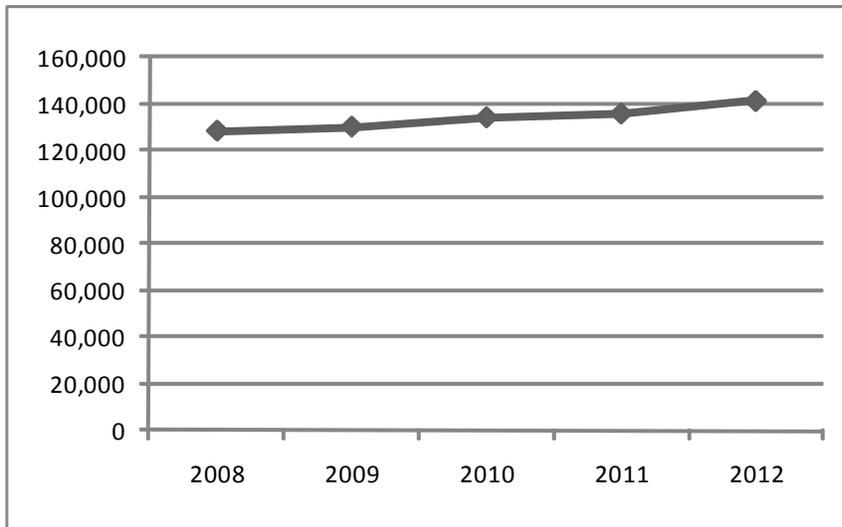
MOTOR VEHICLE REGISTRATION

Distribution: General Fund 100%

Source: Parker businesses and residents.

Collection: Douglas County Motor Vehicle offices title and register vehicles of residents of Douglas County, which includes the Town of Parker. Fees are assed based on the vehicles trailer weight in pounds. The funds are allocated per statute between the State, Counties, and Cities/Towns based on a funding formula.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	128,331
2009	130,167
2010	134,235
2011	135,979
2012	141,467

Annexations and growth in other parts of the state create more sharing of revenue among municipalities and impact Parker’s proportionate share. Changes in consumption, with rising gas prices and the use of more fuel efficient vehicles also impact Parker’s share. Beginning in July 2009, revenues increased as a result of the impacts of the FASTER Bill.

Forecast: **2013 \$144,700** **2014 \$148,300**

Rationale: Forecast for 2013 based on estimates from CML. Forecast for 2014 anticipates a 2.5% annual increase to reflect Parker’s ongoing proportionate share from population growth in Parker and elsewhere in the state.

HIGHWAY USERS TAX REVENUE

Distribution: General Fund 100%

Source: Gasoline tax and related fees paid by Colorado motorists.

Collection: The Highway Users Tax Fund (HUTF) is state-collected, locally-shared revenue that is distributed via electronic funds transfer on a monthly basis to the Town of Parker in accordance with the following formulas:

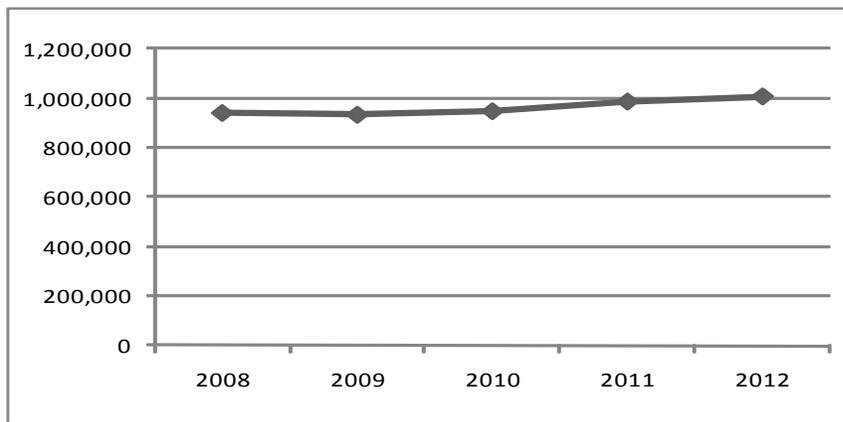
(1) Basic Fund --- the first seven cents of gasoline taxes and the base amount of various motor vehicle registration, title and license fees. 9% of these revenues are distributed to municipalities. The basic fund monies may be spent on acquisition of rights-of-way for, and the construction, engineering, safety, reconstruction, improvement, repair, maintenance, and administration of streets, roads and highways.

(2) Supplemental Fund --- 18% of the next eleven cents of gasoline taxes are distributed to municipalities and may be spent only on road improvements including new construction, safety improvements, maintenance and capital improvements.

(3) 1989 Increase Fund --- 18% of the gasoline tax, registration fee and driver's license fee increases enacted in 1989 are shared with municipalities and can be used for the same purposes designated in (2) above.

(4) 1995 Increase Fund --- 18% from a three-year phased reduction of the amount previously withheld by the state for administrative purposes which can be used for the same purposes designated in (2) above.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	939,430
2009	931,986
2010	946,431
2011	985,629
2012	1,006,558

Annexations and growth in other parts of the state create more sharing of revenue among municipalities and impact Parker's proportionate share.

Forecast: **2013 \$1,008,350** **2014 \$1,033,600**

Rationale: Forecast for 2013 based on estimates from CML. Forecast for 2014 anticipates a 3% annual increase to reflect the ongoing change in Parker's proportionate share from population growth elsewhere in the state.

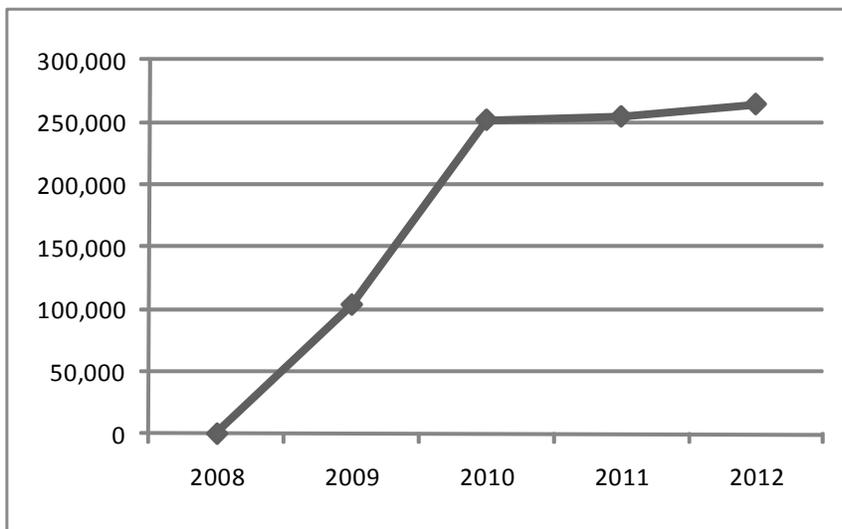
FASTER REVENUE

Distribution: Capital Programs Fund 100%

Source: Revenues generated from the Road Safety Surcharge, Oversize/Overweight Surcharge, Rental Car Surcharges, and late vehicle registration fees.

Collection: Revenues are credited to the Highway Users Tax Fund (HUTF) and distributed per statute to the Colorado Department of Transportation, counties, and municipalities.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	0
2009	103,586
2010	251,909
2011	254,590
2012	264,515

FASTER, Funding Advancements for Surface Transportation and Economic Recovery was signed into law on March 2, 2009. The legislation generates increased revenues for statewide transportation improvements.

Forecast: **2013 \$262,500** **2014 \$265,125**

Rationale: Forecast for 2013 based on estimates from CML. Forecast for 2014 anticipates a 1% annual increase to reflect the ongoing change in Parker's proportionate share from population growth elsewhere in the state.

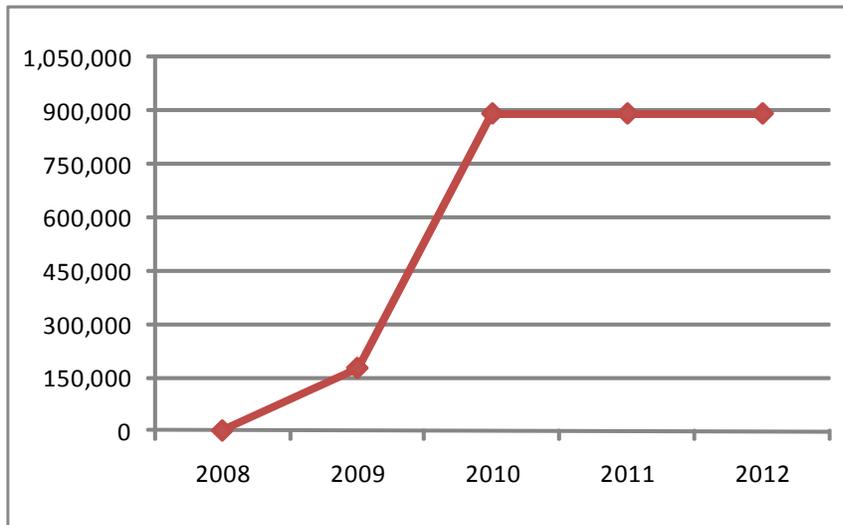
BUILD AMERICA BONDS INTEREST CREDIT

Distribution: General Fund 100%

Source: Federal Government.

Collection: Build America Bonds are taxable municipal bonds that carry special tax credits and federal subsidies for either the bond issuer or the bondholder; the program was created in 2009 as part of the American Recovery and Reinvestment Act. There are two types of Build America Bonds (often abbreviated as BABs): "Tax Credit BABs" and "Direct Payment BABs." In 2009, the Town issued taxable certificates of participation as Direct Payment BABs to fund the new police station and PACE center. The Town receives a federal subsidy of 35% of the interest paid on the Direct Payment BABs. Monies collected are deposited through the Finance Department.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	0
2009	176,084
2010	892,819
2011	892,819
2012	892,819

Interest payments on bonds remains constant through 2014, but revenues will fluctuate in later years based on the amount of interest paid on the outstanding debt. In 2013, the Federal Government was required to cut spending due to sequestration. As a result, the exact percentage of cuts for BABs and other direct-pay bonds will be 8.7%.

Forecast: **2013 \$860,677** **2014 \$892,819**

Rationale: Forecast for 2013 anticipates a decrease of 8.7% for the interest credit for the second half of the year. The full interest credit is anticipated in 2014.

DEFICIT REDUCTION FEES

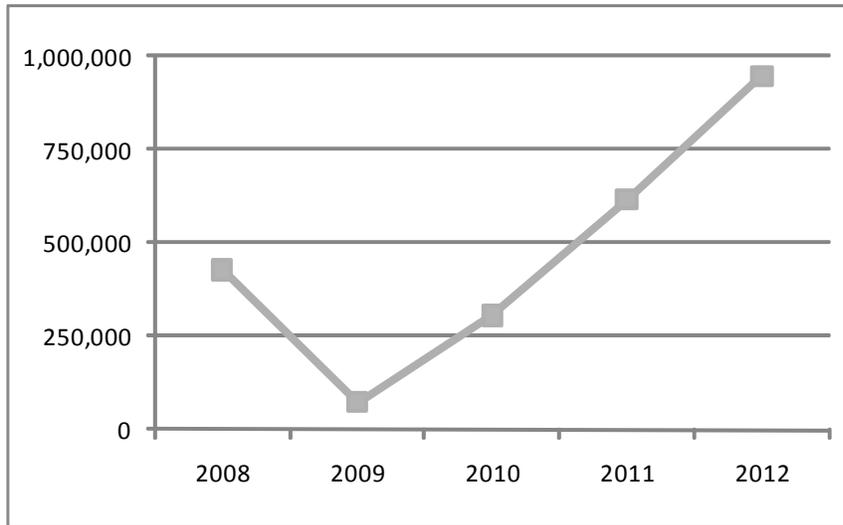
Distribution: General Fund 100%

Source: Contractors and developers.

Collection: The Town developed a fiscal impact model in 1998 that calculates the financial effect of proposed new developments on the Town’s future operating budgets. The model looks at a 20-year projection of the revenues (property tax, sales tax, etc.) and the cost of services added by the proposed development (public safety, streets and parks maintenance, etc.). When there is a cumulative deficit for the 20-year period, a present value of the deficit is calculated. A development with a retail commercial component will have a lower or no deficit reduction fee depending on the retail versus residential mix. The fee is increased annually by inflation as measured by the Denver-Boulder Consumer Price Index (CPI). The deficit reduction fee is negotiated and agreed to by and between the developer of a proposed new development and the Town during the annexation process. Once agreed upon, the fee becomes a part of the annexation contract.

In an effort to spur development in the Town during the recession that began in 2008, Town Council passed a resolution to rebate 50% of deficit reduction fees; the program was extended several times by subsequent resolutions and ultimately expired on May 31, 2013.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	388,441
2009	32,706
2010	265,255
2011	575,354
2012	905,543

Revenues will fluctuate based on the amount of annual development.

Forecast: **2013 \$916,000** **2014 \$1,802,800**

Rationale: Forecast for 2013 and 2014 anticipates an increase in residential development and the expiration of the 50% deficit reduction fees rebate. Per Town Ordinance, Deficit Reduction fees increase annually by the CPI.

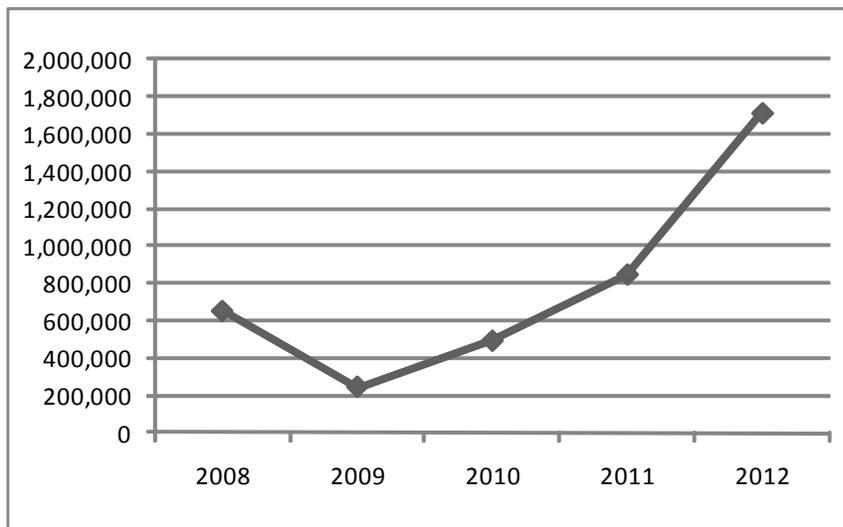
EXCISE TAX

Distribution: Excise Tax Fund 100%

Source: Contractors and developers.

Collection: Excise Tax is paid by the builder at the time a building permit is issued for a new residence or commercial structure. The fees are used to pay for capital projects, such as street improvements or parks that are needed for the new residents moving into the Town. The fees are only used for capital items and not to fund regular operations.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	651,961
2009	244,613
2010	492,641
2011	848,136
2012	1,715,587

Revenues will fluctuate based on the amount of annual development. For 2012, 381 single-family permits, 38 multi-family permits and 16 commercial permits were issued with an average value of \$313,900, \$195,267 and \$117,480 respectively. The amount of tax collected per unit is as follows and may be adjusted annually for inflation.

2013 Residential Construction:

\$4,190 for each new single-family dwelling
 \$3,351 for each new attached dwelling (town homes and condominiums)
 \$3,037 for each new apartment dwelling

2013 Non-residential Construction (Commercial):

\$0.31 per square foot

Forecast: 2013 \$1,547,100 2014 \$1,614,900

Rationale: Forecast for 2013 and 2014 anticipates approximately 360 single-family permits and 15 commercial permits will be issued with an average permit value of \$343,000 and \$353,000 respectively. Per Town Ordinance, Excise tax increases annually by the CPI.

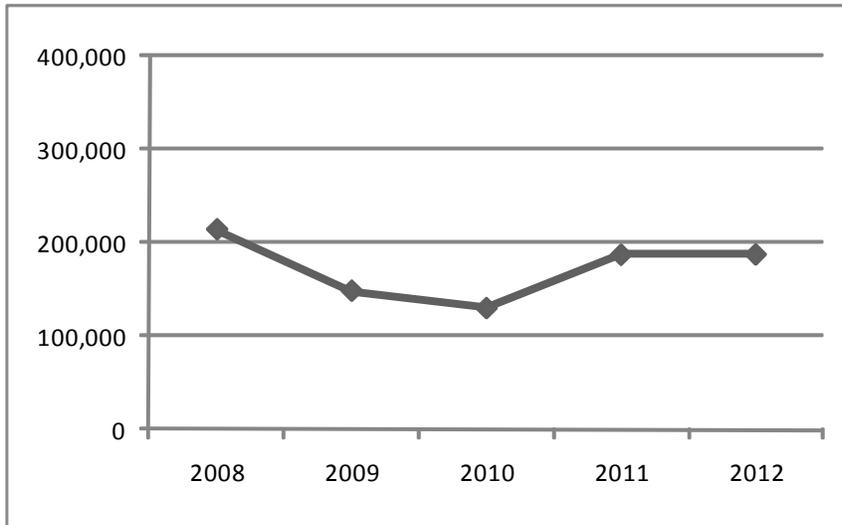
PLAN CHECK FEES

Distribution: General Fund 100%

Source: Contractors, developers and residents.

Collection: The plan check fee is determined by Public Works and charged based on a fee schedule in accordance with the International Building Code. Fees are assessed for the review of plans for construction permit issuance. The fee is paid at the time the plans are reviewed. Monies collected are deposited through the Finance Department.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	214,776
2009	148,932
2010	130,305
2011	187,482
2012	187,801

Revenues will fluctuate based on the amount of commercial construction, new residential housing starts, and home improvements. Fees for plan reviews on residential and commercial activity have remained fairly consistent in recent years, with some decline during the peak of the recession.

Forecast: **2013 \$188,000** **2014 \$192,500**

Rationale: Forecast for 2013 is stable and 2014 is based on average revenues over the past several years with a slight increased for inflation.

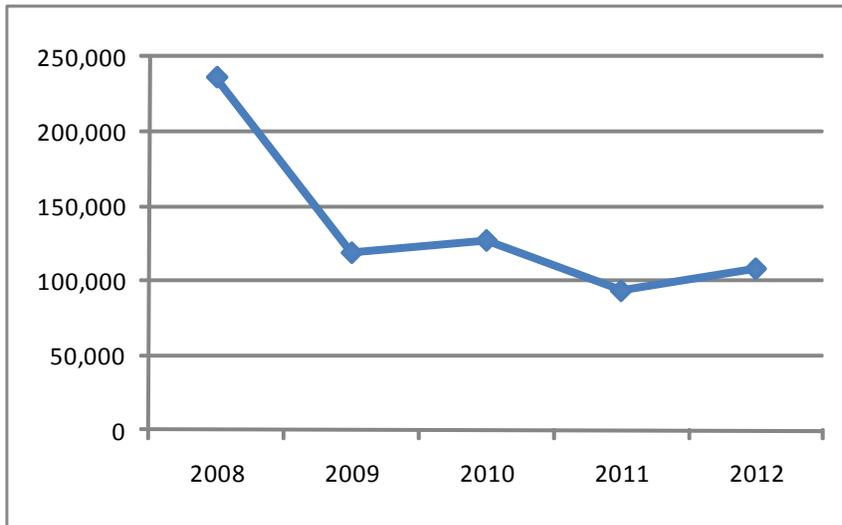
ENGINEERING REVIEW FEES

Distribution: General Fund 100%

Source: Contractors, developers and residents.

Collection: Engineering Review fees are assessed through a Chargeback Agreement which is executed as part of Development applications. The Engineering Review fees are collected to offset the costs associated with staff time spent reviewing development project submittals and performing construction inspections. These submittals typically include construction drawings, drainage reports, traffic studies, site plans, plats, easements and other technical documents. The construction inspections are focused on public improvements that are constructed as part of a development project. Staff keeps track of the time spent on each development project and invoices are generated through the Finance Department which are then mailed to the Applicant.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	236,015
2009	119,245
2010	127,418
2011	93,915
2012	108,570

Revenues will fluctuate based on the amount of development applications received. The Engineering Review fees declined during the peak of the recession, but are steadily climbing with the improvement in the economy and development industry.

Forecast: **2013 \$95,000** **2014 \$102,500**

Rationale: Forecast for 2013 is stable and 2014 is based on average revenues over the past several years with a slight increased for inflation.

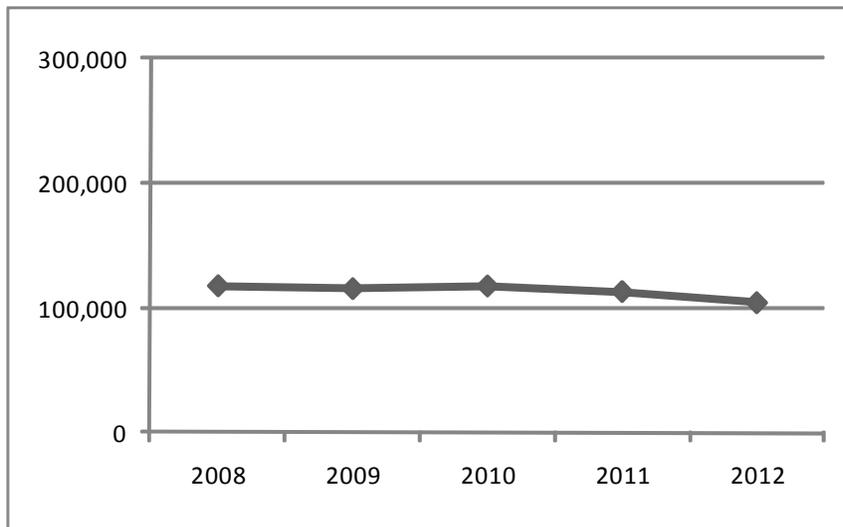
CIGARETTE TAX REVENUE

Distribution: General Fund 100%

Source: Cigarette smokers in Colorado.

Collection: The state imposes and collects a 4.2 cent tax per cigarette, of which 27% of the proceeds are distributed to municipalities and counties according to the ratio of the state sales tax collected in the entity to the total state sales tax collected in the prior year. The state disburses the funds two months after they are collected. (Note: Voters in Colorado approved an increase in the cigarette tax, effective January 1, 2005. However, the increase is earmarked for specific purposes and is not included in the distribution to municipalities and counties.)

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	117,403
2009	115,164
2010	117,259
2011	112,871
2012	104,096

Revenues are decreasing as the number of smokers is declining, more cigarettes are purchased out-of-state and over the internet, and the Town's percentage of state sales tax collections is declining as a result of greater growth in other areas of the state.

Forecast: **2011 \$103,000** **2012 \$102,000**

Rationale: Forecast is based on an anticipated decline of 1% per year.

COUNTY ROAD AND BRIDGE REVENUE

Distribution: General Fund 100%

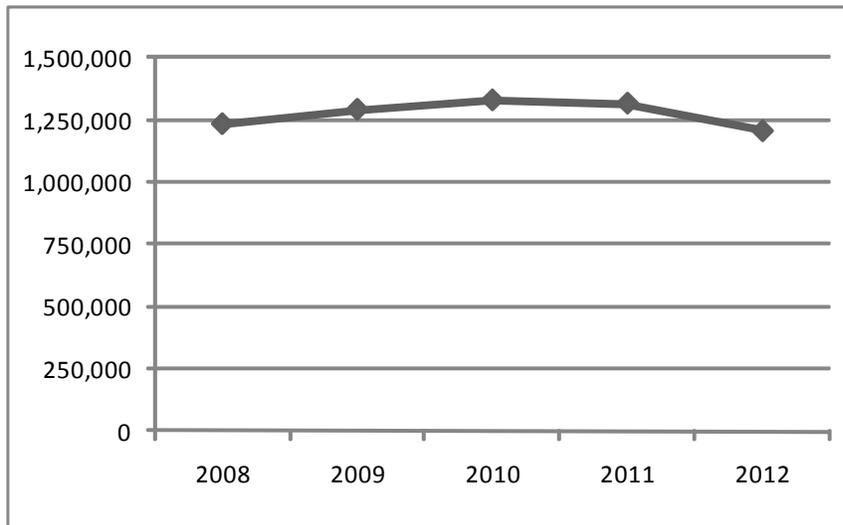
Source: Residents and businesses owning property in Douglas County.

Collection: Douglas County imposes a mill levy dedicated to road and bridge improvements throughout Douglas County. Because Douglas County's efforts only include unincorporated areas and the property tax is collected from all areas, the State requires that Douglas County return one half of the road and bridge levy to each Town. The formula used to compute the amount returned to Parker is as follows:

$$\text{County Road and Bridge Levy} \times \text{Total Town Assessed Value} / 2 = \text{Town Portion}$$

The money is distributed via electronic funds transfer on a quarterly basis to the Town of Parker.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	1,233,646
2009	1,290,567
2010	1,327,822
2011	1,315,059
2012	1,205,315

Limited new construction, and the completion of the biennial property value reassessments in odd numbered years for the following year's collections have historically resulted in stable and slightly increasing revenues in prior years, with the exception of 2012 which was affect by reassessment based on values during the recession. The 2012 levy was 4.493 mills.

Forecast: **2013 \$1,233,800** **2014 \$1,270,800**

Rationale: Forecast for 2013 is based on preliminary valuation information for the County Assessor. Although 2014 is the biennial reassessment year, the recent economic recession suggests that property values will stay relatively flat at the next reassessment, with some increase due to new construction.

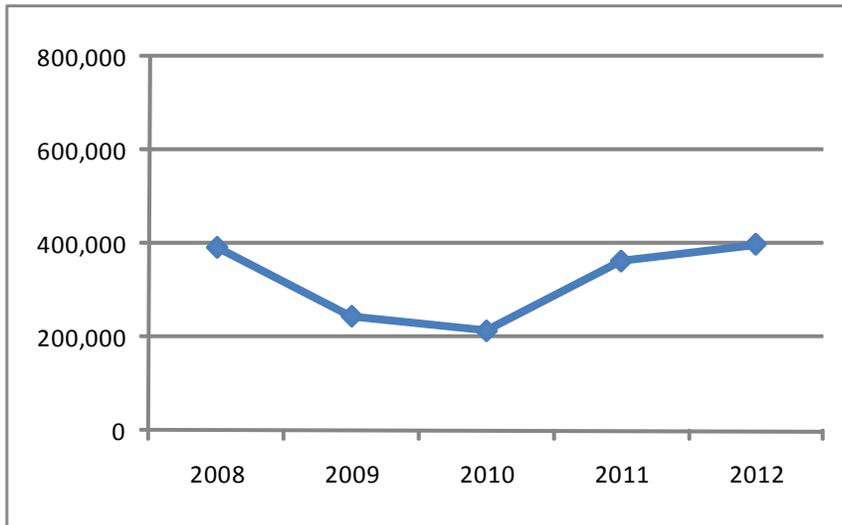
LONE TREE DISPATCH FEES

Distribution: General Fund 100%

Source: City of Lone Tree.

Collection: In 2007, the City of Lone Tree and the Town of Parker entered into an Intergovernmental Agreement (IGA) whereby, the Town of Parker would provide dispatch services to the City of Lone Tree and the City of Lone Tree pays the Town based on a percentage of incidents per billing cycle budget plus a 15% administration fee, a 35% allocation for Dispatch depreciation and capital outlays. In 2013, the fee billing was amended from being based on a percentage of incidents per billing cycle to a flat 35% fee based on the total operating budget of dispatch; all other items remained the same.

Five Year Trend:



<u>Year</u>	<u>Utilities</u>
2008	391,622
2009	246,068
2010	215,043
2011	362,598
2012	398,227

Forecast: **2013 \$389,025** **2014 \$675,100**

Rationale: Revenue forecast is formulated based on 35% of the Dispatch operating budget plus a 15% administration fee, a 35% allocation for Dispatch depreciation and capital outlays, as per the Intergovernmental Agreement with the City of Lone Tree. The significant increase in 2014 is due to the anticipated capital outlay of \$590,000 for software and equipment.

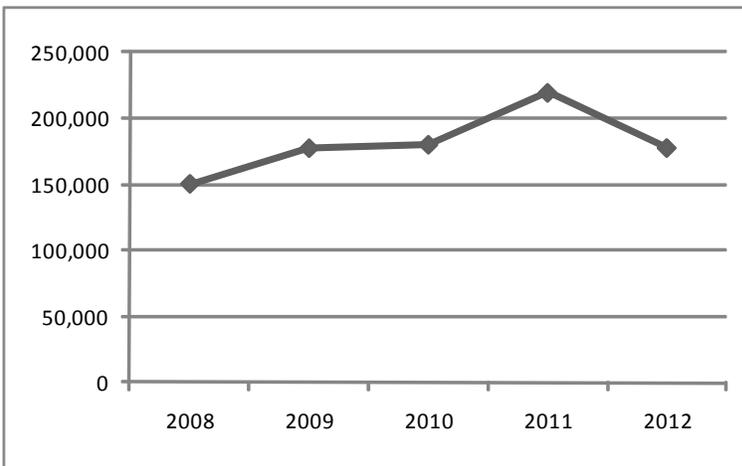
COURT FINES & FEES REVENUE

Distribution: General Fund 100%

Source: Tickets and citations issued by the Parker Police and fines adjudicated by the Parker Municipal Judge.

Collection: Tickets are paid through the mail, online or directly to the Court. Court arraignments are generally two times a month on Tuesdays and Court trials are generally once a month on Fridays. All collection efforts are made by the Parker Municipal Court.

Five Year Trend:



<u>Year</u>	<u>Court</u>	<u>DUI</u>	<u>Total</u>
2008	123,685	26,435	150,120
2009	153,565	23,866	177,431
2010	150,891	29,153	180,044
2011	193,052	26,747	219,798
2012	157,632	19,929	177,561

Court revenues are dependent on citations issued by the Police Department, enforcement priorities within the Department, and fines and court costs as administered by the Judge. Decreases in Traffic Revenue are typically a result of staffing levels (due to turnover or inactive duty) within the Department. 2012 included an increase in traffic fines and fees.

Forecast: **2013 \$169,400** **2014 \$173,300**

Rationale: 2013 Revenues are projected to decrease approximately 5%. Revenue forecast for 2014 assumes an approximately 2% increase from 2013 to allow for increased population and traffic volume in the Town, and assumes the current staffing level in the Police Department.

INVESTMENT INCOME

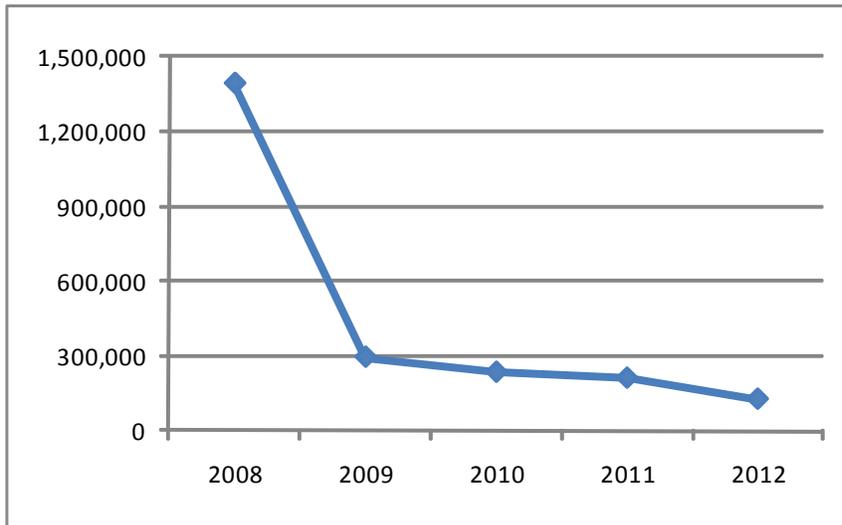
Distribution: All Funds on a pro rata basis to cash and investment balances held.

Source: Interest and investment income from investments made by the Town. Interest revenues will vary based on rates and portfolio volume.

The Town utilizes the services of a Wells Fargo Brokerage Services, for investment recommendations. Securities authorized by the Town Council’s approved investment policy do not include derivative products.

Collection: Investment maturities and earnings are set up for automatic wire transfers or deposit to the Town's Local Government Investment Pool.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	1,395,642
2009	294,306
2010	233,625
2011	209,955
2012	125,381

In 2008, the Town had a portfolio of \$35.9 million, of this \$28.5 million was invested in a Local Government Investment Pool with an annualized yield of 0.94%; the remaining \$7.4 million was invested in US Agency securities and money market mutual funds with an average coupon rate of 3.932%. The portfolio increased to \$46 million in 2012, of this \$26.9 million was invested in a Local Government Investment Pool with an annualized yield of only 0.22%; investments in US Agency securities and money market mutual funds increased to \$19.1, but the average coupon rate was only 1.084%. The very low interest rates that are being earned on the Town’s investment portfolio is the direct result of the Dec. 16th, 2008 meeting where the Federal Reserve cut the main U.S. interest rate to "a target range" between zero and 0.25. Fed Funds target rate being held at historic lows in an effort to stimulate the economy through less expensive borrowing.

Forecast: **2013 \$157,000** **2014 \$158,700**

Rationale: Forecast based on anticipated cash balances in the individual funds and projected average yields remaining at approximately 1%.

STORMWATER UTILITY FEE REVENUE

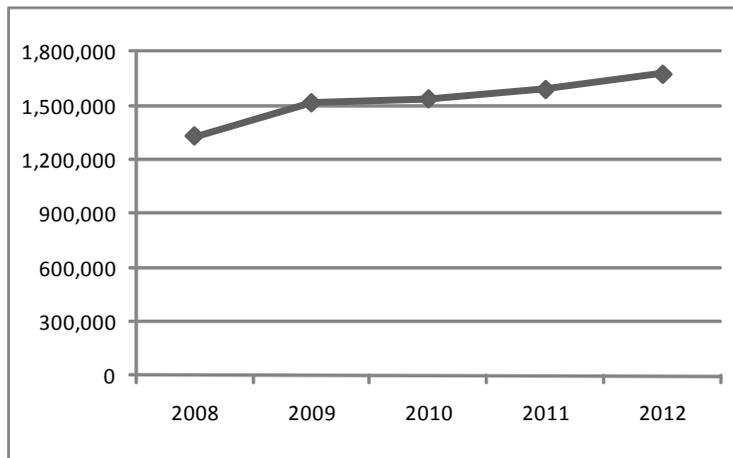
Distribution: Stormwater Utility Fund 100%

Source: Property owners within the Town limits.

Collection: Residential Stormwater Utility fees are a flat fee that is billed through the Water and Sanitation District in Parker in order to minimize administrative costs of collection and to make it easier for citizens to make their payment. Residents remit payments to the Water and Sanitation District. The District will then turn over the Stormwater fees to the Town. Customers in the Parker Water and Sanitation District pay the fee with their monthly bill. For residents in the Cottonwood Water and Sanitation District, the billing is bimonthly.

Stormwater Utility fees for commercial property are calculated based on impervious area and billed annually by the Finance Department. Impervious area constitutes any area that doesn't allow water/snow to be absorbed by the ground, *i.e.* sidewalks, rooftops, driveways, parking lots, etc. The invoices for each calendar year are sent out on Jan. 31. Payments are directly to the Town of Parker. If paid by Feb. 28, a two percent discount is allowed. If not paid early, the fee is due by April 30.

Five Year Trend:



<u>Year</u>	<u>Commercial Utility Fees</u>	<u>Residential Utility Fees</u>	<u>Total Utility Fees</u>
2008	519,074	810,769	1,329,843
2009	616,667	899,505	1,516,172
2010	637,468	900,882	1,538,350
2011	664,836	926,218	1,591,054
2012	703,429	973,026	1,676,455

Fees collected from each residence and business will provide funding to pay for construction of new and required drainage improvements, maintenance of existing eligible drainage facilities, monitoring and safeguarding stormwater quality, planning for, designing and constructing regional drainage improvements in cooperation with Urban Drainage and Flood Control District. Increasing Drainage Utility Fees are a result of residential / commercial construction, annexations and periodic fee increases. Single Family Residential (sfr) properties fees for 2013 are \$6.41 per month. For 2014 and beyond the fee will increase annually based on U.S. Labor Statistics Consumer Price Index. Commercial and Non-Residential Properties are calculated as follows: Monthly fee = (SFR fee) x (total impervious area of property in square feet) / 4000 square feet.

Forecast: **2013 \$1,716,200 2014 \$1,780,900**

Rationale: Forecast includes an increase of 4% per year to allow for an increase in the customer base.

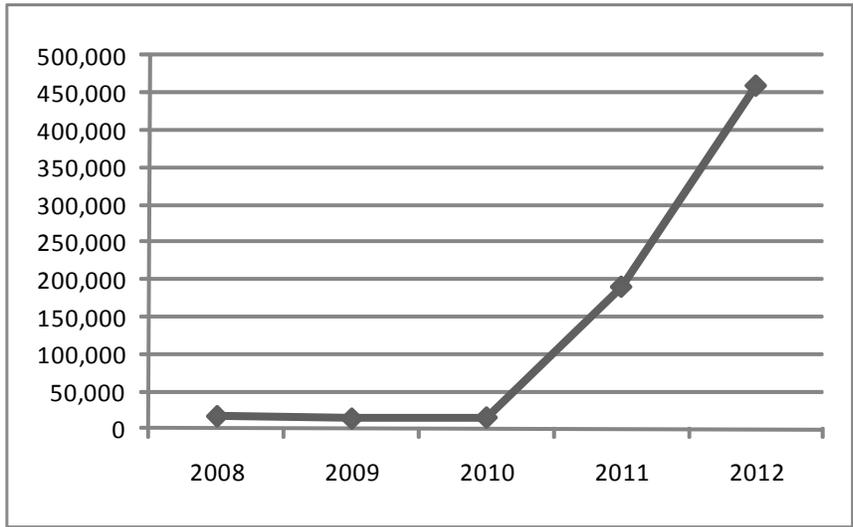
PARKER ARTS, CULTURE and EVENTS (PACE) TICKET REVENUE

Distribution: PACE Operating Fund 100%

Source: Customers of the PACE.

Collection: Collected by internet and phone registrations, over-the-counter payments, and by mail. The fees are collected by PACE staff and remitted to the Finance Department for recording and deposit.

Five Year Trend:



<u>Year</u>	<u>Ticket Revenue</u>
2008	16,895
2009	13,847
2010	15,228
2011	190,599
2012	460,494

Ticket revenues are demand based and are the result of ticket sales for performances, such as concerts, plays and symphonies. In the Fall of 2011, the PACE center opened, the facility is approximately 50,000 square feet. This building includes a 536-seat theater, lobby, art gallery, event room, dance studio, media lab, classrooms, catering and teaching kitchen, dressing rooms and green room, administrative offices, outdoor 250-seat amphitheater and storage. As a result, Parker has seen a dramatic increase in the cultural offerings, created a community gathering place, enhanced the downtown area and impacted economic development.

Forecast: **2013 \$590,000** **2014 \$590,000**

Rationale: Forecast anticipates 14% increase based on demand for 2013 and stable revenue for 2014.

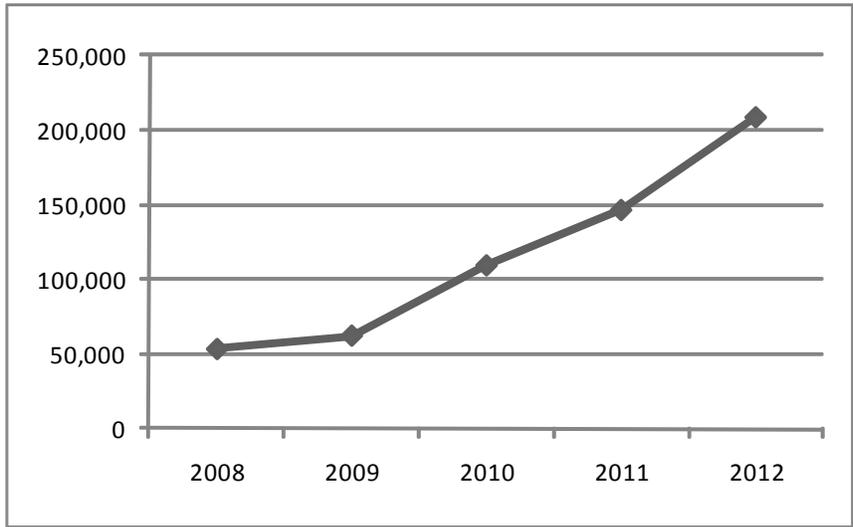
PARKER ARTS, CULTURE and EVENTS (PACE) CLASS REGISTRATION REVENUE

Distribution: PACE Operating Fund 100%

Source: Customers of the PACE.

Collection: Collected by internet and phone registrations, over-the-counter payments, and by mail. The fees are collected by PACE staff and remitted to the Finance Department for recording and deposit.

Five Year Trend:



<u>Year</u>	<u>Class Registration</u>
2008	53,281
2009	62,270
2010	109,494
2011	146,695
2012	209,048

Class registration revenues are demand based and are the result of class registrations for arts and cultural classes for youth and adults at PACE and the Mainstreet Center. Course offerings include Theater Classes and Productions, Science, Digital Art, Dance, Music and Visual Art. The PACE Center includes a dance studio and five flexible classroom spaces including a media lab. The Mainstreet Center includes a dance studio, a small theater perfectly suited to teaching and smaller productions, and 12 classrooms. As a result of the opening of PACE, Parker has seen a significant increase in arts & culture educational offerings and demand continues to grow.

Forecast: **2013 \$200,000** **2014 \$200,000**

Rationale: Forecast anticipates stable revenues based on demand for 2013.

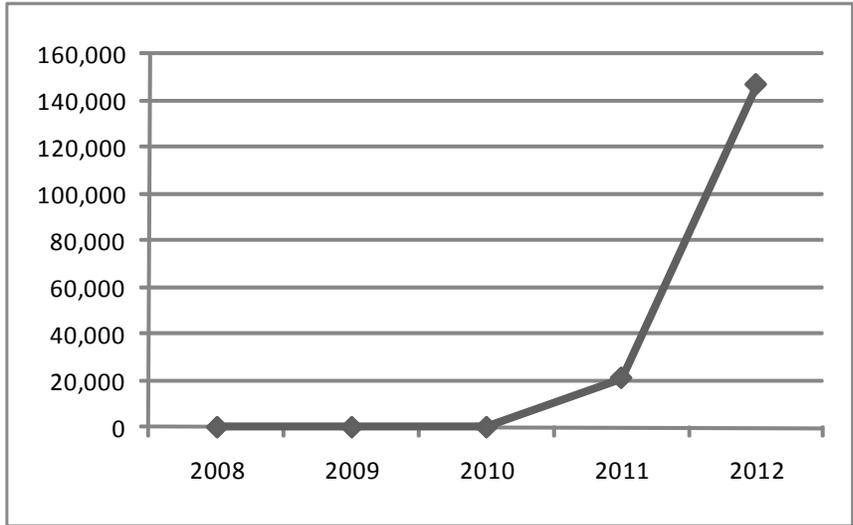
PARKER ARTS, CULTURE and EVENTS (PACE) FACILITY RENTALS

Distribution: PACE Operating Fund 100%

Source: Customers of the PACE.

Collection: Collected by over-the-counter payments and by mail. The fees are collected by PACE staff and remitted to the Finance Department for recording and deposit.

Five Year Trend:



<u>Year</u>	<u>Rental Fees</u>
2008	0
2009	0
2010	0
2011	21,146
2012	146,799

Rental Revenue at PACE is demand based and the result of rentals in two specific areas. Theater entails all of the rentals that take place in the PACE theater. These range from plays and musicals to meetings and dance recitals. Event rentals involve the event room, west terrace, gallery and four classrooms. Events have included weddings and receptions, meetings, memorial services, classes and birthday parties. The PACE Center has filled a large void in the event rental space in Parker that has existed for quite some time. The theater rentals offer community and regional groups the opportunity to perform in a state of the art venue. Both rental areas have potential to increase.

Forecast: **2013 \$150,000** **2014 \$170,000**

Rationale: Forecast anticipates stable revenues for 2013 and increased demand for 2014 due to increased marketing efforts and brand recognition.

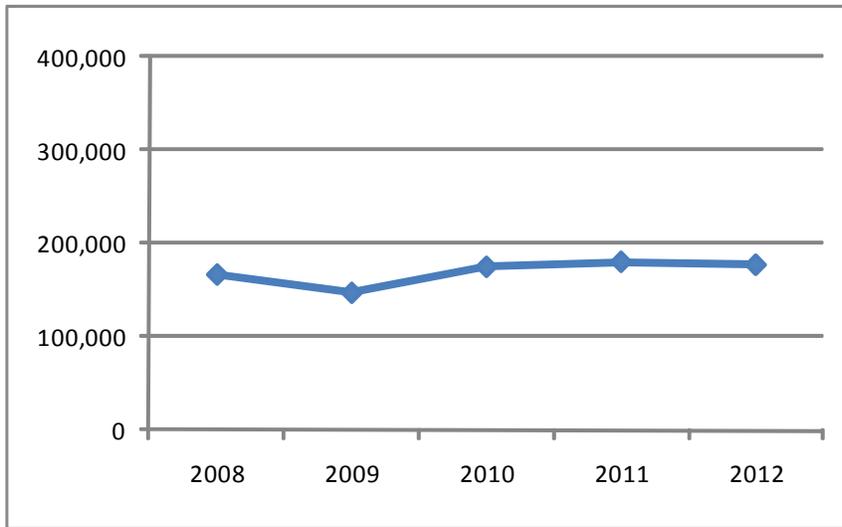
H2O'BRIEN POOL ADMISSION REVENUES

Distribution: Recreation Fund 100%

Source: H2O'Brien Pool users.

Collection: Collected over-the-counter at the H2O'Brien Pool, Parker Recreation Center and Parker Fieldhouse and remitted to the Finance Department on a daily basis. H2O'Brien Pool users can pay either a Daily Admission Fee, purchase a punch card, season membership or add a season pass to an existing membership. H2O'Brien is also available for rental. The H2O'Brien Pool is open Memorial Day weekend, generally through Labor Day.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	166,993
2009	147,507
2010	175,232
2011	180,567
2012	177,436

Revenues are primarily weather related. Low revenues in 2009 were a result of weather (cooler temperatures and more precipitation). Warmer temperatures resulted in increased revenue in 2010-2012. Once school starts in August, revenues drop off as the loss of lifeguards reduces the hours of operation.

Forecast: **2013 \$140,000** **2014 \$160,000**

Rationale: Forecast for 2013 anticipates more rain late in the season and cooler temperatures. 2014 anticipates good weather, an increase in attendance due to remodel of the recreation center and construction in the pool area.

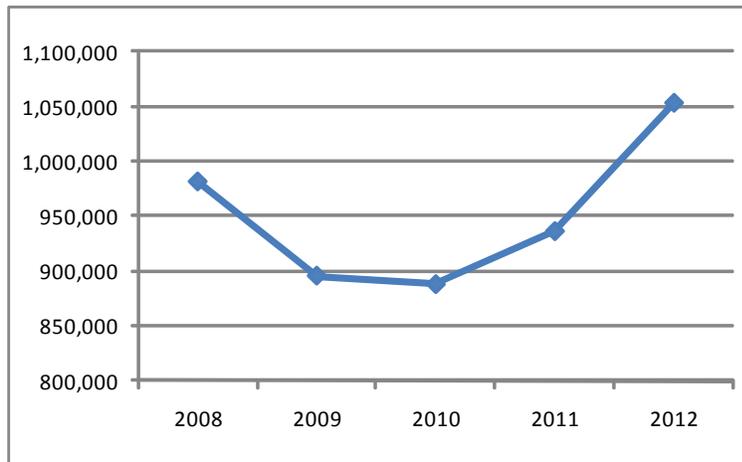
RECREATION ADMISSION REVENUE

Distribution: Recreation Fund 100%

Source: Users of the Recreation Center and Fieldhouse.

Collection: Recreation Center and Fieldhouse users can pay a daily admission fee, punch card or monthly memberships. Fees are collected by over-the-counter payments and direct payment (direct transfer through the Automated Clearing House – ACH - from the customer’s bank account to the Town’s bank account). The fees are collected by Recreation Center staff and remitted to the Finance Department on a daily basis. The ACH payments are initiated by recreation staff on a monthly basis.

Five Year Trend:



<u>Year</u>	<u>Daily Users</u>	<u>Annual Members</u>	<u>Total Admissions</u>
2008	271,437	709,980	981,418
2009	250,228	645,428	895,657
2010	235,729	652,071	887,800
2011	247,275	688,938	936,213
2012	254,606	798,545	1,053,151

The decrease in 2009 and 2010 is attributable to the economic recession that impacted discretionary income for most citizens. As the economy improved, attendance increased, this combined with more marketing and a slight fee increase has resulted in higher admission revenue.

Forecast: **2013 \$1,053,000** **2014 \$790,700**

Rationale: Forecast anticipates 2013 revenue remaining constant with 2012 and decreasing 20% in 2014 as a result of construction that will occur with Recreation Center expansion project.

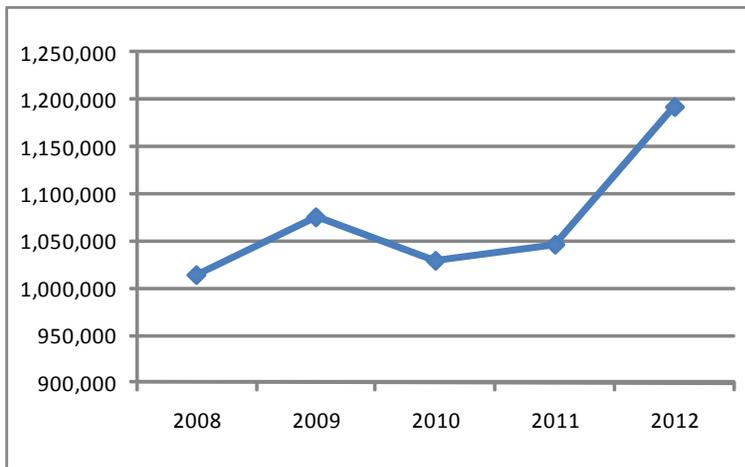
RECREATION SPORTS PROGRAM FEES

Distribution: Recreation Fund 100%

Source: Recreation sports program fees paid by participants in Parker organized sporting activities such as softball, basketball, flag football, kickball, soccer and several other programs.

Collection: Collected by internet and phone registrations, over-the-counter payments, and by mail. The fees are collected by Recreation Center staff and remitted to the Finance Department on a daily basis.

Five Year Trend:



<u>Year</u>	<u>Adult Program Fees</u>	<u>Youth Program Fees</u>	<u>Total Sports Fees</u>
2008			1,014,417
2009			1,075,832
2010	313,716	715,952	1,029,668
2011	318,795	727,881	1,046,676
2012	321,950	870,709	1,192,659

The decrease in 2009 and 2010 is attributable to the economic recession that impacted discretionary income for most citizens. Higher recreation sports program revenues are the result of increased participation, new programs as the country emerged from the recession. Fees were also adjusted in most youth sports in the fall of 2012 for the 2012/2013 winter season, which resulted in increased revenues.

Forecast: **2013 \$1,200,000** **2014 \$1,210,000**

Rationale: Forecast anticipates consistent participation levels and no anticipated fee increases.

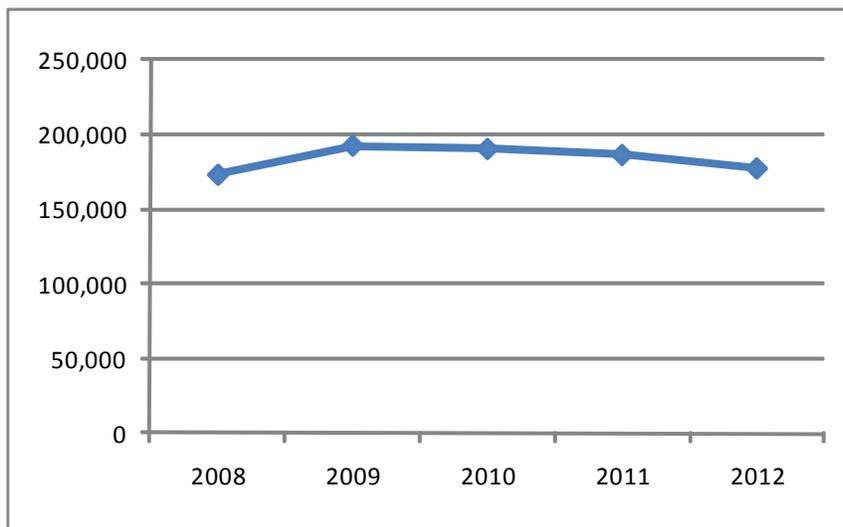
RECREATION SWIM LESSON FEES

Distribution: Recreation Fund 100%

Source: Recreation Center Customers. Private lessons are \$25 per half-hour. A five-lesson punch card is offered for \$110, a 10-lesson punch card for \$200. Private lesson punch cards may be shared between members of the immediate family. Group lessons are also available.

Collection: Collected by internet and phone registrations, over-the-counter payments, and by mail. The fees are collected by Recreation Center staff and remitted to the Finance Department on a daily basis.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	173,004
2009	192,662
2010	190,386
2011	186,421
2012	177,269

Parker Recreation's swim lesson program enhances the swimming abilities of participants of all skill levels. Teen and adult swim lessons are also available. Swim lessons take place at the Recreation Center Indoor Pool and at the H2O'Brien Pool in the summer.

Forecast: **2013 \$180,000** **2014 \$160,000**

Rationale: Forecast anticipates 2013 revenue remaining constant with 2012 and decreasing 20% in 2014 as a result of construction that will occur with Recreation Center expansion project.

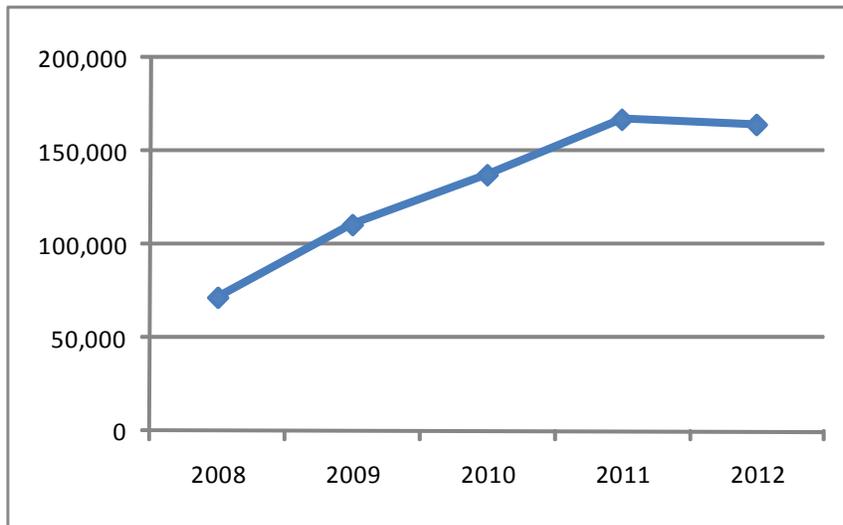
RECREATION SPECIALTY FITNESS FEES

Distribution: Recreation Fund 100%

Source: Recreation Center Customers.

Collection: Collected by internet and phone registrations, over-the-counter payments, and by mail. The fees are collected by Recreation Center staff and remitted to the Finance Department on a daily basis.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	71,907
2009	110,878
2010	137,593
2011	167,306
2012	164,519

Specialty Fitness includes activities such as TRX Suspension Training, Focus Interval Training and various other fitness programs. The increase in specialty fitness revenues from 2008 to 2011 is due to increased participation and new programs. The slight decrease in 2012 is the result of an increased number of patrons opting to purchase memberships that include free fitness classes versus paying additional fees for more specialized fitness classes. In addition, space is very limited for these types of programs; as a result, revenues will likely remain comparable to previous years with no anticipated fee increases.

Forecast: **2013 \$165,000** **2014 \$150,000**

Rationale: Forecast for 2013 and 2014 is based on approximately a 1% increase, with no fee increases anticipated.

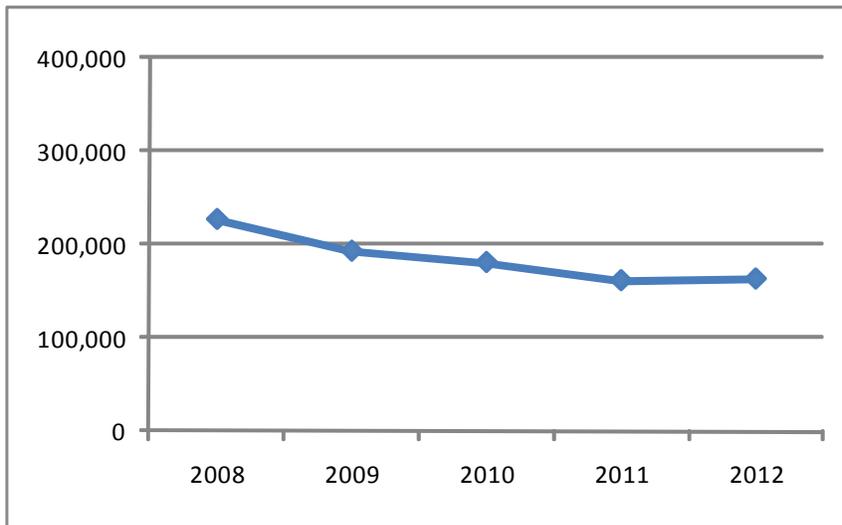
FIELDHOUSE FACILITY RENTAL FEES

Distribution: Recreation Fund 100%

Source: Fieldhouse Customers.

Collection: Collected by phone registrations and over-the-counter payments. The fees are collected by Fieldhouse staff and remitted to the Finance Department on a daily basis.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	227,561
2009	193,089
2010	180,755
2011	161,000
2012	162,716

Revenue declined from 2008 to 2011 due in part to the economic recession and started to rebound in 2012 as consumer confidence improved and the recession came to an end. The annual decrease in revenue is also attributable to limited facility availability due to increased demand for adult and youth sports programming.

Forecast: **2013 \$162,000** **2014 \$124,000**

Rationale: Forecast projects flat revenues for 2013. Additional decrease in 2014 will be due to increased programming in venues due to the Recreation Center Expansion.

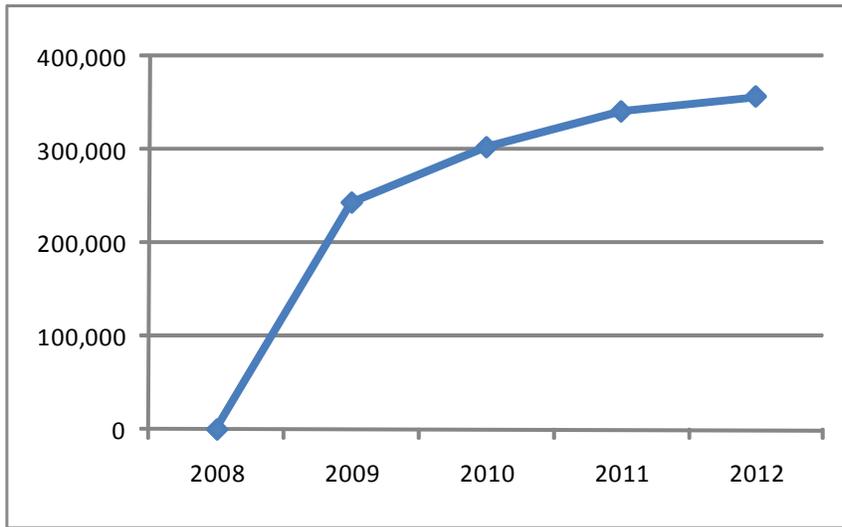
FIELDHOUSE DAY CAMP FEES

Distribution: Recreation Fund 100%

Source: Fieldhouse Customers.

Collection: Collected by phone registrations, over-the-counter payments, and by mail. The fees are collected by Fieldhouse staff and remitted to the Finance Department on a daily basis.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	0
2009	243,517
2010	302,956
2011	341,420
2012	357,435

Revenue increased dramatically since instituting the program due to high demand for this type of program. Increase can also be attributed by the expansion of the program to include before and after care programs.

Forecast: **2013 \$390,000** **2014 \$380,000**

Rationale: Forecast projects approximately a 4.5% increase in 2013 and 3.2% in 2014 due to continued high demand for the program.

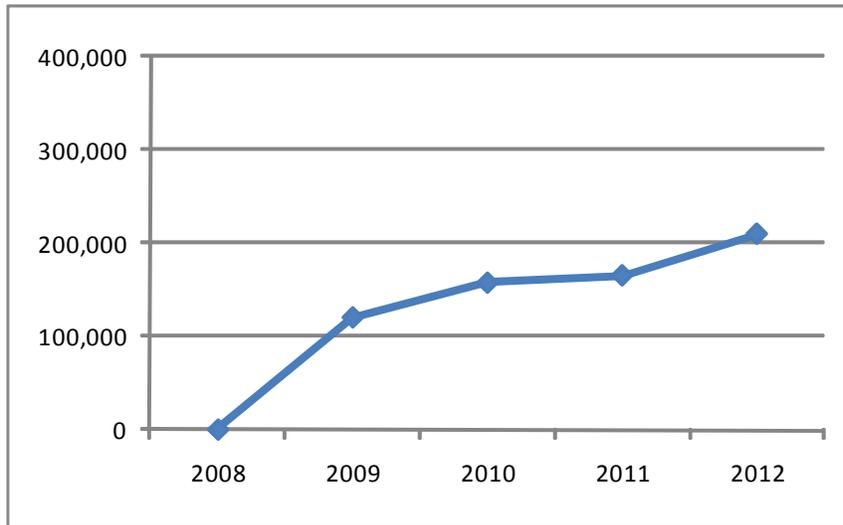
FIELDHOUSE SPORTS INSTRUCTION FEES

Distribution: Recreation Fund 100%

Source: Fieldhouse Customers.

Collection: Collected by internet and phone registrations, over-the-counter payments, and by mail. The fees are collected by Recreation Center staff and remitted to the Finance Department on a daily basis.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	0
2009	120,442
2010	157,671
2011	165,561
2012	210,263

Revenue has increased since instituting the sports instruction due to high demand for this type of program.

Forecast: **2013 \$240,000** **2014 \$175,000**

Rationale: Forecast projects approximately a 14% increase in 2013. The PRC expansion project will impact venue availability for this program. Programs typically in the gymnasium at the PRC will not be possible during the latter part of 2014. Due to the expansion of the Recreation Center, many programs will be relocated to the Fieldhouse due to space limitations. This will likely impact the availability of sports instruction programs at the Fieldhouse.

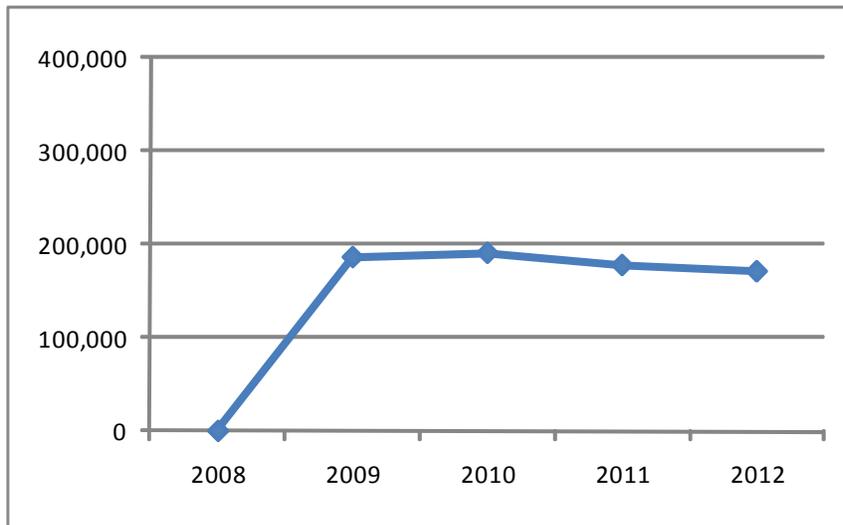
PERSONAL TRAINING FEES

Distribution: Recreation Fund 100%

Source: Recreation Customers.

Collection: Collected by internet and phone registrations, over-the-counter payments, and by mail. The fees are collected by Recreation Center staff and remitted to the Finance Department on a daily basis.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	0
2009	185,916
2010	190,398
2011	177,407
2012	170,747

Revenue has increased since instituting the personal training, but declined slightly due to the recession and lower demand. Trends also include an increase in small group training, which is a more cost-effective option for those seeking more specialized instruction without the individual higher training cost. Also, personal training is typically not a service that the majority of participants continue throughout the year due to the high cost. Most patrons opt for a training package of 3 to 6 training sessions and either continue on their own with a facility membership or participate in free classes that are included with their membership. Fees were increased in 2013, which should increase 2013 revenues slightly.

Forecast: **2013 \$175,000** **2014 \$158,000**

Rationale: Forecast projects a slight increase for 2013 and 2014 due to greater demand and more discretionary income as the economy continues to improve.

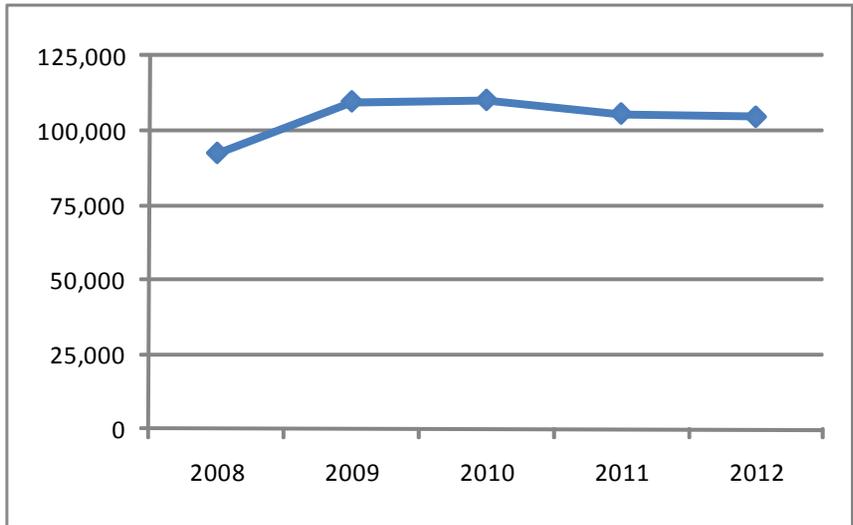
MAINSTREET CENTER FACILITY RENTAL FEES

Distribution: Mainstreet Center Fund 100%

Source: Mainstreet Center Customers.

Collection: Collected by over-the-counter payments and by mail. The fees are collected by Cultural Department staff and remitted to the Finance Department on a daily basis.

Five Year Trend:



<u>Year</u>	<u>Rental Fees</u>
2008	92,367
2009	109,632
2010	110,100
2011	105,567
2012	104,477

Revenue fluctuates based in demand for rental space at the facility.

Forecast: **2013 \$100,000** **2014 \$50,000**

Rationale: Forecast projects a slight decrease for 2013 because some rentals are shifting to PACE. Revenue for 2014 will decline because some rooms will be closed during the rehab of the Old Schoolhouse portion of the Mainstreet Center.

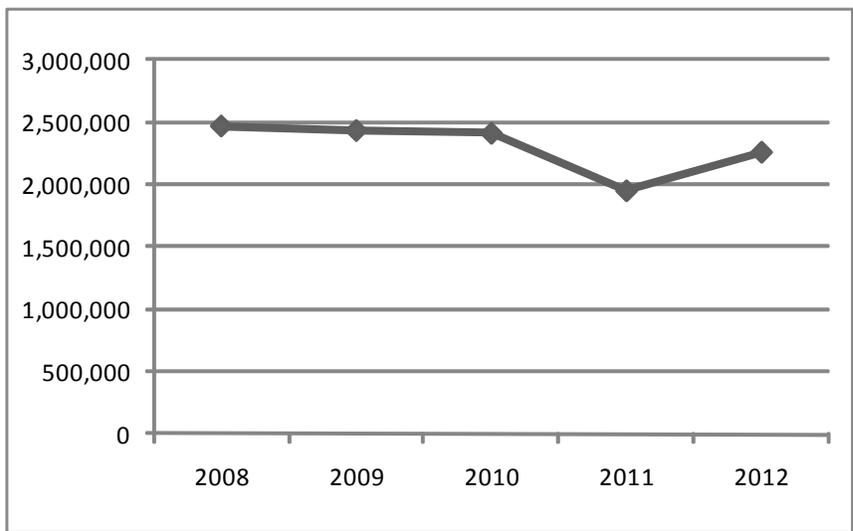
DOUGLAS COUNTY ROAD SALES TAX SHARED REVENUE

Distribution: Capital Improvement Fund 100%

Source: Sales and use tax paid by citizens and visitors in Douglas County.

Collection: Douglas County collects a 0.4 percent roads sales and use tax county-wide and then remits 75 percent of the amount collected within Parker town-limits to the Town. This revenue helps fund the construction of new road projects and is accounted for in the Public Improvements Fund. Funds are received electronically directly to the Town’s bank account on a monthly basis.

Five Year Trend:



<u>Year</u>	<u>Shared Sales & Use Tax Revenue</u>
2008	2,472,724
2009	2,436,556
2010	2,414,311
2011	1,956,670
2012	2,264,021

Although the county’s sales tax has a different base than the Town’s sales tax (it excludes tax on groceries and utilities), the shareback amount is estimated the same way as the Town’s sales tax. The use tax shareback is also estimated the same way as the Town’s use tax and is exactly 16 percent of the Town’s use tax estimate.

Forecast: **2013 \$2,322,400** **2014 \$2,338,300**

Rationale: Forecast anticipates tax revenues to increase slowly and gradually, 1% annual increases from the average annual revenue.

LOTTERY REVENUE

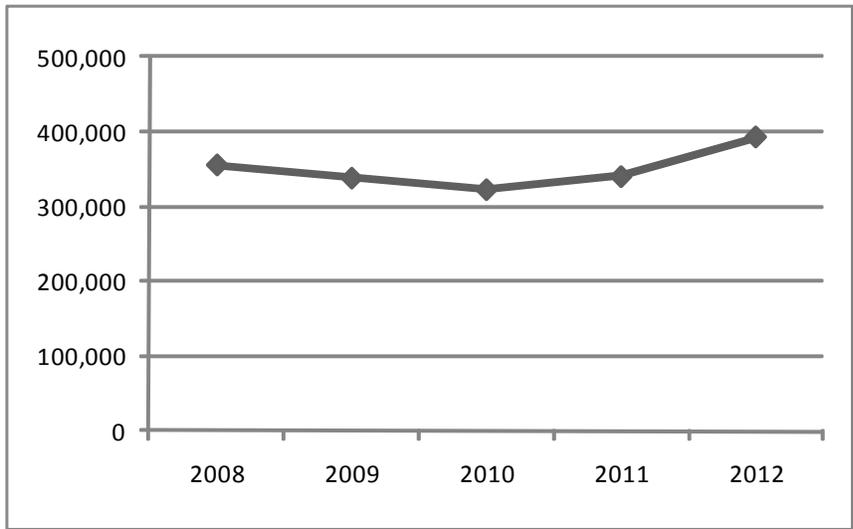
Distribution: Conservation Trust Fund 100%

Source: Customers who buy lottery and lotto tickets.

Collection: Lottery proceeds are collected from retail merchants selling lottery products by the State of Colorado. Municipal lottery proceeds are distributed to municipalities based upon current population estimates prepared by the State Division of Local Governments. Parker’s share is electronically transferred to the Town’s depository bank account on December 1, March 1, June 1 and September 1.

Conservation trust funds can only be used for the acquisition, development and maintenance of new park and open space sites or for capital improvements and maintenance of a public site used for recreational purposes.

Five Year Trend:



<u>Year</u>	<u>Revenue</u>
2008	355,962
2009	338,583
2010	323,325
2011	340,535
2012	392,828

As participation in the Lottery fluctuates, the revenues that filter down to the municipalities vary as well. From 2008-2010, revenues have decreased due to declining participation in the Lottery and from the impacts of the recession. Beginning in 2011, participation in the Lottery is on the rise again.

Forecast: **2013 \$396,000** **2014 \$399,960**

Rationale: Forecast anticipates a 1% annual increase to allow for increased population in the Town and continued support of the Colorado Lottery.



Budget Detail

Included in this section of the budget document is the following information:

- General Fund
- Special Revenue Funds
- Capital Project Funds
- Debt Service Funds
- Enterprise Funds
- Internal Service Funds



Parker Town Hall

General Fund

Included in this section of the budget document is the following information:

- General Fund Summary
- General Funds Revenue Detail
- General Fund Expenditure and Description Detail by Department



Parker Station - Downtown Parker

General Fund Summary

General Fund Summary

	2011 Actual	2012 Actual	2013 Adopted Budget	2013 Projected	2014 Adopted Budget	% Change Adopted Budgets
Beginning Fund Balance	\$ 22,376,392	\$ 22,785,264	\$ 23,965,324	\$ 23,965,324	\$ 18,517,568	-23%
Revenues						
Taxes	25,369,732	27,406,523	27,748,500	28,679,000	29,779,800	7%
Licenses and Permits	925,714	2,141,881	844,500	1,481,700	1,550,300	84%
Intergovernmental	3,576,794	3,722,521	3,948,100	4,006,860	3,974,319	1%
Charges for Services	1,754,278	2,165,081	1,768,900	2,106,750	3,313,800	87%
Fines and Forfeitures	219,799	177,561	222,000	169,400	173,100	-22%
Interest	91,658	62,148	41,800	67,600	41,000	-2%
Miscellaneous	75,846	120,104	85,000	87,075	85,000	0%
Other Financial Sources	9,917	44,881	-	396,400	-	
Transfers In	1,571,300	1,804,600	881,700	901,700	947,600	7%
Total Revenues	33,595,038	37,645,300	35,540,500	37,896,485	39,864,919	12%
Expenditures						
Salary and Benefits	15,792,475	16,440,227	18,443,283	18,507,600	18,246,300	-1%
Supplies	694,190	710,688	856,800	890,825	937,214	9%
Purchased Services	8,739,330	9,879,929	12,594,564	12,034,669	13,195,632	5%
Debt Service	3,784,923	3,785,573	3,784,000	3,784,000	4,665,284	23%
Capital Outlay	204,012	1,093,090	3,876,400	3,741,747	841,800	-78%
Economic Development Incentives	2,563,798	2,638,079	1,840,000	1,840,000	1,720,000	-7%
Other	245,439	1,317,654	681,600	681,600	552,600	-19%
Transfers Out	1,162,000	600,000	1,863,800	1,863,800	3,265,000	75%
Total Expenditures	33,186,167	36,465,239	43,940,447	43,344,241	43,423,830	-1%
Ending Fund Balances	\$ 22,785,264	\$ 23,965,324	\$ 15,565,377	\$ 18,517,568	\$ 14,958,657	-4%

Explanation of Significant Budget Variances

- Detailed revenue variance explanations can be found in the General Fund Revenue Detail section.
- Purchased Services – The increase of 5 percent or \$601,068 is primarily due to the Internal Service Fund change in allocation for IT.
- Debt Service – The increase of 23 percent or \$881,284 is due to the anticipated issuance of Certificates of Participation for the new Public Works Facility and the estimated principal and interest payments associated with the issuance of the new debt.
- Capital Outlay - The \$928,500 or 380 percent increase is primarily to upgrade aged and/or outdated technology and equipment. Capital outlay expenditures are detailed in the individual departmental or fund budgets and in the appendix to the budget document.
- Economic Development Incentives - The \$120,000 decrease is due to an economic incentive agreement that expired in 2013
- Transfers Out – The increase of 75 percent of \$1.4 million is primarily due to the transfer to the Parks and Recreation Fund for the Recreation Center Expansion.

General Fund Summary

General Fund Summary

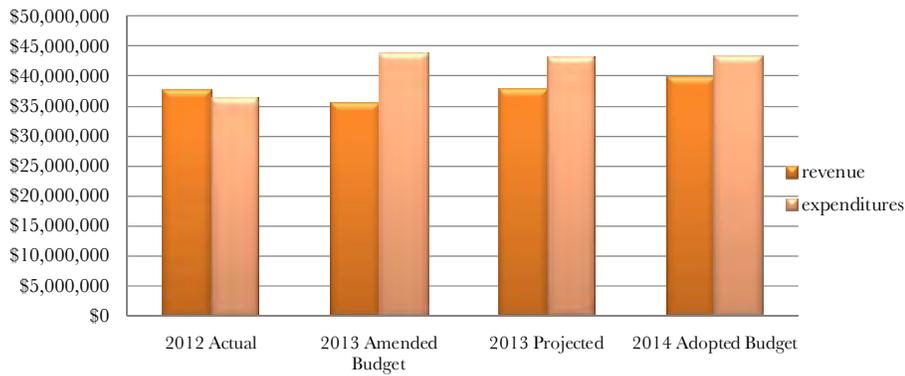
	2011	2012	2013	2013	2014	% Change
	Actual	Actual	Adopted	Projected	Adopted	Adopted
	Actual	Actual	Budget	Budget	Budget	Budgets
Expenditures by Department						
Elected Officials	110,500	116,013	127,800	120,000	130,100	2%
Town Clerk	230,057	228,504	263,900	241,260	365,414	38%
Municipal Court	247,566	212,857	355,500	331,825	314,423	-12%
Town Administrator	554,837	450,094	501,400	480,500	533,574	6%
Elections	504	22,464	19,800	19,800	23,000	16%
Finance	700,321	709,078	788,500	766,455	757,070	-4%
Sales Tax	214,312	260,825	335,800	334,925	352,786	5%
Legal Services	392,833	489,532	495,100	503,000	524,636	6%
Human Resources	429,167	554,941	625,500	625,000	734,226	17%
Risk Management	197,665	219,219	222,300	248,000	340,780	53%
Community Development	1,083,838	1,131,120	2,049,930	2,206,100	1,516,225	-26%
Information Technology	1,001,408	1,032,768	1,279,200	1,297,100	-	-100%
Communications	507,935	488,232	667,100	604,000	682,421	2%
General Government Buildings	483,113	463,631	2,516,731	2,464,993	461,500	-82%
Customer Service	142,812	97,137	125,600	119,200	135,983	8%
Historic Preservation	14,127	4,198	5,000	5,000	5,000	0%
Interdepartmental	273,202	1,365,435	760,300	756,200	591,200	-22%
Debt Service	3,784,923	3,785,573	3,784,000	3,784,000	4,665,284	23%
Police	9,000,436	10,222,210	11,211,883	11,267,183	12,494,468	11%
Building Inspection	794,723	940,603	932,543	919,000	993,418	7%
Public Works	6,874,558	7,105,348	8,933,800	8,617,800	8,921,025	0%
Parks, Forestry and Open Space	2,059,210	2,372,753	3,031,018	2,942,900	3,091,981	2%
Parks/Public Works Buildings	179,376	689,187	622,300	484,000	203,300	-67%
Economic Development	182,946	265,437	581,642	502,200	601,016	3%
Economic Incentives	2,563,798	2,638,079	1,840,000	1,840,000	1,720,000	-7%
Interfund Transfers	1,162,000	600,000	1,863,800	1,863,800	3,265,000	75%
Total Expenditures	33,186,167	36,465,239	43,940,447	43,344,241	43,423,830	-1%
Ending Fund Balances	\$ 22,785,264	\$ 23,965,324	\$ 15,565,377	\$ 18,517,568	\$ 14,958,657	-4%

Explanation of Budget Variances

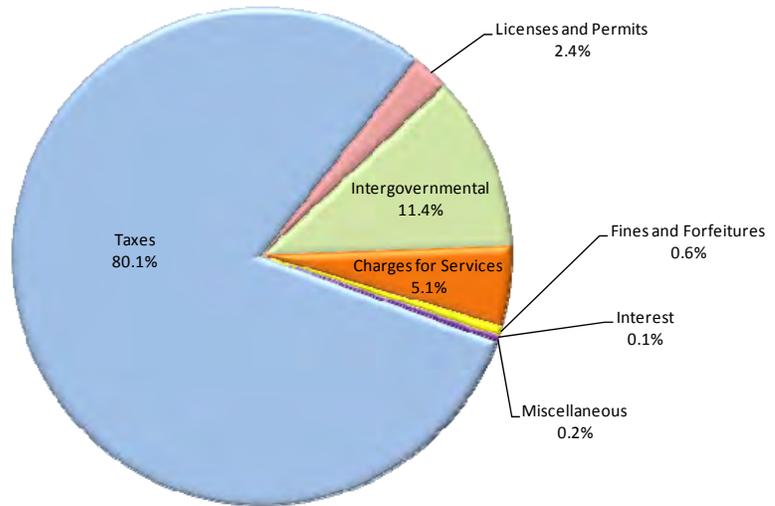
- Budget variances are explained in General Fund Expenditure Detail section.

General Fund Summary

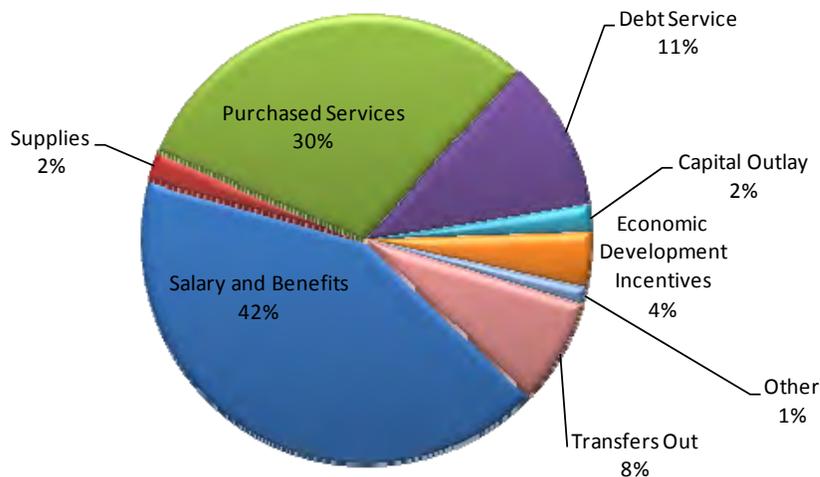
Revenue & Expenditure Comparison



Sources of Revenue - General Fund



General Fund Expenditures



General Fund Revenue Detail

General Fund

	2012 Actual	2013 Adopted Budget	2013 Projected	2014 Adopted Budget	% Change Adopted Budgets
Beginning Fund Balance	\$ 22,785,264	\$ 23,965,324	\$ 23,965,324	\$ 18,517,568	-23%
Revenue					
Taxes					
Real Property Taxes	1,345,955	1,382,500	1,382,500	1,386,600	0%
Personal Property Taxes	79,680	80,700	79,000	79,600	-1%
Specific Ownership Taxes	111,537	109,700	117,000	122,400	12%
Sales Taxes	23,952,885	24,078,800	25,070,000	26,072,800	8%
Sales Tax Penalty and Interest	48,620	50,400	30,000	51,100	1%
Sales Tax Audit Revenue	50,804	146,700	100,000	102,500	-30%
Lodging Tax	99,149	105,500	105,000	101,600	-4%
Franchise Taxes - Cable	432,647	443,400	442,600	453,700	2%
Franchise Taxes - Fiber Optics	500	500	500	500	0%
Franchise Taxes - Gas	335,072	361,400	361,400	366,800	1%
Excise Taxes - Electric	948,387	985,700	990,000	1,040,800	6%
Interest - Property Taxes	1,289	3,200	1,000	1,400	-56%
Total Taxes	27,406,523	27,748,500	28,679,000	29,779,800	7%
Licenses and Permits					
Business Licenses	70,908	71,800	71,000	74,300	3%
Liquor Licenses and Permits	26,412	25,100	26,300	27,700	10%
Peddler and Solicitor Permits	24,970	6,200	5,000	6,100	-2%
Building Permits	1,917,714	687,300	1,300,000	1,341,500	95%
Sign Permits	18,440	12,300	11,400	13,300	8%
Street Cut Permits	83,437	41,800	68,000	87,400	109%
Total Licenses and Permits	2,141,881	844,500	1,481,700	1,550,300	84%
Intergovernmental					
LEAF-DUI Enforcement Grant	17,183	-	5,000	-	
CDBG Grant	-	20,000	20,000	-	-100%
911 Authority	283,376	500,000	550,000	400,000	-20%
COP BABS Interest Credit	892,819	892,800	860,677	892,819	0%
School Marshall Program	-	-	61,400	-	
EMPG Grant	49,400	-	-	122,800	
Other Police Grants	7,126	-	4,300	-	
Motor Vehicle Regis Fees	141,467	143,400	144,700	148,300	3%
Highway User Taxes	1,006,558	1,013,300	1,008,350	1,033,600	2%
FASTER Distribution	-	-	-	-	
Cigarette Taxes	104,096	116,300	103,000	102,000	-12%
Severance Taxes	15,183	4,000	15,633	4,000	0%
Road and Bridge Shareback Funds	1,205,315	1,258,300	1,233,800	1,270,800	1%
Total Intergovernmental	3,722,521	3,948,100	4,006,860	3,974,319	1%

General Fund Revenue Detail

General Fund

	2012 Actual	2013 Adopted Budget	2013 Projected	2014 Adopted Budget	% Change Adopted Budgets
Charges for Services					
Court Costs, Fees and Charges	87,737	93,600	93,600	94,200	1%
Open Records Fees	1,190	-	1,100	-	
Zoning and Subdivision Fees	63,885	47,900	110,000	65,500	37%
Service Plan Fees	7,500	15,000	-	15,000	0%
Deficit Reduction Fees	905,543	488,600	916,000	1,802,800	269%
Plan Checking Fees	187,801	234,400	188,000	192,500	-18%
Rental of Kiosk Signs	9,660	15,000	9,600	15,000	0%
Sales of Maps and Publications	504	1,200	500	1,200	0%
Advertising Commissions	12,518	8,000	6,000	8,000	0%
Engineering Review Fees	108,570	86,600	95,000	102,500	18%
Administrative Fees	53,599	44,800	55,000	65,900	47%
ATM Fees	24	-	25	-	
Misc Charges/Fees	2,388	2,200	6,100	2,200	0%
Impound Fees	4,250	5,000	5,000	5,000	0%
Police Reports	31,851	34,800	30,000	33,400	-4%
Drug Testing	13,933	18,700	9,000	19,100	2%
Lone Tree Building Services	4,963	-	-	-	
Lone Tree Dispatch Services	398,227	461,200	389,025	675,100	46%
School Resource Officer	50,767	43,500	43,500	44,600	3%
Lone Tree Crime/Evidence Services	60,280	77,400	45,000	79,300	2%
Castle Rock Review/Inspection Svcs	1,006	-	-	-	
Foxfield Court Services	8,901	10,200	7,500	10,500	3%
PAR Services	72,449	-	20,000	-	
C-DOT Signal Operations	46,800	48,800	46,800	50,000	2%
Event Sponsorship	30,735	32,000	30,000	32,000	0%
Total Charges for Services	2,165,081	1,768,900	2,106,750	3,313,800	87%
Fines and Forfeitures					
Court Fines	157,632	197,400	149,000	152,200	-23%
DUI Fines	19,929	24,600	20,400	20,900	-15%
Total Fines and Forfeitures	177,561	222,000	169,400	173,100	-22%
Miscellaneous					
Interest Earnings and Invest	53,722	34,200	60,000	33,400	-2%
Interest Earnings - 2009 COPS	8,426	7,600	7,600	7,600	0%
Contributions	-	-	2,000	-	
Contrib. - Historic Preservation	45	-	75	-	
Other Miscellaneous Revenue	120,059	85,000	85,000	85,000	0%
Total Miscellaneous	182,252	126,800	154,675	126,000	-1%

General Fund Revenue Detail

General Fund

	2012	2013	2013	2014	% Change
	Actual	Adopted	Projected	Adopted	Adopted
		Budget		Budget	Budgets
Other Financial Sources					
Insurance Recoveries	37,478	-	5,000	-	
Sales of General Fixed Assets	7,403	-	391,400	-	
Total Other Financial Sources	44,881	-	396,400	-	
Transfers In					
From Conservation Trust Fund	300,000	-	-	-	
From Parks and Recreation Fund	839,000	868,300	868,300	927,600	7%
From PAR	154,000	-	20,000	20,000	
From Public Improvements Fund	311,600	13,400	13,400	-	-100%
From Excise Tax Fund	200,000	-	-	-	
Total Transfers In	1,804,600	881,700	901,700	947,600	7%
Total Revenue	37,645,300	35,540,500	37,896,485	39,864,919	12%
Total Funds Available	\$ 60,430,564	\$ 59,505,824	\$ 61,861,809	\$ 58,382,487	-2%

Explanation of Significant Budget Variances

- Sales Taxes - the \$1.99 million or 8 percent projected increase is due to better than expected sales tax revenue in 2013 resulting in a 4 percent increase in the 2013 projection. The 2014 budget is based on a 4 percent increase over the 2013 projected.
- Building Permit Fees - the \$654,200 or 95 percent projected increase is due to an improving new home construction market. The 2013 original budget is based on 200 permits for new homes; whereas, the 2014 projections is based on 360 permits.
- Deficit Reduction Fees - the \$1.3 million or 269 percent projected increase is also due to the improving home construction market and expiration of the 50% rebate that was put in place in 2008.

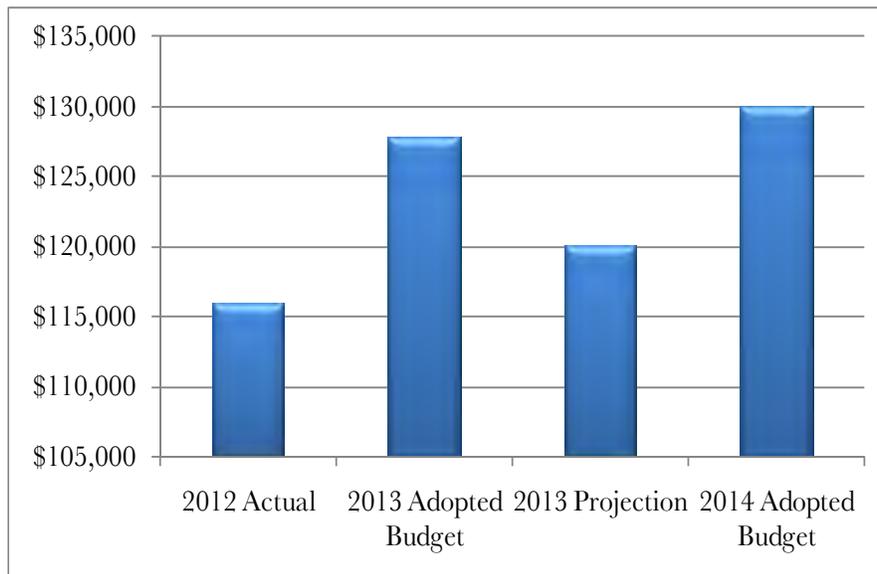
General Fund Expenditure Detail

Department: Elected Officials

Mayor and Councilmembers

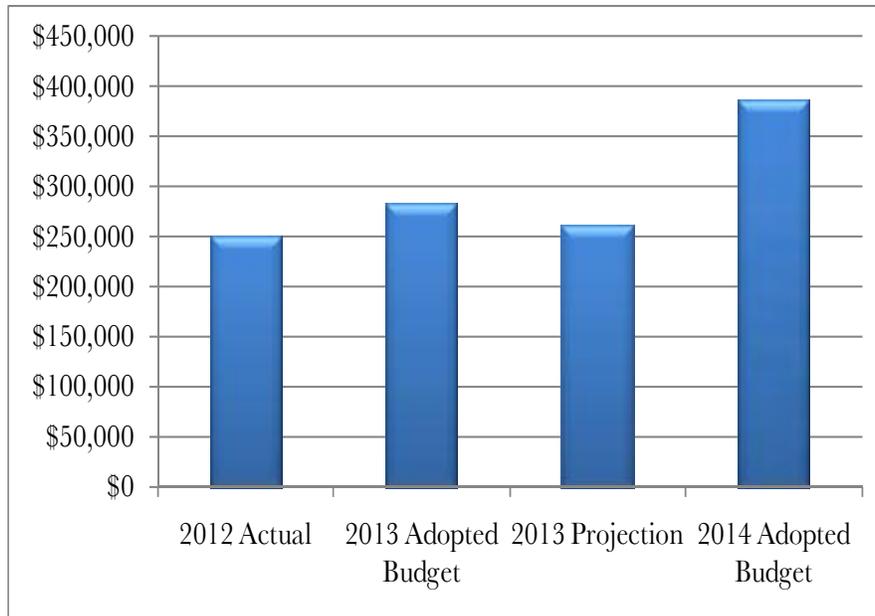
Town Council is the legislative and policy-making body of Town government and represents the citizens of Parker. The Council establishes Town policy through the enactment of ordinances and resolutions, determines the Town's budget, establishes Town goals, appoints advisory committees and commissions and participates in various county-wide intergovernmental relationships.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
<i>Expenditures by Function</i>					
Elected Officials	\$ 116,013	\$ 127,800	\$ 120,000	\$ 130,100	2%
<i>Expenditures by Category</i>					
Salary and Benefits	87,021	89,600	89,500	92,100	3%
Supplies	1,325	6,600	2,700	6,600	0%
Purchased Services	27,667	31,600	27,800	31,400	-1%
Total	\$ 116,013	\$ 127,800	\$ 120,000	\$ 130,100	2%
<i>Sources of Funding</i>					
General Fund	\$ 116,013	\$ 127,800	\$ 120,000	\$ 130,100	2%



The Town Clerk is the custodian of all Town legal documents, including the Municipal Code and Home Rule Charter. The Clerk also prepares Council meeting agendas and minutes, administers municipal elections, manages the Town’s record-keeping system, administers liquor licenses, registers voters, handles open records requests, oversees the Special Licensing Authority and issues peddlers and solicitors licenses and permits.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
<i>Expenditures by Function</i>					
Town Clerk	\$ 228,504	\$ 263,900	\$ 241,260	\$ 365,414	38%
Elections	22,464	19,800	19,800	23,000	16%
Total	250,968	283,700	261,060	388,414	37%
<i>Expenditures by Category</i>					
Salary and Benefits	188,032	195,800	194,900	202,300	3%
Supplies	2,016	2,900	1,850	12,200	321%
Purchased Services	60,920	85,000	64,310	173,914	105%
Total	250,968	283,700	261,060	388,414	37%
<i>Sources of Funding</i>					
Liquor Licenses	26,412	25,100	26,300	27,700	10%
Peddler and Solicitor Licenses	24,970	6,200	5,000	6,100	-2%
General Fund	199,586	252,400	229,760	354,614	40%
Total	\$ 250,968	\$ 283,700	\$ 261,060	\$ 388,414	37%
<i>Authorized FTE positions</i>					
Town Clerk	1.0	1.0	1.0	1.0	
Deputy Town Clerk	1.0	1.0	1.0	1.0	
Administrative Clerk	0.5	0.5	0.5	1.0	
Total	2.5	2.5	2.5	3.0	



2013 Highlighted Accomplishments

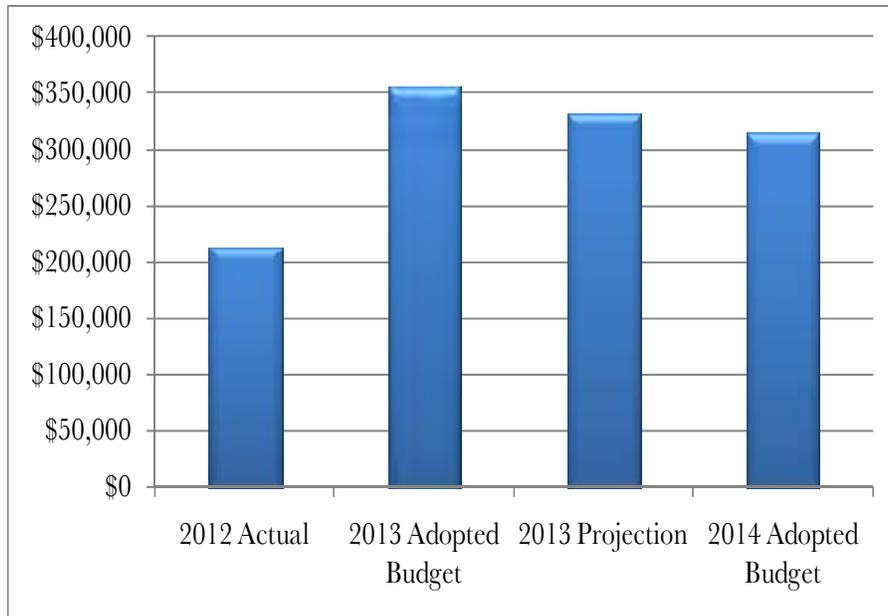
- Provided monthly shredding for all departments
- Assisted all departments with their records management program and Laserfiche (Document Imaging System) access and training
- Implemented a “Do Not Solicit” List for Parker Residents (ongoing)
- Provided employee and peddler/solicitor I.D. Badges (ongoing)

2014 Goals

- Draft and implement Document Imaging Policy
- Monthly shredding for all departments (ongoing)
- Ongoing training for records management program and Laserfiche
- Continue quarterly ordinance codification and quarterly updates of Municipal Code on the internet
- Implement TRAKiT LicenseTRAK Program
- Administer the November 2014 Town Election

The Municipal Court functions include collection of fines, court fees and restitution, as well as conducting trials on these cases as needed. The court processes all summons issued by the Parker Police Department. The Town also provides court services to the Town of Foxfield and oversees the highly successful Parker Teen Court.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
<i>Expenditures by Function</i>					
Municipal Court	\$ 212,857	\$ 355,500	\$ 331,825	\$ 314,423	-12%
<i>Expenditures by Category</i>					
Salary and Benefits	153,004	216,700	206,700	214,500	-1%
Supplies	6,364	12,700	10,450	10,700	-16%
Purchased Services	53,489	61,100	49,675	89,223	46%
Capital Outlay	-	65,000	65,000	-	-100%
Total	\$ 212,857	\$ 355,500	\$ 331,825	\$ 314,423	-12%
<i>Sources of Funding</i>					
Court Cost Fees	87,737	93,600	93,600	94,200	1%
General Fund	125,120	261,900	238,225	220,223	-16%
Total	212,857	355,500	331,825	314,423	-12%
<i>Authorized FTE positions</i>					
Court Administrator	1.0	1.0	1.0	1.0	
Court Clerk	1.8	1.8	1.8	1.8	
Total	2.8	2.8	2.8	2.8	



2013 Highlighted Accomplishments

- Assisted the Police Department with the research and selection of an electronic ticketing program.
- Investigated and implemented Court Records Management Systems to interface with new Police Department electronic ticketing software.
- Continue to explore and implement paperless options for court operations.
- Successfully hire and train new Teen Court Coordinator.

2014 Goals

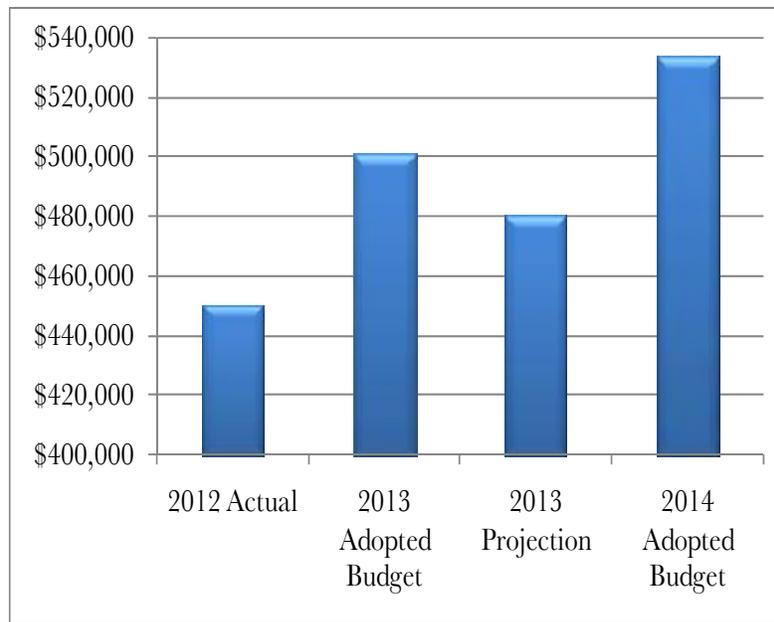
- Further evaluate new Court Records Management Systems to accommodate specific Parker Court needs.
- Implement the use of laptops for attorneys and judge during court session to help eliminate unnecessary paper.
- Assist the Police Department with the integration of new Court and e-ticketing software.
- Continue exploring training options for court staff.
- Review court operations in different jurisdictions to seek out best practices for process improvement purposes.

The Town Administrator is appointed by the Council and serves as the chief administrative officer of the organization. The Town Administrator’s office is responsible for providing direction on day-to-day operations, for overseeing and implementing organizational policies, laws and Town ordinances, providing Council support, implementing Council and organizational goals, appointing department heads and the development and submission of the annual budget to Town Council.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
<i>Expenditures by Function</i>					
Town Administrator	\$ 450,094	\$ 501,400	\$ 480,500	\$ 533,574	6%
<i>Expenditures by Category</i>					
Salary and Benefits	431,482	439,200	430,800	449,900	2%
Supplies	3,922	8,700	7,000	8,000	-8%
Purchased Services	14,690	53,500	42,700	75,674	41%
Total	\$ 450,094	\$ 501,400	\$ 480,500	\$ 533,574	6%
<i>Sources of Funding</i>					
General Fund	\$ 450,094	\$ 501,400	\$ 480,500	\$ 533,574	6%
<i>Authorized FTE positions</i>					
Town Administrator	1.0	1.0	1.0	1.0	
Deputy Town Administrator	1.0	1.0	1.0	1.0	
Executive Assistant	1.0	1.0	1.0	1.0	
Organizational Development / Customer Services Manager	-	-	-	-	
Special Projects Coordinator	-	-	-	-	
Total	3.0	3.0	3.0	3.0	

Explanation of Budget Variances

- Purchased Services - 41 percent increase is due to additional Travel and Education and the change in the Internal Service Fund allocation for IT



2013 Highlighted Accomplishments

- Continued to develop and maintain positive partnerships with local community leaders/organizations as well as county-wide agencies
- Held the 2nd Annual Parker Civic Academy with 20 residents participating; informational eight-week program was designed to allow members of the Parker community to participate in weekly classes aimed at increasing knowledge about the Town; the goal of the program was to encourage participation by Parker residents in local issues and to improve the understanding and awareness of how local government works
- Hosted a two-day retreat with Mayor, Councilmembers and Department Directors, led by an outside facilitator to work on strategic planning, future goals and community concerns
- Developed an Employee Communication Committee to improve communication and employee engagement. Continued the quarterly Employee “Big Picture” meetings as a source of providing current town information to employees and hosted monthly luncheons with six randomly chosen staff members
- Finalized the planning phase and funding options for expansion of the Parker Recreation Center and a new Public Works Facility
- Worked with the LPGA and community groups to ensure the 2013 Solheim Cup golf tournament, in August at the Colorado Golf Club, was a community success and an economic benefit to the Town with minimal disruption to citizens

2014 Goals

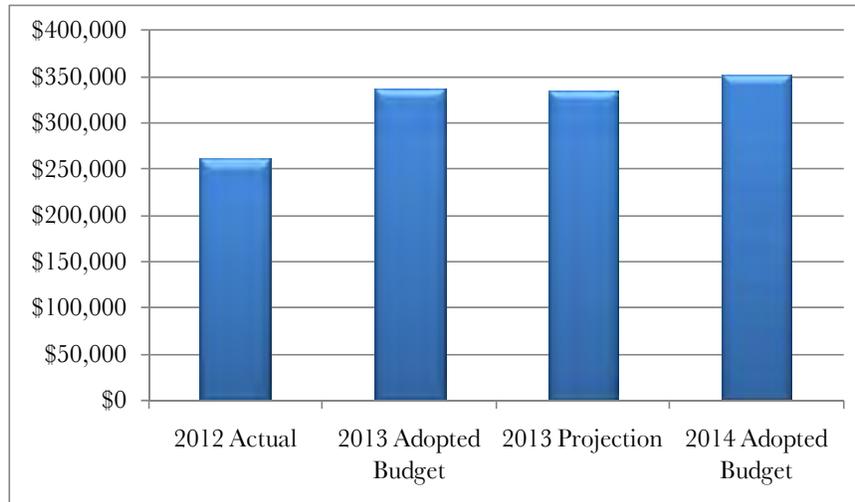
- Continue moving forward with various strategic planning goals that Town Council developed for 2013.
- Conduct and facilitate a strategic visioning workshop with the Town Council
- Implement Succession Plans in all Town Departments, providing for a process of identifying high-potential employees, evaluating and honing their skills and abilities, and preparing them for advancement into positions which are key to the success of the Town
- Establish an Employee Leadership/Supervisors Academy to develop the next generation of leaders within the organization, as well as, improve the skills and knowledge of current leaders and supervisors

The Finance Department is responsible for development of the annual budget, long-range financial plans, assisting Town leadership with policy decisions that may impact Town finances and developing and implementing policies and procedures that serve to protect all Town assets. Other department responsibilities include accounting, financial reporting, sales tax administration, debt management, cash management, central purchasing and payroll.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
<i>Expenditures by Function</i>					
Finance	709,078	788,500	766,455	757,070	-4%
Sales Tax	260,825	335,800	334,925	352,786	5%
Total	\$ 969,903	\$ 1,124,300	\$ 1,101,380	\$ 1,109,856	-1%
<i>Expenditures by Category</i>					
Salary and Benefits	832,129	896,400	865,200	892,000	0%
Supplies	13,213	37,100	54,325	15,200	-59%
Purchased Services	124,561	153,800	144,855	202,656	32%
Capital Outlay	-	37,000	37,000	-	-100%
Total	\$ 969,903	\$ 1,124,300	\$ 1,101,380	\$ 1,109,856	-1%
<i>Sources of Funding</i>					
Business Licenses	70,908	71,800	71,000	74,300	3%
General Fund	898,995	1,052,500	1,030,380	1,035,556	-2%
Total	\$ 969,903	\$ 1,124,300	\$ 1,101,380	\$ 1,109,856	-1%
<i>Authorized FTE positions</i>					
Finance Director	1.0	1.0	1.0	1.0	
Accounting Manager	1.0	1.0	1.0	1.0	
Sales Tax Administrator	1.0	1.0	1.0	1.0	
Purchasing Agent	1.0	1.0	1.0	1.0	
Accountant	1.0	1.0	1.0	1.0	
Accounting/Sales Tax Technician	4.0	4.0	4.0	4.0	
Sales Tax Auditor	2.0	2.0	2.0	2.0	
Budget Manager	-	-	-	-	
Total	11.0	11.0	11.0	11.0	

Explanation of Budget Variances

- Supplies - 59 percent decrease is due to replacement of 4 time clocks in 2013 that will not occur in 2014
- Purchased Services – 32 percent increase is due to the change in the Internal Service Fund allocation for IT



2013 Highlighted Accomplishments

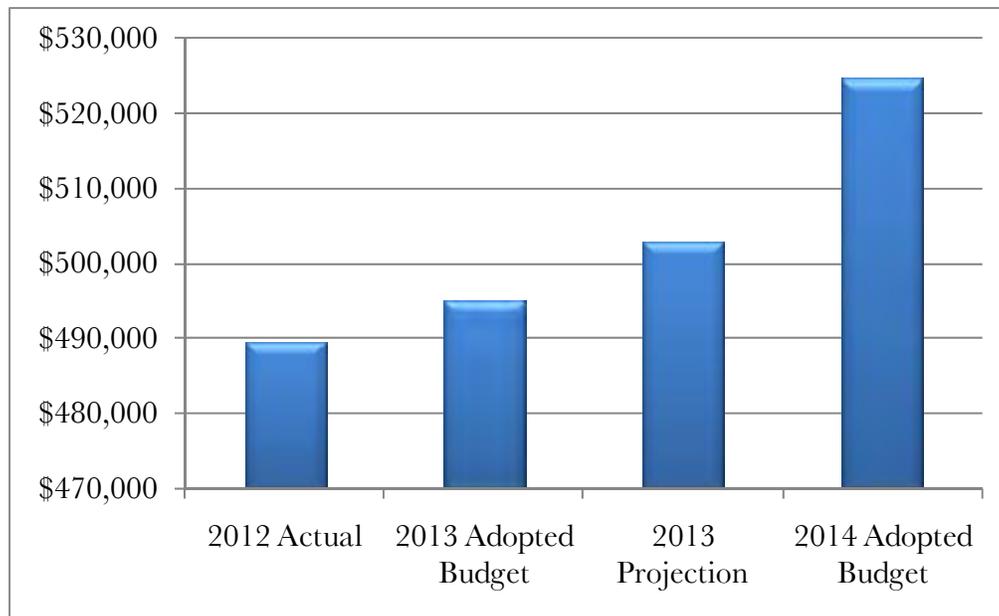
- Upgraded timekeeping system and trained Town staff on how to use the new features
- Implemented new Caselle dashboard feature to replace legacy system and trained staff on how to use the new system
- Assisted HR and IT with development of electronic Personnel Action Notice
- Initiated new web based subscription service for businesses to receive sales tax information
- Selected vendor for pay-card program to replace payroll checks starting in 2014
- Issued RFP and selected new external auditors
- Provided review and analysis for various economic development projects and metro district proposals
- Created a Revenue Manual for the 2014 budget
- Created a Financial Trends Monitoring System (FTMS) for the 2014 budget
- Created a 10 year Capital Improvement Plan for the 2014 budget
- Produced 2014 Budget and 2012 Comprehensive Annual Finance Report
- Created monthly sales tax reports for Town Council and management
- Migrated from quarterly financial reports to Council to monthly reports
- Entered into purchasing card volume rebate with Wells Fargo and developed policy to increase usage of purchasing card
- Developed a procedures manual for all positions within the Finance Department
- Participated in Town’s reinstated Big Picture/State of the Town meeting for Town employees
- Participated in Town’s second annual Civic Academy

2014 Goals

- Complete the upgrade to online sales tax return and payment processing.
- Implement new ADP Paycard program to replace payroll checks starting in 2014
- Implement procedures for electronic distribution of employees’ pay, paystubs and W2s
- Enhance training on finance policies and procedures for Town staff related to the updated operations manual
- Conduct Townwide purchasing card refresher training and encourage increased usage for routine purchases
- Enhance taxpayer education program
- Continue development and formalization of rules and regulations for sales tax administration
- Update Sales Tax Code

The Town Attorney is legal advisor and counsel for the Mayor and Town Council. The Town Attorney is also legal advisor to any Town department or department head relating to his/her official duties.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
<i>Expenditures by Function</i>					
Town Attorney	\$ 489,532	\$ 495,100	\$ 503,000	\$ 524,636	6%
<i>Expenditures by Category</i>					
Salary and Benefits	271,167	277,300	285,200	295,300	6%
Supplies	10,840	31,500	31,500	31,500	0%
Purchased Services	207,525	186,300	186,300	197,836	6%
Total	\$ 489,532	\$ 495,100	\$ 503,000	\$ 524,636	6%
<i>Sources of Funding</i>					
Service Plan Fees	7,500	-	15,000	-	
General Fund	482,032	495,100	488,000	524,636	6%
Total	\$ 489,532	\$ 495,100	\$ 503,000	\$ 524,636	6%
<i>Authorized FTE positions</i>					
Town Attorney	1.0	1.0	1.0	1.0	
Legal Assistant	1.0	1.0	1.0	1.0	
Total	2.0	2.0	2.0	2.0	



2013 Highlighted Accomplishments

- Acted as legal advisor concerning significant development issues, including the annexation of residential and commercial projects
- Acted as legal advisor in preparing ordinances and codifying Town ordinances
- Acted as legal advisor for Town contracts, including several intergovernmental agreements with Douglas County, Douglas County Libraries, Douglas County School District and Douglas County cities and towns
- Responsible for prosecution of Town Code violations
- Assisted in updating the Town Personnel Manual and Operations Manual
- Acted a legal advisor for the 2013 general election

2014 Goals

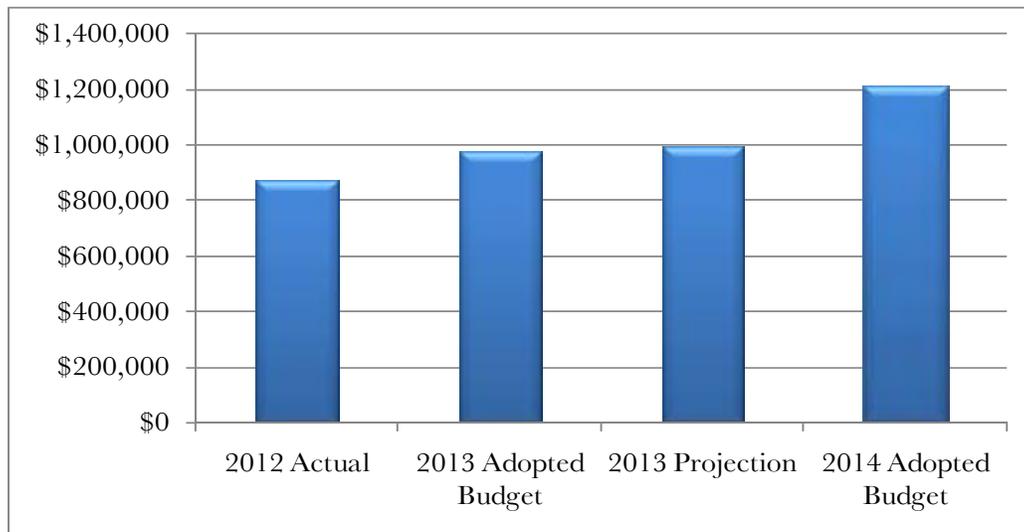
- The Town Attorney will prepare or review all ordinances, resolutions, contracts and other written instruments
- Prosecute ordinance violations
- Represent the Town in court and other legally constituted tribunals in which the Town is a party
- Advise Council of all matters of law and changes or development in law
- Act as legal advisor for election(s)
- Assist the Finance Department in issuing certificates of participation for the new public works facility and expansion of the recreation center
- Assist the Recreation Department in processing the master plan for parks, including Salisbury and O'Brien

The Human Resources Department manages a variety of services including employee compensation and benefits administration; recruitment, hiring and new employee orientation processes; employee relations, training and development of staff; personnel policy development and interpretation; and personnel records tracking and retention. The Human Resources Department also oversees risk management and customer service.

	2012	2013	2013	2014	% Change
	Actual	Adopted	Projection	Adopted	Adopted
		Budget		Budget	Budgets
<i>Expenditures by Function</i>					
Human Resources	\$ 554,941	\$ 625,500	\$ 625,000	\$ 734,226	17%
Risk Management	219,219	222,300	248,000	340,780	53%
Customer Service	97,137	125,600	119,200	135,983	8%
Total	871,297	973,400	992,200	1,210,989	24%
<i>Expenditures by Category</i>					
Salary and Benefits	609,920	675,640	678,000	706,000	4%
Supplies	16,696	12,300	12,300	15,470	26%
Purchased Services	244,681	285,460	301,900	489,519	71%
Total	\$ 871,297	\$ 973,400	\$ 992,200	\$ 1,210,989	24%
<i>Sources of Funding</i>					
General Fund	\$ 871,297	\$ 973,400	\$ 992,200	\$ 1,210,989	24%
<i>Authorized FTE positions</i>					
Human Resources Director	1.0	1.0	1.0	1.0	
Human Resources Analyst	2.0	2.0	2.0	2.0	
Human Resources Technician	1.0	1.0	1.0	1.0	
Organizational Development / Customer Services Manager	1.0	1.0	1.0	1.0	
Risk Manager	1.0	1.0	1.0	1.0	
Customer Service Supervisor	-	-	-	-	
Customer Service Specialist	2.6	2.6	2.6	2.6	
Total	8.6	8.6	8.6	8.6	

Explanation of Budget Variances

- Purchased Services - 71 percent increase due to the addition of an Insurance Deductible line item and the change in the Internal Service Fund allocation for IT



2013 Highlighted Accomplishments

- Implemented the revised Town-wide Orientation program
- Implemented the Electronic Personnel Action Notice (PAN)
- Audited personnel files
- Aligned all Human Resources internal and external processes with the Town’s Vision, Mission, Core Values and Council Goals
- Coordinated the “Take Your Child to Work Day” event
- Town wide prevention training
- Assisted with the implementation of the timekeeping system upgrade

2014 Goals

- Complete audit of all personnel files
- Scan all personnel files and I9’s into Laserfiche (Document Imaging System)
- Continue aligning Human Resources internal and external processes with the Town’s Vision, Mission, Core Values and Council Goals
- Develop and implement the 2014 business plan for the Human Resources department
- Create and implement a supervisors training program
- Implement changes due to Health Care Reform
- Expand Town wide prevention training

The Community Development Department is responsible for development and implementation of the Town’s Master Plan and other long-term plans, processing land use applications, reviewing sign permits, vendor and temporary use permits, home-based occupation applications and requests for variances from the Land Development Ordinance. It is also responsible for enforcement of Parker's Land Use Codes and Ordinances and works closely with Parker's Neighborhood and Homeowners' Associations. The Building Inspection Division enforces the adopted building codes, handles the building permit and plan review process and staffs the Board of Appeals. Staff also works with the Historic Preservation Commission which is responsible for preserving Parker’s history through efforts that safeguard and promote the Town’s historic heritage.

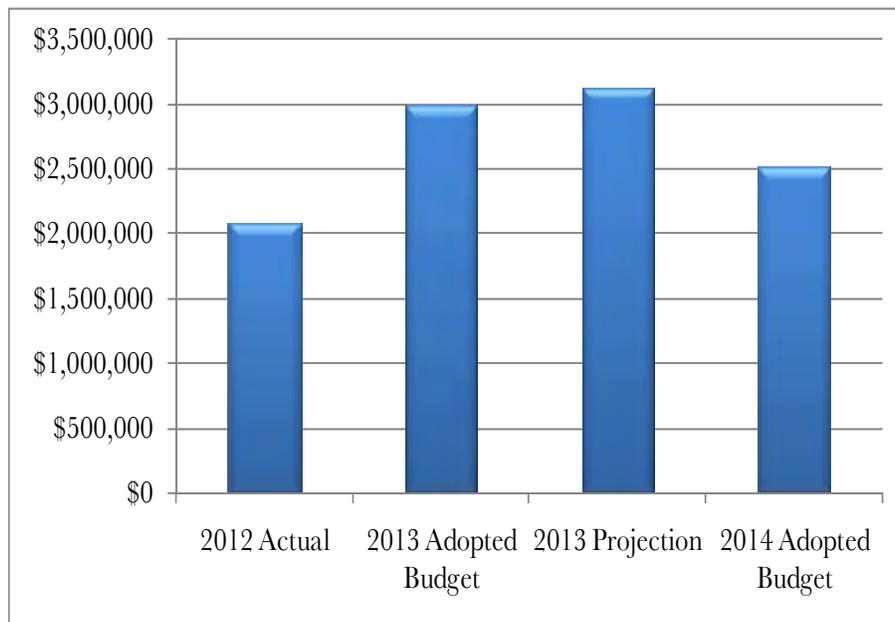
	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
<i>Expenditures by Function</i>					
Community Development	\$ 1,131,120	\$ 2,049,930	\$ 2,206,100	\$ 1,516,225	-26%
Building Inspection	940,603	932,543	919,000	993,418	7%
Historic Preservation	4,198	5,000	5,000	5,000	0%
Total	2,075,922	2,987,473	3,130,100	2,514,643	-16%
<i>Expenditures by Category</i>					
Salary and Benefits	1,734,372	1,892,243	2,060,800	1,944,000	3%
Supplies	21,349	16,900	16,900	17,600	4%
Purchased Services	320,202	603,330	577,400	553,043	-8%
Capital Outlay	-	475,000	475,000	-	-100%
Total	\$ 2,075,922	\$ 2,987,473	\$ 3,130,100	\$ 2,514,643	-16%
<i>Sources of Funding</i>					
Building Permits	1,917,714	687,300	1,300,000	1,341,500	95%
Sign Permits	18,440	12,300	11,400	13,300	8%
Zoning and Subdivision Fees	63,885	47,900	110,000	65,500	37%
Plan Checking Fees	187,801	234,400	188,000	192,500	-18%
Rental of Kiosk Signs	9,660	15,000	9,600	15,000	0%
Lone Tree Building Services	4,963	-	-	-	
General Fund	(126,540)	1,990,573	1,511,100	886,843	-55%
Total	\$ 2,075,922	\$ 2,987,473	\$ 3,130,100	\$ 2,514,643	-16%

Explanation of Significant Budget Variances

- Capital Outlay
 - 2013 - \$475,000 - replace/upgrade permitting and plan review software

Authorized FTE positions

Community Development Director	1.0	1.0	1.0	1.0
Executive Assistant	1.0	1.0	1.0	1.0
Comprehensive Planning Manager	1.0	1.0	1.0	1.0
Development Review Manager	1.0	1.0	1.0	1.0
Senior Planner	2.0	2.0	2.0	2.0
Planner and Associate Planner	3.0	3.0	3.0	3.0
Planning Technician	-	-	-	-
Neighborhood Services Supervisor	1.0	1.0	1.0	1.0
Code Enforcement Officer	2.0	2.0	2.0	2.0
Chief Building Official	1.0	1.0	1.0	1.0
Plans Examiner	2.0	2.0	2.0	2.0
Senior Inspector	1.0	1.0	1.0	1.0
Building/Electrical Inspector	4.0	4.0	4.0	4.0
Permit Technician	1.0	2.0	2.0	2.0
Total	21.0	22.0	22.0	22.0



2013 Highlighted Accomplishments

- Continued the Development Liaison Committee (DLC) patterning with the development community to evaluate and improve the Town land use approvals process
- Developed a consolidated resource area and file storage system near the front counter to increase productivity and provide ease of access to our files
- Analyzed fees for processing land use applications to make recommendations for revisions where necessary
- Reviewed procedures and costs associated with the land development process to maintain the Town's competitive position in the South Metro region
- Continued the process of converting Building and Planning Division files into digital form using Laserfiche in accordance with state regulated retention schedules and with the goal of eliminating cumbersome hardcopy files
- Completed multiple roadway annexations to remove jurisdictional inconsistencies including Newlin Cemetery, Jordan Road/Cottonwood Drive area, Lincoln Avenue/ Pine Drive intersection, Colorado Department of Transportation (CDOT) right-of-way south of Hilltop Road, Cockriel Drive right-of-way and Motsenbocker Road right-of-way
- Completed final acceptance of multiple residential subdivisions resulting in subdivision transfers from builder/developer to Homeowner Associations (HOA's) and homeowners
- Created and updated Geographic Information System (GIS) data and mapping in conjunction with the Information Technology Department
- Continued to provide staff support to the Parker Authority for Reinvestment (PAR) including three (3) Blight Condition Surveys and two (2) Urban Renewal Plans for the Cottonwood Commercial Area and Parker Road Corridor
- Completed the Old Town Creative District Plan
- Initiated the Transportation Master Plan with projected completion in early 2014
- Completed multiple amendments to the Town Land Development Code that improved the land use application process, clarified permitted uses, increased opportunities for business signage, upgraded design standards and established several overlay zone districts
- Applied for and received Community Development Block Grant (CDBG) funding for an Urgent Home Repair Program
- Completed assignment of Private Activity Bond capacity to Douglas County Housing Partnership for a future affordable housing project in the Town
- Completed and presented Downtown Colorado, Inc. evaluation of Old Town Parker
- Coordinated with public works to develop a Transportation Analysis Zone (TAZ) and projections for the Town traffic model
- Participated in the Denver Regional Council of Governments (DRCOG) Sustainable Communities Initiative
- Coordinated with Douglas County regarding TIP Grants
- Implemented free summer Call-n-Ride program with the Regional Transportation District (RTD)
- Developed schematic design concepts for the Town-wide Sign Program including a gateway entry sign on Parker Road and builder kiosk signs
- Enrolled Parker in the Metro Mortgage Assistance Plus (MMA+) program
- Updated the Three Mile Plan as required by Colorado statute
- Initiated the redevelopment and planning process for the East Mainstreet Development Site to include a new Douglas County Libraries branch, public plaza/commons and vertical mixed-use
- Act as project lead and initiated the design and procurement of the CRW TRAKiT information management system to coordinate and improve customer service delivery including application submittal, plan review, permit issuance and integration of municipal department workflows

- Continued to provide technical assistance, comprehensive plan review and next day inspection services to businesses, homeowners and the development community
- Improved commercial plan review time to meet business plan objectives and requests of the development community
- Adopted best practices in the review and permitting of solar construction projects to earn designation as a Solar Friendly Community
- Continue commercial builder and residential information meetings to review code requirements, departmental procedures and identify opportunities for improvement
- Provided staff support to communities north of Denver affected by the historic September floods as part of the emergency response and recovery effort

2014 Goals

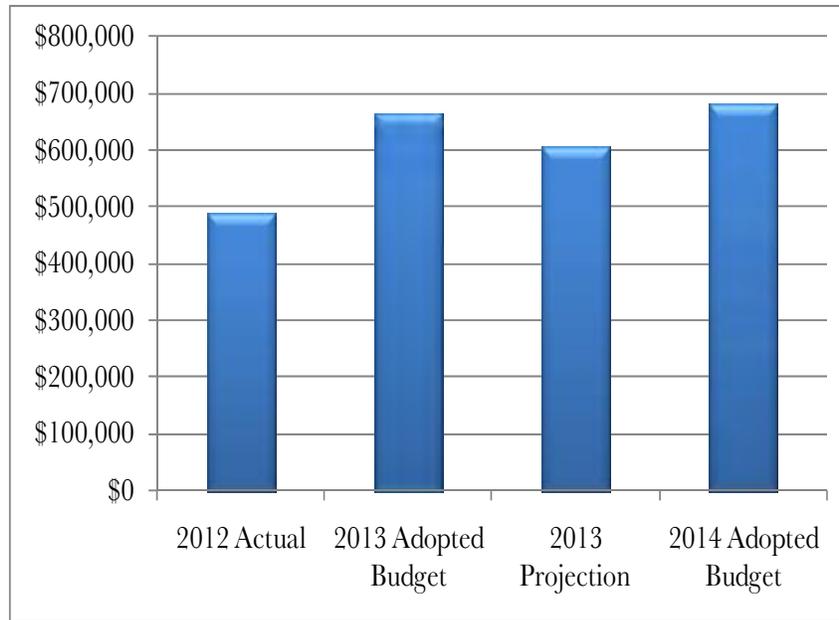
- Complete the design, procurement and installation of the TRAKiT information management system for use by end of second quarter 2014
- Continue to improve the building, development and land use application process in consultation with the public, development community, staff and other stakeholders. Pursue annexation opportunities where available to the limits of the Town Urban Growth Boundary and beyond where appropriate

The Communications Department works to enhance communication between various Town departments and Parker residents, the media and other interested parties. Town-wide public relations are handled by the department, including issuing news releases, responding to media inquiries and providing awareness of and opportunities for citizen involvement in the Town’s decision-making processes. The department also oversees marketing efforts for the Town’s Recreation Department and serves as the Public Information Office for the Town.

	2012	2013	2013	2014	% Change
	Actual	Adopted	Projection	Adopted	Adopted
		Budget		Budget	Budgets
<i>Expenditures by Function</i>					
Communications	\$ 488,232	\$ 667,100	\$ 604,000	\$ 682,421	2%
<i>Expenditures by Category</i>					
Salary and Benefits	262,969	359,000	305,900	324,600	-10%
Supplies	4,703	2,800	4,000	2,800	0%
Purchased Services	220,560	305,300	294,100	355,021	16%
Total	\$ 488,232	\$ 667,100	\$ 604,000	\$ 682,421	2%
<i>Sources of Funding</i>					
Event Sponsorship	30,735	32,000	30,000	32,000	0%
General Fund	457,497	635,100	574,000	650,421	2%
Total	\$ 488,232	\$ 667,100	\$ 604,000	\$ 682,421	2%
<i>Authorized FTE positions</i>					
Communications Director	1.0	1.0	1.0	1.0	
Communications Coordinator	1.0	1.0	1.0	1.0	
Special Events and Marketing Supervisor	1.0	1.0	1.0	1.0	
Recreation and Community Marketing Coordinator	0.5	0.5	0.5	0.5	
Total	3.5	3.5	3.5	3.5	

Explanation of Budget Variances

- Purchased Services - 16 percent increase due to the addition of an Insurance Deductible line item and the change in the Internal Service Fund allocation for IT



2013 Highlighted Accomplishments

- Worked with Partnership of Douglas County Governments subcommittee to design and implement a centralized County-wide volunteer website (VolunteerConnectDC.org)
- Played a vital role in the efforts to maximize community knowledge of and participation in the prestigious 2013 Solheim Cup event and activities surrounding the event
- Conducted a reorganization of the Communications Department in order to maximize efficiency and meet the Town’s growing communication needs
- Worked to enhance and improve Town communications with internal staff, residents and the business community
- Rolled out the new “Shop Parker” marketing campaign to educate the community about the benefits of shopping locally
- Continued to enhance Parks and Recreation marketing efforts
- Reinstated the Town’s Citizen Survey

2014 Goals:

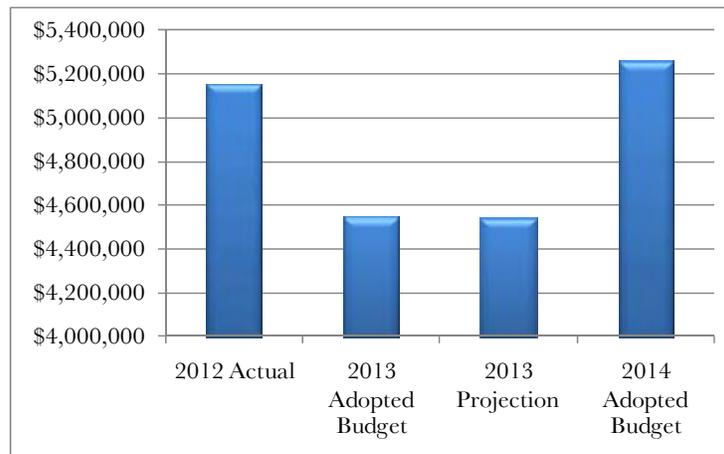
- Work with outside vendor to design and roll out a mobile website for the Town of Parker
- Continue to devise ways to improve employee communication, including the potential redesign of the Town intranet
- Enhance departmental websites and improve ease of navigation
- Improve the functionality of the Town’s current electronic message boards (EMBs) to provide enhanced marketing opportunities for Town and community activities and events
- Partner with Town Departments to ensure timely and cohesive communication
- Continue to evaluate current marketing tools to ensure the Town is maximizing our communication dollars and utilizing the most effective methods

The Interdepartmental budget accounts for expenditures that benefit multiple departments or ones that are not specifically assigned to a Town department. Town contributions to various community organizations that serve Parker residents are included in the Interdepartmental budget. It also includes expenditures for postage, memberships and dues, in-house training, meals for Council meetings, paper and other general supplies. Debt service for the Certificates of Participation issued for the new Police station and PACE Center and contingency funds for unforeseen expenditures are also accounted for here.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
Expenditures by Function					
Interdepartmental	\$ 5,151,007	\$ 4,544,300	\$ 4,540,200	\$ 5,256,484	16%
Expenditures by Category					
Supplies	37,518	73,500	73,500	61,500	-16%
Purchased Services	74,988	108,600	104,500	119,500	10%
Debt Service	3,785,573	3,784,000	3,784,000	4,665,284	23%
Other	1,252,929	578,200	578,200	410,200	-29%
Total	\$ 5,151,007	\$ 4,544,300	\$ 4,540,200	\$ 5,256,484	16%
Sources of Funding					
COP BABS Credit	892,819	892,800	860,677	892,819	0%
Interest Earnings	8,426	7,600	7,600	7,600	0%
Excise Tax Fund	200,000	-	-	-	
General Fund	4,049,763	3,643,900	3,671,923	4,356,065	20%
Total	\$ 5,151,007	\$ 4,544,300	\$ 4,540,200	\$ 5,256,484	16%

Explanation of Significant Budget Variances

- Debt Service - 23 percent increase is due to anticipated principal and interest payment on issuance of new Certificates of Participation for the construction of the new Public Works facility
- Other – 29 percent decrease is due to the reduction in contingency to \$200,000



The Parker Police Department provides year-round, 24-hour service to citizens of the Town of Parker and adheres to the highest standards of ethical behavior. The Department's primary objective is to provide a safe community environment in Parker with the highest level of service possible. The organization is committed to safeguarding the community that makes Parker a great place to live, work and play. Public safety services the Police Department provides are patrol, investigations, community policing, 911 communications, animal services, property and evidence, records and victim services. The Parker Police Department also handles 911 communications, victim, crime scene investigation, crime analysis and property and evidence services for the City of Lone Tree. Victim services are accounted for in its own fund.

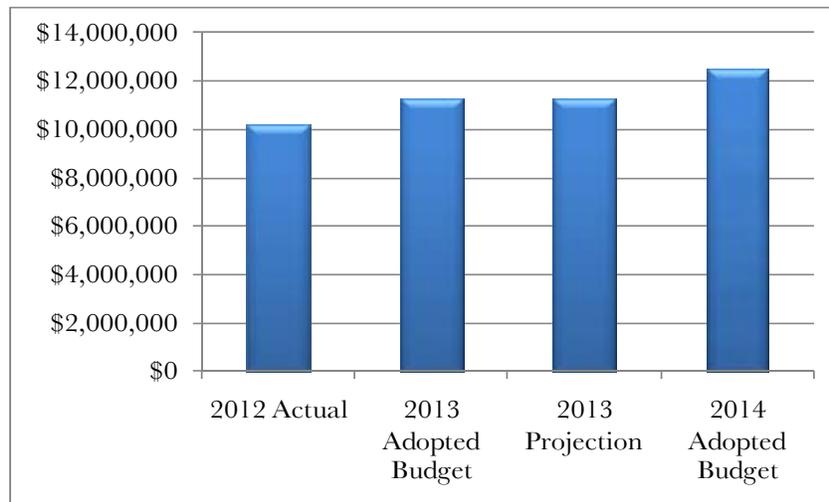
	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
<i>Expenditures by Function</i>					
Administration	\$ 2,105,697	\$ 1,876,300	\$ 1,752,200	\$ 2,359,077	26%
Investigations	1,715,009	1,778,900	1,684,800	1,649,650	-7%
Patrol	4,246,681	4,511,900	4,771,850	5,250,294	16%
Records	364,099	479,400	481,400	560,750	17%
Communication	1,136,829	1,668,483	1,722,583	1,779,497	7%
Police Station	422,019	575,000	575,000	578,800	1%
Emergency Management	157,670	196,600	149,100	185,700	-6%
Animal Services	74,207	125,300	130,250	130,700	4%
Total	10,222,210	11,211,883	11,267,183	12,494,468	11%
<i>Expenditures by Category</i>					
Salary and Benefits	7,654,012	8,276,500	8,260,300	8,640,000	4%
Supplies	241,722	232,100	260,100	346,194	49%
Purchased Services	2,209,565	2,059,883	2,076,383	2,546,424	24%
Capital Outlay	93,526	620,000	647,000	689,000	11%
Other	23,385	23,400	23,400	24,000	3%
Total	\$ 10,222,210	\$ 11,211,883	\$ 11,267,183	\$ 12,245,618	9%
<i>Sources of Funding</i>					
Charges for Services	50,035	58,500	44,000	57,500	-2%
Grants	357,085	500,000	559,300	522,800	5%
City of Lone Tree	60,280	77,400	45,000	79,300	2%
Douglas County School District	50,767	43,500	43,500	44,600	3%
General Fund	9,704,045	10,532,483	10,575,383	11,790,268	12%
Total	\$ 10,222,210	\$ 11,211,883	\$ 11,267,183	\$ 12,494,468	11%

Authorized FTE positions

Police Chief	1.0	1.0	1.0	1.0
Captain	2.0	2.0	2.0	2.0
Lieutenant	3.0	3.0	3.0	3.0
Sergeant	9.0	9.0	9.0	10.0
Police Officer/Detective	45.0	47.0	47.0	49.0
Communications Supervisor	2.0	2.0	2.0	2.0
Communications Technician	13.0	13.0	13.0	13.0
Records Supervisor	-	1.0	1.0	1.0
Records Clerk	2.0	2.0	2.0	2.0
Report Technician	3.2	3.2	3.2	4.2
Administrative Technician	5.0	5.0	5.0	5.0
Crime Analyst	1.0	1.0	1.0	1.0
Crime Scene Technician	1.0	1.0	1.0	1.0
Property and Evidence Technician	2.0	2.0	2.0	2.0
Animal Welfare Officer	1.8	1.8	1.8	1.8
Operations Service Technician	0.8	0.8	0.8	0.8
Total	91.8	94.8	94.8	98.8

Explanation of Budget Variances

- Supplies - 49 percent increase due to addition of program supplies for National Night Out, Parker Citizens Academy, Police Awards Ceremony, Parker PD Christmas Event, Ample Harvest and Special Needs Academy, Replace Crime Scene cameras (3 New cameras), I-Pads for Detectives and Crime Scene members (8 new units)
- Purchased Services – 24 percent increase due to the change in the Internal Service Fund allocation for IT
- Capital Outlay
 - \$9,000 – three (3) Kronos time clocks
 - \$90,000 – two (2) patrol vehicles
 - \$120,000 – Dispatch software upgrades
 - \$470,000 – Dispatch radio system replacement



2013 Highlighted Accomplishments

- Received national accreditation through CALEA and state accreditation through Colorado Association of Chiefs of Police and County Sheriffs of Colorado
- Began the process of using an electronic ticketing system (Eticketing)
- Completed records management system modifications to increase the confidentiality of our official records
- Completed the first phase of police radio upgrades with 25 new portable radios purchased.
- Expanded the use of the online reporting software (Coplogic) both for internal/external customers.
- Implemented a fully functional and integrated digital media system – mug shots uploaded to COPLINK and photo intake of all evidence
- Online recertification for Advanced Law Enforcement Dispatching
- Recertification of all trainers in dispatch using the APCO training model
- Began receiving and dispatching all wireless 911 calls within Parker jurisdiction
- Completed redistricting mapping on calls for service for CAD
- Revamped information/data for department “Compstat” meetings
- Participated in a child abduction training scenario with Douglas County Search and Rescue
- Conducted a Citizen Police Academy and graduated 34 citizens
- Sponsored several training classes, which included:
 - FEMA ICS 400
 - ICAC – Specialized Investigative Techniques
 - 7 Habits for Law Enforcement
 - First Line Supervision
 - Accountability Training
 - Law Enforcement Mediation Skills
 - LSAT Detecting Deception in Written Statement
 - ARIDE – DUI Training Course
- Provided emergency management training to citizens regarding emergency preparedness
 - Be READY – 60 attendees
 - Citizen Emergency Response Training (CERT) – graduated 28 citizens
 - Become a Weather Spotter – 80 attendees
- Conducted a DUI checkpoint funded by the Department of Transportation
- Conducting various Community Outreach events and programs to include:
 - National Night Out

- Christmas Open House and Food Drive
- TOP Ample Harvest
- Child Safety Classes (taught over 800 children)
- Boy Scout and Girl Scout Badge events (over 180 participants)
- National Drug Take-Back events
- Special Olympics Colorado events including Tip-A-Cop, Polar Plunge, Plane Pull and Torch Run
- Hosted the first Functional Needs Citizen Academy with 17 citizens graduating from the four-week academy
- Implemented the School Marshal program along with other agencies throughout Douglas County
- Achieved the ranking of 50th Safest City in America based on nationwide crime data research performed by Neighborhood Scout
- Replaced four patrol cars, three investigation cars and one motorcycle
- Implemented the Fallen Heroes – Our Silent Partner program for all incoming officers
- Parker Police Explorers attended the 15th Annual Chandler Tactical Competition, placing 1st in Hostage Negotiations and 5th in Tubular Assault. They also competed in the Night Moves Competition, placing 1st Place in Crisis Intervention, 2nd Place in Juvenile Problem and 3rd Place in Recovered Stolen Vehicle
- Implemented the School Marshal Program in partnership with the Douglas County School District

2014 Goals

- Obtain CALEA Public Safety Communication accreditation for the Department's Communications Center
- Obtain IAPE Property and Evidence Room Accreditation
- Redistricting
- Continue the full roll out of electronic ticketing systems (Eticketing)
- Police radio upgrades (second phase)
- Installation of a new police dispatch radio system
- Implementation of License Plate Recognition units
- Implementation of Body Worn Video
- Additional police vehicle replacements
- Continue to grow the School Marshal Program
- Continue optimum level of service to victims
- Continue to host statewide meetings and trainings
- Continue to participate in community outreach activities and explore new avenues to educate the community
- Update resources
- Continue to meet national accreditation requirements
- Continue to maximize and enhance the use of mass public notification systems through social media and all media outlets
- Continue to provide ongoing training for retention and succession of employees to assist with personal development and growth
- Continue to build positive, lasting relationships with outside agencies
- Continue to apply for additional grants
- Purge of all applicable guns
- Continue the goal of teaching Y.E.S.S. Program at all middle schools within the Town
- Provide emergency management training opportunities to staff to include tabletop exercises
- Offer additional volunteer training and development opportunities
- Provide recognition for volunteers

The Public Works Department is responsible for the installation, maintenance and repair of Town streets, traffic signals, traffic signs, flashing school zone signs, sidewalks, curb and gutter, development engineering, inspection and review services, stormwater management, traffic management, snow plowing and street sweeping. Capital improvement projects, including new construction or replacement of roads, bridges, trails and Town facilities, are managed by Public Works. The department also performs fleet maintenance for Town vehicles and provides custodial and maintenance services for Town facilities. Stormwater management is accounted for in its own enterprise fund. Fleet services and facility services are accounted for in internal service funds and the cost for these services is allocated back to the appropriate departments.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
<i>Expenditures by Function</i>					
Administration/Engineering	\$ 938,680	\$ 1,386,700	\$ 1,337,300	\$ 1,473,583	6%
Streets	5,068,742	6,320,200	6,084,900	6,189,161	-2%
Traffic Services	1,097,926	1,226,900	1,195,600	1,258,281	3%
Public Works Buildings	689,187	622,300	484,000	203,300	-67%
General Government Buildings	463,631	2,516,731	2,464,993	461,500	-82%
Total	8,258,166	12,072,831	11,566,793	9,585,825	-21%
<i>Expenditures by Category</i>					
Salary and Benefits	1,999,441	2,516,800	2,445,200	2,579,400	2%
Supplies	291,038	322,400	322,400	328,750	2%
Purchased Services	5,045,300	6,684,331	6,411,546	6,548,675	-2%
Capital Outlay	922,387	2,549,300	2,387,647	129,000	-95%
Total	\$ 8,258,166	\$ 12,072,831	\$ 11,566,793	\$ 9,585,825	-21%
<i>Sources of Funding</i>					
Street Cut Permits	83,437	41,800	68,000	87,400	109%
Highway Users Tax Fund	1,006,558	1,013,300	1,008,350	1,033,600	2%
Road and Bridge Property Tax					
Shareback	1,205,315	1,258,300	1,233,800	1,270,800	1%
Engineer Review Fees	108,570	86,600	95,000	102,500	18%
Bus Shelter Advertising Fees	12,518	8,000	6,000	8,000	0%
Public Improvements Fund	311,600	13,400	13,400	-	-100%
General Fund	5,530,169	9,651,431	9,142,243	7,083,525	-27%
Total	\$ 8,258,166	\$ 12,072,831	\$ 11,566,793	\$ 9,585,825	-21%

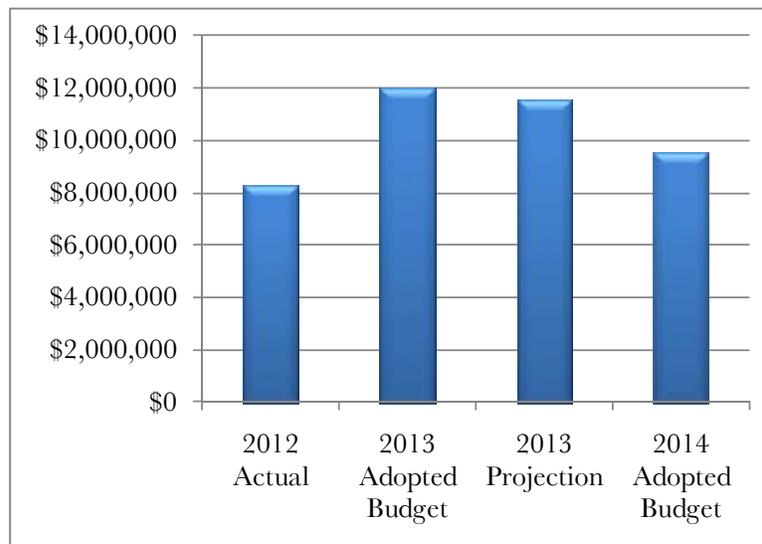
Explanation of Significant Budget Variances

- Capital Outlay
 - \$30,000 - Roadway Widener Skid Steer Loader Attachment
 - \$7,500 - Single Drum Vibratory Roller
 - \$21,000 - Concrete Breaker Backhoe Attachment

- \$30,000 Town Hall carpet replacement
- \$26,000 Town Hall HVAC control unit replacement
- \$14,500 Town Hall door lock replacements

Authorized FTE positions

Public Works Director	1.0	1.0	1.0	1.0
Executive Assistant	1.0	1.0	1.0	1.0
Customer Service Specialist	1.5	1.5	1.5	1.5
Streets, Traffic Services, CIP Manager	1.0	1.0	1.0	1.0
Project Manager	1.0	1.0	1.0	1.0
Associate Project Manager	1.0	1.0	1.0	1.0
Engineering Development Review Manager	1.0	1.0	1.0	1.0
Development Review Engineer	2.0	2.0	2.0	2.0
Resident Engineer	1.0	1.0	1.0	1.0
Engineering Technician	1.0	1.0	1.0	1.0
Fleet/Facilities Manager	0.2	0.2	0.2	0.2
Streets Supervisor	1.0	1.0	1.0	1.0
Streets Crew Leader	2.0	2.0	2.0	2.0
Streets Maintenance Worker III	6.0	6.0	6.0	6.0
Streets Maintenance Worker I/II	6.0	6.0	6.0	6.0
Traffic Engineer	1.0	1.0	1.0	1.0
Traffic Engineering Aide	1.0	1.0	1.0	1.0
Traffic Signal Technician I/II	2.0	2.0	2.0	2.0
Total	30.7	30.7	30.7	30.7



2013 Highlighted Accomplishments

- Resurfaced/reconstructed approximately 243,000 square yards of Town roadways. Work included, but not limited to, replacement of over 15,000 feet of curb/gutter replacement, over 3,000 square yards of sidewalk replacement and placement of over 19,000 tons asphalt pavement
- 19 tons of crack-seal material applied to Town roadways
- 502 cubic yards of debris recovered during street sweeping operations
- Maintained over 70 acres of road shoulders and undeveloped medians
- Over 124,000 miles driven plus 1875 tons of solid deicer chemical and 194,000 gallons of liquid de-icing chemicals applied to the Town's roadway system during snow and ice operations. The snow fall total in Parker during the 2012/2013 snow season was 71"
- Processed over 510 CRMs (customer relationship management) responses.
- Maintained 81 traffic signals within the Town
- Updated pedestrian flasher system in Downtown
- LED Upgrades for luminaries at 15 traffic signals
- LED Upgrades for parking lots at 8 Town facilities
- Completed migration from pager system to agency owned radio for school flashers
- Expansion of traffic monitoring camera system in support of Solheim Cup
- Ongoing operation and maintenance of 81 traffic signals, 42 school flashers, thousands of street signs

2014 Goals

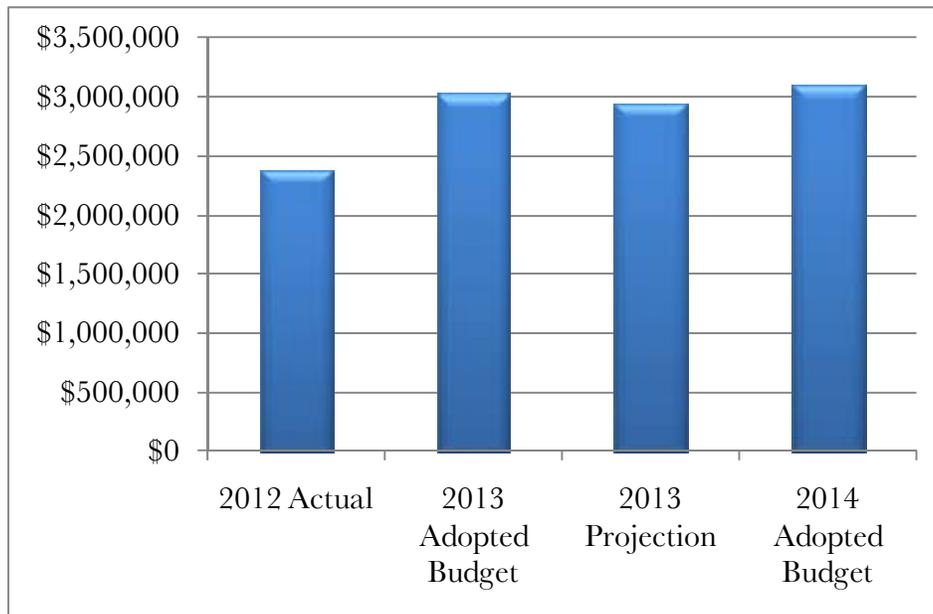
- Complete the design of Chambers Road widening between Hess Road and Mainstreet
- Complete the landscaping on the Lincoln Avenue medians between Parker Road (State Highway 83) and Pine Drive
- Commence the construction of the new Public Works facility for Streets, Traffic and Stormwater functions at the northwest corner of Hess Road and Tammy Lane
- Complete the funding intergovernmental agreement (IGA) for the construction of Todd Drive with Douglas County. Assuming Douglas County funding is attained, complete the design and construction of Todd Drive between Jordan Road and Motsenbocker Road
- Continued effective management of the Town's roadways. Resurface/reconstruct approximately 250,000 square yards of Town roadways. Continued sweeping and preventative maintenance operations such as crack sealing to extend the useful life of the roadways
- Continued effective snow/ice control operations per the Town's policies
- Continued effective maintenance and operation of Town and CDOT traffic signals within the Town's incorporated boundaries
- Continued effective support of Town sponsored special events like Parker Days, Carriage Parade and Farmer's Market
- Continue LED upgrades at traffic signal locations and town facilities
- Develop travel time measurement system test bed for arterial roadways
- Update all pedestrian push buttons to vandal resistant design
- Develop guidelines for expanded pedestrian flasher use beyond Downtown area
- Ongoing maintenance and operation of signals, flashers, signs, pavement markings

The Parks and Forestry/Open Space divisions of the Parks, Recreation and Open Space Department maintain the Town’s parks, open spaces, trails and Town-owned trees. The division also prepares parks and trails for sports activities, special events and a variety of community activities; provide citizen outreach and education with tree, lawn and horticulture care; and assist in the development and design of new park and open space areas.

	2012	2013	2013	2014	% Change
	Actual	Adopted Budget	Projection	Adopted Budget	Adopted Budgets
Expenditures by Function					
Parks	\$ 1,960,811	\$ 2,433,300	\$ 2,457,500	\$ 2,556,047	5%
Forestry and Open Space	411,942	597,718	485,400	535,934	-10%
Total	2,372,753	3,031,018	2,942,900	3,091,981	2%
Expenditures by Category					
Salary and Benefits	1,259,359	1,486,100	1,534,700	1,597,700	8%
Supplies	44,035	67,500	67,500	70,700	5%
Purchased Services	976,508	1,428,318	1,291,600	1,361,381	-5%
Capital Outlay	77,176	49,100	49,100	23,800	-52%
Other	15,675	-	-	38,400	
Total	\$ 2,372,753	\$ 3,031,018	\$ 2,942,900	\$ 3,091,981	2%
Sources of Funding					
Conservation Trust Fund	300,000	-	-	-	
Parks and Recreation Fund	839,000	868,300	868,300	927,600	7%
General Fund	1,233,753	2,162,718	2,074,600	2,164,381	0%
Total	\$ 2,372,753	\$ 3,031,018	\$ 2,942,900	\$ 3,091,981	2%
Authorized FTE positions					
Parks and Recreation Director	0.4	0.4	0.4	0.4	
Customer Service Specialist	0.5	0.5	0.5	0.5	
Parks and Open Space Manager	1.0	1.0	1.0	1.0	
Parks Supervisor	1.0	1.0	1.0	1.0	
Parks Crew Leader	2.0	2.0	2.0	2.0	
Parks Maintenance Worker III	3.0	3.0	3.0	3.0	
Parks Maintenance Worker I/II	10.0	10.0	10.0	11.0	
Forestry/Open Space Supervisor	1.0	1.0	1.0	1.0	
Open Space Technician III	1.0	1.0	1.0	1.0	
Open Space Technician II	1.0	1.0	1.0	1.0	
Total	20.9	20.9	20.9	21.9	

Explanation of Budget Variances

- Capital Outlay
 - \$23,800 – Toro Versa-Vac Turf Sweeper



2013 Highlighted Accomplishments

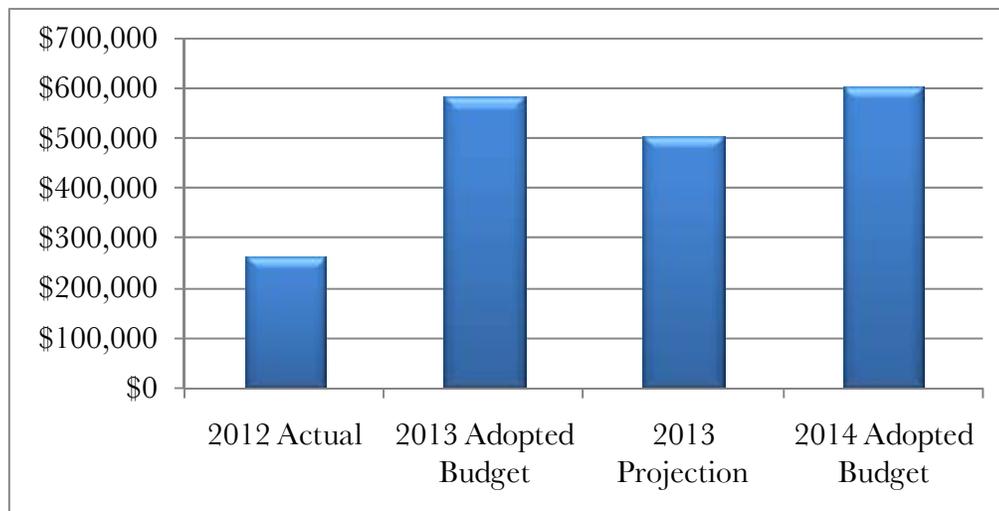
- Planted approximately 70 trees on Town property
- Successfully treated over 400 acres of Town open space for invasive weeds
- Began detailed GPS tracking of weed populations and weed control efforts
- Structurally pruned over 400 young trees
- Completed large-scale cleanup of several open space areas. Removed and disposed of approximately 100 yds. of trash and debris from Town open space
- Installed two raised vegetable gardens and grew fresh vegetables for the Ample Harvest Program in partnership with Parker PD
- Completed landscape improvements to the PACE patio to include a pergola, a freestanding wall, pavers, a water feature, and additional plant material
- Offered a successful and beneficial Adopt a Flowerbed Program for the second year. 45 volunteers cared for 10 flowerbeds throughout Town properties.
- Completed landscape improvements to the concession area around Salisbury Park
- Grew over 700 annual flowers in the Town’s greenhouse to use in flower bed displays around Town
- Completed a 21-mile ADA accessibility audit of the Town’s trail system
- Installed 13 memorial plaques at the McCabe Rowan Tree Foundation Memorial Garden
- On Town properties, saved 5,471,241 gallons of water in irrigation over 2012

2014 Goals

- Construct new outdoor fitness area in partnership with Parker Adventist Hospital
- Complete Salisbury Park North Master Plan process
- Continue regional partnership exploring recreational opportunities at Rueter Hess Reservoir
- Explore opportunities for acquisition of additional open space
- Resume Branching Out Parker tree grant program
- Continue ADA audit and accessibility enhancements to parks and trails
- Continued implementation of Cherry Creek Trail signage program
- Complete drainage improvements to Auburn Hills Park
- Complete infield renovations to the ballfields at Iron Horse Park
- Complete landscape improvements to the Parker Road medians

The Economic Development Department provides full-service economic development assistance to meet the needs of existing, expanding and relocating businesses and development. Services include providing demographic information, site and building inventory, a community profile and business assistance information necessary to make a site or building location decision. This department also serves as the in-house advocate for businesses seeking to expand or relocate.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Original Budgets
Expenditures by Function					
Economic Development	\$ 265,437	\$ 581,642	\$ 502,200	\$ 601,016	3%
Expenditures by Category					
Salary and Benefits	150,964	286,900	297,400	308,500	8%
Supplies	4,715	8,000	4,500	10,000	25%
Purchased Services	84,093	206,742	120,300	202,516	-2%
Other	25,665	80,000	80,000	80,000	0%
Total	\$ 265,437	\$ 581,642	\$ 502,200	\$ 601,016	3%
Sources of Funding					
General Fund	\$ 265,437	\$ 581,642	\$ 502,200	\$ 601,016	3%
Authorized FTE positions					
Economic Development Director	1.0	1.0	1.0	1.0	
Business Recruitment Manager	-	1.0	1.0	1.0	
Business Development Officer	1.0	1.0	1.0	1.0	
Total	2.0	3.0	3.0	3.0	



2013 Highlighted Accomplishments

New Business Development

- Parker Assisted Living by Morningstar Memory Care Expansion TAP agreement totaling \$45,252
- PAR funding requests- \$450,000 (Cottonwood - Redevelopment)

Business Retention/Expansion

- Visited 25 businesses as part of the formal Business Retention Program. The business retention visits are still being scheduled through the end of the year.
- In 2013, PAR's Business In Transition Program (BIT), rental assistance for 7 small businesses in the Parker Central Urban Renewal Area. The BIT program exhausted all of the allocated funds to the program.

Small Business Assistance

- Small Business Scholarship Program reimbursed a total of \$850 to businesses for education and training classes.
- Parker Improvement Program reimbursed a total of \$35,500 to businesses for building façade improvements
- Small Business Development Center provides small business consulting to Parker businesses at Town Hall, twice a month. Since consulting began in August 2013, 69 unique businesses had received consulting at Town Hall.

Development/Redevelopment

- Redevelopment of the former King Soopers Site in Cottonwood \$3.9M in TAP agreement
- Kneaders Bakery and Café submitted plans to redevelop the former True You building
- Parker Tap House is planning the redevelopment of the former Applebee's location

Marketing

- Sponsorship of Events related to Real Estate and Economic Development with attendees totaling over 35,000.
 - NAIOP's Annual Real Estate Forecast
 - Colorado Real Estate Journal – 4 summits
 - International Shopping Centers Conference
 - Economic Development Council of Colorado- 2 conferences
 - NAIOP's 2013-2014 Rocky Mountain Real Estate Challenge
 - Douglas County 8th Grade Career Expo
- Increased exposure locally and nationally through print and online advertising.
 - Colorado Real Estate Journal annual Economic Development Issue
 - Business Xpansion Journal – Economic Development Listing
 - NAIOP's guide to Economic Development
- Presentations given about the Town of Parker and Economic Development
 - Creative District Summit
 - Downtown Colorado Inc. Fall Conference
 - Economic Development Council of Colorado Spring Conference
 - Parker Chamber of Commerce
- Cross functional Marketing Efforts with other Town departments
 - Solheim Cup 2013
 - Shop Parker – window clings for businesses
 - Denver South Economic Development Annual Luncheon

2014 Goals

“Parker is the regional economic driver through providing expansion and annexation opportunities, capitalizing on the recruitment of new businesses in support of our existing vertical markets.”

COUNCIL GOALS

GOAL 1: Identify and plan for Parker’s unmet opportunities and narrow targeted industries (including, but not limited to medical, R&D, healthcare, etc.)

GOAL 2: Formulate a Business Roundtable to create open and two-way communication in order to identify needs and align vision

GOAL 3: Enhance the outreach program

- Structured Retention Visits with Council attendance
- Public and business education
 - Promoting Town programs, such as PIP, BIT, etc.
 - Tie in with DOLA and the State

GOAL 4: Build a more comprehensive marketing program to expand business and economic development (increase Denver Business Journal exposure)

ECONOMIC DEVELOPMENT GOALS

1. *Retain and expand* existing businesses.
2. *Attract new* business and development.
3. *Increase and diversify* the retail tax base.
4. Implement strategies and tools to *revitalize* aging commercial, office and industrial developments.

Increase Parker’s profile in commercial markets among brokers, developers, investors and end-users.

The Town has entered into various economic incentive agreements that involve sharing a percentage of sales tax generated by new retail businesses. There are currently four active agreements. The agreements are subject to a maximum amount and a maximum period (typically 10 years), whichever comes first. They are also subject to appropriation. Most of the agreements are subject to a negotiated base amount, which is put in place to protect existing revenues. The shareback rates of the active agreements range from 50 percent to 87 percent.

	2012 Projection	2013 Adopted Budget	2013 Projected	2014 Adopted Budget	% Change Adopted Budgets
<i>Expenditures by Function</i>					
Economic Incentives	\$ 2,638,079	\$ 1,840,000	\$ 1,840,000	\$ 1,720,000	-7%
Transfers to...					
PACE Fund	600,000	613,800	613,800	950,000	55%
Capital Renewal/Replacement					
Reserve Fund	-	-	-	-	
Public Improvements Fund	-	1,250,000	1,250,000	315,000	-75%
Parker Authority for Reinvestment	-	-	-	-	
Total	<u>3,238,079</u>	<u>3,703,800</u>	<u>3,703,800</u>	<u>2,985,000</u>	-19%
<i>Sources of Funding</i>					
Sales Tax	2,638,079	1,840,000	1,840,000	1,720,000	-7%
General Fund	600,000	1,863,800	1,863,800	1,265,000	-32%
Total	<u>\$ 3,238,079</u>	<u>\$ 3,703,800</u>	<u>\$ 3,703,800</u>	<u>\$ 2,985,000</u>	-19%

Explanation of Budget Variances

- Economic Incentives - 7 percent decrease is due to expiration of one economic incentive agreements in 2013.



Special Revenue Funds

Included in this section of the budget document is the following information:

- **Special Revenue Fund Summary**
- **Conservation Trust Fund**
- **Parks and Recreation Fund**
- **Law Enforcement Assistance Fund**
- **Parks Arts, Culture and Events Fund (PACE)**
- **Recreation Fund**
- **Mainstreet Center Fund**
- **Capital Renewal and Replacement Reserve Fund**



Parks Arts, Culture and Events Center (PACE)

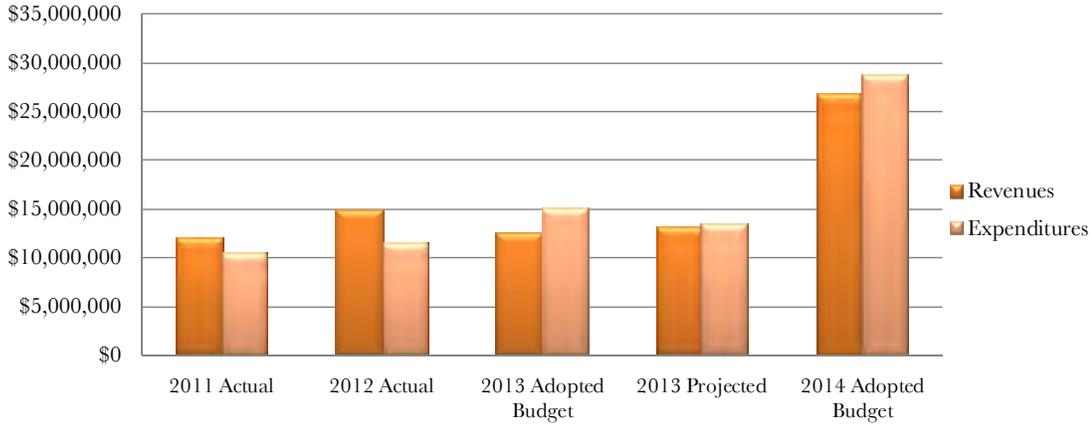
Special Revenue Funds Summary

Special Revenue Funds Summary

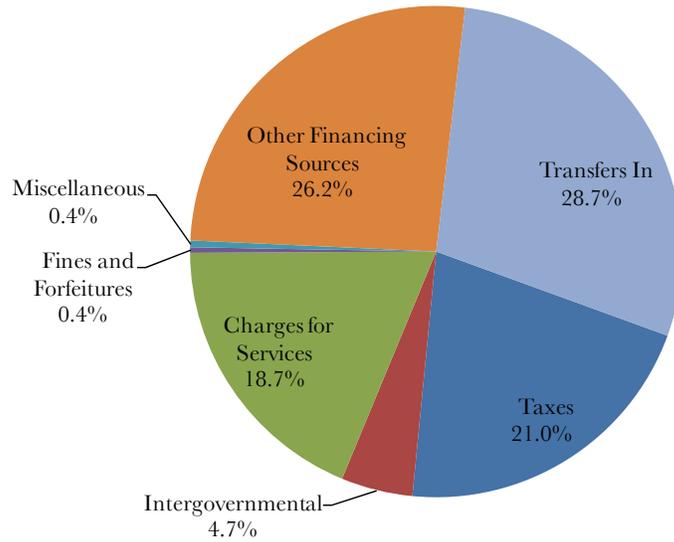
	2011 Actual	2012 Actual	2013 Adopted Budget	2013 Projected	2014 Adopted Budget	% Change Adopted Budgets
Beginning Fund Balances	\$ 6,203,343	\$ 7,708,607	\$ 10,997,403	\$ 10,997,403	\$ 10,653,653	-3%
Revenues						
Taxes	4,614,318	5,257,548	5,046,100	5,264,700	5,617,900	11%
Intergovernmental	486,174	808,406	508,500	555,200	1,255,860	147%
Charges for Services	4,234,979	5,183,849	4,981,500	5,424,309	5,001,350	0%
Fines and Forfeitures	104,926	86,459	93,000	93,000	95,800	3%
Miscellaneous	483,972	137,406	149,000	147,688	119,600	-20%
Other Financing Sources	-	-	-	-	7,000,000	
Transfers In	2,069,400	3,422,100	1,727,800	1,682,800	7,674,200	344%
Total Revenues	11,993,769	14,895,769	12,505,900	13,167,697	26,764,710	114%
Expenditures						
Salary and Benefits	3,356,943	3,786,924	4,122,691	4,174,900	4,453,100	8%
Supplies	451,005	566,595	634,200	634,965	622,610	-2%
Purchased Services	2,180,877	2,891,902	3,237,581	3,218,922	3,754,419	16%
Capital Outlay	350,959	210,178	3,401,483	1,950,336	12,690,610	273%
Economic Development Incentives	512,746	496,222	354,000	354,000	329,000	-7%
Transfers Out	3,635,975	3,655,151	3,223,200	3,178,324	6,937,200	115%
Total Expenditures	10,488,505	11,606,973	14,973,155	13,511,447	28,786,939	92%
Ending Fund Balances	\$ 7,708,607	\$ 10,997,403	\$ 8,530,148	\$ 10,653,653	\$ 8,631,424	1%
Revenue by Fund						
Conservation Trust	\$ 344,446	\$ 394,197	\$ 355,900	\$ 397,400	\$ 403,760	13%
Parks and Recreation	4,998,535	5,553,071	5,061,800	5,286,700	18,007,400	256%
Law Enforcement Assistance	153,528	134,599	139,500	140,000	142,200	2%
PACE	1,150,201	1,714,264	1,803,500	1,950,809	2,325,700	29%
Recreation	4,727,342	5,312,924	4,920,200	5,207,088	4,866,050	-1%
Mainstreet Center	232,503	236,677	224,600	180,100	1,017,700	353%
Capital Renewal and Replacement	387,214	1,550,036	400	5,600	1,900	375%
Total Revenues	11,993,769	14,895,769	12,505,900	13,167,697	26,764,710	114%
Expenditures by Fund						
Conservation Trust	300,000	300,000	-	-	3,000,000	
Parks and Recreation	4,323,587	4,168,362	6,920,683	5,595,860	16,186,600	134%
Law Enforcement Assistance	161,495	101,380	228,900	227,500	155,900	-32%
PACE	925,844	1,845,425	2,098,191	2,119,606	2,617,988	25%
Recreation	4,554,050	4,926,005	5,399,281	5,311,281	5,756,911	7%
Mainstreet Center	223,529	265,800	326,100	257,200	1,069,540	228%
Total Expenditures	\$ 10,488,505	\$ 11,606,973	\$ 14,973,155	\$ 13,511,447	\$ 28,786,939	92%

Special Revenue Funds Summary

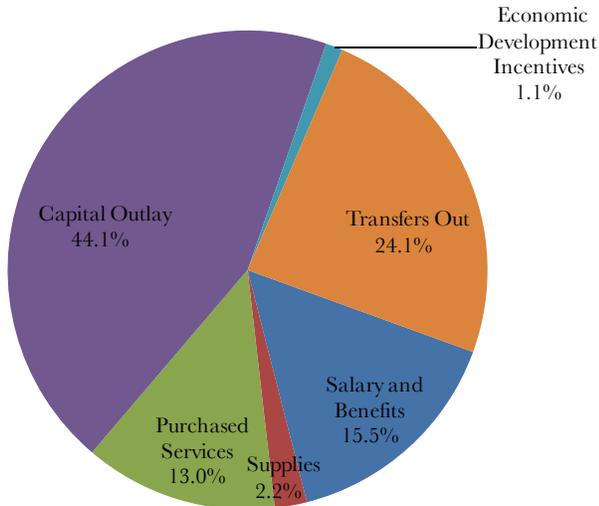
Revenue & Expenditure Comparison



Sources of Revenue - Special Revenue Funds



Expenditures - Special Revenue Funds

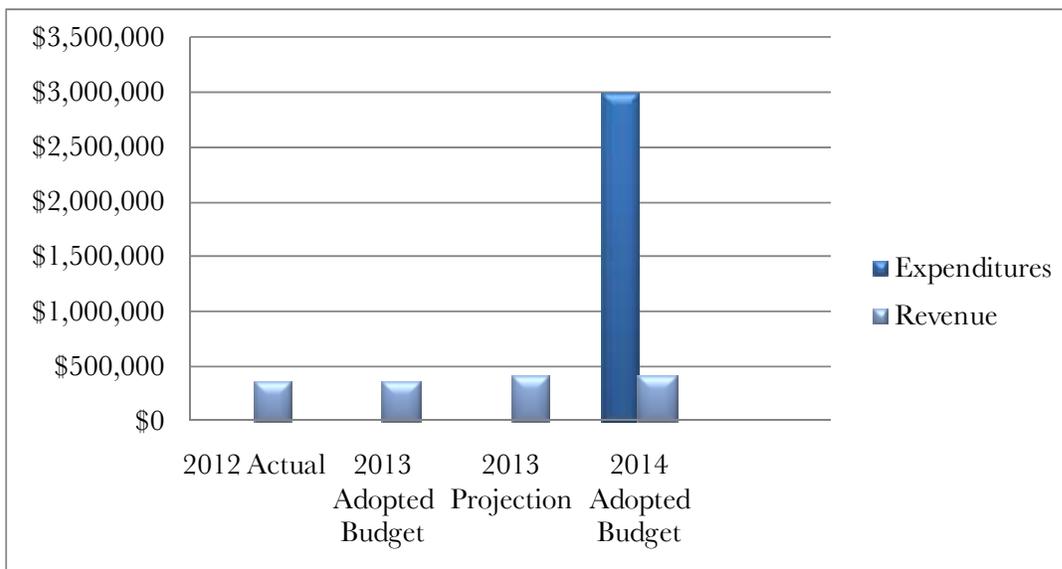


This fund accounts for lottery funds from the State of Colorado, based on a formula tied to population. These funds are restricted and can only be used for parks, recreation and open space purposes. When Council identifies a particular use, the funds are appropriated as a transfer to the fund in which they will be used.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
Expenditures					
Transfer to General Fund	300,000	-	-	-	
Transfer to Parks & Rec Fund	-	-	-	3,000,000	
Revenue					
Intergovernmental					
State Conservation Trust Fund	392,828	350,000	396,000	399,960	14%
Miscellaneous					
Interest Earnings	1,369	5,900	1,400	3,800	-36%
Total Revenue	394,197	355,900	397,400	403,760	13%
Beginning Fund Balance	2,704,127	2,798,324	2,798,324	3,195,724	14%
Revenue over (under) Exp	94,197	355,900	397,400	(2,596,240)	-829%
Ending Fund Balance	\$ 2,798,324	\$ 3,154,224	\$ 3,195,724	\$ 599,484	-81%

Explanation of Budget Variances

- Transfer to Parks and Recreation Fund – The transfer will be used for the expansion to the Parker Recreation Center project

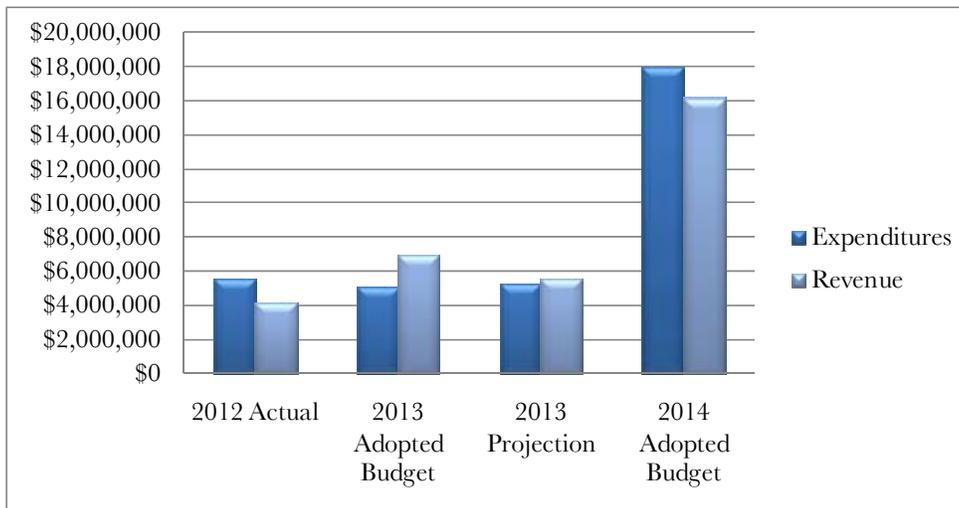


The Parks and Recreation Fund is primarily supported by the Town's 0.5 percent sales and use tax which are to be used for parks, trails, open space and recreation purposes. Major activities that are funded through this revenue stream include planning, design and construction of parks, trails and recreation facilities. Other uses include land acquisition, repayment of debt issued and special studies and analysis related to the overall operation, functionality and implementation of park and recreational facilities.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
Expenditures					
Salary and Benefits	\$ 169,418	\$ 180,300	\$ 145,000	\$ 150,500	-17%
Supplies	2,265	2,000	2,000	4,000	100%
Purchased Services	69,030	128,700	128,700	45,900	-64%
Capital Outlay	76,275	3,032,483	1,787,836	11,720,000	286%
Economic Development Incentives	496,222	354,000	354,000	329,000	-7%
Transfer to...					
General Fund	839,000	868,300	868,300	927,600	7%
Recreation Fund	1,176,100	989,500	989,500	1,066,500	8%
Mainstreet Center Fund	96,000	124,500	79,500	147,700	19%
Recreation Debt Service Fund	1,244,051	1,240,900	1,241,024	1,795,400	45%
Total Expenditures	4,168,362	6,920,683	5,595,860	16,186,600	134%
Revenue					
Taxes					
Sales Taxes	4,790,577	4,815,800	5,014,000	5,214,600	8%
Sales Tax Penalty and Interest	9,724	10,100	10,200	10,200	1%
Sales Tax Audit Revenue	10,161	29,300	20,500	20,500	-30%
Use Taxes	447,086	190,900	220,000	372,600	95%
Total Taxes	5,257,548	5,046,100	5,264,700	5,617,900	11%
Miscellaneous					
Interest Earnings	8,403	6,700	13,000	2,500	-63%
Rent	10,100	9,000	9,000	9,000	0%
Other	20	-	-	-	
Intergovernmental	277,000	-	-	378,000	
Transfers In	-	-	-	5,000,000	
Other Financing Sources	-	-	-	7,000,000	
Total Miscellaneous	295,523	15,700	22,000	12,389,500	78814%
Total Revenue	5,553,071	5,061,800	5,286,700	18,007,400	256%
Beginning Fund Balance					
Revenue over (under) Exp	1,384,709	(1,858,883)	(309,160)	1,820,800	-198%
Ending Fund Balance	\$ 4,148,017	\$ 2,289,134	\$ 3,838,857	\$ 5,659,657	147%
Authorized FTE positions					
Parks and Recreation Director	0.35	0.35	0.35	0.35	
Recreation/Community Marketing					
Coordinator	0.25	0.25	0.25	0.25	
Project Administrator	1.00	1.00	1.00	1.00	
Total	1.60	1.60	1.60	1.60	

Explanation of Budget Variances

- Purchased Services - 64 percent decrease is due to funding for continuing concept design work for future expansion of the Parker Recreation Center that occurred in 2013
- Economic Development Incentives - 7 percent decrease is due to expiration of an economic incentive agreement in 2013
- Capital Outlay (capital project detail is located in the Capital Improvement Plan) - includes \$100,000 contingency funds
- Transfer(s) to Recreation Fund and Mainstreet Center Fund - increases to these funds are due to additional resources needed to balance the two funds
- Sales Taxes - the \$398,800 or 8 percent projected increase is due to better than expected sales tax revenue in 2013 resulting in a 4 percent increase in the 2013 projection. The 2014 budget is based on a 4 percent increase over the 2013 re-projected amount using CPI (+2.5%) and population (+2.2%) growth estimates and rounding down to the nearest whole percent
- Use Taxes - the \$181,700 or 95 percent projected increase is due to an improving new home construction market. The 2014 adopted budget is based on 360 permits for new homes; whereas, the 2013 original budget was based on 200 permits and 2013 projections are based on 360 permits
- Ending Fund Balance – 147 percent increase is due to better than expected 2013 revenues



2012 Highlighted Accomplishments

- Initiated the Salisbury Park North Master Plan process
- Began the design and public input stage of the Parker Recreation Center Expansion project
- Finalized the Intergovernmental Agreement between the Town of Parker and the Douglas County Libraries to formally begin the joint development of a site including a new library and public space
- Completed the Town’s first adaptive playground at Salisbury Park
- Formalized a partnership with the Parker Adventist Hospital for an outdoor fitness area

2014 Goals

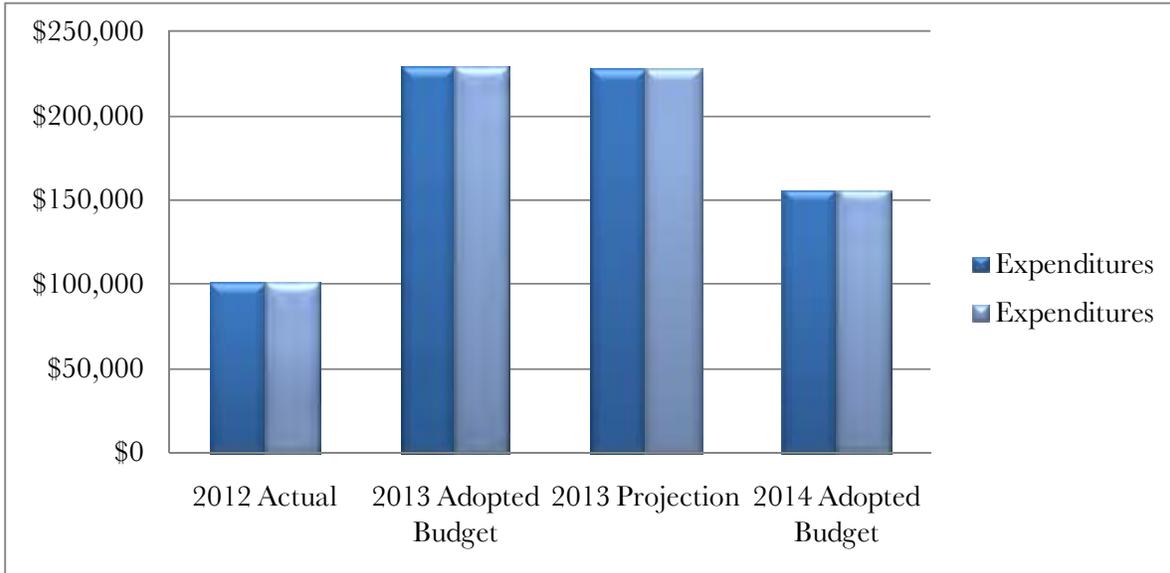
- Construct new one mile section of East-West trail
- Continue progress on planning and development of new dog park and disc golf course
- Continue development of partnership project on East Mainstreet with Parker Library
- Complete Bradbury Trail connection
- Continue seeking opportunities for public-private partnerships
- Finalize design and initiate construction for Parker Recreation Center expansion

This fund accounts for crisis intervention, Police training and equipment and victim services and support. The Victim Services Program is an integral part of the Parker Police Department and assists victims of crime and surviving families in cases of death, domestic violence, sexual assault and other crimes. Emotional support is provided, as well as information regarding available long-term support services.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
Expenditures					
Salary and Benefits	\$ 94,289	\$ 98,200	\$ 96,800	\$ 100,500	2%
Supplies	1,126	6,400	6,400	5,300	-17%
Purchased Services	5,965	9,300	9,300	10,100	9%
Capital Outlay	-	115,000	115,000	40,000	-65%
Total Expenditures	101,380	228,900	227,500	155,900	-32%
Revenue					
Intergovernmental					
V.A.L.E. Grants	44,962	42,000	42,000	42,000	0%
Charges for Services					
Lone Tree Victim Services	2,493	4,100	4,100	4,100	0%
Fines and Forfeitures					
Court Surcharges	86,459	93,000	93,000	95,800	3%
Miscellaneous					
Interest Earnings	664	400	900	300	-25%
Total Revenue	134,578	139,500	140,000	142,200	2%
Beginning Fund Balance	200,835	234,054	234,054	146,554	-37%
Revenue over (under) Exp	33,198	(89,400)	(87,500)	(13,700)	-85%
Ending Fund Balance	\$ 234,033	\$ 144,654	\$ 146,554	\$ 132,854	-8%
Authorized FTE positions					
Victim Witness Coordinator	1.00	1.00	1.00	1.00	
Victim Advocate	0.50	0.50	0.50	0.50	
Total	1.50	1.50	1.50	1.50	

Explanation of Budget Variances

- Capital Outlay
 - \$40,000 – two (2) License Plate Recognition (LPR) units
- Ending Fund Balance - 8 percent decrease is due to use of funds for capital expenditure



The mission of the PACE Department is to build a sense of community and enhance our hometown feel through education, performances, events and programs in the arts, culture and sciences. This Department is responsible for the administration and programming of the new PACE Center which opened in Oct. 2011. The Department works closely with the Parker Cultural and Scientific Commission, whose mission is to foster, implement and participate in providing opportunities for cultural and scientific experiences for the community of Parker.

	2012 Projection	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
Expenditures					
Salary and Benefits	\$ 707,937	\$ 804,891	\$ 825,700	\$ 985,000	22%
Supplies	78,381	114,000	89,765	97,000	-15%
Purchased Services	1,059,108	1,179,300	1,204,141	1,535,988	30%
Total Expenditures	1,845,425	2,098,191	2,119,606	2,617,988	25%
Revenue					
Intergovernmental					
Grants	73,471	96,500	97,200	106,500	10%
Charges for Services					
ATM Fees	105	-	109	-	
Concession Income	57,318	53,200	70,000	60,000	13%
Ticket Handling Fee	87,168	108,800	90,000	90,000	-17%
Tickets Revenue	460,494	517,000	590,000	590,000	14%
Promotional Sales	674	2,000	3,500	3,000	50%
Memberships	1,025	10,000	5,000	10,000	0%
Advertising Revenue	(3,856)	-	(2,500)	-	
Less: Patron Credit Taken	919	1,500	8,000	1,500	0%
Art Sales	146,799	95,000	70,000	68,000	-28%
Rental Income	-	-	83,000	102,000	
Catering Fee	6,282	10,000	10,000	10,000	0%
Facility Fee	-	-	-	-	
Class Registrations	209,048	155,000	200,000	200,000	29%
Fundraising Event	-	15,000	-	34,000	127%
Total Charges for Services	965,977	967,500	1,127,109	1,168,500	21%
Miscellaneous					
Interest Earnings	1,935	700	1,700	700	0%
Contributions	71,970	125,000	110,000	100,000	-20%
Total Miscellaneous	73,905	125,700	111,700	100,700	-20%
Transfer In					
From General Fund	600,000	613,800	613,800	950,000	55%
Total Revenue	1,713,353	1,803,500	1,949,809	2,325,700	29%
Beginning Fund Balance					
Revenue over (under) Exp	(132,072)	(294,691)	(169,797)	(292,288)	-1%
Ending Fund Balance	\$ 468,112	\$ 174,332	\$ 299,226	\$ 7,938	-95%

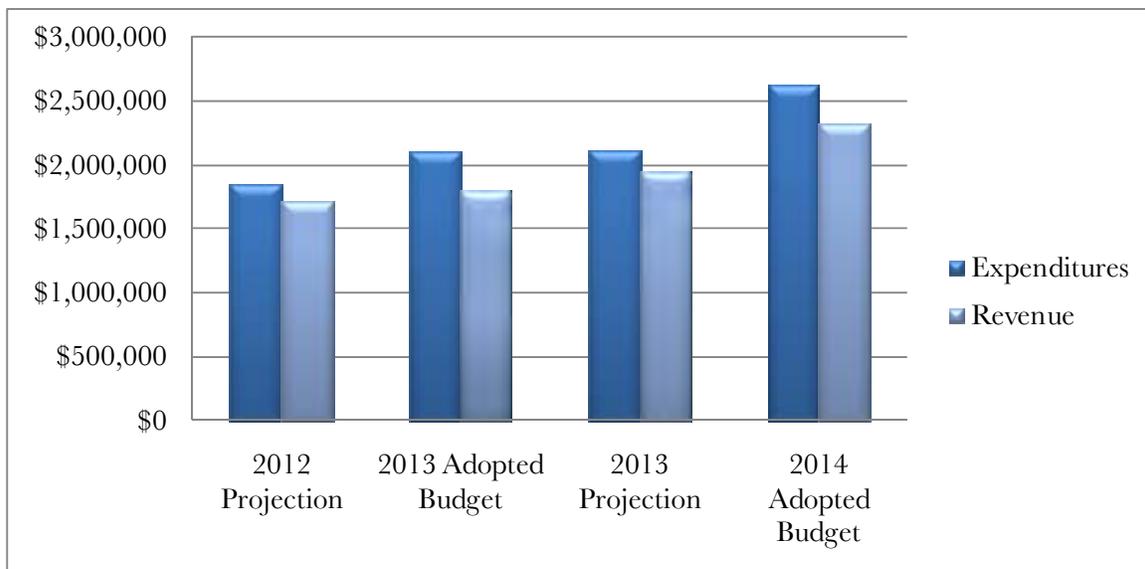
Parker Arts, Culture and Events Fund (continued)

Authorized FTE positions

Arts, Culture and History Director	1.00	1.00	1.00	1.00
Culture/Leisure Programs Coordinator	1.00	1.00	1.00	1.00
Technical Production Coordinator	1.00	1.00	1.00	1.00
Marketing Coordinator	1.00	1.00	1.00	1.00
Business Coordinator	1.00	1.00	1.00	1.00
Assistant Cultural Programs Coordinator	-	1.00	1.00	1.00
Assistant Facilities Rental Coordinator	-	1.00	1.00	1.00
Audio Technician	-	1.00	1.00	1.00
Box Office Coordinator	-	1.00	1.00	1.00
Entertainment Lighting Technician	-	1.00	1.00	1.00
Cultural Facilities Rental Coordinator	0.50	0.50	0.50	0.50
Total	5.50	10.50	10.50	10.50

Explanation of Budget Variances

- Salary and Benefits - 22 percent increase due to the transition of five part-time positions to five full-time positions
- Purchased Services - 30 percent increase due to increase in technology management services, building services, presenting, classes programming and advertisement marketing
- Charges for Services Revenue - 21 percent increase is due to better estimates coming from second full year of experience
- Ending Fund Balance - 95 percent decrease is due to expenditures outpacing revenues by \$292,288
- This trend will be monitored and adjusted as experience is gained regarding operations of the new PACE Center



2013 Highlighted Accomplishments

- The number of ticket buyers per show was up at the PACE Center by about 15%
- PACE Center programming added national acts like Air Supply and Travis Tritt
- The PACE Center was rented for more than 600 individual events and meetings
- Close to 7000 people signed up for the 340 cultural classes offered. These ranged from Zumba dancing, to Lego camps, to theater classes, to bagpipe lessons
- The PACE Center added a new parent lounge and enhanced the patio with beautiful landscaping and a water feature
- The Cultural Department added 15 outreach events including Wine Walks, Art Walks and Parker Days
- The Cultural Department currently has over 325 volunteers in our program
- The PACE Renaissance Guild is now over 100 members strong, the PACE da Vinci Society added 5 new members in the last year, and the Cultural Department increased government grants by 25%

2014 Goals

- Increase average ticket buyers per show by 10%
 - Increase advertising penetration, focusing on Parker and Southeast metro area
 - Successfully install the new Electronic Message Board
 - Continue to enhance presented season by adding 4 to 5 national acts and refining genre categories
 - Increase attendance and awareness of our arts enrichment classes and add in-school arts education programming
 - Increase corporate rentals, particularly for daytime events
 - Work to create partnerships with the business community and other new sectors
 - Increase individual and corporate donations by 25%
- Continue to develop the Creative District and expand Cultural Department outreach activities in the District

The Recreation Fund includes the administrative functions for all recreation and park design/development activities. In addition, the Recreation Fund includes facility operations for the Parker Recreation Center, the Parker Fieldhouse and H2O'Brien Pool, as well as, programming for adult and youth sports, aquatics, fitness, special interest, senior citizen, therapeutic and preschool activities are also included within the Recreation Fund.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
Expenditures by Program/Function					
Administration	\$ 723,574	\$ 841,100	\$ 868,500	\$ 1,038,191	23%
Recreation Center Building	418,001	525,781	527,881	557,110	6%
Sports and Leisure Programs	869,785	915,300	962,300	1,053,900	15%
Special Interest Programs	31,154	38,400	38,300	31,800	-17%
Aquatics	526,366	558,900	554,500	572,100	2%
H2O'Brien Outdoor Pool	413,353	398,400	398,400	466,400	17%
Fieldhouse	1,361,526	1,224,200	1,049,000	1,163,610	-5%
Fitness Programs	481,580	447,800	447,000	449,800	0%
Therapeutic Programs	14,946	20,900	20,900	20,700	-1%
Day Camp	-	326,600	342,600	303,600	-7%
Youth Programs	85,721	101,900	101,900	99,700	-2%
Total Expenditures	4,926,005	5,399,281	5,311,281	5,756,911	7%
Expenditures					
Personal Services	2,725,537	2,919,100	2,997,500	3,102,700	6%
Supplies	474,441	501,000	526,000	505,510	1%
Purchased Services	1,619,158	1,725,181	1,740,281	2,038,091	18%
Capital Outlay	106,868	254,000	47,500	110,610	-56%
Total Expenditures	4,926,005	5,399,281	5,311,281	5,756,911	7%

Explanation of Budget Variances

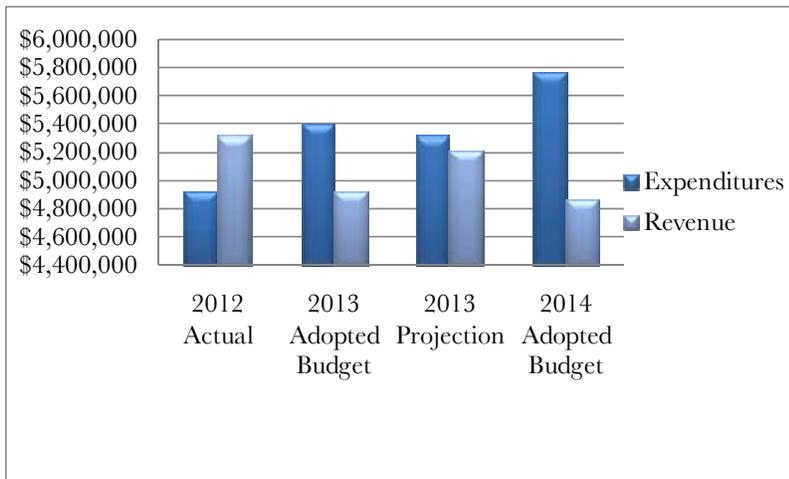
- Capital Outlay
 - \$25,000 - 15-passenger van
 - \$22,500 - replace three (3) treadmills

Recreation Fund (continued)

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
Revenue					
Intergovernmental					
Grants	20,145	20,000	20,000	19,400	-3%
Charges for Services					
Swimming Lesson Fees	177,269	190,000	180,000	160,000	-16%
Memberships	798,545	795,000	795,000	636,000	-20%
Daily User Fees	177,633	182,000	255,000	154,700	-15%
Facility Rentals	24,157	25,000	24,000	7,500	-70%
Vending Machine	51,008	55,000	50,000	50,750	-8%
Specialty Fitness	164,519	165,000	165,000	150,000	-9%
Advertising Revenue	16,027	20,000	25,000	20,000	0%
Fieldhouse - Admissions	76,973	72,000	65,000	75,000	4%
Fieldhouse - Facility Rentals	162,716	172,000	162,000	124,000	-28%
Fieldhouse - Equipment Rentals	3,178	3,000	3,000	3,000	0%
Fieldhouse - Merchandise Sales	1,809	2,000	1,400	2,000	0%
Fieldhouse - Advertising	17,005	28,000	2,100	26,000	-7%
Fieldhouse - Hosted Special Events	35,679	35,000	36,800	36,000	3%
Fieldhouse - Day Camp Program	357,435	390,000	390,000	380,000	-3%
Fieldhouse - Sports Instruction	210,263	150,000	240,000	175,000	17%
H2O - Pool Admission Fees	177,436	165,000	142,623	160,000	-3%
H2O - Pool Rental Fees	27,222	18,000	28,649	20,000	11%
H2O - Concession Income	103,181	81,000	106,508	96,000	19%
H2O - Season Passes	16,487	15,000	17,827	16,000	7%
H2O - Merchandise Sales	2,738	3,000	2,407	2,500	-17%
Personal Training	170,747	175,000	175,000	158,000	-10%
Tot Programs	74,533	62,000	62,000	56,000	-10%
Special Interest Programs	45,346	40,000	40,000	38,000	-5%
Adult Sports Programs	321,950	320,000	320,000	330,000	3%
Youth Sports Programs	870,709	720,000	880,000	880,000	22%
Therapeutic Recreation Programs	390	-	86	-	
Other	25,947	26,900	23,700	22,300	-17%
Total Charges for Services	4,110,902	3,909,900	4,193,100	3,778,750	-3%
Miscellaneous					
Interest Earnings	4,073	800	4,488	1,400	75%
Other	1,705	-	-	-	
Total Miscellaneous	5,777	800	4,488	1,400	75%
Transfer In					
From Parks and Recreation Fund	1,176,100	989,500	989,500	1,066,500	8%
Total Revenue	5,312,924	4,920,200	5,207,088	4,866,050	-1%
Beginning Fund Balance					
Revenue over (under) Exp	386,919	(479,081)	(104,193)	(890,861)	86%
Ending Fund Balance	\$ 1,254,338	\$ 775,257	\$ 1,150,145	\$ 259,285	-67%

Recreation Fund (continued)

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget
<i>Authorized FTE positions</i>				
<u>Administration</u>				
Parks and Recreation Director	0.25	0.25	0.25	0.25
Assistant Director - Facilities	1.00	1.00	1.00	1.00
Facility Coordinator	1.00	1.00	1.00	1.00
Administrative and Retail Coordinator	1.00	1.00	1.00	1.00
Program Registration Coordinator	1.00	1.00	1.00	1.00
Recreation and Community				
Marketing Coordinator	0.25	0.25	0.25	0.25
Childcare Coordinator	0.80	0.80	0.80	0.80
Guest Services Representative	0.80	0.80	0.80	0.80
Maintenance & Facility Attendant	-	-	-	1.00
Administrative Clerk	-	-	-	-
<u>Sports and Leisure Programs</u>				
Assistant Director - Programs	0.90	0.90	0.90	0.90
Sports Manager	1.00	1.00	1.00	1.00
Assistant Facility Coordinator	-	-	-	1.00
Adult Athletics Coordinator	1.00	1.00	1.00	1.00
Sports Coordinator	1.00	1.00	1.00	1.00
Assistant Sports Coordinator	2.00	2.00	2.00	2.00
<u>Special Interest Programs</u>				
Assistant Director - Programs	0.10	0.10	0.10	0.10
<u>Aquatics</u>				
Aquatics Coordinator	1.00	1.00	1.00	1.00
Assistant Aquatics Coordinator	1.00	1.00	1.00	1.00
<u>Fieldhouse</u>				
Facility Coordinator	1.00	1.00	1.00	1.00
Assistant Facility Coordinator	1.00	1.00	1.00	1.00
Marketing / Information Coordinator	1.00	1.00	1.00	1.00
Day Camp Coordinator	1.00	1.00	1.00	1.00
<u>Fitness Programs</u>				
Fitness / Wellness Coordinator	1.00	1.00	1.00	1.00
<u>Youth Programs</u>				
Youth Coordinator	0.80	0.80	0.80	0.80
Total	19.90	19.90	19.90	21.90



2013 Highlighted Accomplishments

- Increased the number of aging adult fitness opportunities including new classes such as Golden Pilates, Chair Fitness and Flow and the Active Aging Adults Fitness Club
- Saw an increase of 5000 participants in group fitness/aqua aerobics classes
- Increased the number of visits to the Department's Dietician by 35% from 2012
- Added an 8-week weight management class for winter and fall; have served over 50 people through the program since its inception
- Currently have approximately 150 Pickleball players who play Monday through Friday at the Fieldhouse and Recreation Center outdoor inline rinks
- Grants – Received Therapeutic Recreation and United States Tennis Association grants, totaling \$21,000
- Tripled our participation in the Fieldhouse Day Camp's Before and After Care program
- Expanded CancerFit program participants by 41% in 2013
- Doubled the amount of participants for the Punt/Pass & Kick competition in 2013

2014 Goals

- Retain membership and customer services levels during 12-month Recreation Center expansion process
- Review opportunities for enhancement of registration software and web/tablet/mobile presence
- Incorporate new customer service training program in Recreation Division
- Continue expansion of active aging adult programming
- Continue exploring opportunities for additional grant funding
- Formalize agreement with Douglas County School District for joint use of facilities
- Continue expanding partnership with Parker Senior Center

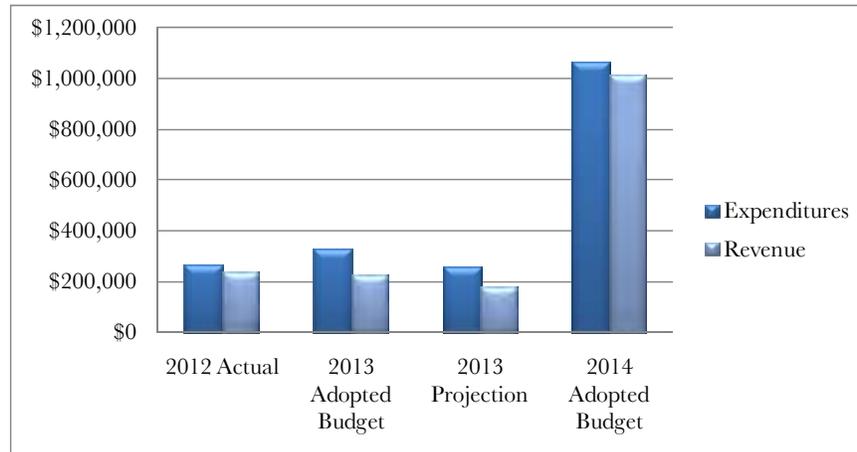
The Mainstreet Center Fund includes daily operations of the Mainstreet Center, the Ruth Memorial Chapel and the surrounding site. Included within this fund are staffing, maintenance and operations to include rentals, cultural events and classes, sports programs, community activities, historic and cultural displays, and the art gallery.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
Expenditures					
Personal Services	\$ 89,743	\$ 120,200	\$ 109,900	\$ 114,400	-5%
Supplies	10,383	10,800	10,800	10,800	0%
Purchased Services	138,641	195,100	136,500	124,340	-36%
Capital Outlay	27,034	-	-	820,000	
Total Expenditures	265,800	326,100	257,200	1,069,540	228%
Revenue					
Charges for Services					
Facility Rentals	104,477	100,000	100,000	50,000	-50%
Intergovernmental					
CO Historical Society Grants	-	-	-	310,000	
Miscellaneous					
Interest Earnings	594	100	600	-	-100%
Other	35,606	-	-	-	
Transfer In					
From Parks and Rec Fund	96,000	124,500	79,500	147,700	19%
From Excise Tax Fund	-	-	-	510,000	
Total Revenue	236,677	224,600	180,100	1,017,700	353%
Beginning Fund Balance					
Revenue over (under) Exp	\$ 182,984	\$ 153,861	\$ 153,861	\$ 76,761	-50%
	(29,123)	(101,500)	(77,100)	(51,840)	-49%
Ending Fund Balance					
	\$ 153,861	\$ 52,361	\$ 76,761	\$ 24,921	-52%
Authorized FTE positions					
Cultural Facilities Rental Coordinator	0.50	0.50	0.50	0.50	
Custodian	1.00	1.00	1.00	1.00	
Total	1.50	1.50	1.50	1.50	

Explanation of Budget Variances

- Purchased Services - 36 percent decrease is due to construction documents for rehab in 2013 not need in 2014
- Facility Rentals Revenues - \$50,000 or 50 percent decrease is due to anticipated lost revenue during facility rehabilitation in 2014
- Transfer from Parks and Recreation Fund - 19 percent increase is due to a increased amount needed to balance this fund
- Capital Outlay - \$820,000 for facility rehabilitation

Mainstreet Center Fund (continued)



2013 Highlighted Accomplishments

- Facility rental income for Mainstreet Center and Ruth Chapel will exceed budgeted revenue
- The Mainstreet Center Theater was booked over 40 weekends out of the year
- The Ruth chapel held more than 20 weddings
- Creative District activities at the Mainstreet Center were expanded, adding more art to the Wine Walks, piloting new Art Walks, and participating in Trick or Treat on Mainstreet
- Many of the Cultural Department's 340+ cultural classes were at the Mainstreet Center, ranging from youth dancing, to theater classes, to bagpipe lessons

2014 Goals

- Compete successfully for a grant from the Colorado Historical Fund and begin Phase I rehabilitation of the historic Schoolhouse
- Submit a plan to Council for creative industry uses of the Mainstreet Complex that will fuel the economic growth of the Creative District
- Apply for grants from "creative placemaking" funders such as the National Endowment for the Arts Our Town program
- Maintain facility rental income to the extent possible during rehabilitation
- Collaborate with the Recreation Department to ensure a smooth transition of Recreation Classes to the expanded Recreation Center

The Capital Renewal and Replacement Reserve Fund accounts for funds that are transferred in from other funds, which can be used to fill budgetary gaps related to the renewal and/or replacement of aging equipment, facilities and other types of assets or other similar type future needs.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
Revenue					
<u>Miscellaneous</u>					
Interest Earnings	36	400	5,600	1,900	375%
<u>Transfers In</u>					
From General Fund	-	-	-	-	
From Police Station/PACE					
Center Construction Fund	1,550,000	-	-	-	
Total Transfers In	1,550,000	-	-	-	
Total Revenue	1,550,036	400	5,600	1,900	375%
Beginning Fund Balance	389,750	1,939,786	1,939,786	1,945,386	0%
Revenue over (under) expenditures	1,550,036	400	5,600	1,900	375%
Ending Fund Balance	\$ 1,939,786	\$ 1,940,186	\$ 1,945,386	\$ 1,947,286	0%

Capital Project Funds

Included in this section of the budget document is the following information:

- Capital Projects Funds Summary
- Public Improvement Fund
- Excise Tax Fund
- Police Station and PACE Center Construction Fund
- Parkglenn Construction Fund



Parker Fieldhouse

Capital Projects Funds Summary

Capital Projects Funds Summary

	2011 Actual	2012 Actual	2013 Adopted Budget	2013 Projected	2014 Adopted Budget	% Change Adopted Budgets
Beginning Fund Balances	\$ 22,264,400	\$ 12,795,558	\$ 11,107,543	\$ 11,107,543	\$ 15,350,674	38%
Revenues						
Taxes	1,966,010	3,950,585	1,834,500	3,414,400	3,478,100	90%
Intergovernmental	2,211,260	2,838,936	2,388,000	2,687,426	2,603,325	9%
Miscellaneous	1,125,090	757,362	17,700	273,700	1,700,800	9509%
Transfers In	175,000	-	1,250,000	1,250,000	315,000	-75%
Other Financing Sources	-	-	-	-	13,095,000	
Total Revenues	5,477,360	7,546,883	5,490,200	7,625,526	21,192,225	286%
Expenditures						
Capital Outlay	14,446,203	7,087,481	4,832,695	3,368,995	18,777,255	289%
Economic Development Incentives	-	85,817	-	-	-	
Transfers Out	500,000	2,061,600	13,400	13,400	510,000	3706%
Total Expenditures	14,946,203	9,234,898	4,846,095	3,382,395	19,287,255	298%
Ending Fund Balances	\$ 12,795,558	\$ 11,107,543	\$ 11,751,648	\$ 15,350,674	\$ 17,255,644	47%

Revenue by Fund

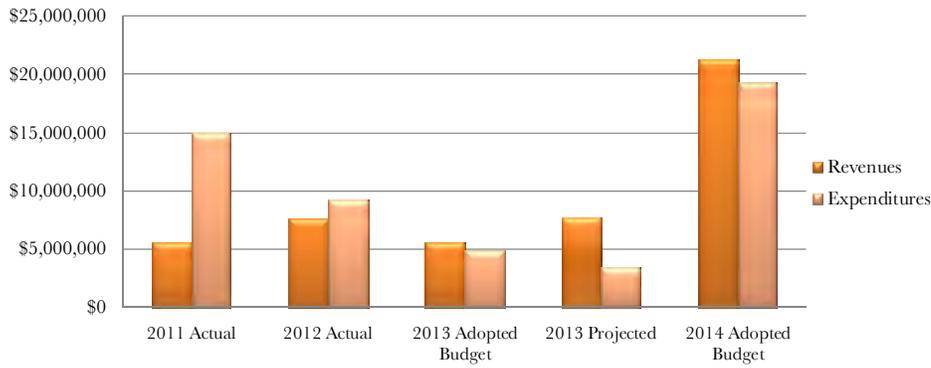
Public Improvements	\$ 4,590,677	\$ 5,815,962	\$ 4,603,600	\$ 6,065,726	\$ 19,566,425	325%
Excise Tax	853,999	1,722,143	886,600	1,557,500	1,625,300	83%
Police Station/PACE Center						
Construction	31,743	8,230	-	1,700	100	
Parkglenn Construction	941	549	-	600	400	
Total Revenues	5,477,360	7,546,883	5,490,200	7,625,526	21,192,225	286%

Expenditures by Fund

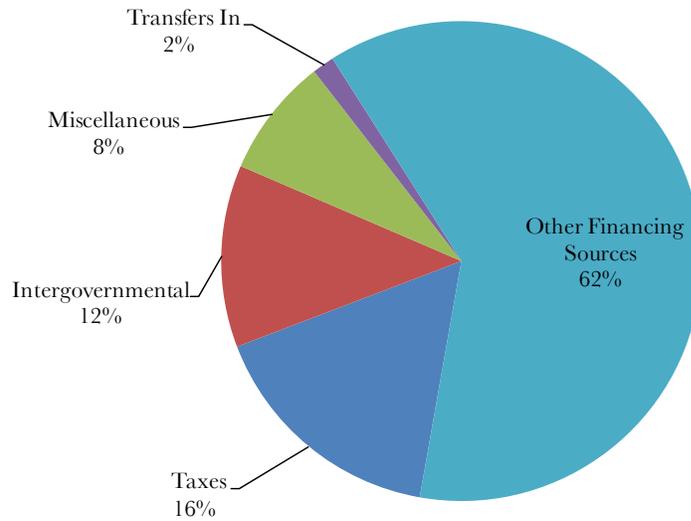
Public Improvements	2,133,718	7,144,524	4,317,100	2,853,400	18,777,255	335%
Excise Tax	200,000	200,000	-	-	510,000	
Police Station/PACE Center						
Construction Fund	12,612,485	1,890,374	528,995	528,995	-	-100%
Total Expenditures	\$ 14,946,203	\$ 9,234,898	\$ 4,846,095	\$ 3,382,395	\$ 19,287,255	298%

Capital Projects Funds Summary

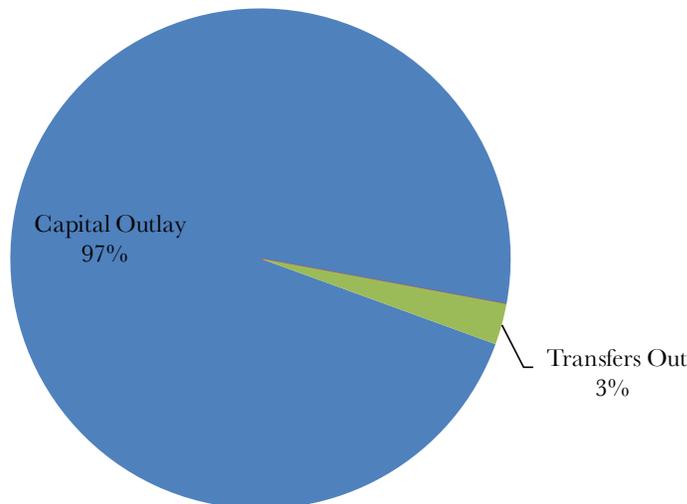
Revenue & Expenditure Comparison



Sources of Revenue - Capital Projects Funds



Expenditures - Capital Projects Funds



The Public Improvements Fund is for streets capital projects and is primarily funded by 75 percent of the 0.4 percent county sales and use tax that is collected within the Town and shared back to the Town, as well as a 2.5 percent Town use tax on building construction materials. Streets capital projects include Town-constructed road and bridge additions, extensions and expansions, traffic signal installations and median landscaping.

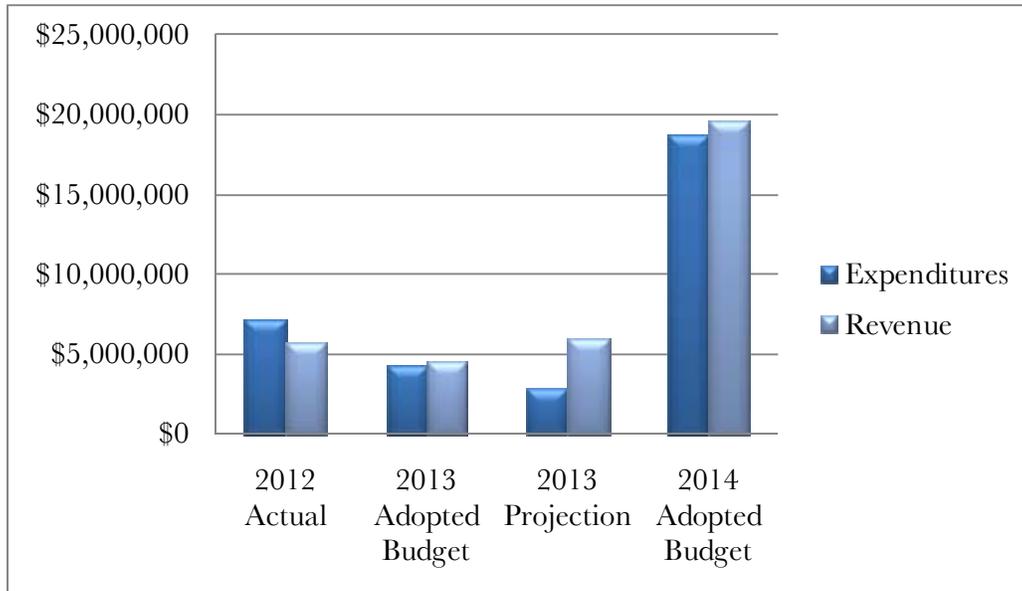
	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
Expenditures					
Economic Development Incentives	\$ 85,817	\$ -	\$ -	\$ -	
Capital Outlay	6,747,107	4,303,700	2,840,000	18,777,255	336%
Transfer to General Fund	311,600	13,400	13,400	-	-100%
Total Expenditures	7,144,524	4,317,100	2,853,400	18,777,255	335%
Revenue					
Taxes					
Use Tax	2,234,997	954,600	1,867,300	1,863,200	95%
Intergovernmental					
Grants	310,401	-	-	-	
Roads Sales Tax Shareback	1,995,769	2,020,100	2,098,200	2,114,600	5%
Roads Use Tax Shareback	268,252	114,600	224,100	223,600	95%
HUTF - FASTER Funds	264,515	253,300	262,500	265,125	5%
Total Intergovernmental	2,838,936	2,388,000	2,584,800	2,603,325	9%
Miscellaneous					
Interest Earnings	33,170	11,000	33,000	6,900	-37%
Contributions	708,839	-	228,000	1,683,000	
Total Miscellaneous	742,009	11,000	261,000	1,689,900	15263%
Transfer In					
From General Fund	-	1,250,000	1,250,000	315,000	-75%
Other Financing Sources					
Certificates of Participation Issued	-	-	-	13,095,000	
Total Revenue	5,815,943	4,603,600	5,963,100	19,566,425	325%
Beginning Fund Balance					
Revenue over (under) Exp	(1,328,581)	286,500	3,109,700	789,170	175%
Ending Fund Balance	\$ 7,223,386	\$ 7,509,904	\$ 10,333,104	\$ 11,224,900	49%

Explanation of Budget Variances

- Capital Outlay (capital project detail is located in the Capital Improvement Plan) - includes \$100,000 contingency funds.
- Use Taxes - the \$908,600 or 95 percent projected increase is due to an improving new home construction market. The 2014 adopted budget is based on 360 permits for new homes; whereas, the 2013 original budget was based on 200 permits.

Public Improvements Fund (continued)

- Roads Sales/Use Tax Shareback Revenue - same as Town sales/use tax explanations
- Ending Fund Balance - projected to increase 49 percent because of planned carry-over into 2015 for the Public Works facility projects and better than expected 2013 revenues and 2013 beginning fund balance



2013 Highlighted Accomplishments

- Roadway medians on Jordan Road between Lincoln Avenue and E-470 were landscaped
- Town landscaped the Hess Road medians between Motsenbocker Road and Great Plain Way
- Constructed a right-hand turn/deceleration lane on southbound Parker Road to westbound Lincoln Avenue
- Completed all roadway maintenance in the Country Meadows subdivision
- Town commenced the design of the Pikes Peak Court extension project

2014 Goals

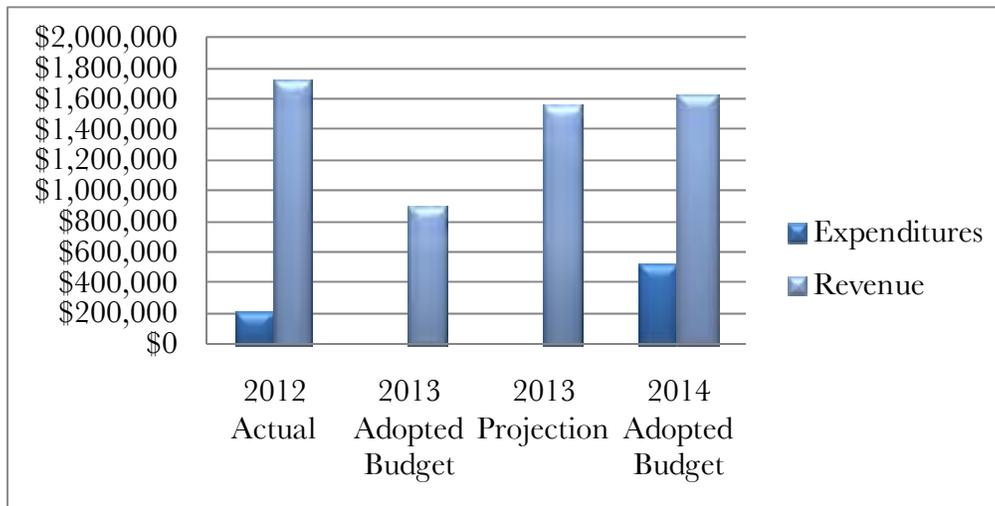
- Complete the construction of the eastbound Hess Road Bridge over Cherry Creek. This project will conclude the widening of Hess Road through the Town
- Complete the design of Chambers Road widening between Hess Road and Mainstreet
- Complete the landscaping on the Lincoln Avenue medians between Parker Road and Pine Drive
- Complete the Motsenbocker Road widening design between Todd Drive and Mainstreet
- Complete the construction of Pikes Peak Court extension between Pikes Peak Drive and Pine Drive
- Commence the construction of the new Public Works facility for Streets, Traffic and Stormwater functions at the northwest corner of Hess Road and Tammy Lane
- Complete the funding intergovernmental agreement (IGA) for the construction of Todd Drive with Douglas County. Assuming Douglas County funding is attained; complete the design and construction of Todd Drive between Jordan Road and Motsenbocker Road

The Excise Tax Fund accounts for the accumulation of new development excise taxes and the transfer of funds to other funds for the purpose of financing roads, parks or municipal facilities.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
Expenditures					
Transfers Out	\$ 200,000	\$ -	\$ -	\$ 510,000	
Revenue					
Taxes					
New Development Excise Tax	1,715,587	879,900	1,547,100	1,614,900	84%
Miscellaneous					
Interest Earnings	6,556	6,700	10,400	10,400	55%
Total Revenue	1,722,143	886,600	1,557,500	1,625,300	83%
Beginning Fund Balance	1,572,343	3,094,486	3,094,486	4,651,986	50%
Revenue over (under) Exp	1,522,143	886,600	1,557,500	1,115,300	26%
Ending Fund Balance	\$ 3,094,486	\$ 3,981,086	\$ 4,651,986	\$ 5,767,286	45%

Explanation of Budget Variances

- Transfers Out - The \$510,000 transfer is to the Mainstreet Center Fund for the facility rehabilitation project
- New Development Excise Tax - the \$735,000 or 84 percent projected increase is due to an improving new home construction market. The 2014 adopted budget is based on 360 permits for new homes; whereas, the 2013 adopted budget was based on 200 permits
- Ending Fund Balance - projected to increase \$1,786,200 or 45 percent because there are is only one planned expenditure for 2014 and better than expected 2013 revenues and 2013 beginning fund balance



The Police Station and PACE Center Construction Fund accounts for the design and construction of a new Police station and the Parker Arts, Culture and Events (PACE) Center. The Police Station was completed in October 2010 and the PACE Center was completed in September 2011. Certificates of Participation proceeds provided the majority of the funding for these two projects. The General Fund provided a portion of funding for the new Police station and the Parks and Recreation Fund provided some funding for the PACE Center. Final equipping and minor construction, including warranty period work continues for both facilities.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
<i>Expenditures</i>					
Police Station	\$ 86,055	\$ 88,645	\$ 88,645	\$ -	-100%
PACE Center	254,319	440,350	440,350	-	-100%
Transfer to Capital Renewal and Replacement Fund	1,550,000	-	-	-	
Total Expenditures	1,890,374	528,995	528,995	-	-100%
<i>Revenue</i>					
<u>Miscellaneous</u>					
Interest Earnings	8,230	-	1,700	100	
Total Revenue	8,230	-	1,700	100	
<i>Beginning Fund Balance</i>	2,473,044	590,900	590,900	63,605	-89%
Revenue over (under) Exp	(1,882,144)	(528,995)	(527,295)	100	-100%
<i>Ending Fund Balance</i>	\$ 590,900	\$ 61,905	\$ 63,605	\$ 63,705	3%

The funds in the Parkglenn Construction Fund are held in escrow for a future traffic signal at Parker Road and Parkglenn Way.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
Revenue					
<u>Miscellaneous</u>					
Interest Earnings	\$ 549	\$ -	\$ 600	\$ 400	
Total Revenue	549	-	600	400	
Beginning Fund Balance	198,204	198,753	198,753	199,353	0%
Revenue over (under) expenditures	549	-	600	400	
Ending Fund Balance	\$ 198,753	\$ 198,753	\$ 199,353	\$ 199,753	1%

Debt Service Fund

Included in this section of the budget document is the following information:

- Recreation Debt Service Fund Summary



Parker H2O'Brien Park

The Recreation Debt Service Fund accounts for payments of principal and interest on the sales and use tax bonds issued to finance construction of recreation capital projects. The Town issued revenue bonds in 2006 to finance the construction of the Parker Fieldhouse and to refund the outstanding revenue bonds issued in 1993 to construct the Parker Recreation Center.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Original Budgets
Expenditures					
Principal	\$ 700,000	\$ 725,000	\$ 725,000	\$ 977,900	35%
Interest	544,150	513,900	513,900	815,500	59%
Other Debt Costs	150	2,000	2,000	2,000	0%
Total Expenditures	1,244,300	1,240,900	1,240,900	1,795,400	45%
Revenue					
Miscellaneous					
Interest Earnings	1	-	-	-	
Transfers In					
From Parks and Recreation Fund	1,244,051	1,240,900	1,241,024	1,795,400	45%
Total Revenue	1,244,052	1,240,900	1,241,024	1,795,400	45%
Beginning Fund Balance	124	(124)	(124)	-	-100%
Revenue over (under) Exp	(248)	-	124	-	
Ending Fund Balance	\$ (124)	\$ (124)	\$ -	\$ -	-100%

Explanation of Budget Variances

- Principal and Interest - increase is due to the anticipated issuance of Certificates of Participation for the expansion of the Recreation Center in 2014

Enterprise Fund

Included in this section of the budget document is the following information:

- Stormwater Utility Fund



Parker Farmer's Market

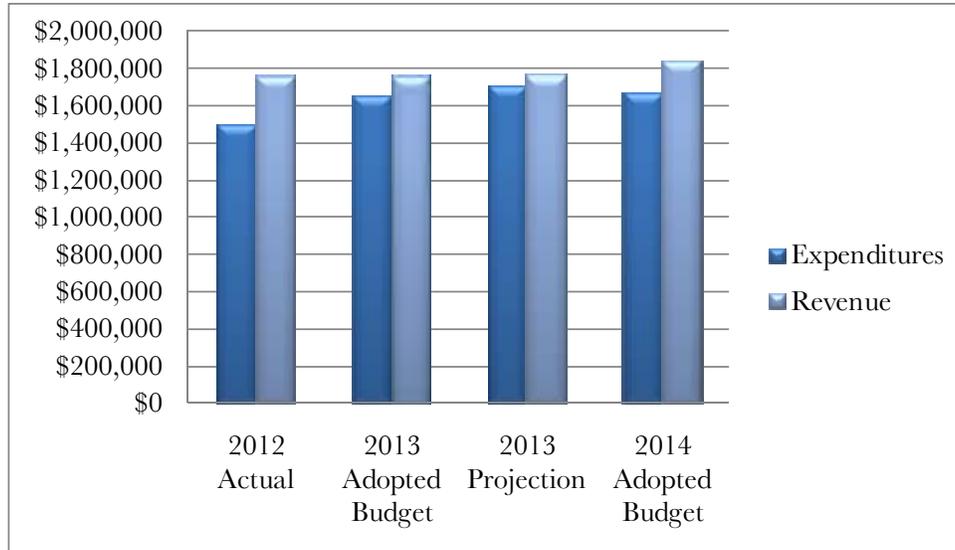
This fund was established and accounts for fees collected from residential and commercial properties to ensure that stormwater systems are properly planned, constructed and maintained within the Town. The utility provides overall stormwater management to prevent flooding, protect water quality and to preserve the natural creeks and gulches throughout the Town.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
Expenditures					
Salary and Benefits	\$ 613,643	\$ 692,800	\$ 682,200	\$ 709,000	2%
Supplies	11,655	15,800	15,800	11,175	-29%
Purchased Services	382,195	476,142	446,500	463,975	-3%
Capital Outlay	491,578	465,000	565,000	270,500	-42%
Debt Service	-	-	-	216,679	
Total Expenditures	1,499,072	1,649,742	1,709,500	1,671,329	1%
Revenue					
Charges for Services					
Grading Permit Fees	52,672	53,200	54,000	54,400	2%
Commercial Stormwater Utility Fees	695,288	704,100	704,500	722,200	3%
Residential Stormwater Utility Fees	973,026	1,000,200	1,000,200	1,047,000	5%
Prior Year Refund	(106,967)	-	-	-	
Total Charges for Services	1,614,020	1,757,500	1,758,700	1,823,600	4%
Miscellaneous					
Interest Earnings	5,233	2,900	6,200	7,700	166%
Other	376	-	-	-	
Total Miscellaneous	5,609	2,900	6,200	7,700	166%
Total Revenue	1,619,629	1,760,400	1,764,900	1,831,300	4%
Beginning Fund Balance	2,106,732	3,735,886	3,735,886	3,791,186	1%
Revenue over (under) Exp	120,557	110,658	55,400	159,971	45%
Ending Fund Balance	\$ 2,227,289	\$ 3,846,544	\$ 3,791,286	\$ 3,951,157	3%
Authorized FTE positions					
Manager of Engineering and Stormwater	1.00	1.00	1.00	1.00	
Stormwater Project Engineer	1.00	1.00	1.00	1.00	
Environmental Program Manager	1.00	1.00	1.00	1.00	
Stormwater Engineering Technician	1.00	1.00	1.00	1.00	
Stormwater Crew Leader	1.00	1.00	1.00	1.00	
Stormwater Equipment Operator	1.00	1.00	1.00	1.00	
Maintenance Worker 1/2	1.00	1.00	1.00	1.00	
Maintenance Worker 3	1.00	1.00	1.00	1.00	

Stormwater Utility Fund (continued)

Explanation of Budget Variances

- Capital Outlay (capital project detail is located in the Capital Improvement Plan)
- Debt Service - increase is due to the anticipated issuance of Certificates of Participation for the construction of the Public Works Facility in 2014



2013 Highlighted Accomplishments

- The Stormwater operations staff performed a variety of maintenance activities on over 950 drainage facilities (detention ponds, culverts, channels, storm sewers, etc.) throughout 2013. These maintenance activities included structural repairs, sediment removal, vegetation management (mowing, weed control), and trash/debris removal
- The Stormwater staff also performed inspections on over 4,000 drainage facilities throughout Town in 2013

2014 Goals

- Complete the construction on the Cherry Creek Restoration at Country Meadows project
- Start the construction of the Cherry Creek stabilization project at Norton Open Space property
- Complete the construction on the Sulphur Gulch Restoration project at Canterbury Crossing
- Complete the construction of the drainage improvements project at Potestio Brothers property
- Finalize and adopt the Newlin Gulch Master Plan update with Urban Drainage
- Finalize and adopt the Happy Canyon Creek Master Plan update with Urban Drainage
- Implement and satisfy all the measurable goals included in the Town's NPDES Phase II Stormwater Program with State Health Department
- Enhance operations and maintenance program for stormwater facilities by inspecting at least 30 percent of the total facilities Townwide



Internal Service Funds

Included in this section of the budget document is the following information:

- **Internal Service Funds Summary**
- **Fleet Services Fund**
- **Technology Management Fund**
- **Facility Services Fund**



Parker Mainstreet Center

Internal Service Funds Summary

Internal Service Funds Summary

		2011 Actual	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets					
Beginning Fund Balances	\$	147,093	\$	95,318	\$	863,093	\$	863,093	\$	940,878	9%	
Revenues												
Charges for Services		1,684,588	2,654,279	3,139,700	3,155,325	4,281,925	36%					
Miscellaneous		537	31,273	400	1,466	1,500	275%					
Total Revenues		1,685,125	2,685,552	3,140,100	3,156,791	4,283,425	36%					
Expenditures												
Salary and Benefits		697,941	714,936	834,700	818,000	1,736,700	-2%					
Supplies		449,434	341,500	442,800	411,485	237,350	-7%					
Purchased Services		542,138	839,625	982,400	986,521	1,649,825						
Capital Outlay		47,387	21,717	1,017,897	863,000	921,878						
Total Expenditures		1,736,900	1,917,778	3,277,797	3,079,006	4,545,753	-6%					
Ending Fund Balances	\$	95,318	\$	863,093	\$	725,396	\$	940,878	\$	678,550	30%	

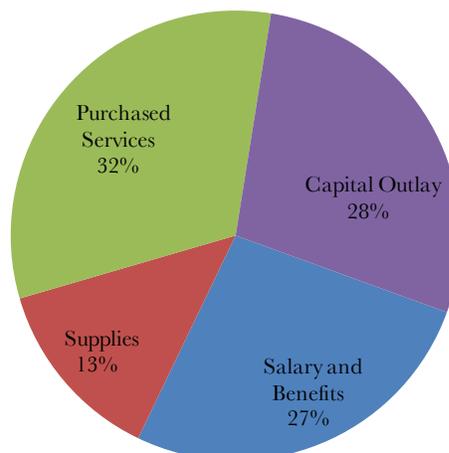
Revenue by Fund

Fleet Services	\$	577,087	\$	1,349,667	\$	1,631,100	\$	1,643,265	\$	1,368,416	1%
Technology Management		444,150	652,885	767,100	765,625	2,182,309	0%				
Facility Services		663,888	683,001	741,900	747,901	732,700					
Total Revenues		1,685,125	2,685,552	3,140,100	3,156,791	4,283,425	1%				

Expenditures by Fund

Fleet Services		574,831	702,252	1,769,097	1,606,600	1,623,900	-9%				
Technology Management		492,429	517,772	766,900	736,706	2,189,178	-4%				
Facility Services		669,640	697,754	741,800	735,700	732,674					
Total Expenditures	\$	1,736,900	\$	1,917,778	\$	3,277,797	\$	3,079,006	\$	4,545,753	-6%

Expenditures - Internal Services Funds



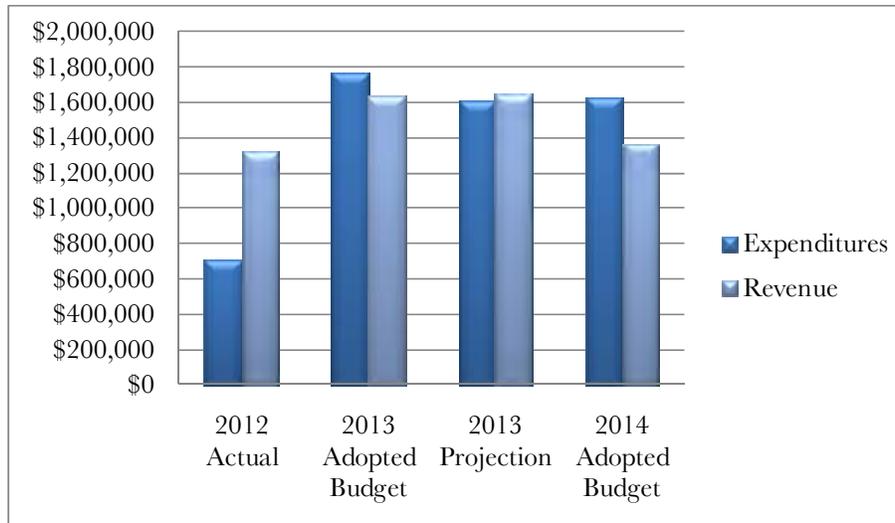
Fleet services is responsible for the acquisition, maintenance, record keeping and disposal of the Town of Parker's fleet of cars, trucks, and heavy and light equipment. Fleet services works closely with its customers to meet their changing and growing needs, finding innovative ways to reduce costs, while keeping the service at the highest of standards.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
Expenditures					
Salary and Benefits	\$ 272,325	\$ 336,700	\$ 329,100	\$ 342,200	2%
Supplies	5,337	10,700	10,700	8,600	-20%
Purchased Services	410,883	403,800	403,800	413,100	2%
Capital Outlay	13,707	1,017,897	863,000	860,000	-16%
Total Expenditures	702,252	1,769,097	1,606,600	1,623,900	-8%
Revenue					
Charges for Services					
Internal User Charges	1,318,897	1,516,700	1,528,800	1,253,216	-17%
Lone Tree Fleet Services	-	114,000	114,000	114,000	0%
Total Charges for Services	1,318,897	1,630,700	1,642,800	1,367,216	-16%
Miscellaneous					
Interest Earnings	344	400	465	1,200	200%
Total Revenue	1,319,241	1,631,100	1,643,265	1,368,416	-16%
Beginning Fund Balance	68,167	715,582	715,582	752,247	5%
Revenue over (under) Exp	616,989	(137,997)	36,665	(255,484)	85%
Ending Fund Balance	\$ 685,156	\$ 577,585	\$ 752,247	\$ 496,763	-14%
Authorized FTE positions					
Facilities/Fleet Manager	0.40	0.40	0.40	0.40	
Fleet Maintenance Master Technician	1.00	1.00	1.00	1.00	
Fleet Crew Leader	1.00	1.00	1.00	1.00	
Fleet Maintenance Worker 3	1.00	1.00	1.00	1.00	
Fleet Maintenance Worker 2	-	1.00	1.00	1.00	
Total	3.40	4.40	4.40	4.40	

Explanation of Budget Variances

- Internal User Charges - 17 percent decrease is due to changes made to the allocation of internal charges based on updated vehicle replacement schedules
- Capital Outlay
 - \$860,000 - fleet replacement program

Fleet Services Fund (continued)



2013 Highlighted Accomplishments

- Worked with the Finance Department and refined the process for a “funded” fleet program
- Updated Standard Operating Procedures in working towards completion of the business plan
- Continue to maintain level of service on an aging fleet
- Fleet completed 1493 routine preventive maintenance and repair work orders for 297 pieces of Town equipment

2014 Goals

- Maintaining flexibility for changes in route(s), schedule(s), environments, new technology, and other impacts
- Maintaining chassis, body, and components to manufacturers’ recommended maintenance practices
- Systematic inspections, services, and repairs
- Defect reporting, and tracking
- Maintaining the proper level of fiscal control
- The proper management of parts, equipment, budget, acquisitions’ of fleet, and personnel training

The Information Technology Department is responsible for computer maintenance, network administration, data backup and recovery, software management, GIS mapping, and technical support for all Town departments. The purpose of this fund is to provide for the replacement of aging and obsolete technology and software licensing costs.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
Expenditures					
Salary and Benefits	\$ -	\$ -	\$ -	\$ 885,000	
Supplies	311,742	397,400	366,085	196,650	-51%
Purchased Services	198,020	369,500	370,621	1,045,650	183%
Capital Outlay	8,009	-	-	61,878	
Total Expenditures	517,772	766,900	736,706	2,189,178	185%
Revenue					
Charges for Services					
Internal User Charges	652,400	767,100	764,625	2,182,109	184%
Miscellaneous					
Interest Earnings	485	-	1,000	200	
Transfers					
Transfer from General Fund	-	-	-	-	
Total Revenue	652,885	767,100	765,625	2,182,309	184%
Beginning Fund Balance	12,371	147,484	147,484	176,403	20%
Revenue over (under) Exp	135,113	200	28,919	(6,869)	-3535%
Ending Fund Balance	\$ 147,484	\$ 147,684	\$ 176,403	\$ 169,534	15%
Authorized FTE positions					
Information Technology Director	1.0	1.0	1.0	1.0	
Systems Analyst	1.0	1.0	1.0	1.0	
Systems Administrator	1.0	1.0	1.0	1.0	
Programmer Analyst	1.0	1.0	1.0	1.0	
System Support Technician	2.0	2.0	2.0	2.0	
GIS Coordinator	1.0	1.0	1.0	1.0	
GIS Administrator	1.0	1.0	1.0	1.0	
Network Administrator	1.0	1.0	1.0	1.0	
Total	9.0	9.0	9.0	9.0	

Technology Management Fund (continued)

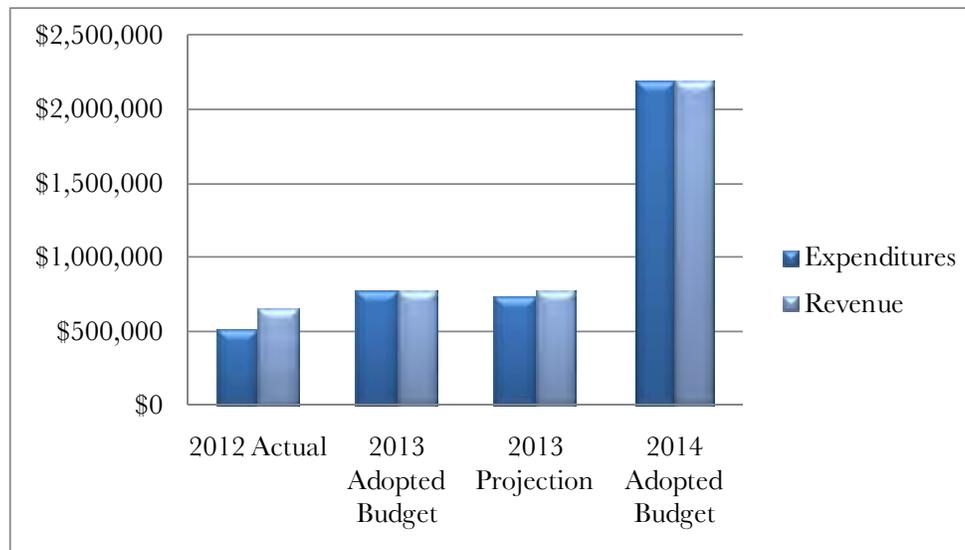
Explanation of Budget Variances

- IT was moved from the General Fund to the Technology Management Fund to create a true internal service fund, resulting in increased Salary and Benefits and Purchased Services
- This methodology will create proper budgeting and control of Town resources. The true cost of providing IT services will be allocated properly and equitably to every department and fund because IT operating costs (salaries and benefits of IT personnel, services and supplies) and Townwide software maintenance agreements and licensing costs will be charged to the IT Fund

As a result of the change, every department that utilizes IT resources throughout the Town will generally see an increase in their Technology Management line item in the 2014 budget. The new costs allocation rate includes:

- IT operating costs (salaries and benefits of IT personnel, services and supplies)
- Allocation of Townwide maintenance agreements and licensing costs
- Allocation of replacement cost of current IT equipment located in each department

The allocation of cost is based on the amount of IT related equipment within each department, so those departments that have a large number of computers will see a larger increase than those that have fewer computers. In addition, those departments that have software programs specific to their operations will also have those costs include in their Technology Management line item instead of the costs being allocated Townwide.



2013 Highlighted Accomplishments

- Developed 2014 business plan for the Information Technology department
- Continued to develop the long term IT Strategic Plan for shifting the Town's technology delivery model to be more efficient and cost effective
- Implemented the new cloud-based IT Help Ticketing system
- Continued the rollout of Windows 7 operating system to the desktops
- Installed the new Storage Area Network in the private enterprise cloud (co-location) to replicate data off-site and align with new disaster recovery plan
- Successfully implemented SCCM to improve hardware and software delivery model
- IT and GIS worked with project team to choose the LMS and permitting software vendor and then worked closely with the vendor to implement the many components of the system
- IT worked closely with the Police Department to begin the electronic ticketing system project
- IT worked closely with the Court Clerk's office on the data conversion and implementation of the new Court software system
- IT worked closely with the Finance Department to implement the new timekeeping software upgrade
- Implemented a new email filtering system for the Town along with replacing the firewall system and web content filtering system

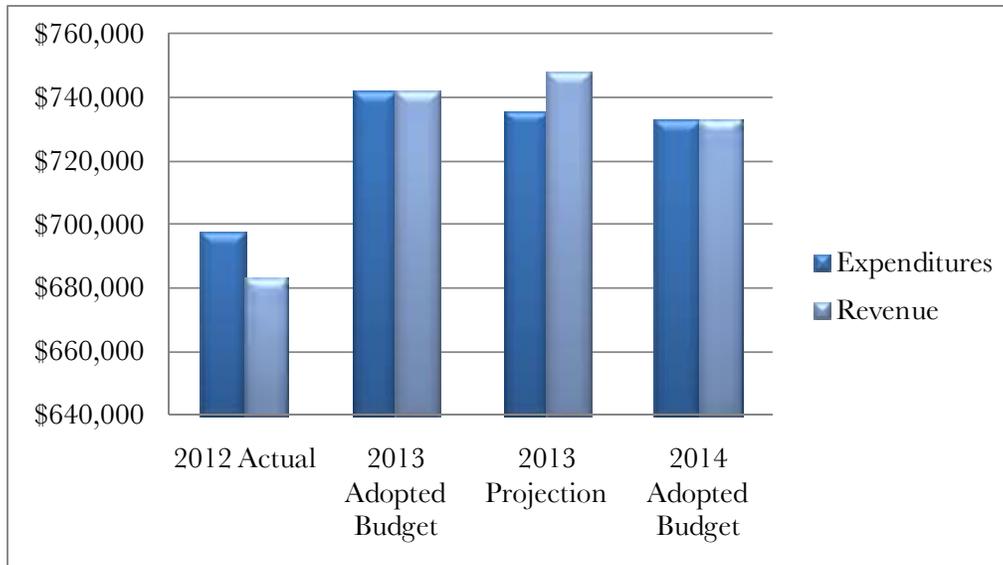
2014 Goals

- Develop 2015 Information Technology department business plan
- Implement next-year Strategic Plan objectives including; moving line-of-business applications into the cloud; improving software delivery model through use of virtual desktops and user profiles
- Implement a formal Mobile Device Management solution for mobile devices
- Information Technology will begin rollout of Windows 8 operating system to the desktops using new model
- Implement the new long-term archiving system for records retention, data archiving and retrieval
- Continue to work with the Police Department and Court Clerk to finish implementing the electronic ticketing system and court system
- IT and GIS will work with the vendor to complete the LMS and permitting system

The Public Works Department maintains all of the Town facilities, including building maintenance and janitorial services of approximately 27 sites. Two divisions, Custodial Services and Facility Maintenance, can be found in the Facility Services Internal Service Fund. It is the responsibility of both divisions to keep the Town’s facilities in prime condition. The staff provides an exceptional level of customer service to their coworkers located at the various Town facilities and to members of the community.

	2012 Actual	2013 Adopted Budget	2013 Projection	2014 Adopted Budget	% Change Adopted Budgets
Expenditures					
Personal Services	\$ 442,611	\$ 498,000	\$ 488,900	\$ 509,500	2%
Supplies	24,421	34,700	34,700	32,100	-7%
Purchased Services	230,722	209,100	212,100	191,074	-9%
Capital Outlay	-	-	-	-	
Total Expenditures	697,754	741,800	735,700	732,674	-1%
Revenue					
Charges for Services					
User Charges - Custodial	241,272	247,400	247,400	236,200	-5%
User Charges - Facilities	441,710	494,500	500,500	496,400	0%
Total Charges for Services	682,982	741,900	747,900	732,600	-1%
Miscellaneous					
Interest Earnings	18	-	1	100	
Total Revenue	683,001	741,900	747,901	732,700	-1%
Beginning Fund Balance	14,780	27	27	12,228	45765%
Revenue over (under) Exp	(14,753)	100	12,201	26	-74%
Ending Fund Balance	\$ 27	\$ 127	\$ 12,228	\$ 12,253	9574%
Authorized FTE positions					
Facility/Fleet Manager	0.40	0.40	0.40	0.40	
Facility	1.00	1.00	1.00	1.00	
Custodian	-	-	-	-	
Facility Supervisor	1.00	1.00	1.00	1.00	
Facility Maintenance Tech 1/2	1.00	1.00	1.00	1.00	
Facility Maintenance Tech 3	4.00	4.00	4.00	4.00	
Total	7.40	7.40	7.40	7.40	

Facility Services Fund (continued)



2013 Highlighted Accomplishments

- Facilities completed 2638 routine preventive maintenance and repair work orders for 364,928 sq. ft. of Town facilities

2014 Goals

- Complete Key Control Program with software implementation:
 - Hard keys only
- Complete HVAC DDC controls integration:
 - Fieldhouse, Town Hall, Recreation Center, Police station
- Complete exterior lighting retrofitting of outdoor Facilities to LED:
 - Salisbury, Equestrian, McCabe, O'Brien Park

Capital Budget and 10 Year CIP

Included in this section of the budget document is the following information:

- Capital Budget Message
- Capital Improvement Plan Summary
- Recreation Capital Projects
- Public Improvement Capital Projects
- Stormwater Capital Projects
- Facilities Capital Outlays
- Machinery and Equipment Capital Outlays
- Operating Impacts of Non-Routine Capital Projects



Parker 4th of July Celebration



STUDY SESSION AGENDA MEMORANDUM

To: Mayor and Town Council
From: Donald Warn, Finance Director
Through: G. Randolph Young, Town Administrator
Subject: 2014 Draft Capital Budget and Ten-Year Capital Improvement Plan (CIP)
Date: September 23, 2013

Background:

For the 2014 budget year, staff has developed a Ten-Year CIP that includes:

- A summary
- A list of all capital improvements for the current budget year and the subsequent nine years
- Cost estimates, justification and methods of financing
- The estimated annual impact on the operating budget of operating and maintaining the facilities to be constructed.

The development of the Town of Parker CIP provides a ten-year horizon for capital improvement planning and provides Town Council the best cost estimates for every project on these ten-year spreadsheets. Council needs to keep in mind that the cost estimates for almost every project is a best-guess estimate and that detailed engineering has generally not been completed.

The items listed for 2014 will become the capital budget. Every project in other future years represents only a plan. You will appropriate funds only for 2014 after you have the opportunity to listen to citizen input, prioritize based on Council goals, debate and change any or all of these items before you give us authority to spend.

Our capital spending under this CIP is controlled through separate funds:

- General Fund
- Public Improvements Fund
- Parks and Recreation Fund
- Recreation Fund
- Stormwater Utility Fund
- Information Technology Fund
- Fleet Fund

The multi-fund structure is required by the need to account for various dedicated revenue streams but is also useful in helping us maintain a broad focus across all of our community's needs. This also insures that our Stormwater operations are managed as an independent business as required by governmental accounting standards for enterprise funds.

Analysis:

This memo highlights funds directed at existing infrastructure and new projects and the reasons why they are included in the CIP. Debt service is not included in the CIP, since it is accounted for in a separate Debt Service Fund and the principal and interest payments are included in the Town's operating budget. New Capital for 2014 is \$11,807,255, Replacement and Maintenance of Existing Capital is \$19,743,000 and Machinery, Equipment and Software is \$1,751,360 for a total proposed 2014 capital budget of \$33,301,615.

I. New Capital

Public Works Projects

- New Public Works Facility \$10,212,255

The CIP request in 2014 for the new public works facility is \$10,212,255. In 2013, Town Council gave approval to construct a new facility with a total project cost of approximately \$16,000,000 on the 13.7 acres of property the Town acquired in 2012 from Douglas County at the northwest corner of Hess Road and Tammy Lane. The new facility is needed because the current Public Works/Parks facility on Motsenbocker Road is at capacity and due to Salisbury Park programming, the facility is unable to be expanded. Approximately \$1,250,000 will be spent in 2013 on preconstruction items and the balance of the projects will be expended in 2015. The project will be funded through the issuance of \$13,500,000 in Certificates of Participation, a General Fund contribution of \$1,600,000 and approximately \$900,000 from Douglas County for their share of a joint de-icing facility on the site. Construction is currently projected to commence in the spring of 2014 and conclude in the spring of 2015 (approximately one-year construction duration).

- Traffic Signal at Pine Drive and Summerset Lane \$225,000

The traffic signal at Pine Drive and Summerset Lane is being driven by the continued discussions with the proposed Pine Curve developer and it is anticipated that the Pine Curve site could develop in 2014. Due to the projected traffic demand to/from the site, it is anticipated that two full movement traffic signalized intersections will be required.

Parks and Recreation Projects

- Library Civic Plaza Park (Design) \$300,000
- East/West Regional Trail (Construction) \$800,000

The CIP request in 2014 for the Library Civic Plaza Park is \$300,000. In 2013, Town Council purchased a parcel of land and donated the land to the Douglas County Library District for the construction of a new library. The Parker Civic Center Park will be located adjacent to the new

library and integrated together from a design perspective on the nine acre site located just to the northwest of Town Hall. Total project cost is estimated to be \$3,000,000 with design costs of \$300,000 anticipated for 2014 and construction costs estimated at \$2,700,000 for 2015.

The CIP request in 2014 for Construction of the East/West Regional Trail is \$800,000. The East/West Regional Trail, which is planned to be approximately 20 miles in length, will connect Chatfield State Park with the Cherry Creek Regional Trail in Parker. This trail will pass through Highlands Ranch, Douglas County, Lone Tree and Parker. All of these jurisdictions have been working together over the last several years to coordinate planning and design of this connection. The Parker portion of this trail will run from the Cherry Creek Regional Trail on the east to the existing undercrossing of Chambers Road on the west. Total estimated cost to build this trail is approximately \$800,000. The Town has already collected approximately \$220,000 in in-lieu fees resulting in \$580,000 in additional funding needed to construct this trail in 2014. In addition the Town may be participating in a joint GOCO grant application with Douglas County and Lone Tree to assist in construction funding for this project.

II. Re-Investment in Existing Capital

Public Works Projects

The CIP request in 2014 for roadway and concrete projects is \$7,840,000. The roadway and concrete projects consist of the following:

- Chambers Road Widening - Mainstreet to Newlin Gulch Blvd (Design) \$350,000
- Hess Road Widening – Nate to Motsenbocker (Construction) \$4,790,000
- Motsenbocker Widening - Clarke Farms to Todd Drive (Design) \$150,000
- Pikes Peak Court Extension (Construction) \$750,000
- Todd Drive - Jordan to Motsenbocker (Construction) \$1,300,000
- Miscellaneous Sidewalk Gap Closures \$100,000
- Safety Enhancements \$100,000
- Median/Entryway Lighting & Landscaping \$300,000

Roadway and concrete projects are a community enhancement as they will offer alternate routes that will have the affect of reduced congestion on other roadways and improvements in citizen safety.

The Chambers Road project is estimated to cost \$4,987,000 with design for this project being proposed for 2014 and the construction tentatively proposed for 2015. Reimbursement from Parker Homestead (Heirloom) development totals \$2,000,000 (\$1,800,000 for the Chambers Road widening (including the Newlin Gulch Bridge) adjacent to the development plus \$200,000 for the traffic signal at Chambers Road/Heirloom Parkway). Reimbursement is tied to the 180th building permit for the development and it currently on track to occur in 2015 based on mid-2013 construction pace.

The Hess Road project construction costs is estimated at \$4,790,000 and is needed due to the bottleneck created on Hess Road (at the bridge over Cherry Creek) since Douglas County opened Mainstreet/Ridge Gate to I-25 in late-2010 and Hess Road to I-25/Castle Pines in early-2012. With both of these roadways open to the traveling public, this has affected the east-west traffic

patterns in the Town of Parker and north-central Douglas County. Due to the addition of these “southern” east-west routes by Douglas County, the traffic on Hess Road significantly increased in early-2012 as people are rerouting from other east-west routes to I-25 like Lincoln Avenue and E-470.

The road widening of Motsenbocker Road between the existing Clarke Farms subdivision to the Todd Drive intersection is estimated to have a project cost of \$3,150,000 and is based on a development agreements that contemplated this stretch of roadway as a residential boulevard collector section. Based on feedback from potential developers of the Neu Towne and Overlook at Cherry Creek, the development market is improving and they are potentially moving forward with development of the sites in 2015. This will in turn trigger the roadway contributions per the respective development agreements of \$2,500,000 and the Town will need to construct the Motsenbocker Road widening. In order to stay ahead of this potential project, design is anticipated to be needed to be completed in 2014 at a cost of \$150,000 with construction occurring in 2015.

The Pikes Peak Court extension project is estimated to cost \$820,000 and will complete the roadway between Pikes Peak Drive and Pine Drive. Town Council approved the Parker Town Center (formerly Hein Center property) agreement. That agreement committed both the property owner and the Town to a number of items. This included the construction of the Pikes Peak Court across the Parker Town Center property to Pine Drive in 2014. Design costs of \$70,000 were budgeted in 2013 and construction costs for 2014 are estimated at \$750,000.

The Todd Drive project is estimated to cost \$1,300,000 and will only be constructed with support from Douglas County since the project cannot be constructed due to the right-of-way needed from Douglas County. The Town has a track record of working with Douglas County Public Works to address impacts due to Douglas County School District projects. Based on very preliminary discussions with Douglas County staff in the spring of 2013, a potential exists for Douglas County to fund 50% of the project and provide the needed right-of-way.

The annual sidewalk gap closure program is reviewed on a semi-annual basis with the goal of improving pedestrian connectivity and providing “safe routes” to school. This is budgeted at \$100,000 annually.

The Public Works Department reviews roadway safety concerns/issues semi-annually based on a log of intersections with sight distance concerns, lacking luminaries and the complaints from the Town’s citizens and HOA’s that are received over time. Several times each year, this listing is re-evaluated and prioritized in order to most effectively utilize the available funding based on engineering judgment to determine projects that will be completed in a given budget year. This is budgeted at \$100,000 annually.

The Town has completed the median landscaping and lighting on several Town roadways since this annual fund was established by Town Council in 2002. The 2013 median landscaping project commenced on two median islands on Lincoln Avenue between Parker Road (State Highway 83) and Pine Drive. These medians are very substantial in size and given the current level of funding; work will continue into 2014 but should be completed in 2015. This is budgeted at \$300,000 annually.

- Townwide Sign Program \$400,000

The CIP request in 2014 for the Townwide Sign Program is \$400,000. The Townwide Sign Program was developed to create Town signage that is professional and consistent throughout the community. The funding request for 2014 includes a gateway monument sign (stone) on Parker Road at the northerly gateway into the community and wayfinding signage to important public places.

Stormwater Projects

The CIP request in 2014 for stormwater projects is \$250,000. The stormwater projects consist of the following:

- Cherry Creek at Norton Open Space Construction \$200,000
- Potestio Brothers Drainage Improvement \$50,000

The Cherry Creek at Norton Open Space project is estimated to cost \$200,000. This reach of Cherry Creek has degraded leaving vertical banks at the channel toe. The project improvements will include stabilizing the channel invert and promote healthy riparian habitat along the corridor by reconnecting the channel with the adjacent vegetated banks.

The Potestio Brothers Drainage Improvement project is estimated to cost \$50,000. The Town has received complaints about the active erosion in the channel. This channel conveys stormwater from public areas including Parker Road and Parkglenn Way. This project will result in a drainage way that will safely convey stormwater adjacent to the business and not encroach upon existing structures.

Parks and Recreation Projects

The CIP request in 2014 for parks and recreation projects is \$10,250,000 and consists of the following:

- Recreation Center Expansion (Construction) \$10,000,000
- Bradbury Trail Connections (Design/Construction) \$200,000
- General Trails Development (Construction) \$50,000

The CIP request in 2014 for the Parker Recreation Center expansion is \$10,000,000. In 2013, Town Council gave approval to move ahead with the expansion with a total project cost of approximately \$16,500,000. Major components that would be included in the proposed expansion include, expanded leisure pool with various aquatic amenities, therapy pool for senior therapeutic needs and injury rehabilitation, family changing rooms to serve a broader demographic segment of our community, additional activity rooms for youth, adult, and older adult fitness/enrichment classes, and an improved lobby area that is more customer friendly and serves as a community gathering space. Approximately \$887,000 will be spent in 2013 on preconstruction items and the balance of the projects will be expended in 2015. The project will be funded through the issuance of approximately \$7,000,000 in Certificates of Participation and contribution of \$2,000,000 from the General Fund, \$4,500,000 from the Parks and Recreation Fund and \$3,000,000 from the Conservation Trust Fund.

The CIP request in 2014 for the Bradbury Trail Connections is \$200,000. The proposed hard surface trail, approximately six feet in width and approximately 2,000 feet in length, will connect several existing residential neighborhoods within Bradbury Hills with Gold Rush Elementary School located off of Chambers Road. Total project cost is estimated to be \$200,000 with design costs of \$40,000 anticipated in mid-2014 and construction costs of \$160,000 anticipated for late 2014.

The CIP request in 2014 for General Trails Development is \$50,000. The Trail Network Development fund was initiated several years ago to address small scale trail projects that are not budgeted as “stand alone” projects and which arise during the year as a result of citizen input or Council requests. The objective of this project is to maintain, enhance and ultimately complete the overall trail network within the Town consistent with the goals and policies set forth by the Town Council. This fund has been used to complete small gaps or “missing links” in the overall trail system and to provide trail improvements and/or connections as appropriate in a timely and efficient manner, consistent with the Town’s adopted Open Space, Trails and Greenways Master Plan.

Facilities Projects

The CIP request in 2014 for facilities projects is \$1,003,000 and consists of the following:

- General Government Carpet Replacement at Town Hall Program \$30,000
- Replace Town Hall Building HVAC Control Units \$26,000
- Replace Recreation Center Roof Top HVAC Unit \$45,000
- Replace Recreation Center Group Cycle Room Floor \$20,000
- Replace Recreation Center Gym Curtain \$32,000
- Replace Fieldhouse HVAC Control Unit \$30,000
- Rehabilitation of the Mainstreet Center Old School Building \$515,000
- Repair Mainstreet Center Sewer Line \$150,000
- Upgrade Mainstreet Center Electrical Panels \$155,000

The CIP request in 2014 for the General Government Carpet Replacement Program is \$30,000. The carpeting program has been successful in replacing worn-out and damaged carpet in common areas of Town Hall. These funds allow us to continue the program and include offices and conference rooms that have temporary patches which create a trip hazards.

The CIP request in 2014 for the Replacement of Town Hall HVAC Control Unit is \$26,000. The Facilities Division of Public Works is recommending replacement of our HVAC unit at Town Hall. The initial system installed was based on the 2005 Niagara R2 operating system which was discontinued in 2013. Advances in technology are focusing on universal integration of all systems in the industry.

The CIP request in 2014 for the Replacement of the Recreation Center Roof Top HVAC Unit (RTU) is \$45,000. The RTU at the recreation center is at the end of its life and requires replacement. This item may be included in the Recreation Center expansion project.

The CIP request in 2014 for the Replacement of the Recreation Center Group Cycle Room Floor is \$20,000. The original floor was installed in 2000, and while it remains functional for the current class curriculum, we program a variety of classes that are held in the Group Cycling

Room that total over 20 classes weekly. We are limited from programming activities that requires patrons to have full floor/mat accessibility. This includes mat Pilates, Yoga and core strengthening classes that remain popular for today's fitness enthusiast.

The CIP request in 2014 for the Replacement of the Recreation Center Gym Curtain is \$32,000. The current gymnasium divider curtains (including motor, curtains and hardware) were installed in 1994 when the Recreation Center opened. The visible cuts and holes in several places present a surface that is damaged and potentially dangerous should the curtain fail. Replacement of the curtain will enhance patron safety and make this space much more attractive to our users.

The CIP request in 2014 for the Replacement of the HVAC Control Unit is \$30,000. The Facilities Division of Public Works is recommending replacement of our HVAC unit at the Parker Fieldhouse. The initial system installed was based on the 2005 Niagara R2 operating system which was discontinued in 2013. Advances in technology are focusing on universal integration of all systems in the industry.

The CIP request in 2014 for the Repairs and Upgrades at the Mainstreet Center is \$820,000. The Cultural Department has already received Town Council approval to move forward with a State Historic Fund grant application to begin the rehabilitation of the Old Schoolhouse portion of the Mainstreet Center. As part of the rehab, there are three major facility components that must be repaired or upgraded - replacement of the boiler system, repair/replace the main plumbing supply lines and sewer lines, and upgrade the electrical panels. The boiler system can be included in the grant funded portion of the project, but the other projects are not eligible for grant funding because they are external and/or integral to the newer addition as well as the Old Schoolhouse, and therefore must be funded using Town resources.

The cost for the Old Schoolhouse rehabilitation work that is eligible for grant support is approximately \$1,000,000. The rehabilitation work will take place in multiple phases over two years. In 2014, we expect to apply for grant funding for two phases totaling \$310,000. Phase One will include restoration of the front elevation windows and screens, construction of storm windows, restoration of the front entrance and installation of a new boiler system. Phase Two will include restoration of the east and west elevation windows, screens, and, ideally, an elevator installation. The total costs for Phases One and Two are estimated at \$515,000. The State grant portion would be \$310,000 and the Town's 40% match would be \$205,000.

Repair/replacement of floor and exterior plumbing supply lines and sewer drains that have collapsed and will not drain, will cost approximately \$150,000. This project will include "discovery" and a solution to resolve the problem. If there is a water line leak in the existing main line in the equipment room or major rain in the stairwell, the basement floods. This is a major concern because of the extensive wall and floor damage that occurs. Because this work is exterior to the building and the plumbing system services both the newer addition and the Old Schoolhouse, it is not eligible for the State Historic Fund grant.

To accommodate an elevator and commercial uses in the Old Schoolhouse, the entire facility requires an upgrade of electrical distribution, which will cost approximately \$155,000. The electrical throughout the facility is in bad repair and actual "breakers" for existing panels are no longer available. New upgraded service from 450 amps to 600 amps will need to be installed to accommodate any power expansions and/or accommodate any historical preservation projects,

such as elevators or HVAC units. Again, because the electrical distribution services the newer addition as well as the Old Schoolhouse, it is also not eligible for State Historic Fund grant.

III. Machinery, Equipment and Software

The CIP request in 2014 for machinery, equipment and software is \$2,041,360 and consists of the following:

General Fund Expenditures:

Streets Division

- Roadway Widener Skid Steer Loader Attachment \$30,000
- Single Drum Vibratory Roller \$7,500
- Concrete Breaker Backhoe Attachment \$21,000

The addition of the roadway widener skid steer loader attachment will increase productivity utilizing existing personnel with a better tool. Shouldering of the roadway on a more frequent basis will result in increased safety by eliminating the drop off that occurs along Town roadways without a shoulder or curb/gutter. If there is to be continued improvements in the amount of work completed annually by Town forces, a roadway widener attachment for mounting on an existing skid steer is required to speed up the roadway widening process.

The single drum vibratory roller will increase productivity of the asphalt crew by better utilizing existing personnel to facilitate continued improvements and increasing the amount of asphalt replacement work completed annually by Town forces.

The concrete breaker backhoe attachment will increase the productivity of the concrete crew by better utilizing existing equipment and personnel and also improving the safety of Town personnel. A concrete breaker backhoe attachment is required to speed up the removal process and amount of concrete replacement work completed annually by Town forces.

Parks Division

- Toro Versa-Vac Turf Sweeper \$23,800

In a normal week during the growing season, athletic field turf is mowed twice and sometimes three times a week. This is necessary to maintain acceptable playing heights and a healthy stand of grass. Occasionally, Parks staff is unable to maintain a consistent mow schedule. When this happens and staff is finally able to mow, large clumps of cut grass are left on the field. Not only is this unhealthy for the plants, it creates an unacceptable playing surface. When the grass does get too long, the field can be swept after an initial mowing in the same time it would take to do a second mowing creating an efficient use of staff time and higher quality end product for our citizens.

Police Department

- Three (3) Police Vehicles \$135,000
- Police Dispatch Radio System Replacement \$800,000
- Police Two (2) License Plate Recognition (LPR) units \$40,000
- Police Time Division Multiple Access (TDMA) - 2nd Phase \$120,000

The police department is planning for the addition of one new Sergeant and three new police officers in 2014. These additions will require three additional police vehicles. Police vehicles are deployed in the field daily for all types of call response including life threatening situations. Reliable police vehicles are essential to providing residents proper police service.

The Centracom Gold Elite dispatch radio system currently being used by the police department has reached its end of life and is no longer supported by Motorola. Radio technology, like many other things, is changing rapidly and moving to Internet Protocol based equipment. The police department needs to make the move to the next dispatch radio platform which is the MCC series. The department intends to seek funding assistance from the Douglas County Emergency Telephone Service Authority which may cover a portion or all of the \$800,000 in costs.

The license plate recognition (LPR) equipment will enhance the ability of police officers to efficiently check license plate listings rapidly while safely performing their duties. The use of LPR technology in the field increases the rate of recovery for stolen vehicles, warrant detection, and criminal apprehension. LPR units have also proven valuable as an investigative tool in locating vehicles associated with serious crimes.

Our current portable and mobile radios operate in both 700 and 800 MHz frequency ranges, but are not Time Division Multiple Access (TDMA) compatible. The Federal Communications Commission has mandated that the 700 MHz frequency range be converted to TDMA technology by 2017. The department is requesting to put into place a multi-year replacement plan. This request is the second phase of that plan.

Parks and Recreation Fund Expenditures:

Recreation Center Expenditures

- Precor Adaptive Motion Trainer (2) \$12,210
- Octane LateralX Elliptical Trainer \$11,000

State-of-the-art equipment is a primary factor in membership retention. Our users continually search for the newest products that will help them enhance their current routine and look for machines that will offer them a beneficial workout in a shorter amount of time.

Precor's AMT (Adaptive Motion Trainer) is a versatile machine that can offer a workout different from any other piece of equipment. Adapting to the users movement, the AMT can take a member from short to long strides, walking to running, then into a deep lunge or stepping motion.

Octane's LateralX is a versatile machine that can offer a unique workout different from any other piece of equipment. This piece will add a new dimension to our current cardio equipment delivering more functional challenges.

Information Technology Fund Expenditures:

Software and Computer Equipment

- Point-to-Point and Port-to-Multiport RF Antenna Links \$33,800
- Software Upgrade for Bridgewater Antennas \$11,550

Upgrading to the newer Point-to-Point and Port-to-Multiport RF antenna links provides up to 250Mbps data throughput while also providing advanced Multiple Input Multiple Output (MIMO)-based Orthogonal Frequency Division Multiplexing (OFDM) technology which increases the stability of near line of sight connections.

The current Bridgewave WAN link that connects the Recreation Center to the rest of the network is currently only a 100Mbps connection. Purchasing the software update for this pair of radio antennas upgrades the bandwidth to 1000Mbps and can be converted to an AR60 radio which not only provides Adapt-a-path but also Adapt-a-rate capabilities to the radio when there is inclement weather.

Stormwater Fund Expenditures:

Stormwater Equipment

- John Deere Rototiller Attachment for Skid Steer \$6,500
- Dump Trailer \$14,000

The addition of a rototiller attachment will enable the stormwater crew to repair drainage facilities in a timelier manner thereby minimizing the disturbance and disruption to residents that live and work nearby. The rototiller attachment will also enable the stormwater crew to re-seed and amend soil in more areas than previously possible.

A dump trailer will allow the stormwater crew to respond to requests from citizens more effectively by enabling a single crew member to respond with the trailer and a piece of equipment rather than requiring at least two members to respond with multiple vehicles.

Fleet Fund Expenditures:

- Fleet Replacements \$860,000

In 2012, the Town implemented a new fleet replacement policy to help ensure that the Town's constantly aging fleet is properly and efficiently maintained so that users have the tools that they need to effectively and safely perform those services. In 2013, the system was further refined to help stabilize (i.e. even out) this fluctuating impact to the General and other user Funds. The replacement schedule of specific units based on statistical criteria is \$1,006,000; however further analysis of specific units indicates the need for funding is \$860,000 for 2014.

**TOWN OF PARKER
CAPITAL IMPROVEMENT PLAN SUMMARY
2014 BUDGET**

Description	Public Works Infrastructure	Parks and Recreation	Stormwater Utilities	Facilities	Cultural	Other Capital	Total
New Capital Replacement/Maintenance of Existing Capital Machinery, Equipment and Software	10,437,255	1,370,000					11,807,255
	8,240,000	10,250,000	250,000	488,000	515,000		19,743,000
						1,751,360	1,751,360
Total Expenditures	\$ 18,677,255	\$ 11,620,000	\$ 250,000	\$ 488,000	\$ 515,000	\$ 1,751,360	\$ 33,301,615

TOWN OF PARKER
CAPITAL PROJECTS - PARKS & RECREATION FUND
TEN YEAR CAPITAL IMPROVEMENT PLAN
2014-2023

DESCRIPTION	ADOPTED BUDGET 2013	PROJECTED 2013	PLANNED BUDGET 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	TOTAL 2014 TO 2023
REVENUES:													
Parks & Recreation Fund Contribution	1,150,000	1,746,909	4,500,000	1,116,638	1,750,000	1,321,533	1,550,088	1,618,313	1,804,613	1,000,000	1,000,000	1,000,000	16,661,185
Transfer of Open Space Funds			378,000	2,492,340	507,110	522,323	537,992	554,131	570,754	587,876	605,512	623,677	7,379,715
Grants & Partnerships (East/West Regional Trail)			200,000										200,000
Conservation Trust Transfer - Rec Expansion Transfer from General Fund			3,000,000	750,000	500,000	400,000	400,000	400,000	400,000	400,000	400,000		6,650,000
Debt Issuance (a)			2,000,000										2,000,000
G.O. Debt Issuance (b)			6,800,000							25,000,000			51,800,000
TOTAL REVENUES	1,150,000	1,746,909	16,878,000	36,858,978	2,757,110	2,243,856	2,488,080	2,572,444	2,775,367	26,987,876	2,005,512	1,623,677	68,029,715
EXPENDITURES:													
Parker Recreation Center Expansion	886,607	1,500,000	10,000,000	5,000,000									15,000,000
Norton Farms Trail Improvements	14,999	88,359											300,000
Adaptive Playground at Salisbury Park				2,700,000									2,700,000
Bradbury/PSCO Trail	10,836	1,000	300,000	675,000									675,000
Site Signage	16,030												40,000
DC Library / Town Park MP & Entitlements													580,000
DC Library / Site Development													800,000
Dog Park / Disc Golf MP & Entitlements	250,000	550	20,000		20,000								40,000
Dog Park / Disc Golf Construction			250,000		250,000	80,000							580,000
East/West Regional Trail	903,118	10,000	800,000										800,000
Salisbury Park North Master Plan							6,600,000						6,600,000
Salisbury Park North Construction			200,000		25,000								200,000
Bradbury Hills Trail Caps													25,000
O'Brien Park North Updated MP													1,500,000
O'Brien Park North Construction						1,500,000							2,500,000
Expansion/Renovation of H2O'Brien Pool						2,500,000							1,200,000
Bar CCC Sports Lights/Paved Parking/Playground				75,000									75,000
Railbender Tennis Building								8,000,000					8,000,000
Expansion of Fieldhouse on adjacent 5 acre site													8,000,000
Completion of Improvements to Preservation Park				500,000									500,000
Ruster-Hess Reservoir Recreational Opportunities				2,500,000									2,500,000
Competitive Pool Facility (Reata West)									5,000,000	25,000,000			5,000,000
Second Recreation Center (Reata West)											6,000,000		25,000,000
Completion of Reata West Recreational Site													6,000,000
Additional Outdoor Lighted Tennis Courts													2,500,000
Kinney Creek Trail Undercrossing of Parker Road	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	400,000
Ongoing Trails Development	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	500,000
Contingency													1,000,000
TOTAL EXPENDITURES	2,231,590	1,746,909	11,720,000	8,600,000	4,645,000	4,230,000	6,750,000	8,150,000	8,050,000	25,150,000	6,150,000	150,000	83,595,000
(Use)/Accumulation of Surplus Funds	(1,081,590)	-	5,158,000	28,258,978	(1,887,890)	(1,986,144)	(4,261,920)	(5,577,556)	(5,274,633)	1,837,876	(4,144,488)	1,473,677	
ENDING FUND BALANCE	-	-	5,158,000	33,416,978	31,529,088	29,542,944	25,281,024	19,703,468	14,428,835	16,266,711	12,122,223	13,595,900	

(a) \$20,000,000 in voter approved debt for P&R purposes.

(b) \$12,500,000 in 2001 voter approved G.O. debt reprogrammed for P&R purposes

Parks and Recreation Fund

Capital project: Recreation Center Expansion
Project cost: \$16,500,000 **2014 cost:** \$10,000,000
Operational impact: Maintenance and repair costs.

Council goals achieved:

Community Enhancement/Customer Service: The Recreation Center pool opened in 1994 and although the facility has had several minor remodels, the aquatic portion has never been expanded or updated to serve the various needs of the community, including both leisure and competitive uses. Expansion of the Center, with a focus on aquatics, will allow the Parks and Recreation Department to offer multi-generational opportunities, including more senior programming, leisure pool activities, therapy pool classes, enhanced family changing rooms, activity rooms, an improved lobby, in addition to improving the over air and water quality environment within the facility. Also included in the project is an expanded parking lot and new roof for the entire facility.

Description/Discussion:

The existing recreation center is almost 20 years old and was never designed to serve a growing community of almost 50,000 people. With this expansion, the Parks and Recreation Department will be better positioned to serve the ever expanding recreation and aquatic needs of our community, especially youth and senior activities. In addition, with the expanded and remodeled facility comes the opportunity to increase our revenues and become more financially sustainable through additional parties, rentals, classes, admissions and memberships.

Major components that would be included in the proposed expansion include, expanded leisure pool with various aquatic amenities, therapy pool for senior therapeutic needs and injury rehabilitation, family changing rooms to serve a broader demographic segment of our community, additional activity rooms for youth, adult, and older adult fitness/enrichment classes, and an improved lobby area that is more customer friendly and serves as a community gathering space.



Parks and Recreation Fund

Capital project: DC Library / Town Park MP & Entitlements

Project cost: \$300,000

Operational impact: Maintenance and repair costs.

Council goals achieved:

Community Enhancement/Customer Service: The Parker Library Civic Plaza Park in conjunction with the development of a new library near the intersection of Pine Drive and Mainstreet in downtown Parker will provide a community focal point and gathering area for various civic activities and events. The expanded library facility will also respond to the ever-growing library needs of the community and meet the high demand for innovative library spaces and services. Together these two amenities will enhance and expand the historic downtown area.

Description/Discussion:

The Civic Center Park, along with the new library, will provide an additional civic amenity near the east end of downtown and within the newly formed Creative Arts District. These uses will serve as a catalyst for future pedestrian orientated activities including retail, restaurants, art shops, cultural exhibits, public art displays and outdoor entertainment venues.

The Parker Civic Center Park will be located adjacent to the new library and integrated together from a design perspective on the nine (9) acre site located just to the northwest of Town Hall (*see attached map*). It is anticipated that the park site will complement and accent the library building while providing an urban park setting with various daytime and evening activities and uses.



Parks and Recreation Fund

Capital project: Dog Park/Disc Golf Course

Project cost: \$270,000

Operational impact: Maintenance and repair costs.

Council goals achieved:

Community Enhancement/Customer Service: Over the last five years, the demand for a dog park and a disc golf course in Parker has increased significantly. We consistently hear requests from our citizens for such amenities. The demand has been documented by the attendance at our annual Barker Days Event at H2O'Brien by over 1,000 dogs and their owners. Currently the nearest disc golf courses are located in Aurora and Littleton both of which are a substantial drive for our local residents. If developed in conjunction with the adjacent dog park (*see attached maps*), these two amenities will provide new recreational opportunities for the residents of Parker.

Description/Discussion:

Finding a suitable location for a disc golf course in Parker has always been an issue. While the Town owns significant amounts of open space and park land, many of these areas are impacted by flood plain, grading restrictions, environmental issues, endangered/threatened species, conservation easements, access and parking constraints, or are generally unsuitable for the development of a disc golf course. Recently staff has identified a suitable site for both a disc golf course and adjacent dog park just south of E-470, west of the Cherry Creek Regional Trail, and north of Pine Lane (*see attached aerial*). This site is approximately 30 acres including 17 acres owned by the Town plus 13 acres that will be part of the future park and open space dedication requirement for the residential development planned just to the west off of Pine Lane. Staff will be coordinating with our Community Development Department and the adjacent property owner to refine this opportunity, expedite the open space dedication, and develop an acceptable site plan, to hopefully construction this facility in 2014. Our projected budget for the disc golf course is \$10,000 including \$20,000 for design. This is in addition to the previously budgeted \$250,000 for the adjacent dog park.



Parks and Recreation Fund

Capital project: Construction of East/West Regional Trail

Project cost: \$800,000

Operational impact: Construction of this trail will result in approximately one additional mile of trail to repair and maintain.

Town goal achieved:

Community Enhancement/Customer Service: Citizen Surveys conducted by the Town over the last several years have indicated that residents place a high priority on trails and new trail construction. As the Town has grown over the last decade, the need for trails for both recreational and commuter purposes, has also increased. The proposed East/West Regional Trail, which will run from Chatfield State Park on the west to the Cherry Creek Regional Trail in Parker on the east, is a multi-jurisdictional effort that will increase trail access and use for the communities located along this trail alignment as well as providing additional recreational and commuter opportunities for residents throughout the region.

Description/Discussion:

The East/West Regional Trail, which is planned to be approximately 20 miles in length, will connect Chatfield State Park with the Cherry Creek Regional Trail in Parker. This trail will pass through Highlands Ranch, Douglas County, Lone Tree and Parker. All of these jurisdictions have been working together over the last several years to coordinate planning and design of this connection. The western portion of this trail has been completed from Chatfield State Park to 2.7 miles east of Bluffs Regional Park, located just west of Sky Ridge Medical Center. This completed portion of the trail is soft-surface. The eastern portion of the trail is in final design stage with Douglas County and Lone Tree currently preparing alignment studies to determine the best location to cross under I-25 before connecting into the Parker segment. The Parker portion of this trail will run from the Cherry Creek Regional Trail on the east to the existing undercrossing of Chambers Road on the west.



Parks and Recreation Fund

Capital project: Bradbury Hills Trail Gaps

Project cost: \$200,000

Operational impact: Maintenance and repair costs.

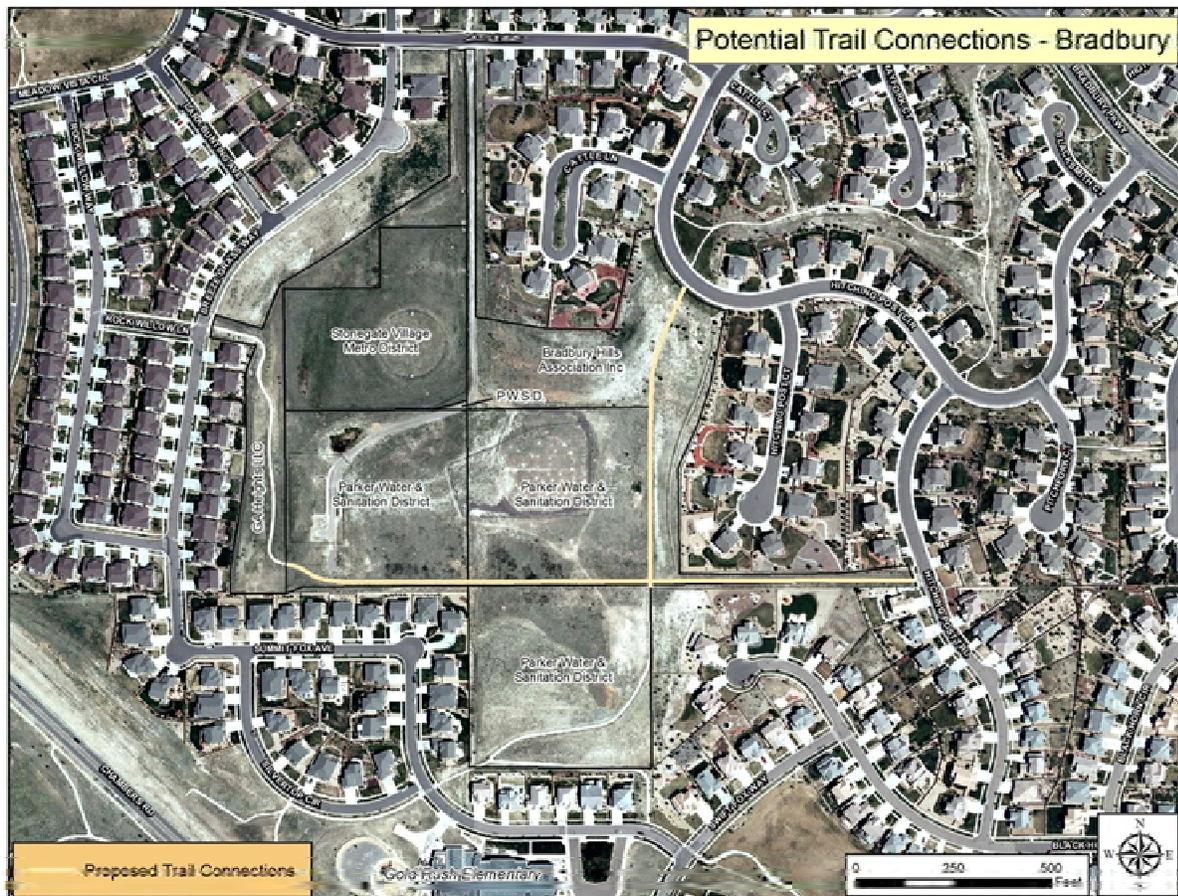
Council goals achieved:

Community Enhancement/Customer Service: Citizen Surveys conducted by the Town over the last several years have indicated that residents place a high priority on new trail construction especially completing “missing links” or providing enhancements. As the Town has grown over the last decade, the need for trails for both recreational and safe access to schools and other Town facilities has also increased. The proposed Bradbury Trail connections will provide several new trail connections to Gold Rush Elementary School from the surrounding residential neighborhoods (*see attached map*).

Description/Discussion:

This trail segment will provide a safer route to school for the elementary school children living in several surrounding residential neighborhoods, in addition to providing enhanced recreational opportunities and increased trail connectedness.

The proposed hard surface trail, approximately six (6) feet in width, will connect several existing residential neighborhoods within Bradbury Hills with Gold Rush Elementary School located off of Chambers Road. Total length of the trail is approximately 2,000’. Completions of the construction plans for this project are anticipated in mid-2014 with actual construction scheduled for late 2014. Agreements and easements from PW&SD plus the Bradbury Hills HOA will also be required.



Parks and Recreation Fund

Capital project: Trails Development

Project cost: \$50,000

Operational impact: Repair and maintenance costs.

Town goal achieved:

Community Enhancement / Customer Service: Previous citizen surveys indicated that approximately 88 percent of Parker residents have used the trail system within the last year with another 63 percent indicating that trails are “very important” in comparison to other park and recreational amenities. Surveys conducted in 2012 and 2013 indicated that almost 30% of residents felt that trail projects were the most important improvements for the Town to address in the next several years. By maintaining a yearly Trail Network Development fund, staff will be able to quickly response to both resident and Council requests for various small scale trail projects, especially those that provide connectivity and enhance the overall trail system.

Description/Discussion:

The Trail Network Development fund was initiated several years ago to address small scale trail projects that are not budgeted as “*stand alone*” projects and which arise during the year as a result of citizen input or Council requests. The purpose of this project was to maintain, enhance and ultimately complete the overall trail network within the Town consistent with the goals and policies set forth by the Town Council. This fund has been used to complete small gaps or “*missing links*” in the overall trail system and to provide trail improvements and/or connections as appropriate in a timely and efficient manner, consistent with the Town’s adopted Open Space, Trails and Greenways Master Plan.



TOWN OF PARKER
 CAPITAL PROJECTS - PUBLIC IMPROVEMENT FUND
 TEN YEAR CAPITAL IMPROVEMENT PLAN
 2014-2023

DESCRIPTION	PLANNED BUDGET 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	TOTAL 2014 TO 2023
REVENUES:											
Use Tax	1,081,900	1,004,500	1,030,500	1,057,300	1,084,900	1,113,300	1,142,400	1,172,102	1,202,577	1,233,844	11,123,324
Road Sales Tax Shareback	2,097,200	2,188,400	2,280,000	2,375,100	2,473,800	2,576,300	2,682,700	2,795,373	2,912,779	3,035,116	25,416,768
Road Use Tax Shareback	129,828	120,500	123,700	126,900	130,200	133,600	137,100	140,652	144,309	148,061	1,334,851
Parker Homestead Metro District (Chambers Road) (Per Annexation Agreement)		1,800,000									1,800,000
Parker Homestead Metro District (Chambers Road Homestead Signal)		200,000									200,000
Anthology Development (Hess Road Widening - 12) (Current Court Case)		6,000,000									6,000,000
Compark Annexation (Original & 2013)		100,000									100,000
Clarke Farms Commercial (20-Mile & Pony Express Traffic Signal)			150,000		120,000						270,000
Cottonwood Development Funds (Parhouse Signal - Tentative)						100,000					100,000
Aburn Hills Development Funds (Tentative)							70,000				70,000
Jordan Crossing Escrow Funds							100,000				100,000
Anthology Development Funds (Tentative)											140,000
Village on the Green Escrow, Reata West & Woody Creek (Tentative) - Traffic Signal Only											140,000
Douglas County Escrow Funds - Lincoln Creek Development			140,000				264,000				404,000
Cottonwood Drive - Condos Contribution				380,000							380,000
Stroh Road Contributions - PWSD & Village on the Green	108,000				215,000						323,000
Hess Road Bridge - Robinson Ranch Metro District IGA (Escrowed)		199,000									199,000
Park Glen Improvement District Fund - Parker/Parleglem Traffic Signal	75,000	2,500,000									2,575,000
Molsenbocker Widening (Clarke Farms to Todd Drive) (a)	600,000										600,000
Douglas County Contribution - Todd Drive (b)	13,095,000										13,095,000
Debt Issuance	315,000										315,000
Transfer from General Fund (c)	900,000										900,000
Douglas County Contribution - PW Facility		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,000,000
Misc Grants											
FASTER (CDOT)											
TOTAL REVENUES	18,501,928	14,212,400	3,824,200	4,039,300	4,123,900	4,023,200	4,496,200	4,208,128	4,359,665	4,517,021	63,740,943
EXPENDITURES:											
Facility CIP:											
Public Works Facility	10,212,255	4,750,000									14,962,255
Roadway CIP:											
Bayou Gulch - Crowfoot to Southern Town Limit (Phase 2)											
Chambers Widening - Hess to Stroh (Phase 2)						329,000	3,901,000				4,230,000
Chambers Widening - Mainstreet to Newlin Gulch Blvd (Phase 2)	350,000	4,637,000									4,987,000
Chambers Widening - Newlin Gulch Blvd to Hess (Phase 2)		100,000	4,820,000								4,920,000
Chambers Widening - Stroh to Crowfoot (Phase 2)								366,000	4,352,000		4,718,000
Cottonwood Widening - Jordan to Cherry Creek			631,000	6,570,000							7,201,000
Crowfoot Valley Widening - Stroh to Southern Town Limit											
Crown Crest Roundabout Modification											
Dranseleit Extension - 20-Mile to Molsenbocker Road											
Dranseleit Widening - Lincoln to Mainstreet											
Hess Road Widening / Bridge(Cherry Creek) - Nate to Mols.	4,790,000	200,000		1,103,000			2,560,000				3,349,000
Hess Widening - Great Plain to Western Town Limit											
Jordan Road Widening to Hess Road (south of Main)				394,000	3,292,000						3,686,000
Jordan/Lincoln Intersection Improvements											
Lincoln Widening - Keystone to Parker Road						120,000	3,169,000	71,625,000			3,289,000
Molsenbocker Widening - Clarke Farms to Stroh Ranch							695,000				7,857,000
Molsenbocker Widening - Clarke Farms to Todd Drive											
Park Glenn Way - South of Longs (to Brownstone extension)											
Pikes Peak Court Extension	150,000	3,000,000			586,000	4,422,000					5,008,000
Pine Lane Widening - Jordan to Wintergreen	750,000	221,000							150,000		2,250,000
Parker Road Sidewalk Project									150,000		1,500,000
Parker Road/Lincoln Deceleration Lane											
Power Line Undergrounding											
Stroh Rd. Widening - J. Morgan to Molsenbocker	1,300,000			551,000	5,741,000						6,292,000
Todd Drive (Jordan to Molsenbocker)	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,000,000
Misc. Sidewalk Gap Closures	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,000,000
Roadway Safety Enhancements	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	3,000,000
Median/Entryway Lighting & Landscaping	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	4,000,000
Townwide Sign Program		219,900	219,900	219,900	219,900	219,900	219,900	219,900	219,900	219,900	2,199,000

Continued

TOWN OF PARKER
 CAPITAL PROJECTS - PUBLIC IMPROVEMENT FUND
 TEN YEAR CAPITAL IMPROVEMENT PLAN
 2014-2023

DESCRIPTION	PLANNED BUDGET 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	TOTAL 2014 TO 2023
<u>Traffic Signal CIP (Standalone & Not In Roadway CIP Listing Above):</u>											
Chambers Road/Compark Boulevard		227,000		241,000							227,000
Chambers Road/Grasslands Drive										288,000	288,000
Dransfeldt Road/Parkglenn Way						256,000					256,000
Hess Road/Great Plain Way						256,000					256,000
Jordan Road/Cedar Gulch Parkway			234,000								234,000
Jordan Road/Parkerhouse Road							264,000				264,000
Jordan Road/Todd Drive							264,000				264,000
Lincoln Avenue/Village Creek Pkwy (Lincoln Creek)								279,000			279,000
Motesebocker Road/French Creek Avenue		284,000									284,000
Parker Road/Longs Way		284,000									284,000
Parker Road/Parkglenn Way								339,000			339,000
Pine Drive/Summers Lane											225,000
Stroh Road/J. Morgan Boulevard											234,000
Travel Time Feedback System	225,000										225,000
Twenty Mile Road/Pony Express Drive			234,000		248,000						500,000
<u>Streets Division Equipment (Does Not Include Existing Fleet Replacements):</u>											
Asphalt Paver w/Roller		75,000									75,000
Backhoe					50,000						50,000
Crack seal/Mastic Machine						225,000					225,000
Dump Truck w/Snowplow											675,000
Front End Loader (4 CY)											250,000
Pickup Truck w/Snowplow		250,000		45,000							90,000
Regenerative Air Street Sweeper		250,000									500,000
<u>Traffic Services Division Equipment (Does Not Include Existing Fleet Replacements):</u>											
Bucket Truck											150,000
Pickup Truck w/Snowplow							150,000				150,000
Traffic Signal System Replacement		300,000									300,000
TOTAL EXPENDITURES	18,677,255	15,228,000	7,044,000	9,754,000	10,562,000	6,997,000	11,603,000	8,467,000	5,801,000	4,688,000	83,859,000
(Use)/Accumulation of Surplus Funds	(175,327)	(1,015,600)	(3,219,800)	(5,714,700)	(6,438,100)	(2,973,800)	(7,106,800)	(4,258,872)	(1,441,335)	(170,979)	
ENDING FUND BALANCE	6,651,554	5,635,954	2,416,154	(3,298,546)	(9,736,646)	(12,710,446)	(19,817,246)	(24,076,118)	(25,517,453)	(25,688,431)	

Note: Asterisk (*) Projects Listed in 2023 are outside the timetable provided.

- (a) The Town is currently holding \$75,000 in escrow related to the Motesebocker Widening (Clarke Farms to Todd Drive) project
- (b) The Town anticipated 50% of the project costs for Todd Drive to be contributed by Douglas County
- (c) The transfer from General Fund in 2014 consists of \$315,000 for the Public Works facility

Public Improvement Fund

Capital project: Public Works Facility

Project cost: \$10,212,255

Operational impact: Increased maintenance costs.

Town goal achieved:

Community Enhancement/Customer Service: The construction of the new Public Works facility will allow for Public Works to support the anticipated build-out of the Town of Parker from a Public Works Streets, Traffic Services and Stormwater Divisions standpoint.

Description/Discussion:

As the Town has continued to grow, so has the Public Works and Parks support effort. The current Public Works/Parks facility on Motsenbocker Road is at capacity and due to Salisbury Park programming, the facility is unable to be expanded. In 2012, the Town acquired approximately 13.7 acres of property from Douglas County at the northwest corner of Hess Road and Tammy Lane for a new Public Works facility. The property was deed restricted by Douglas County for a maintenance facility in order to be compatible with the Douglas County Public Works facility at the northeast corner of Hess Road and Tammy Lane.

It is anticipated at this time that construction funding for the project will be generated through certificates of participation (COP's) and that effort is currently planned to occur in early-2014.



Public Improvement Fund

Capital project: Chambers Road Widening – Mainstreet to Newlin Gulch Blvd (Design)

Project cost: \$350,000 (\$4,637,000 for construction in 2015)

Operational impact: Increased maintenance costs.

Town goal achieved:

Community Enhancement/Customer Service: The widening of Chambers Road will be a community enhancement as it will offer an alternate north-south route that will have reduced congestion versus Parker Road.

Description/Discussion:

Douglas County opened Mainstreet/RidgeGate to I-25 in late-2010 and additionally opened Hess Road to I-25/Castle Pines in early-2012. With both of these roadways open to the traveling public, this has affected the traffic patterns in the Town of Parker and north-central Douglas County. Due to the addition of these “southern” east-west routes by Douglas County, the traffic on Chambers Road north of Hess Road “jumped” in 2012 to approximately 12,000 vehicles per day. Due to the current traffic level and projected anticipated increases, the need to widen Chambers Road between Hess Road and Mainstreet is important.



Public Improvement Fund

Capital project: Hess Road Widening – Motsenbocker Road to Leesburg/Natè

Project cost: \$4,790,000

Operational impact: Increased maintenance costs.

Town goal achieved:

Community Enhancement/Customer Service: The widening of Hess Road will be a community enhancement as it will offer an alternate east-west route that will have reduced congestion versus Lincoln Avenue.

Description/Discussion:

Douglas County opened Mainstreet/RidgeGate to I-25 in late-2010 and opened Hess Road to I-25/Castle Pines in early-2012. Due to the addition of these “southern” east-west routes by Douglas County, the traffic on Hess Road will increase as people are rerouting from other east-west routes to I-25 like Lincoln Avenue and E-470. Based on early-2012 traffic counts (after the opening of Hess Road to I-25), approximately 15,000 vehicles per day utilize the Hess Road bridge crossing of Cherry Creek (between Motsenbocker Road and Leesburg/Natè intersections). The Public Works Department routinely gets complaints about the traffic backup on Hess Road during the morning and evening rush hours and the associated bottleneck on the Hess Road bridge due to the lane reduction at the bridge. The backup is because the current roadway configuration is over its “saturation” point for carrying traffic and a widening is needed. The “saturation” point for the current two (2) lane configuration is 12,000 vehicles per day. Construction of this project is tentatively planned for 2014.



Public Improvement Fund

Capital project: Motsenbocker Widening – Clarke Farms to Todd Drive (Design)

Project cost: \$150,000 (\$3,000,000 for construction in 2015)

Operational impact: Increased maintenance costs.

Town goal achieved:

Community Enhancement/Customer Service: The widening of Motsenbocker Road will be a community enhancement that is driven by the adjacent development.

Description/Discussion:

In the prior decade, Town Council approved development agreements with both the Neu Towne subdivision and the Overlook at Cherry Creek subdivision. Both of these development agreements contemplated widening Motsenbocker Road between the existing Clarke Farms subdivision to the Todd Drive intersection as a residential boulevard collector section. The intent of the agreements was that the Town would complete the widening following payment from the proposed development per the agreements.

The project will widen Motsenbocker Road between the existing Clarke Farms subdivision to the XCEL/PSCo transmission lines just north of Todd Drive to a residential boulevard collector section. A concrete box culvert grade crossing of Motsenbocker Road for the regional east-west trail is included in this project.



Public Improvement Fund

Capital project: Pikes Peak Court Extension

Project cost: \$750,000

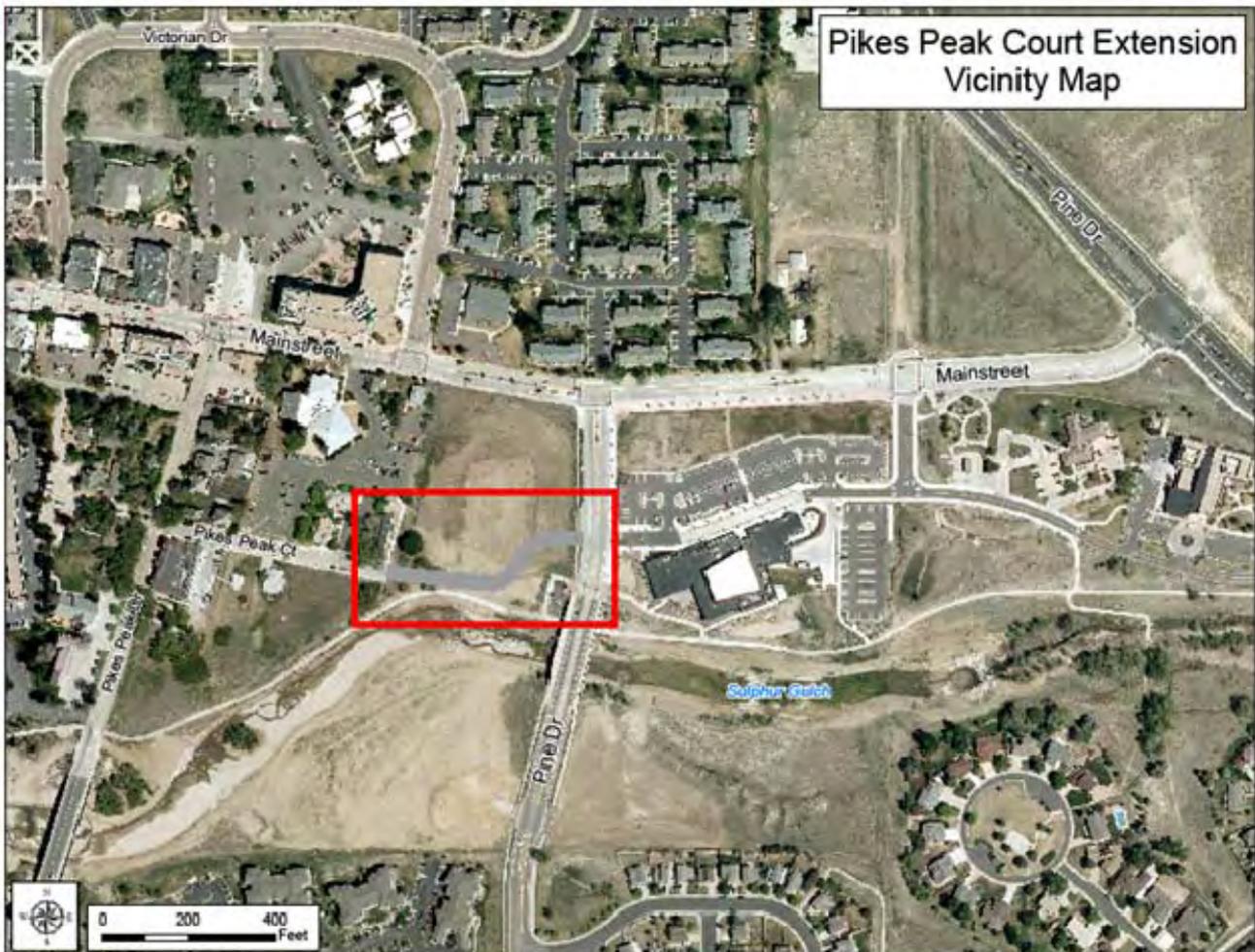
Operational impact: Increased maintenance costs.

Town goal achieved:

Community Enhancement/Customer Service: The extension of Pikes Peak Court to Pine Drive will be a community enhancement as it will offer an alternate east-west route in the downtown area.

Description/Discussion:

On June 3 of 2013, Town Council approved the Parker Town Center (formerly Hein Center property) agreement. That agreement committed both the property owner and the Town to a number of items. This included the construction of the Pikes Peak Court across the Parker Town Center property to Pine Drive in 2014. The project will complete the roadway between Pikes Peak Drive and Pine Drive and will create a parallel east-west route to Mainstreet and create a pedestrian/vehicular connection between the PACE Center and the Mainstreet Center.



Public Improvement Fund

Capital project: Todd Drive (Jordan to Motsenbocker)

Project cost: \$1,300,000

Operational impact: Increased maintenance costs.

Town goal achieved:

Community Enhancement/Customer Service: Due to the decision to construct a charter school on Motsenbocker Road south of Clarke Farms, traffic will increase on Motsenbocker Road. Per the charter school traffic study, an improvement to address this traffic increase is the construction of Todd Drive between Jordan Road and Motsenbocker Road. This improvement will provide an alternate access route to/from the school. The construction of this section of Todd Drive will be a community enhancement that will provide alternatives for the traveling public.

Description/Discussion:

The will project create a roadway connection between Jordan Road and Motsenbocker Road approximately ½-mile in length where currently a portion of Todd Drive west of Jordan Road was constructed approximately 10-years ago with the Jordan Crossing development adjacent to Jordan Road. A Douglas County maintained gravel roadway currently exists between the Motsenbocker Road and the Tammy Lane intersections. An informal “dirt” roadway exists between the two (2) sections listed above but is currently gated off due to dirt being tracked onto Town & Douglas County roadways (Douglas County right-of-way exists in this section).



Public Improvement Fund

Capital project: Sidewalk gap closures

Project cost: \$100,000

Operational impact: Increased maintenance costs.

Town goal achieved:

Community Enhancement/Customer Service: Eliminating missing sidewalk gaps increases pedestrian connectivity and improves safety.

Description/Discussion:

The annual sidewalk gap closure program is reviewed on a semi-annual basis with the goal of improving pedestrian connectivity and providing “safe routes” to school. Due to development, opportunities to partner with existing development and changes in the community, the planned need from one year may change the next year. Input is taken from citizens, HOA’s and Town staff. The 2013 project is anticipated to be at Hilltop Road between the Pine Hill Crossing development (at Pine Drive) and Tallman Drive. There is currently a dead end sidewalk that was constructed with the Pine Hill Crossing development on the west side of Hilltop Road. Over the past several years, Public Works has received complaints about the current “dead-end” of the sidewalk.



Public Improvement Fund

Capital project: Roadway safety enhancements

Project cost: \$100,000

Operational impact: Increased maintenance costs.

Town goal achieved:

Community Enhancement/Customer Service: Increasing safety on the Town's roadways.

Description/Discussion:

The Public Works Department reviews roadway safety concerns/issues on a semi-annual basis. This is based on a log of intersections with lacking luminaries, sight distance concerns and the complaints from the Town's citizens and HOA's that are received over time. Several times each year, this listing is re-evaluated times in order to most effectively utilize the available funding based on engineering judgment. Some concerns can be addressed with minimal funds while some concerns are significantly expensive (versus this annual budget). Minor projects cost-wise may include the replacement of landscaping at or near an intersection to improve sight distance(s). Depending on nearby electrical sources, luminaries can run in excess of \$20k per intersection to install. The plan for funding in 2014 is to address the lack of intersection lighting on Jordan Road. Several of these intersections (such as Acer Drive & Jordan Road) lack any lighting which increases the potential for vehicle/vehicle or vehicle/pedestrian incidents. This annual fund allows the Town to be proactive in these safety areas. Based on past experience, landscaping sight distance issues will come up in 2014 as have in past years that will need to be addressed in a timely manner.

Public Improvement Fund

Capital project: Medians and Entryways

Project cost: \$300,000

Operational impact: Water and maintenance costs are anticipated to be \$15,000 per year.

Town goal achieved:

Community Enhancement/Customer Service: Enhancing the beauty of the Town by improving the landscaping of medians and entryways and installing the distinctive 5-globe lights to let people know that they are in Parker.

Description/Discussion:

The project commenced in 2013 with the median landscaping on two median islands on Lincoln Avenue between Parker Road (State Highway 83) and Pine Drive. These medians are very substantial in size and work will continue into 2014 and is anticipated to be completed in 2015 (assuming annual funding is continued). Water for this location will need to be acquired from the Parker Water & Sanitation District. Over the past several years, the Town has received complaints from citizens due to the “ugly” nature of the unfinished medians.



Public Improvement Fund

Capital project: Town-wide Sign Program

Project cost: \$400,000

Operational impact: Increased maintenance costs.

Town goal achieved:

Economic Development: Provides community branding and establishes community recognition.

Community Enhancement/Customer Service: The establishment of a recognizable town branding through consistent and informative signage creates a sense of place and increases the quality of life and safety of residents. The sign program will also reinforce our hometown feel through recognition of our community spirit.

Description/Discussion:

The program has been a success in bringing quality signage throughout our community; there are still additional locations where improved signage would be appropriate. The Program also allows the Town to respond to specific public signage needs that may come up throughout the year.

Public Improvement Fund

Capital project: Pine Drive/Summerset Lane Traffic Signal

Project cost: \$225,000

Operational impact: Increased maintenance costs.

Town goal achieved:

Community Enhancement/Customer Service: The two (2) full movement signal needed to process the anticipated traffic increases associated with development will be a community enhancement.

Description/Discussion:

Based on continued discussions with the proposed Pine Curve developer, it is possibly anticipated that the Pine Curve site could develop in 2014. Due to the projected traffic demand to/from the site, it is anticipated that two (2) full movement traffic signalized intersections will be required. The existing traffic signal at Mainstreet & Pine Drive (east) will require modifications due to the proposed development. A second full movement traffic signal is needed at the Pine Drive/Summerset Lane intersection in order to process the anticipated traffic.



TOWN OF PARKER
 CAPITAL PROJECTS - STORMWATER UTILITY
 TEN YEAR CAPITAL IMPROVEMENT PLAN
 2014-2023

DESCRIPTION	ADOPTED BUDGET 2013	PROJECTED 2013	PLANNED BUDGET 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	TOTAL 2014 TO 2023
REVENUES:													
Stormwater Utility Fund (5% growth starting in 2015)		600,000	600,000	630,000	661,500	694,575	729,304	765,769	804,057	844,260	886,473	930,797	7,346,736
Misc. Grants	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest & Misc Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	-	600,000	600,000	630,000	661,500	694,575	729,304	765,769	804,057	844,260	886,473	930,797	7,346,736
EXPENDITURES:													
Cherry Creek at Norton Open Space (a)		40,000	200,000	145,000									345,000
Sulpher Gulch at Canterbury Parkway (a)		250,000			100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	800,000
Miscellaneous Capital Improvements		175,000	50,000										50,000
Potosio Brothers Drainage Improvements (a)					700,000	600,000							765,000
Cherry Creek at KOA (a)				65,000									600,000
Cherry Creek at Mainstreet (a)													550,000
Sulpher Gulch at Canterbury Trail (a)					50,000	500,000	35,000						550,000
Tallman Gulch at Wanderlust (a)													352,000
Cherry Creek at Lincoln (a)								317,000	600,000				670,000
Cherry Creek at Cottonwood Phase 1 (a)									60,000	650,000			710,000
Cherry Creek at Cottonwood Phase 2 (a)										50,000			550,000
Tallman Tributary (a)													150,000
Tallman Gulch at Hadden River (a)								250,000					285,000
Sara Gulch (a)													300,000
Lemon Gulch (a)													230,000
Newlin Gulch (a)													280,000
Oak Gulch (a)													6,500
Rototiller Attachment													14,000
Dump Trailer													45,000
F350 Pickup with Dump Bed													110,000
Single Axle Dump Truck													995,000
TOTAL EXPENDITURES	-	465,000	270,500	210,000	800,000	750,000	730,000	767,000	1,010,000	830,000	995,000	1,000,000	7,362,500
(Use)/Accumulation of Surplus Funds													
ENDING FUND BALANCE	-	135,000	329,500	420,000	(138,500)	(55,425)	(696)	(1,231)	(205,943)	14,260	(108,527)	(69,203)	319,236

(a) Projects assume matching funds from other governmental agencies i.e. Urban Drainage and Flood Control District, Cherry Creek Basin Water Quality Authority, Douglas County

Stormwater Utility Fund

Capital project: Cherry Creek at Norton Open Space
Project cost: \$200,000

Town goal achieved:

Community Enhancement/Customer Service: This reach of Cherry Creek has degraded leaving vertical banks at the channel toe. The project improvements will include stabilizing the channel invert and promote healthy riparian habitat along the corridor by reconnecting the channel with the adjacent vegetated banks. This will also reduce the risk of major bank erosion that could threaten adjacent properties. These improvements will help protect properties from the potential of bank erosion to encroach upon property lines.

Description/Discussion:

This project is located on a reach of Cherry Creek from the existing pedestrian bridge adjacent to Cottonwood Park north to the Town Limits. The project is anticipated to entail grade control structures within the channel invert along with bank stabilization in areas where erosion has occurred leaving vertical banks. An increase in development within the watershed along with a steep existing channel slope has resulted in channel and bank erosion. Council approved ordinance No. 9.201 on May 6, 2013 to enter into an Agreement with Urban Drainage to fund the design of this project reach. The design is currently underway and is anticipated to be complete by December 31, 2013. Construction is anticipated to begin in late 2014. This budget request is for construction funding in 2014 and 2015. The current estimate for construction is \$800,000 with project sponsor contributions as follows:

2014:

Urban Drainage and Flood Control District	\$160,000
Town of Parker	\$200,000
Cherry Creek Basin Water Quality Authority	\$150,000

2015:

Urban Drainage and Flood Control District	\$100,000
Town of Parker	\$145,000
Cherry Creek Basin Water Quality Authority	<u>\$45,000</u>

Total cost of construction: \$800,000



Stormwater Utility Fund

Capital project: Potestio Brothers Drainage Improvements
Project cost: \$50,000

Town goal achieved:

Community Enhancement/Customer Service: The Town has received complaints about the active erosion in the channel. This channel conveys stormwater from public areas including Parker Road and Parkglenn Way. This project will result in a drainage way that will safely convey stormwater adjacent to the business and not encroach upon existing structures.

Description/Discussion:

Historically, the banks have eroded causing over vertical side slopes that cave in every time the channel conveys stormwater from storms. The sand from the channel invert and banks settles near the Potestio parking lot causing water to leave the banks and flow through the parking area.

The Potestio Brothers Equipment business pays into the Town's Stormwater Utility. As a part of the fees paid by property owners in the Town, the Utility maintains drainage facilities that are eligible. This facility conveys stormwater from public areas including Parker Road and Parkglenn Way and is therefore eligible for maintenance.



Channel/Bank Erosion



Channel/Bank Erosion

TOWN OF PARKER
 CAPITAL PROJECTS - FACILITIES FUND
 TEN YEAR CAPITAL IMPROVEMENT PLAN
 2014-2023

DESCRIPTION	PLANNED BUDGET 2014	ADOPTED BUDGET 2013	PROJECTED 2013	2015	2016	2017	2018	2019	2020	2021	2022	2023	TOTAL 2014 TO 2023
REVENUES:													
Charges for Services:													
General Fund	56,000			30,000	50,000	225,000	115,000	145,000	70,000	-	600,000	-	1,291,000
Parks and Rec Fund	127,000			-	8,000	-	-	-	85,000	-	-	85,000	305,000
Transfer in MSC	510,000			290,000	-	-	25,000	25,000	-	-	-	-	850,000
Grant Funding (a)	310,000			195,000	-	-	-	-	-	-	-	-	505,000
TOTAL REVENUES	1,003,000	-	-	515,000	58,000	225,000	140,000	170,000	155,000	-	600,000	85,000	2,951,000
EXPENDITURES:													
General Gov't Carpet Program	30,000			30,000	30,000	30,000	30,000						150,000
Public Works Office Bldg. roof (Flat)						35,000							35,000
Public Works Office Bldg. RTU's					20,000	25,000	30,000						75,000
Public Works Parks bldg. Roof					100,000								100,000
Public Works Parks HVAC unit					35,000			25,000					60,000
Town Hall Bldg. Controls	26,000							55,000			600,000		681,000
Town Hall Boilers													26,000
Town Hall Roof													55,000
Town Hall RTU's									70,000				190,000
Mainstreet Center (MSC) RTU's							55,000	65,000					120,000
MSC Old School House Rehab (a)							25,000	25,000					50,000
MSC (Old School House) Heating unit -boiler (a)	440,000			485,000									925,000
MSC New front doors	75,000		10,000										85,000
MSC Sewer Line replacement Analysis	150,000		11,600										161,600
MSC Electrical Upgrade	155,000												155,000
Fieldhouse Bldg. Controls	30,000				8,000								38,000
O'Brien Pool Bldg. Doors													8,000
Rec. Center Roof													-
Rec. Center RTU's	45,000								50,000				95,000
Rec. Center Group Cycle Room Floor	20,000												20,000
Rec. Center Gym Curtain	32,000												32,000
Salisbury Concession/RR's HVAC Unit									35,000				35,000
Salisbury Equestrian HVAC												35,000	35,000
TOTAL EXPENDITURES	1,003,000	10,000	11,600	515,000	58,000	225,000	140,000	170,000	155,000	-	600,000	85,000	2,951,000
(Use)/Accumulation of Surplus Funds		(10,000)	(11,600)										
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	-	-	-	-	-

(a) Projects are partially funded by State Historical Society grant and are coordinated with and included in the Cultural CIP

2014 Capital Outlay

The following two tables list the capital outlay items that are included in the 2014 budget.

CAPITAL OUTLAY

Facilities

General Government - Town Hall	30,000	Carpet Replacement Program - The carpeting program has been successful in replacing worn-out and damaged carpet in common areas of Town Hall. These funds allow us to continue the program and include offices and conference rooms that have temporary patches which create a trip hazards.
General Government - Town Hall	26,000	Replace Town Hall Building HVAC Control Units - The Facilities Division of Public Works is recommending replacement of our HVAC unit at Town Hall. The initial system installed was based on the 2005 Niagara R2 operating system which was discontinued in 2013. Advances in technology are focusing on universal integration of all systems in the industry.
Recreation Center	45,000	Replace Rooftop Unit (RTU) at Recreation Center - The RTU at the recreation center is at the end of its life and requires replacement. This item may be included in the Recreation Center expansion project.
Recreation Center	20,000	Replace Group Cycle Room Floor - The original floor was installed in 2000, and while it remains functional for the current class curriculum, we program a variety of classes that are held in the Group Cycling Room that total over 20 classes weekly. We are limited from programming activities that requires patrons to have full floor/mat accessibility. This includes mat Pilates, Yoga and core strengthening classes that remain popular for today's fitness enthusiast.
Recreation Center	32,000	Replace Gym Curtain - The current gymnasium divider curtains (including motor, curtains and hardware) were installed in 1994 when the Recreation Center opened. The visible cuts and holes in several places present a surface that is damaged and potentially dangerous should the curtain fail. Replacement of the curtain will enhance patron safety and make this space much more attractive to our users.
Fieldhouse	30,000	Replace HVAC Control Unit - The Facilities Division of Public Works is recommending replacement of our HVAC unit at the Parker Fieldhouse. The initial system installed was based on the 2005 Niagara R2 operating system which has been discontinued this year. Advances in technology are focusing on universal integration of all systems in the industry.

Mainstreet Center	150,000	Repair Sewer Line - The Facilities Division of Public Works is recommending repair/replacement of floor and exterior stairwell drains that have collapsed and will not drain. This project will include “discovery” and solution to resolve the problem. If there is a water line leak in the existing main line in the equipment room or major rain in the stairwell, the basement floods. This is a major concern because of the extensive wall and floor damage that occurs.
Mainstreet Center	155,000	Upgrade Electrical Panels - The Facilities Division of Public Works is recommending upgrade of electrical distribution for the entire facility. The electrical throughout the facility is in bad repair and actual “breakers” for existing panels are no longer available. New upgraded service from 450 amp to 600 amp will need to be installed to accommodate any power expansions and/or accommodate any historical preservation projects, such as elevators or HVAC units.
Mainstreet Center	515,000	Old School House Rehabilitation - The Cultural Department applied for a Historical Society grant for the rehabilitation of the old school house at the Mainstreet Center. The project will restore the facility in multiple phases. Phase one will include restoration of the windows and screens, construction of storm windows, restoration of the front entrance and installation of a new boiler system. The grant will cover 55% of the cost of the project of phase one.
Total Facilities	<u>\$ 1,003,000</u>	

TOWN OF PARKER
 CAPITAL OUTLAY - MACHINERY, EQUIPMENT AND SOFTWARE
 TEN YEAR CAPITAL IMPROVEMENT PLAN
 2014-2023

DESCRIPTION	ACTUAL 2008	ACTUAL 2009	ADOPTED BUDGET 2013	PROJECTED 2013	PLANNED BUDGET 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	TOTAL 2014 TO 2023
REVENUES:															
General Fund					802,300										802,300
Recreation Fund					23,210										23,210
Information Technology Fund					45,350										45,350
Fleet Fund					860,000										860,000
Douglas County Emergency Telephone Authority					-										-
TOTAL REVENUES					1,730,860										1,730,860
EXPENDITURES:															
Time Division Multiple Access (TDMA) - 2nd Phase					120,000										120,000
Two (2) Additional Police Vehicles					90,000										90,000
Dispatch Radio System Replacement					470,000										470,000
Two (2) License Plate Recognition (LPR) units					40,000										40,000
Roadway Widener Skid Steer Loader Attachment					30,000										30,000
Single Drum Vibratory Roller					7,500										7,500
Concrete Breaker Backhoe Attachment					21,000										21,000
Toro Versa-Vac Turf Sweeper					23,800										23,800
Two (2) Precor Adaptive Motion Train					12,210										12,210
Octane LateraX Elliptical Trainer					11,000										11,000
Point-to-Point and Port-to-Multiport RF Antenna Links					33,800										33,800
Software Upgrade for Bridgeware Antennas					11,550										11,550
Fleet Replacements					860,000										860,000
TOTAL EXPENDITURES					1,730,860										1,730,860
(Use)/Accumulation of Surplus Funds															
ENDING FUND BALANCE															

(a) DCEFA will cover the costs of the 700/800 MHz radio system upgrade.

CAPITAL OUTLAY

Machinery and equipment

Police	470,000	Police Dispatch Radio System Replacement - The Centracom Gold Elite dispatch radio system currently being used by the police department has reached its end of life and is no longer supported by Motorola. Radio technology, like many other things, is changing rapidly and moving to Internet Protocol based equipment. The police department needs to make the move to the next dispatch radio platform which is the MCC series. The department also intends to seek funding assistance from the Douglas County Emergency Telephone Service Authority.
Police	40,000	Two (2) License Plate Recognition (LPR) units - This equipment will enhance the ability of police officers to efficiently check license plate listings rapidly while safely performing their duties. The use of LPR technology in the field increases the rate of recovery for stolen vehicles, warrant detection, and criminal apprehension. LPR units have also proven valuable as an investigative tool in locating vehicles associated with serious crimes.
Police	120,000	Time Division Multiple Access (TDMA) - Our current portable and mobile radios operate in both 700 and 800 MHz frequency ranges, but are not TDMA compatible. The Federal Communications Commission has mandated that the 700 MHz frequency range be converted to Time Division Multiple Access (TDMA) technology by 2017. The department is requesting to put into place a multi-year replacement plan. This request is the first phase of that plan.
Police	90,000	Two (2) Police Vehicles - The police department is planning for the addition of one new Sergeant and two new police officers in 2014. These additions will require two additional police vehicles. Police vehicles are deployed in the field daily for all types of call response including life threatening situations. Reliable police vehicles are essential to providing residents proper police service.
Streets	30,000	Roadway Widener Skid Steer Loader Attachment - The roadway widener attachment for the skid steer loader should be purchased for several reasons. The biggest reason is the increasing the productivity utilizing existing personnel with a better tool. In addition, shouldering of the roadway on a more frequent basis will result in increased safety by eliminating the drop off that occurs along Town roadways without a shoulder or curb/gutter. If there is to be continued improvements in the amount of work completed annually by Town forces, a roadway widener attachment for mounting on an existing skid steer is required to speed up the roadway widening process.
Streets	7,500	Single Drum Vibratory Roller - The single drum vibratory roller should be purchased for numerous reasons. The biggest reason is increasing the productivity of the asphalt crew by better utilizing existing personnel. If there is to be continued improvements in the amount of asphalt replacement work completed annually by Town forces, a single drum vibratory roller is required to speedup the asphalt compaction process.

Streets	21,000	Concrete Breaker Backhoe Attachment - The concrete breaker backhoe attachment should be purchased for numerous reasons. The biggest reason is the increasing the productivity of the concrete crew by better utilizing existing equipment and personnel but also for the safety of Town personnel. If there is to be continued improvements in the amount of concrete replacement work completed annually by Town forces, a concrete breaker backhoe attachment is required to speedup the removal process.
Parks	23,800	Toro Versa-Vac Turf Sweeper - A sweeper will be a much more efficient use of staff time and will create a higher quality end product for our citizens. When the grass does get too long, the field can be swept after an initial mowing in the same time it would take to do a second mowing.
Recreation Center	12,210	Precor Adaptive Motion Trainer (2) - Precor's AMT (Adaptive Motion Trainer) is a versatile machine that can offer a workout different from any other piece of equipment. Adapting to the users movement, the AMT can take a member from short to long strides, walking to running, then into a deep lunge or stepping motion.
Recreation Center	11,000	Octane LateralX Elliptical Trainer - State-of-the-art equipment is a primary factor in membership retention. Our users continually search for the newest products that will help them enhance their current routine and look for machines that will offer them a beneficial workout in a shorter amount of time. Octane's LateralX is a versatile machine that can offer a unique workout different from any other piece of equipment. This piece will add a new dimension to our current cardio equipment delivering more functional challenges.
Information Technology	33,800	Point-to-Point and Port-to-Multiport RF Antenna Links - Replace obsolete WAN Solectek wireless links which were originally purchased in 2005 and only have a maximum throughput of 100Mbps. Upgrading to the newer links provides up to 250Mbps data throughput while also providing advanced Multiple Input Multiple Output (MIMO)-based Orthogonal Frequency Division Multiplexing (OFDM) technology which increases the stability of near line of sight connections. Deploying the XL series of Solectek antennas also provides for utilizing the Skyway Element Management System which allows for configurations and status updates of the all the antennas through a single interface.
Information Technology	11,550	Software Upgrade for Bridgeware Antennas - The current Bridgeware WAN link that connects the Recreation Center to the rest of the network is currently only a 100Mbps connection. By purchasing the software update for this pair of radio antennas this link can be converted to an AR60 radio which not only provides Adapt-a-path but also Adapt-a-rate capabilities to the radio when there is inclement weather. It also upgrades the bandwidth to 1000Mbps.
Stormwater Fund	6,500	John Deere Rototiller Attachment for Skid Steer - The addition of a rototiller attachment will enable the stormwater crew to repair drainage facilities in a more timely manner thereby minimizing the disturbance and disruption to residents that live and work nearby. The rototiller attachment will also enable the stormwater crew to re-seed and amend soil in more areas than previously possible.

Stormwater Fund 14,000

Dump Trailer - A dump trailer will allow the stormwater crew to respond to requests from citizens more effectively by enabling a single crew member to respond with the trailer and a piece of equipment rather than requiring at least two members to respond with multiple vehicles.

Public Works - Fleet Services Fund 860,000

Fleet Replacements - The fleet is one of the major tools that staff uses to provide services to our citizens. In 2012, the Town implemented a new fleet replacement policy that will help ensure that the Town's constantly aging fleet is properly and efficiently maintained so that users have the tools that they need to effectively and safely perform those services. In 2013, the system was further refined to help stabilize (i.e. even out) this fluctuating impact to the General and other user Funds. The replacement schedule of specific units based on statistical criteria is \$1,006,000 ; however further analysis of specific units indicates the need for funding \$860,000. Under the new policy, units will be evaluated during the year and will only be replaced if they meet criteria established within the fleet replacement policy and approval is received by the Town Administrator upon recommendation by the Fleet Services Manager, the Public Works Director and the user's Department Director.

Total Machinery and Equipment \$ 1,751,360

TOWN OF PARKER
 NON-ROUTINE CAPITAL IMPROVEMENT PROJECTS WITH A SIGNIFICANT IMPACT ON THE OPERATING BUDGET
 2014-2023

Capital Project and Description of Impacts	Operating Fund Impacted	Estimated Operating Impact Per Year									
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Works Facility With any new facility, there will be ongoing utility and maintenance costs. Pending approval of the design budget (2013 supplemental budget request), it is unknown at this time what the exact costs are anticipated to be, but estimated costs are included and will be updated as more information becomes available. The site landscaping will be as xeric and low maintenance as possible. The building is anticipated to be precast concrete which will help minimize maintenance costs.	General	\$ -	\$ 86,100	\$ 88,700	\$ 91,400	\$ 94,100	\$ 96,900	\$ 99,800	\$ 102,800	\$ 105,900	\$ 109,100
Library Civic Plaza Park Completion of this project will result in increased maintenance costs associated with the site but until the design is completed, the best estimated costs have been included.	General	\$ -	\$ 23,000	\$ 23,000	\$ 23,000	\$ 23,000	\$ 23,000	\$ 23,000	\$ 23,000	\$ 23,000	\$ 23,000
East/West Regional Trail Construction of this trail will result in approximately one additional mile of trail to repair and maintain.	General	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Recreation Center Expansion The expansion will add 25,000 sq.ft. of space. Major components that would be included in the proposed expansion include, expanded leisure pool with various aquatic amenities, therapy pool for senior therapeutic needs and injury rehabilitation, family changing rooms to serve a broader demographic segment of our community, additional activity rooms for youth, adult, and older adult fitness/enrichment classes, and an improved lobby area that is more customer friendly and serves as a community gathering space. This will increase utilities and maintenance costs for the facility.	Recreation	\$ -	\$ 38,000	\$ 39,100	\$ 40,300	\$ 41,500	\$ 42,700	\$ 44,000	\$ 45,300	\$ 46,700	\$ 48,100
Pine Drive/Summerset Lane Traffic Signal The traffic signal will require electricity and monthly repair & maintenance (R&M). Currently the Town's R&M rate is running \$3,000 per year and electricity is estimated at \$400 a month.	General	\$ -	\$ 200	\$ 210	\$ 221	\$ 232	\$ 244	\$ 256	\$ 269	\$ 282	\$ 296
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Appendix

Included in this section of the budget document is the following information:

- Economic and Demographic Detail
- Budget Ordinance 1.423 – Adoption of Budget
- Budget Ordinance 1.424 – Setting of Mill Levy
- Glossary
- Financial Trends Monitoring System (FTMS)



Parker Days Annual Festival – Downtown Parker



TOWN OF PARKER, COLORADO
Principal Sales and Use Tax Payers
Last Six Years

TYPE OF INDUSTRY	2007	2008	2009	2010	2011	2012
Aggregate top ten filers	\$ 11,971,786	\$ 11,331,992	\$ 12,477,140	\$ 12,366,466	\$ 13,355,597	\$ 15,225,597
Aggregate all other filers	11,275,863	12,572,258	11,941,760	12,609,405	12,986,281	13,637,174
Total sales taxes	23,247,649	23,904,250	24,418,900	24,975,871	26,341,878	28,862,771
Top ten filers as a percentage of total sales tax	51.50%	47.41%	51.10%	49.51%	50.70%	52.75%

2012 Top ten filers in alphabetical order: Costco Wholesale # 1022, Douglas County, Intermountain Rural Electric Association, King Soopers #75, King Soopers #88, Lowes HIW Inc, Safeway Store 45 Inc, Target Corporation, The Home Depot USA Inc, Walmart Stores Inc

Source: Town of Parker Finance department



TOWN OF PARKER, COLORADO
Operating Indicators by Function
Last Six Years

	2007	2008	2009	2010	2011	2012
General Government						
<i>Building Permits:</i>						
Single-family residential units	232	142	43	112	183	381
Valuation	\$ 67,334,924	\$ 45,050,250	\$ 16,005,637	\$ 32,509,630	\$ 55,076,498	\$ 119,581,591
Multi-family residential units	3	-	-	7	7	38
Valuation	\$ 618,078	\$ -	\$ -	\$ 1,295,564	\$ 1,338,620	\$ 7,420,142
Total commercial new, remodel and other	582	615	631	466	416	515
Valuation	\$ 75,476,426	\$ 45,345,961	\$ 41,666,769	\$ 36,123,583	\$ 25,251,892	\$ 19,139,318
<i>Tax and Licensing:</i>						
Business licenses issued	175	227	513	458	333	749
<i>Community Development:</i>						
Code enforcement inspections	1,700	1,721	2,200	2,059	2,221	2,589
Public Safety						
<i>Police:</i>						
Calls for service *	53,569	55,721	65,821	63,995	58,009	60,084
Total charges *	6,003	5,516	4,841	4,379	4,431	5,325
<i>Building Inspection:</i>						
Total building inspections	21,408	17,694	18,122	14,490	16,061	34,622
Highways and Streets						
<i>Streets:</i>						
New roadway additions (miles)	6	2	14	12	13	7
Parks and Recreation						
<i>Recreation:</i>						
Adult sports leagues	8	8	8	7	8	8
Youth sports leagues	9	9	14	15	17	17
Adult league attendance	4,079	5,440	6,195	5,874	5,556	6,584
Youth league attendance	8,572	8,319	8,754	8,813	8,438	9,360

* Parker Police Department reports incidents based on the National Incident Based Reporting System. The totals shown are based on charges, not the number of incidents that occurred. It is possible, even likely, that an incident had more than one Colorado State Statute or Municipal charge associated with it. Crime Statistics are by nature dynamic, which allows for additions, deletions and modifications at any time.

Source: Various Town of Parker departments. Information prior to 2007 not available.

TOWN OF PARKER, COLORADO
Capital Assets by Function and Program
Last Ten Years

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General government										
Town hall	1	1	1	1	1	1	1	1	1	1
Other office buildings	1	1	1	1	1	1	1	1	1	1
Public safety										
Police station	1	1	1	1	1	1	1	1	1	1
Public works										
Facilities	1	1	1	1	1	1	1	1	1	1
Miles of roadway	118	132	134	137	143	145	159	171	177	178
Parks, culture and recreation										
Mainstreet Center	1	1	1	1	1	1	1	1	1	1
PACE Center	-	-	-	-	-	-	-	-	-	-
Recreation Center with indoor pool	1	1	1	1	1	1	1	1	1	1
Fieldhouse	-	-	-	-	-	-	-	-	-	-
Outdoor pool	1	1	1	1	1	1	1	1	1	1
Parks										
Regional	2	2	2	2	2	2	2	2	1	1
Local	9	9	9	9	10	11	11	11	11	11

Source: Town of Parker

TOWN OF PARKER, COLORADO
Demographic and Economic Information
Last Ten Years

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Area in square miles	18.80	18.80	19.70	19.70	19.70	20.20	20.50	20.50	20.80	21.20
Housing units	13,651	14,281	15,027	15,826	16,184	16,451	16,508	16,620	16,731	17,133
Population	38,186	40,241	42,562	44,211	45,211	45,244	45,259	45,297	45,758	46,919
Average persons per household	2.92	2.92	2.92	2.88	2.88	2.85	2.85	2.85	2.84	2.84
Median age	34.50	34.50	34.50	34.50	34.50	34.50	35.40	36.60	36.10	35.80
High school graduates - persons age 25+	97.0%	97.0%	97.0%	97.0%	97.0%	96.0%	97.0%	97.0%	97.1%	97.2%
Bachelor's degree or higher - persons age 25+	51.9%	51.9%	51.9%	51.9%	51.9%	56.0%	45.3%	45.3%	46.9%	47.5%
Unemployment rate	3.8%	3.4%	3.0%	2.5%	2.3%	3.0%	5.0%	5.2%	7.5%	6.8%
Per capita income	\$ 40,743	\$ 43,115	\$ 48,416	\$ 53,329	\$ 58,305	\$ 62,633	\$ 62,500	\$ 65,874	\$ 71,463	\$ 75,317
Total personal income (in thousands)	\$ 1,555,812	\$ 1,734,991	\$ 2,060,682	\$ 2,357,728	\$ 2,636,027	\$ 2,833,767	\$ 2,828,688	\$ 2,983,895	\$ 3,270,004	\$ 3,533,798

Source: Town of Parker, Douglas County, Nielsen Claritas Site Reports, Bureau of Economic Analysis. Information prior to 2003 not available. 2012 PCI data not available. Used trend analysis to estimate value

ORDINANCE NO. 1.423, Series of 2013

TITLE: A BILL FOR AN ORDINANCE TO ADOPT THE 2014 BUDGET AND TO MAKE APPROPRIATIONS FOR THE SAME

WHEREAS, the Home Rule Charter of the Town of Parker specifies that a proposed budget be presented to the Town Council on or before the fifteenth day of October of each year;

WHEREAS, the proposed budget for 2014 was presented by the Town Administrator on October 14, 2013; and

WHEREAS, upon due and proper notice published and posted in accordance with the Town of Parker Home Rule Charter, said proposed budget was open for inspection by the public at the Town Hall, and a Public Hearing was held on November 4, 2013 and December 2, 2013, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.

NOW, THEREFORE, THE TOWN COUNCIL OF THE TOWN OF PARKER, COLORADO, ORDAINS:

Section 1. The 2014 budget for the Town of Parker, Colorado, which is attached hereto as **Exhibit A** and incorporated by this reference, is hereby adopted and the monies are appropriated to the various funds as the same are budgeted.

Section 2. **Safety Clause.** The Town Council hereby finds, determines and declares that this Ordinance is promulgated under the general police power of the Town of Parker, that it is promulgated for the health, safety and welfare of the public, and that this Ordinance is necessary for the preservation of health and safety and for the protection of public convenience and welfare. The Town Council further determines that the Ordinance bears a rational relation to the proper legislative object sought to be obtained. The Town Council further finds that the publication of an agenda that contains the title to this Ordinance in a newspaper of local circulation prior to first and second reading of this Ordinance creates a financial burden on the Town and that the title to this Ordinance was posted in two public places two days before the Town Council meeting as provided by Section 7.5e. of the Town of Parker Home Rule Charter.

Section 3. **Severability.** If any clause, sentence, paragraph or part of this Ordinance or the application thereof to any person or circumstances shall for any reason be adjudged by a court of competent jurisdiction invalid, such judgment shall not affect application to other persons or circumstances.

Section 4. This Ordinance shall become effective ten (10) days after final publication.

Copy of Original

INTRODUCED AND PASSED ON FIRST READING this 4th day of November,
2013.



Mike Waid, Mayor

ATTEST:



Carol Baumgartner, Town Clerk

ADOPTED ON SECOND AND FINAL READING this 3rd day of December,
2013.



Mike Waid, Mayor

ATTEST:



Carol Baumgartner, Town Clerk

APPROVED AS TO FORM:



James S. Maloney, Town Attorney

Copy of Original

Exhibit A**Town of Parker
2014 Annual Budget****General Fund**

Beginning fund balance	\$ 18,550,306
Revenues	39,876,319
Expenditures	43,423,830
Ending fund balance	<u>\$ 15,002,795</u>

Conservation Trust Fund

Beginning fund balance	\$ 3,195,724
Revenues	403,760
Expenditures	3,000,000
Ending fund balance	<u>\$ 599,484</u>

Parks and Recreation Fund

Beginning fund balance	\$ 3,838,857
Revenues	18,007,400
Expenditures	16,186,600
Ending fund balance	<u>\$ 5,659,657</u>

Law Enforcement Assistance Fund

Beginning fund balance	\$ 146,554
Revenues	142,200
Expenditures	155,900
Ending fund balance	<u>\$ 132,854</u>

PACE Fund

Beginning fund balance	\$ 300,226
Revenues	2,325,700
Expenditures	2,617,988
Ending fund balance	<u>\$ 7,938</u>

Recreation Fund

Beginning fund balance	\$ 1,180,145
Revenues	4,866,150
Expenditures	5,756,911
Ending fund balance	<u>\$ 289,385</u>

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Exhibit A - continued

Mainstreet Center Fund

Beginning fund balance	\$ 76,761
Revenues	1,017,700
Expenditures	1,069,540
Ending fund balance	<u>\$ 24,921</u>

Capital Renewal and Replacement Reserve Fund

Beginning fund balance	\$ 1,945,386
Revenues	1,900
Expenditures	-
Ending fund balance	<u>\$ 1,947,286</u>

Public Improvements Fund

Beginning fund balance	\$ 10,435,730
Revenues	19,566,425
Expenditures	18,777,255
Ending fund balance	<u>\$ 11,224,900</u>

Excise Tax Fund

Beginning fund balance	\$ 4,651,986
Revenues	1,625,300
Expenditures	510,000
Ending fund balance	<u>\$ 5,767,286</u>

Police Station/PACE Center Construction Fund

Beginning fund balance	\$ 63,605
Revenues	100
Expenditures	-
Ending fund balance	<u>\$ 63,705</u>

Parkglenn Construction Fund

Beginning fund balance	\$ 199,353
Revenues	400
Expenditures	-
Ending fund balance	<u>\$ 199,753</u>

Copy of Original

Exhibit A - continued

Recreation Debt Service Fund

Beginning fund balance	\$ -
Revenues	1,795,400
Expenditures	1,795,400
Ending fund balance	<u><u>\$ -</u></u>

Stormwater Utility Fund

Beginning fund balance	\$ 3,791,186
Revenues	1,831,300
Expenditures	1,671,329
Ending fund balance	<u><u>\$ 3,951,157</u></u>

Fleet Services Fund

Beginning fund balance	\$ 752,247
Revenues	1,368,416
Expenditures	1,623,900
Ending fund balance	<u><u>\$ 496,763</u></u>

Technology Management Fund

Beginning fund balance	\$ 176,403
Revenues	2,182,309
Expenditures	2,189,178
Ending fund balance	<u><u>\$ 169,534</u></u>

Facilities Services Fund

Beginning fund balance	\$ 12,228
Revenues	732,700
Expenditures	732,674
Ending fund balance	<u><u>\$ 12,253</u></u>

Copy of Original

ORDINANCE NO. 1.424 , Series of 2013

TITLE: A BILL FOR AN ORDINANCE TO LEVY GENERAL PROPERTY TAXES FOR THE YEAR 2013 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE TOWN OF PARKER, COLORADO, FOR THE 2014 BUDGET YEAR

WHEREAS, the Town Council of the Town of Parker has adopted the annual budget in accordance with the Local Government Budget Law, on December 2, 2013;

WHEREAS, the amount of money necessary to balance the budget for general operating purposes is **\$1,467,257**; and

WHEREAS, the 2013 valuation for assessment for the Town of Parker, as certified by the County Assessor, is \$563,895,889.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF PARKER, COLORADO, THAT:

Section 1. For the purpose of meeting all general operating expenses of the Town of Parker during the 2013 budget year, there is hereby levied a tax of **2.602 mills** upon each dollar of the total valuation for assessment of all taxable property within the Town for the year 2013.

Section 2. The Finance Director is hereby authorized and directed to immediately certify to the County Commissioners of Douglas County, Colorado, the mill levies for the Town of Parker as hereinabove determined and set.

Section 3. **Safety Clause.** The Town Council hereby finds, determines and declares that this Ordinance is promulgated under the general police power of the Town of Parker, that it is promulgated for the health, safety and welfare of the public, and that this Ordinance is necessary for the preservation of health and safety and for the protection of public convenience and welfare. The Town Council further determines that the Ordinance bears a rational relation to the proper legislative object sought to be obtained. The Town Council further finds that the publication of an agenda that contains the title to this Ordinance in a newspaper of local circulation prior to first and second reading of this Ordinance creates a financial burden on the Town and that the title to this Ordinance was posted in two public places two days before the Town Council meeting as provided by Section 7.5e. of the Town of Parker Home Rule Charter.

Section 4. **Severability.** If any clause, sentence, paragraph or part of this Ordinance or the application thereof to any person or circumstances shall for any reason be adjudged by a court of competent jurisdiction invalid, such judgment shall not affect application to other persons or circumstances.

Section 5. This Ordinance shall become effective ten (10) days after final publication.

Copy of Original

INTRODUCED AND PASSED ON FIRST READING this 4th day of November,
2013.



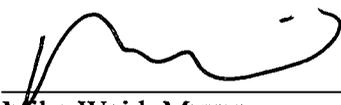
Mike Waid, Mayor

ATTEST:



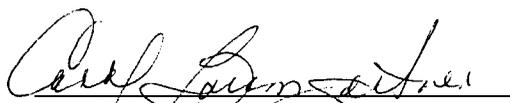
Carol Baumgartner, Town Clerk

ADOPTED ON SECOND AND FINAL READING this 2nd day of December,
2013.



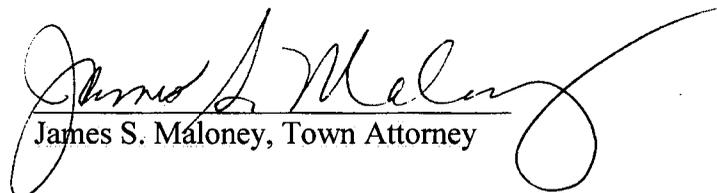
Mike Waid, Mayor

ATTEST:



Carol Baumgartner, Town Clerk

APPROVED AS TO FORM:



James S. Maloney, Town Attorney

Copy of Original

Glossary

Accrual Accounting – A basis of accounting in which revenues and expenditures are recorded at the time they are earned or incurred as opposed to when cash is actually received or spent. For example, in accrual accounting, revenue which was earned in December but not collected until January is recorded as revenue of December rather than January.

Adopted Budget – Budget amounts approved by the Town Council and the budget document which consolidates all operating and capital appropriations.

Amendment One – Also known as “TABOR” or Taxpayers Bill of Rights. This is an amendment of the constitution of the State of Colorado which basically limits annual increases in revenues and expenditures and requires voter approval for any tax rate increase or multi-year debt of financial obligation. The increase in spending and revenue is limited to an index based on the Denver-Boulder Consumer Price Index plus a local growth factor determined by percentage change in actual value of all real property.

Appropriation – The legal authorization of a specific amount of money made by the Town Council which permits the Town to incur obligations and to make expenditures of resources in the various funds.

Assessed Valuation – The value that is established for real or personal property by the County Assessor for the purpose of levying property taxes

Bond – An interest bearing note issued to borrow monies on a long term basis.

Budget – A financial plan for a specified period of time (the fiscal year) that balances projected revenues and fund balance appropriations to estimated expenditures and operating transfer obligations.

Budgetary Legal Level of Control – The legal level in which expenditures cannot exceed total appropriations. For the Town of Parker, that is at the fund level.

Budget Procedure – Requirements of the Parker Town Charter

Section 9.2 of the Parker Town Charter states “A proposed budget for the ensuing fiscal year shall be presented to the Council on or before the fifteenth day of October of each year”.

Section 9.5 of the Parker Town Charter states “Not later than the 15th day of December of each year, the Council shall adopt on final reading an ordinance for the budget and an ordinance for the annual appropriations”.

This budget and the process for public hearing and Council adoption far exceed the requirements of Article XI. All of Council has copies of the Parker Town Charter, and it is widely available for public review. Article IX provides for amendments of this Budget after adoption in Section 9.12.

Capital Asset or Fixed Asset – An asset that is acquired, purchased or constructed with a cost or fair market value (at the time of acquisition) greater than or equal to \$5,000 and a useful life of more than one year. Equipment, furniture, fixtures, artwork, buildings, land and infrastructure that have a useful life of more than one year and cost greater than \$5,000 are all examples of capital assets. The cost of a capital asset includes all amounts incurred to acquire the asset and any amounts that can be directly attributable to bringing the asset into working condition. Directly attributable costs include costs for delivery, site preparation, installation and professional services such as legal, architectural, engineering and project management.

Capital Expenditure or Outlay – Expenditure for the acquisition or addition of a capital asset.

Capital Improvement Project, Capital Project, Public Improvement Project – A permanent addition to the Town's assets, which includes design, construction and purchase of land, buildings and facilities.

CCBWQA – Cherry Creek Water Quality Basin Authority

Charges for Services – The amount the Town receives for the provision of services and commodities or the performance of specific services benefiting the person charged. This is also known as user charges.

Conservation Trust – State of Colorado lottery funds remitted to the Town for Parks and Recreation expenditures.

Contingency – An appropriation of funds to cover unforeseen events that occur during the fiscal year.

Debt Service – Principal and interest due on long-term debt such as loans, notes and bonds incurred by the Town.

Expenditure – Payment for goods or services, including operating expenses that require the current or future net current assets, debt and capital outlay.

Fiscal Year – The 12-month period to which the annual budget applies. This is January 1 to December 31 for the Town of Parker.

Fixed Charges – Expenditures which are constant from one period to another, i.e. annual lease payments.

Fringe Benefits – Costs associated with Town employee labor. These include Social Security and Medicare; Retirement; and Health, Life and Disability insurance.

Full-Time Equivalent (FTE) – The conversion of staff time into the decimal equivalent. One full-time position (1.0 FTE) is defined as containing 2,080 hours; a half-time position (.5 FTE) requires 1,040 work hours.

Fund – An accounting entity that has a set of self-balancing accounts and that records all financial transactions for specific activities or governmental functions. The funds used by the Town are General fund, Special Revenue funds, Capital Projects funds, Debt Service funds, and Trust and Agency funds.

Fund Balance – Generally, fund balance is the difference between a fund's assets and liabilities. For a given year, on a budgetary basis, the beginning fund balance plus estimated revenue less

budgeted expenditures equals ending fund balance. Maintaining an adequate fund balance is an important for reasons that include having funds available for emergencies, unexpected events, and to maintain a strong financial position.

General Fund – The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in other funds. General Fund revenues include sales and use taxes, property taxes, licenses and permits, intergovernmental and other types of revenue. This fund includes most of the basic operation services including police, public works, finance and general administration.

Great Outdoors Colorado (GOCO) – a state-wide lottery program approved by Colorado voters in 1992 to provide increased funding for parks and open space throughout the State. These funds are allocated through a competitive grant program administered by GOCO staff.

Gross Domestic Product (GDP) – the market value of all goods and services produced within a country.

Intergovernmental Agreement (IGA) – an agreement between two or more governments to cooperate in some specific way, i.e. working together on a streets project

Infrastructure – Public domain fixed assets such as roads, bridges, streets, drainage systems and similar immovable assets.

Intergovernmental Revenues – Revenue from other governments, such as federal, state and county grants.

Levy – To impose taxes, special assessments or service charges for the support of Town services

Objective – The planned attainment of a certain condition or specific accomplishment which is an integral part or phase of a strategy that contributes to accomplishing a goal. An objective should be stated in terms of results, not processes or activities, and should reflect a reasonable estimate of what is practical.

Operating Expense – Those costs, other than capital improvements and debt service, necessary to support the primary services of the organization.

PACE Center – Parker Arts, Cultural and Events Center

Parker Authority for Reinvestment (PAR) – An urban renewal authority in the Town

Personal Services – The cost of wages and benefits for elected officials and Town employees.

Program – A specific set of activities directed at attaining specific objectives.

Proposed Budget – The recommended Town budget annually submitted by the Town Administrator to the Town Council by October 15.

Purchased Services – The cost to obtain the efforts of individuals or businesses who are not on the Town payroll and who can provide a service not available through the Town's own resources.

Reduction of Appropriations - If at any time during the fiscal year it appears probable to the Mayor that the revenues available will be insufficient to meet the amount appropriated, he shall

provide a report to the Council without delay indicating the estimated amount of deficit and his recommendations as to any steps to be taken. The Council shall then take such further action as it deems necessary to prevent or minimize any deficit, and for that purpose it may by ordinance reduce one (1) or more appropriations.

Revenue – Income received by the Town government in support of the government's program of services to the community. It includes such items as sales tax, property taxes, fees, user charges, grants and fines.

Request for Proposal (RFP) – An early stage in a procurement process, issuing an invitation for suppliers, often through a bidding process, to submit a proposal on a specific commodity or service.

Supplemental Appropriation

The Council may make additional appropriations by ordinance during the fiscal year for unanticipated expenditures required of the Town. Such additional appropriations shall not exceed the amount by which actual and anticipated revenues of the year exceed the revenues as estimated in the budget, unless the appropriations are necessary to relieve an emergency endangering the public peace, health, safety or property.

Supplies – The cost of goods acquired for consumption or resale.

Transfers – The movement of monies from one fund to finance activities in another fund. The monies are considered a financing source for the receiving fund and a financing use for the originating fund. Transfers are at Council's discretion and for an appropriate purpose, such as to support other funds and legal debt service agreements.

Transfer of Appropriations - The Council may by resolution transfer any unencumbered appropriation, balance or portion thereof from one (1) department, office or agency to another.

UDFCD – Urban Drainage and Flood Control District



FINANCIAL TREND MONITORING SYSTEM



AN EVALUATION OF FINANCIAL TRENDS 2008 - 2012

Prepared by

The Finance Department

**TOWN OF PARKER
AN EVALUATION OF FINANCIAL TRENDS
2008 - 2012**

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SUMMARY

As part of the annual budget review and process, the Town has prepared an historic evaluation of the financial condition of the Town. This evaluation organizes the numerous factors that affect the Town's financial condition into identifiable trends that can be monitored. Analysis of positive and negative trends allows the Town to make informed plans and recommendations.

Methodology:

Financial condition is defined as the ability of the Town to fund the services required both now and in the future. Services are costs essential to maintaining the quality desired and required for the health, safety and general welfare of the citizens. The Town uses the Financial Trend Monitoring System developed specifically for local governments by the International City/County Management Association (ICMA) as the foundation for this analysis.

This analysis is developed around seven major factors, each having measurable financial condition indicators:

Factors

- Revenues
- Expenditures
- Operating Position
- Debt Indicators
- Unfunded Liabilities
- Capital Plant
- Local Economic and Demographic Characteristics

For each factor, the quantifiable indicators of the level of solvency are identified, graphed and the trend analyzed. To assist in understanding the detailed information, the definitions included in the introductory section should be reviewed.

Analysis:

In 2012, the national, state, and many local economies continued to recover from the impacts of the recession that ended in July of 2009, but recovery has been slow due to the persistent high unemployment, soft housing markets and stock market volatility. The impacts of the current economy on the Town were not as pronounced in 2009 as in the rest of the State. In fact, the Town weathered the recession fairly well and saw increase to reserves in every year from 2009 through 2012. In general, both revenues and expenditures increased in 2012. The increase in expenditures is primarily due to funding for maintenance of the Town's roadway infrastructure and for replacement of aging or outdated equipment that was frozen as a precautionary measure during the recession. In most other areas, departments were able to maintain expenditures in line with 2011 levels. Certain trends showed an improvement in 2012, such as an increase in Elastic Tax Revenues. In addition, increases in the amount of Revenue Surplus and Operating Surplus, reflect overall positive results for 2012. These areas still require monitoring, but none are a major cause of concern unless the trend turns negative in the future.

Over the years, the Town's revenues have been buffered by its diverse sales and use tax base. New commercial and industrial construction and a strong housing market provide for a strong property tax base. On the expense side, increasing operational costs, upward pressures on wages and benefits have the most significant impacts to the Town's budget.

Inflation remains relatively low, but high fuel costs continue to put added pressure on consumers and businesses. Interest rates remain at historic lows. And the stock market continues to fluctuate on a regular basis.

The following provides additional analysis and summary of some of the specific trend areas for the Town:

■ Revenues

Certain revenues continued to remain strong through 2012, with sales taxes increasing 10.2% and use taxes increasing 100% compared to 2011. For 2013, year-to-date sales tax revenues are up 7.9% compared to 2012. For the future, new construction has made additional retail locations available within the Town. Pro-active marketing efforts continue to highlight the Town and generate interest in Parker. In addition, good use of economic incentives has helped bring new businesses to Parker.

■ Expenditures

Expenditures have been increasing over the past several years as growth occurs within the Town and on the perimeters of the Town's boundaries, service needs increase, and outside pressures on costs climb. Both salaries and benefits continue to experience upward pressure in order for the Town to recruit and retain quality employees. Health care and the related cost of insurance are expected to increase annually, but plan design changes have been utilized to keep increases manageable.

Given the slow to moderate economic recovery, the Town must continue to address expenditures to keep them in line with the anticipated revenues and find more sustainable adjustments to expenditures going forward.

■ Operating Position

The health of the Town's operating position in the General Fund is reflected in the indicators. The Fund consistently shows an operating surplus, with any deficits planned and budgeted for. Fund balances and liquidity ratios continue to be at the high end of acceptable levels.

■ Debt Indicators

In 2006, the Town issued \$17.025 million in sales and use tax bonds to construct the Town of Parker Fieldhouse. The bonds are fully insured and are pledged against sales/use tax revenues. In 2009, Certificates of Participation were issued to finance the construction of a new Police Station and the PACE center. Annual debt service is payable from all general revenues of the Town, although no particular revenues of the Town are pledged to the payments, the Town expects the majority of the funds available to pay the debt service will be derived from revenues received from a 2.5% sales tax currently levied by the Town.

■ Unfunded Liabilities

The Town contributes to the Statewide Defined Benefit Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Fire and Police Pension Association (FPPA) for all sworn police officers of the Town. Contribution requirements of plan members and the Town are established by statute. The contribution rate for plan members is 8% of covered salary and for the Town is 8% of covered salary. At this time the Town is not aware of any unfunded liability as it relates to the Town of Parker.

■ Capital Equipment

Expenditures in Public Safety and Public Works over the past several years have made significant progress in maintaining, replacing and upgrading infrastructure, buildings and equipment. Fleet, Information Technologies, Streets, and Stormwater Utilities all have standard maintenance and replacement schedules. Larger projects are laid out in the 10-Year Capital Improvement Plan.

■ Local Economic and Demographic Characteristics

Parker continues to enjoy a fairly strong local housing market with expected population growth moving forward. The demand for new single family permits slowed during the height of the recession, but 2012 saw a significant increase over the previous three years. Unemployment had been dropping since 2003, but increased from 3% in 2008 to 7.5% at the end of 2011 and has decreased to 6.8% at the end of 2012. Other indicators show that the economy is stabilizing in many key areas and is showing signs of improvement in certain retail sectors.

INTRODUCTION

This report provides analytical information on the Town of Parker. It is prepared in accordance with the Financial Trend Monitoring System (FTMS) developed by the International City/County Management Association (ICMA). Generally accepted government accounting standards were followed for the data presented in this report.

The FTMS was developed by the ICMA with assistance from representatives of more than 30 state and local jurisdictions. The FTMS identifies and organizes factors that affect financial condition so they can be evaluated. Data is collected from the Town's annual financial reports, budgets, local population and other demographic information. The FTMS provides for consistent reporting and display of the information to permit the analysis of historical trends.

The system incorporates the major financial indicators used by national bond-rating organizations to evaluate the Town's credit-worthiness. The FTMS identifies more than 25 measures or indicators of financial condition. Tracking the indicators over a number of years offers a way to quantify and evaluate a government's financial condition and identify strengths and potential problem areas. The indicators can be used as early warning signs when certain trends are apparent.

FINANCIAL CONDITION

Sound financial condition encompasses four measures of solvency: cash, budgetary, long-term and service-level.

- Cash solvency is the ability of a government to generate sufficient cash over a 30 to 90 day period to pay its bills.
- Budgetary solvency is the ability to generate enough revenues during the budget year to meet expenditures and not incur deficits.
- Long-term solvency is the ability to pay not only the costs of doing business in the current year, but also those that will come due in future years (i.e., accrued employee leave, pension costs).
- Service-level solvency is the ability to provide service at the level and quality desired by citizens and required for the health, safety and welfare of the community.

The solvency or sound financial condition of the government depends on the organization's ability to balance the demands for service with its available financial resources.

Monitoring financial condition allows managers to identify existing and emerging financial problems and develop solutions in a timely manner. Effective monitoring can also provide additional information for the annual budget process, give Town Council a wider context for decision-making and establish a starting point for setting financial policies. The FTMS is just one tool to accomplish financial monitoring.

HOW TO USE THIS REPORT

The report is divided into seven sections, one for each major financial condition factor:

- Revenues
- Expenditures
- Operating Position
- Debt Indicators
- Unfunded Liabilities
- Capital Plant
- Local Economic and Demographic Characteristics

Each section contains quantifiable indicators that are used to analyze the factor. The format of the analysis of each indicator is as follows:

- Formula for computing the indicator
- Yearly graphic and chart representations of the indicator's trend
- Indicator warning trends
- General description of how the indicator is used to measure financial condition
- Commentary on the Town of Parker indicators
- Analysis of the indicator trends for the Town of Parker

METHODOLOGY

The objective of the review is to evaluate the financial condition of the Town of Parker for the past five years. The analysis is based on the Town's Comprehensive Annual Financial Report (CAFR), revenue and expenditure reporting, statistical/demographic data, payroll records and other subsidiary records. The Public Works Department provided capital plant measurements, and the Economic Development Department provided input on demographic and socio-economic data.

When required for analysis, indicators were expressed in constant dollars based upon the Denver-Boulder Consumer Price Index for All Urban Consumers.

The FTMS excludes Enterprise and Internal Service Funds from its definition of operating revenues and expenditures, as well as revenues dedicated to specific types of capital improvements. The following funds are excluded, except when otherwise stated: Stormwater, Fleet, Information Technology, and Facilities.

DEFINITIONS

The terminology defined below is used consistently throughout this document. Reviewing definitions prior to analysis will make the report easier to understand.

REVENUES

■ General Fund Revenues

The General Fund is used to account for most of the government's activities, including Police, Administration, Public Works, Streets, Municipal Court and Parks. General Fund revenues are those which are collected for unspecified uses including, but not limited to, two and half cents of the three cent sales/use tax, property taxes, lodging tax and permit fees.

■ Net Operating Revenues

Included are general fund revenues from property and sales taxes, franchise fees, administrative service fees and other user fees (not including recreation fund and stormwater enterprise fund fees which are looked at individually by fund). Also included are various intergovernmental revenues.

■ Intergovernmental Revenue

Subset of net operating revenues. Includes County and State collected shared revenues as well as grant monies received from other governmental agencies.

■ Restricted Operating Revenues

Includes general fund grant monies and funds set aside for specific capital projects.

■ Elastic Tax Revenues

Includes general fund sales tax and lodging tax.

■ One-Time Revenues

Includes all grants, and certain General Fund revenues over a base amount (building permits/fees, audit assessments, interest and miscellaneous revenue).

EXPENDITURES

■ Net Operating Expenditures

Includes salaries and wages, fringe benefits, operating costs, and machinery and equipment purchased by the General Fund.

■ Fringe Benefit Expenditures

Includes General Fund vacation/sick accruals, insurance, disability and education expenditures.

■ **Capital Equipment Outlay**

Includes machinery and equipment purchased for the general government operations, primarily with General Fund dollars.

OPERATING POSITION

■ **General Fund Operating Surplus (Deficit)**

General Fund gross revenues less expenditures including transfers to/from other funds.

■ **Enterprise Operations Income and Loss**

Enterprise funds for the Town include the Stormwater Utility Fund. Income includes charges for services and user fees. Depreciation is included as an expense since costs of replacement should be accounted for in user charges and fees.

DEBT LEVELS

■ **Current Liabilities**

Includes General Fund accounts payable and accrued liabilities for amounts to be paid within the current calendar year.

■ **Net Direct Debt Service**

Includes principal and interest payments on the sales and use tax revenue bonds.

TREND EVALUATION: REVENUES

SUMMARY

Revenues determine the capacity of the Town to provide services. Important issues to consider in revenue analysis are growth, flexibility, elasticity, dependability, diversity and administration. Under ideal conditions, revenues would be growing at a rate equal to or greater than the combined effects of inflation and expenditures. Revenues would be sufficiently flexible (free from spending restrictions) to allow adjustments to changing conditions. Revenues would be balanced between elastic and inelastic in relation to inflation and the economic base; that is, some would grow with inflation and the economic base and others would remain relatively constant. Revenue sources would be diversified--not overly dependent on residential, commercial, industrial land uses, or on external funding sources such as federal grants or discretionary State aid. User fees would be regularly evaluated to cover cost increases.

Analyzing revenue structure will help to identify the following types of problems:

- Deterioration of the revenue base
- Practices or policies that may adversely affect revenue yields
- Lack of cost controls, or poor revenue-estimating practices
- Inefficiency in the collection and administration of revenues
- Over dependence on obsolete or intergovernmental revenue sources
- User fees that are not covering the cost of services
- Changes in the tax burden on various segments of the population

INDICATORS

- Revenues Per Capita
- Property Tax Revenues
- Intergovernmental Revenues
- Elastic Tax Revenues
- One-Time Revenues
- Restricted Operating Revenues
- Revenue Surplus (Shortfalls)

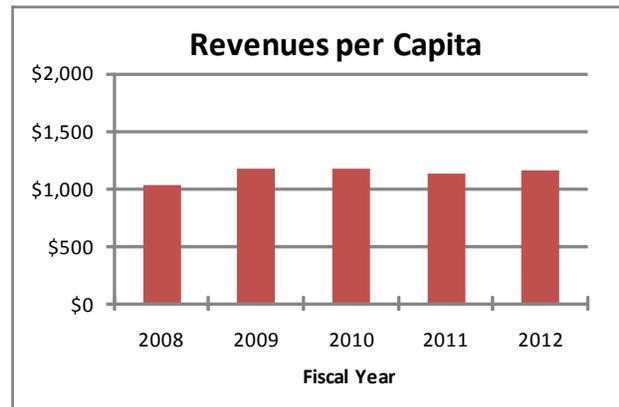
Revenues per Capita

Warning Trend:

Decreasing Net Operating Revenues per Capita (constant dollars)

Formula:

$$\frac{\text{Net Operating Revenues (constant dollars)}}{\text{Population}}$$



Fiscal year:	2008	2009	2010	2011	2012
Net Operating Revenues *	46,880,653	53,165,831	54,230,377	54,400,130	58,637,483
Consumer Price Index	209.9	208.5	212.4	220.3	224.6
Net Operating Revenues (constant dollars)	46,881,000	53,523,000	53,592,000	51,835,000	54,807,000
Population	45,244	45,259	45,297	45,758	46,919
Net Operating Revenues per Capita (constant dollars)	1,036	1,183	1,183	1,133	1,168

* Operating revenues : general fund revenues, including carryover cash, plus operating transfers from other funds.

Description:

Examining per capita revenues shows changes in revenues relative to changes in population size and rate of inflation. As population increases, it might be expected that revenues and the need for services would increase proportionately and therefore that the level of per capita revenues would remain at least constant in real terms. If per capita revenues are decreasing, the government may be unable to maintain existing service levels unless it finds new revenue sources or increases productivity. This reasoning assumes that the cost of services is directly related to population size.

Commentary:

Operating revenues consist of amounts received in the General Fund from property taxes, sales tax, lodging tax, franchise and excise taxes, fines & forfeitures, deficit reduction fees, license & permit fees, state-shared revenue, county-shared revenue, interest and unexpended cash (carryover cash) brought forward from the prior year. They are used for on-going Town services such as fire, police, public works, streets, parks, planning and central administration. The Town also transfers a significant amount of General Fund Revenues to the PACE Fund. Revenues from enterprise operations such as stormwater utility are excluded.

Decreasing operating revenues per capita may reduce a government's ability to maintain existing service levels. Therefore, decreases are a warning trend for this indicator.

Analysis:

Net Operating Revenues increased in 2012 after a slight dip in 2011 due to increases in sales tax and charges for services offsetting a decrease in nonlocal revenues and accounting for the increase in 2012. Carryover cash increased 1.88% in 2012 following a decrease of 4.93% in 2011, and remains sufficient to cover unexpected cash needs.

The population estimates are updated annually. New construction in 2012 resulted in a small increase in the population estimate of 2.54%.

The increase in the 2012 CPI is a good indicator that the economy is continuing to recover from recession.

For 2013, Net Operating Revenues are anticipated to maintain 2012 levels. Looking at 2013 and beyond, the prospect of additional retail development in the Cottonwood area and possibly along "Pine Curve" area and the rebound of the housing market should help the trend stay positive.

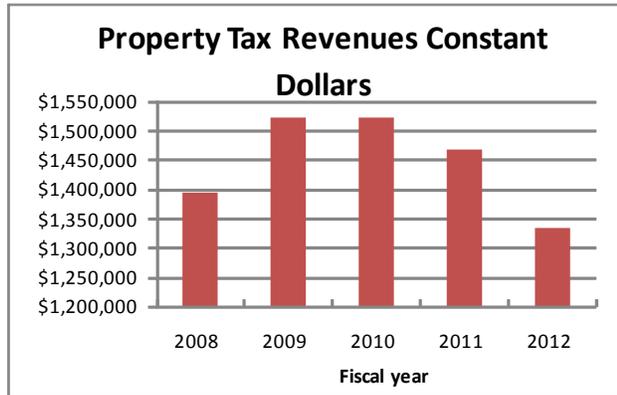
Property Tax Revenues

Warning Trend:

Decline in Property Tax Revenues
(constant dollars)

Formula:

$$\frac{\text{Property Tax Revenues}}{\text{(constant dollars)}}$$



Fiscal year:	2008	2009	2010	2011	2012
Property Tax Revenues	1,448,545	1,511,752	1,540,517	1,540,223	1,426,923
Consumer Price Index	209.9	208.5	212.4	220.3	224.6
Property Tax Revenues (constant dollars)	1,394,000	1,522,000	1,522,000	1,468,000	1,334,000

Description:

Property Tax Revenues should be considered separately from other revenues, because most local governments rely heavily on them. A decline or a diminished growth rate in property taxes can have a number of causes. First, it may reflect an overall decline in property values resulting from the aging of buildings; a decline in local economic health; or a decline in total number of households, which can depress the housing market. Second, it may result from unwilling default on property taxes by property owners. Third, it may result from inefficient assessment or appraisal. Finally, a decline can be caused by deliberate default by property owners, who realize that delinquency penalties are less than short-run interest rates and that nonpayment is therefore an economical way to borrow money.

Commentary:

Property taxes are paid on the assessed values of real, personal and utility property. Town property taxes are generated by a mill levy which supports on-going General Fund services and transfers to Capital Programs. The mill levy has remained constant since 1998.

The Colorado Constitution via the Taxpayer Bill of Rights amendment (TABOR) does not allow a mill levy increase without an affirmative vote of the electorate in Parker. Parker taxpayers have paid \$0.2602 per \$1,000 of assessed value each year since 1998.

Property Taxes account for approximately 4% of General Fund revenues and 3% of the total Town revenues.

Decreasing Property Tax Revenues (when expressed in constant dollars) constitute a warning trend.

Analysis:

The health of the local housing market is indicated by the assessed valuations and related property tax revenues over the last few years. Demand for residential property in Parker is still high and residential construction has picked up over the last two years which will help improve this trend.

The slight decline in constant dollar revenues in odd numbered years is due to the biennial reassessment of property by Douglas County. Typically as the County reassesses properties, the revenues show large gains in even numbered years, however due to the recession and collapse of the housing market over the last few years, this has not been the case. This cause-and-effect relationship should return to normal as the economy continues to improve and housing values recover.

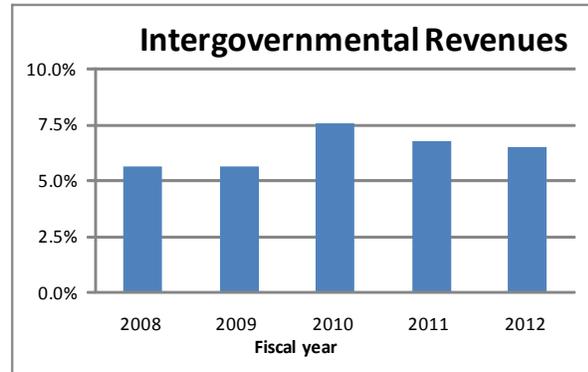
Intergovernmental Revenues

Warning Trend:

Increasing amount of Intergovernmental Operating Revenues as a percentage of Net Operating Revenues

Formula:

$$\frac{\text{Intergovernmental Operating Revenues}}{\text{Net Operating Revenues}}$$



Fiscal year:	2008	2009	2010	2011	2012
Intergovernmental Operating Revenues	2,631,251	2,998,289	4,096,054	3,680,597	3,834,058
Net Operating Revenues	46,880,653	53,165,831	54,230,377	54,400,130	58,637,483
Intergovernmental Operating Revenues as a percentage of Net Operating Revenues	5.6%	5.6%	7.6%	6.8%	6.5%

Description:

Intergovernmental Revenues (revenues received from another governmental entity) are important, but an overdependence on such revenues can be harmful. Federal and state governments have struggled with their own budgetary problems in the last decade, which has led to their frequent withdrawal or reduction of payments to local governments, serving as one of their cutback measures. Local governments with budgets largely supported by intergovernmental revenues have been particularly harmed during this period, but almost all local governments have been impacted. The reduction of intergovernmental funds leaves the municipal government with the dilemma of cutting programs or funding them from general fund revenues.

Nevertheless, a municipality might want to maximize its use of Intergovernmental Revenues, consistent with its service priorities and financial condition. For example, a local government might want to rely on Intergovernmental Revenues to finance a federal or state mandated service or a one-time capital project. The primary concern in analyzing intergovernmental revenues is to know and monitor the local government's vulnerability to reductions of such revenues, and determine whether the local government is controlling its use of the external revenue, or whether these revenues are controlling local policies.

Commentary:

Increasing Intergovernmental Revenue to support general Town services signals an overdependence on such revenue. If there is a risk that these revenues could be withdrawn, the Town would be forced to find additional revenue or to cut services to reduce costs. Therefore, an increasing percentage can be viewed as a warning.

Analysis:

Revenues come from County shared taxes as well as State and Federal grants. The tax revenues received for Cigarette Tax and County Road and Bridge Tax are projected to decline slightly, while Highway Users Tax and Motor Vehicle Registrations are projected to increase slightly, so generally these revenues will balance each other and be a stable revenue source in the future. The increase in 2010 is the result of the Town receiving the Build America Bonds (BAB's) credit from the Federal government for issuing taxable certificates of participation in 2009. The 2013 sequestration by the Federal government resulted in a decrease of 8% across the board in Federal expenditures which resulted in a decrease of \$36,000 in the Build America Bonds (BAB's) credit the Town receives. It is unknown if the sequestration will continue beyond 2013.

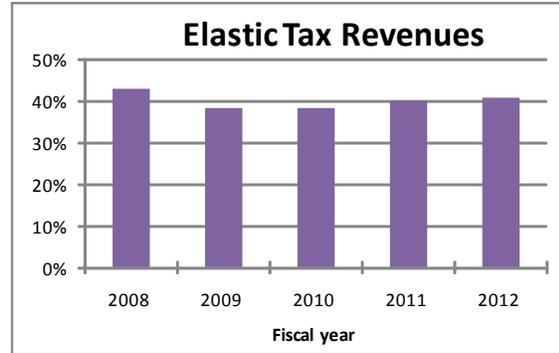
Elastic Tax Revenues

Warning Trend:

Decreasing amount of Elastic Tax Revenues as a percentage of Net Operating Revenues

Formula:

$$\frac{\text{Elastic Tax Revenues}}{\text{Net Operating Revenues}}$$



Fiscal year:	2008	2009	2010	2011	2012
Elastic Tax Revenues	20,184,224	20,388,028	20,862,897	21,832,266	24,052,034
Net Operating Revenues	46,880,653	53,165,831	54,230,377	54,400,130	58,637,483
Elastic Operating Revenues as a percentage of Net Operating Revenues	43.1%	38.3%	38.5%	40.1%	41.0%

Description:

The yields of Elastic Tax Revenues are highly responsive to changes in economic base and inflation. As the economic base expands or inflation goes up, elastic revenues will generally rise proportionally, and vice versa. A good example is sales tax revenue, which increases during good economic periods through increased retail business and declines during poor times, even though the tax rate remains the same. Yields from inelastic revenue sources, such as license fees or user charges, are relatively unresponsive to changes in economic conditions and require that government officials change fees or charges to create a change in revenue. The yields from these revenues usually lag behind economic growth and inflation because local legislative bodies are reluctant to increase them each year. If properties are not frequently reassessed, property tax revenues can also be inelastic, especially during periods of economic growth.

A balance between elastic and inelastic revenues mitigates the effects of economic growth or decline. During inflation, it is desirable to have a high percentage of elastic revenues because inflation pushes up revenue yield, keeping pace with the higher prices the government must pay. If the percentage of elastic revenues declines during inflation, the government becomes more vulnerable because inflation pushes up the price of services but not the yields of new revenues. The reverse is also true (i.e., a low percentage of elastic revenues is desirable in times of deflation), but significant deflation has seldom occurred in recent years.

During a recession, a high percentage of inelastic revenues is an advantage. This insulates the tax base to some degree from the reduced yield it can receive during a recession.

Commentary:

Elastic Tax Revenues are highly responsive to economic changes. The Town's General Fund revenues that are classified as elastic are sales tax and lodging tax. A balance between elastic and inelastic revenues mitigates the effects of economic growth and decline.

Declining elastic revenues are considered a warning trend because they may place a government in jeopardy during periods of high inflation or rapid economic growth. However, overdependence on Elastic Sales Tax Revenues can reduce resources during economic downturns.

Analysis:

Historically, the Town has enjoyed increasing sales tax revenues as a result of a strong local economy. While the Town recognized increases in sales tax revenues during the recession, the improvement to the economy has resulted in more significant increases in sales tax in 2012 compared to 2011.

Parker's sales tax base has a large component of inelastic remitters included in the utilities (including telecommunications) and grocery sectors. The percentage of sales tax paid for electricity, gas, phone service and food purchases are considered necessities and a stable tax component. Over 21% of the Town's sales tax revenues come from utilities, grocery, and telecommunications.

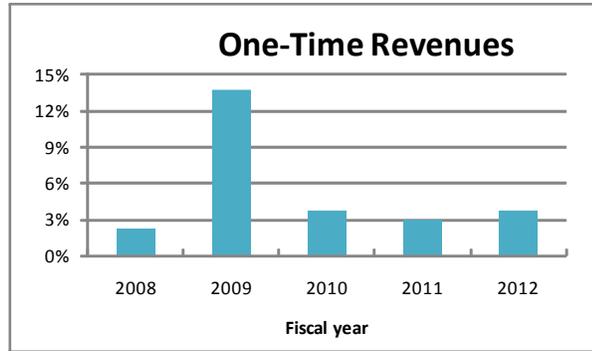
One-Time Revenues

Warning Trend:

Increasing use of One-Time Operating Revenues as a percentage of Net Operating Revenues

Formula:

$$\frac{\text{One-Time Operating Revenues}}{\text{Net Operating Revenues}}$$



Fiscal year:	2008	2009	2010	2011	2012
One-Time Operating Revenues	1,100,605	7,308,757	2,044,378	1,650,110	2,208,140
Net Operating Revenues	46,880,653	53,165,831	54,230,377	54,400,130	58,637,483
One-Time Operating Revenues as a percentage of Net Operating Revenues	2.3%	13.7%	3.8%	3.0%	3.8%

Description:

A One-Time Revenue is one that cannot reasonably be expected to continue, such as a single-purpose federal grant, an interfund transfer, or use of a reserve. Also included as One-Time Revenues are use taxes derived from unusual new construction projects or upgrades of existing facilities. Continual use of One-Time Revenues to balance the annual budget can indicate that the revenue base is not strong enough to support current service levels. It can also mean that the government is incurring operating deficits and would have little room to maneuver if there were a downturn in revenues (such as occurs during a regional or national recession or because of the sudden expenditures occasioned by a natural disaster). Use of One-Time Revenues increases the probability that the government will have to make large cutbacks if such revenues cease to be available, which may occur when the Federal Government reduces a major grant program or when reserves are depleted.

Commentary:

One-Time Revenues are resources that cannot reasonably be expected to continue beyond a single year. These revenues include interfund transfers and loans, grants, use of reserves and surpluses, and sales of property.

Continued use of one-time revenues to balance the budget indicates current service level costs exceed ordinary revenue. Therefore, increases constitute a warning trend.

Analysis:

Changes in the dollar amount of one time revenues is driven by the timing of grants, new commercial construction, investment interest debt issuance and sales tax audit revenues.

The majority of the increase for 2008 and 2009 is the result of issuance of tax exempt certificates of participation used for the construction of the police station. These increases are also reflected in the total Net Operating Revenues and carryover cash. The decrease in the percentage in 2010 and 2011 shows some decrease in grant revenue, but still at an acceptable level.

Overall, the Town's reliance on one-time revenues continues to be minimal.

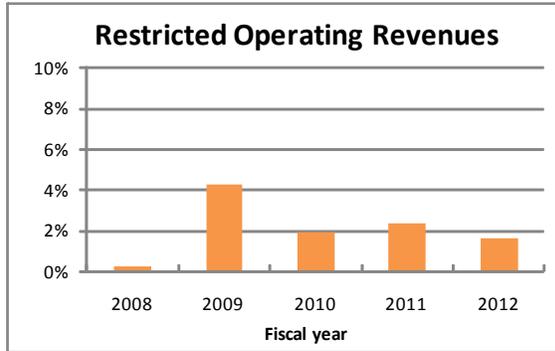
Restricted Operating Revenues

Warning Trend:

Increasing amount of Restricted Operating Revenues as a percentage of Net Operating Revenues

Formula:

$$\frac{\text{Restricted Operating Revenues}}{\text{Net Operating Revenues}}$$



Fiscal year:	2008	2009	2010	2011	2012
Restricted Operating Revenues	116,084	2,272,980	1,065,402	1,291,930	957,085
Net Operating Revenues	46,880,653	53,165,831	54,230,377	54,400,130	58,637,483
Restricted Operating Revenues as a percentage of Net Operating Revenues	0.2%	4.3%	2.0%	2.4%	1.6%

Description:

A Restricted Operating Revenue is legally earmarked for a specific use, as may be required by state law, bond covenants, or grant requirements. For example, many states require that gas tax revenues be used only for street maintenance or construction. Also included in Restricted Operating Revenues are General Fund transfers to other funds, including the PACE Fund and the Public Improvement Fund. While these General Fund transfers are discretionary, the dollars are earmarked for specific purposes and are not budgeted as available for general expenditures.

From one perspective, it would seem that many of these restrictions, especially those relating to outside funding, should not affect a local government's financial health. The government has the option of not accepting the revenue and of not providing the service. This option, however, is not always easy to exercise; governments develop economic and political dependencies on these revenues and on the programs they support. Moreover, many governments finance their own essential services with intergovernmental revenues, making it harder to cut them out.

Commentary:

These revenues are reserved for specific purposes including certain grants, donations, lease proceeds and capital program transfers.

As the percentage of Restricted Operating Revenues increases, the Town loses its ability to respond to changing conditions and citizen needs and demands. Increases in the use of restricted revenues may indicate an overdependence on external revenues and signal a future inability to maintain service levels. The warning trend for this indicator is an increasing percentage.

Analysis:

Fluctuations in Restricted Operating Revenue will depend primarily on amounts transferred to other funds and on grant revenues received. Restricted Operating Revenues include Police and other grant revenues and transfers to the PACE Fund and Public Improvements Fund.

In 2009, the General Fund transferred bond proceeds of \$1,990,700 to the Police Station/PACE Construction Fund. In 2010, the General Fund transferred \$389,000 to PACE Fund and \$110,000 to the Public Improvement Fund. In 2011, the General Fund transferred \$600,000 to PACE Fund and \$387,000 to the Capital Renewal and Replacement Reserve Fund. In 2012, the General Fund transferred \$600,000 to the PACE fund.

The amount of restricted operating revenues is minimal and within acceptable limits.

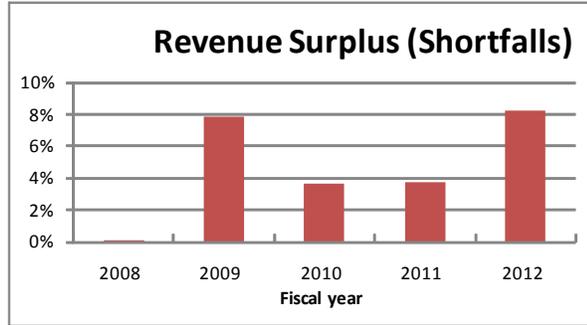
Revenue Surplus (Shortfalls)

Warning Trend:

Increase in revenue shortfalls as a percentage of actual Net Operating Revenues

Formula:

$$\frac{\text{Revenue Surplus (Shortfall)}}{\text{Net Operating Revenues}}$$



Fiscal year:	2008	2009	2010	2011	2012
Revenue Surplus (Shortfall)	14,109	4,197,882	1,985,571	2,029,438	4,804,900
Net Operating Revenues	46,880,653	53,165,831	54,230,377	54,400,130	58,637,483
Revenue Surplus (Shortfall) as a percentage of Net Operating Revenues	0.0%	7.9%	3.7%	3.7%	8.2%

Description:

This indicator examines the differences between revenue estimates and revenues actually received during the fiscal year. Major discrepancies that continue year after year can indicate a declining economy, inefficient collection procedures, or inaccurate estimating techniques. Discrepancies may also indicate that high revenue estimates are being made to accommodate political pressures. If revenue shortfalls are increasing in frequency or size, a detailed analysis should be made to pinpoint the source.

Commentary:

This indicator reflects the difference between revenues estimated in the Final Adopted Budget and revenues actually received. Major shortfalls can indicate inaccurate estimating techniques, sharp fluctuations in the economy or inefficient revenue collection.

Revenue shortfalls may result in mid-year cuts of services, spending of reserve funds, or increased use of short-term borrowing. Large or frequent shortfalls constitute a warning trend and indicate a need to be more conservative in revenue projections during the budget process.

Analysis:

The Town's budgeting process combines historical revenue trends with current and anticipated economic conditions. Budget amounts are compared to actual throughout the year and adjustments made through supplemental appropriations. Surplus or shortfalls within +/- 4% are considered reasonable.

The Town has shown a surplus each of the last five years. The amount of the each surplus indicates conservative, yet reasonable budgeting.

2008: The surplus is minimal and primarily a result of increased sales use tax.

2009: The surplus is primarily from bond proceeds.

2010: The surplus is primarily a result of increased sales tax revenue.

2011: The surplus is primarily a result of increased deficit reduction fees and sales tax revenue.

2012: The surplus primarily a result of an improved economy and significant increases in sales tax revenue and deficit reduction fees.

TREND EVALUATION: EXPENDITURES

SUMMARY

Expenditures are a rough measure of the Town's service output. Generally, the more the Town spends in constant dollars, the more services it is providing. However, this formula does not take into account how effective the services are or how efficiently they are delivered. To determine whether the Town of Parker is living within its revenues, the first issue to consider is expenditure growth rate.

Because the Town is *required* to have a balanced budget, it would seem unlikely that expenditure growth would exceed revenue growth. Nevertheless, the annual budget can be balanced in a number of subtle ways that will create a long-run imbalance in which expenditure outlays and commitments grow faster than revenues. Some of the more common ways are to borrow, use reserves, use bond proceeds for operations, or siphon small amounts from intergovernmental grants. Other ways are to defer capital maintenance or to defer funding of a future liability such as a pension plan. In each of these cases, the annual budget remains balanced, but the long-run budget develops a deficit. Although long-run deficits can be funded through windfalls such as state grants or revenue surges created by inflation, allowing such deficits to develop is risky.

A second issue to consider is expenditure flexibility. Expenditure flexibility is a measure of the freedom to adjust service levels to changing conditions and considers the level of mandatory or fixed costs. An increase in mandatory costs such as debt service, matching requirements and pension benefits renders the Town less able to adjust to change.

Analyzing the Town's expenditure profile will help to identify the following types of problems:

- Excessive growth of expenditures as compared to revenue growth or community wealth
- An undesirable increase in fixed costs
 - Ineffective budgetary controls
- A decline in personnel productivity
- Excessive growth in programs that create future expenditure liabilities

INDICATORS

- Expenditures Per Capita
- Employees Per 1,000 Citizens
- Employee Benefits

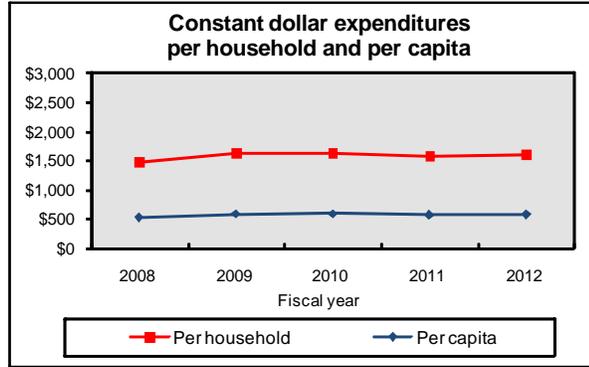
Expenditures per Capita

Warning Trend:

Increasing Net Operating Expenditures per Capita (constant dollars)

Formula:

$$\frac{\text{Net Operating Expenditures (constant dollars)}}{\text{Population}}$$



Fiscal year:	2008	2009	2010	2011	2012
Net Operating Expenditures	24,307,826	26,670,423	27,477,691	27,909,685	29,332,361
Consumer Price Index	209.9	208.5	212.4	220.3	224.6
Constant dollar expenditures	24,308,000	26,850,000	27,154,000	26,594,000	27,416,000
Estimated population	45,244	45,259	45,297	45,758	46,919
Estimated households	16,451	16,508	16,620	16,731	17,133
Per capita expenditures (constant dollars)	537	593	599	581	584
Per household expenditures (constant dollars)	1,478	1,626	1,634	1,590	1,600

Description:

Changes in per capita expenditures reflect changes in expenditures relative to changes in population. Increasing per capita expenditures can indicate that the cost of providing services is outstripping the community's ability to pay, especially if spending is increasing faster than the residents' collective personal income. From a different perspective, if the increase in spending is greater than can be accounted for by inflation or the addition of new services, it may indicate declining productivity--that is, that the government is spending more real dollars to support the same level of services.

Commentary:

Operating expenditures include personnel costs, materials and services and capital equipment costs in the General Fund. Operating expenditures do not include transfers to other funds. Increasing expenditures per capita can indicate that service costs are exceeding the community's ability to pay. Also, increases not caused by new services many indicate declining productivity.

Analysis:

The Town continues its moderate growth with residential and commercial development, and additional parks and open space. With these additions have come increased service needs from Police, Parks, and Public Works. Salaries generally increase an average of 2% - 4% per year. Utilities and other operating expenditures have also seen increases.

Included in expenditures are economic incentive payments from the new developments and annexations. The amount of the incentive payments increased significantly in 2009 as a major agreement was put into place. Economic Incentive payments were more than offset by revenues generated.

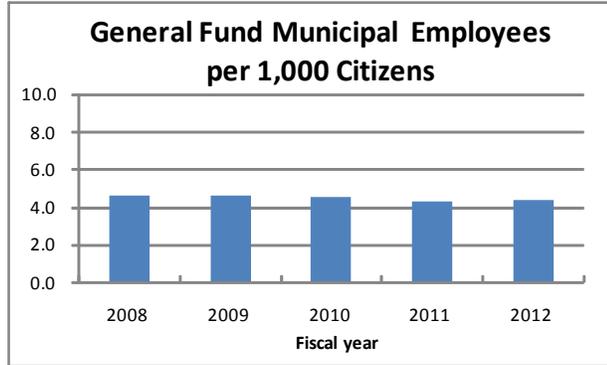
With the Town's efforts to keep expenditures in check along with modest increases in population and number of households, the trends are stable over the 5-year period.

Employees per 1,000 Citizens

Warning Trend:

Increasing number of municipal employees per capita

Formula:

$$\frac{\text{Number of municipal employees}}{\text{Population}}$$


Fiscal year:	2008	2009	2010	2011	2012
Number of general fund full-time municipal employees *	208	208	207	199	205
Population	45,244	45,259	45,297	45,758	46,919
Number of City employees per 1,000 citizens	4.6	4.6	4.6	4.3	4.4

* Budgeted employees

Description:

Because personnel costs are a major portion of a local government's operating budget, plotting changes in the number of employees per capita is a good way to measure changes in expenditures. An increase in employees per capita might indicate that expenditures are rising faster than revenues, the government is becoming more labor intensive or personnel productivity is declining.

Commentary:

This measure is based on the number of full-time employees in the General Fund. It excludes employees of enterprise operations like stormwater and internal service functions like fleet management and facilities.

An increasing number of employees is a warning trend, which may indicate more labor intensive work or declining productivity. An increasing number of employees could also indicate a new service or a higher level of existing service.

Analysis:

Employees Per Capita has remained relatively stable during the 5-year period. The Town has experienced moderate growth over the past five years in terms of population, commercial/residential construction, and recreation areas.

The decrease in 2011 was due to the Town's "right-sizing" that eliminated several positions that were not needed.

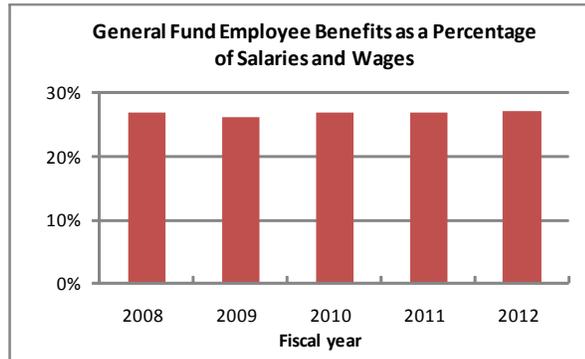
The increase in 2012 was the result of adding three additional police officers, one building inspector and two positions in economic development.

Employee Benefits

Warning Trend:

Increasing fringe benefit expenditures as a percentage of salaries and wages

Formula:

$$\frac{\text{Fringe benefit expenditures}}{\text{Salaries and wages}}$$


Fiscal year:	2008	2009	2010	2011	2012
General Fund employee benefit expenditures	3,110,271	3,132,023	3,315,548	3,345,540	3,514,410
Total salaries and wages	11,607,678	11,948,494	12,344,054	12,446,931	12,925,817
Employee benefits as a percentage of total salaries and wages	26.8%	26.2%	26.9%	26.9%	27.2%

Description:

The most common forms of fringe benefits are pension plans, health and life insurance, vacation, sick and holiday leave, deferred compensation, automobile allowances, disability insurance, educational and incentive pay. Benefits represent a significant share of operating costs, often amounting to more than 30% of employee compensation. Some benefits, such as health and life insurance, require immediate cash outlays; some, such as pension benefits or accumulated vacation pay, can be deferred for ten to twenty years; others, such as accumulated holiday and sick leave, may require either payment for the opportunity cost of not having the work done or payment to additional employees to handle the work. Because the funding and recording of fringe benefits is a complex process, these costs can escalate unnoticed, straining the government's finances.

Commentary:

Employee benefits include the cost of health insurance, worker's compensation, retirement, unemployment insurance, long-term disability, life insurance and the employer portion of social security. Paid holidays, vacation and sick pay are not included. This analysis includes employees in the General Fund. It does not include employees from enterprise operations such as stormwater or internal service functions such as fleet management or facilities.

Increasing employee benefits as a percent of salaries is a warning trend.

Analysis:

Expenditure dollars for Employee Benefits have continued to increase each year as a result of additional staffing and higher benefit costs. The cost of retirement benefits increases with the cost of salaries.

Salaries have increased each year as a result of the tight labor market over the past few years, as well as longevity and performance of the Town's employees. However, with the current economic conditions and higher unemployment, the rate of increase is expected to keep pace with the economy but not to experience the pressure of the past several years. In 2012, a salary increase of 2.3% was budgeted for all general employees and a step increase was budgeted for sworn police officers. In addition, an increase of 5% was budgeted for health insurance.

Benefit costs and plan options are carefully monitored by Human Resources. Health insurance costs are split between employees and the Town. The Front Range average for governmental entities for benefits is about 35%, including holidays, sick, and vacation pay.

TREND EVALUATION: OPERATING POSITION

SUMMARY

The term ***operating position*** refers to the Town's ability to (1) balance its budget on a current basis, (2) maintain reserves for emergencies and (3) have sufficient liquidity to pay its bills on time.

Operating position in the General Fund includes interest earnings and expenditures, and transfers to/from other funds. For enterprise funds, interest and transfers are not included in operating revenues and expenses.

BALANCING THE CURRENT BUDGET

During a typical year, the Town generates either an operating surplus or an operating deficit. An operating surplus develops when current revenues exceed current expenditures, and an operating deficit happens when the reverse occurs. Only in rare instances do revenues and expenditures balance exactly. An operating surplus or deficit may be created intentionally by a policy decision, or unintentionally because of the difficulty of precisely predicting revenues and expenditures, or trends in the underlying local and national economies. Usually, unassigned (f.k.a. unreserved) fund balances pay for deficits while surpluses are used to increase the fund balance. By Colorado statute, the Town must always ensure that its total expenditures and reserves equal its total resources.

RESERVES

The accumulation of operating surpluses builds reserves, which provide a financial cushion against events such as the loss of a revenue source, an economic downturn, unanticipated expenditures required by natural disasters, insurance loss and the like; unexpected large-scale capital expenditures, or other nonrecurring expenses; or an uneven cash flow.

Reserves are budgeted in a contingency account at the Town to ensure they are always fully discussed as part of the annual budget process.

The Town's objective is to establish the proper level for the fund balance in the General Fund, provide a budget target, maintain year-to-year consistency, avoid wide fluctuations in budget strategy and provide resources for maximum service levels, while keeping the Town in a strong financial position.

The Town's reserve policy sets the minimum fund balance to maintain in the General Fund at 17% of annual operating expenditures. The target during each budget process and at the end of each fiscal year is to keep the fund balance above the minimum requirement. This amount covers approximately two months' expenditures; an additional 3% emergency reserve is required under Colorado's TABOR Amendment.

LIQUIDITY

Liquidity refers to the flow of cash in and out of the treasury. The Town receives some revenues such as property taxes, in large installments at infrequent intervals during the first half of the year. If revenues are received before they need to be spent, the result is a positive liquidity/cash flow position. Excess liquidity or "cash reserves" are a valuable cushion against unexpected financial pressures.

An analysis of operating position can help to identify the following situations:

- A pattern of continuing operating deficits
- A decline in reserves
- Ineffective revenue forecasting techniques
- Ineffective budgetary controls

INDICATORS

- Operating Revenues Over/(Under) Expenditures
- Fund Balances
- Liquidity
- Stormwater Utility Operations Income and Losses
- Recreation Income and Losses
- PACE Income and Losses

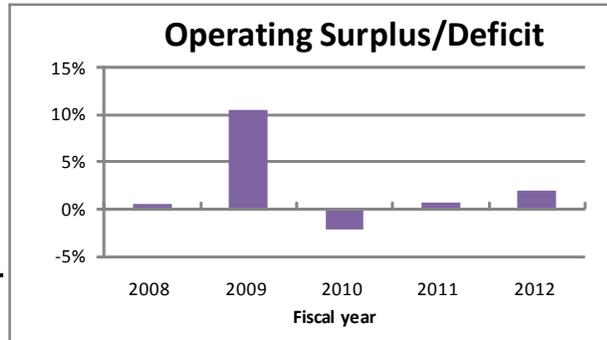
Operating Revenues Over (Under) Expenditures

Warning Trend:

Increasing General Fund Operating Deficits as a percentage of Net Operating Revenues

Formula:

$$\frac{\text{General Fund Operating Surplus/Deficit}}{\text{Net Operating Revenues}}$$



Fiscal year:	2008	2009	2010	2011	2012
General Fund Operating (Deficit)/Surplus*	303,203	5,611,359	(1,160,714)	420,389	1,180,061
Net Operating Revenues	46,880,653	53,165,831	54,230,377	54,400,130	58,637,483
General Fund Operating (Deficit)/Surplus as a percentage of Net Operating Revenues	0.6%	10.6%	-2.1%	0.8%	2.0%

*Encumbrances not included

Description:

An operating deficit occurs when current expenditures exceed current revenues. This may not mean that the budget will be out of balance ("budget deficit"), because reserves ("fund balances") from prior years can be used to cover the difference. It does mean, however, that during the current year, the government is spending more than it is receiving. This may be caused by an emergency (such as a natural catastrophe) requiring a large immediate expenditure or the spending pattern may be part of a policy to use accumulated surplus fund balances. An operating deficit in any one year may not be cause for concern, but frequent and increasing deficits can indicate that current revenues are not supporting current expenditures and that serious problems may lie ahead. Budgetary analysis does not always reveal operating deficits because they can be temporarily financed by short-term loans or by accounting transactions that, for example, inappropriately accrue future revenues or transfer surplus fund balances from other funds. An analyst looking for operating deficits should consider each fund separately, so that a surplus in one fund cannot hide a deficit in another. Analyzing funds separately also helps to pinpoint emerging problems. Although such transactions can provide necessary opportunities to meet current needs and can serve as a positive source of financing, they should be scrutinized and used on a short term/temporary basis only.

Commentary:

This indicator shows the difference between the revenues and expenditures of the General Fund. Unlike the Federal government, Colorado municipalities are prohibited by Local Budget Law from spending more money than they have. However, when a Town spends more than it collects in a year, the deficit can be covered by cash reserves, transfers from other funds or from other sources. An operating deficit may occur as a result of lower revenues or higher costs than were budgeted. An operating deficit may also result when Town Council intentionally spends accumulated surplus funds.

Frequent and increasing operating deficits may indicate that revenues are not supporting current expenditures. The following occurrences are warning trends:

- Two consecutive years of operating deficits;
- A current operating fund deficit greater than that of the previous year;
- An operating deficit in two or more of the last five years;
- An abnormally large deficit - more than 5 to 10 percent of net operating revenues in any one year.

Analysis:

The trend is positive, with surpluses in four of the last five years, although the amount of surplus had been declining in the last two years; the surplus in 2009 was greater than the last two years combined. In 2010, the Town made the decision to pay off the 2001 Certificates of Participation a year early utilizing reserves.

The surplus in 2009 is primarily due to the proceeds from the 2009 Certificates of Participation that were issued for construction of the police station and PACE center. The surpluses in 2008, 2011 and 2012 are a result of overall operations.

Fund Balances

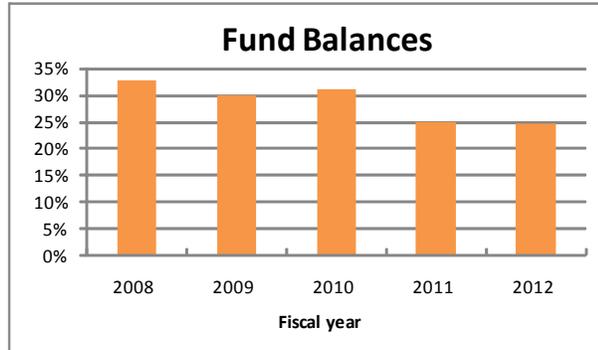
(General Fund)

Warning Trend:

Declining unreserved Fund Balances as a percentage of Net Operating Revenues

Formula:

$$\frac{\text{Unassigned Fund Balances}}{\text{Net Operating Revenues}}$$



Fiscal year:	2008	2009	2010	2011	2012
Unassigned Fund Balances	15,362,740	15,942,148	16,927,772	13,677,803	14,554,422
Net Operating Revenues	46,880,653	53,165,831	54,230,377	54,400,130	58,637,483
Unassigned Fund Balances as a percentage of Net Operating Revenues	32.8%	30.0%	31.2%	25.1%	24.8%

Description:

Positive fund balances can also be thought of as reserves, although the "fund balance" entry on a local government's annual report is not always synonymous with "available for appropriation." The report may show reservations on the fund balances, such as "Assigned for Prior Year's Encumbrances" or the TABOR required "Restricted Emergency Reserve".

The size of a local government's fund balances can affect its ability to withstand financial emergencies. It can also affect its ability to accumulate funds for capital purchases without having to borrow. In states that allow it, jurisdictions usually try to operate each year at a small surplus to maintain positive fund balances and thus maintain adequate reserves.

Nonspecific or general reserves are usually carried on the books as an unassigned fund balance in the general operating fund. Sometimes special reserves are maintained in a separate fund. For example, reserves for replacing equipment such as computers or vehicles may be kept in the fund balance of an internal service fund (i.e., a fund used to charge operating departments for the use of equipment). Reserves can also be appropriated as a budget item in some form of contingency account. Regardless of the way in which reserves are recorded, an unplanned decline in fund balances may mean that the government will be unable to meet a future need.

Commentary:

The Town's Policy regarding Fund Balance is to maintain a level for the Fund Balance in the General Fund which provides a budget target, maintains year to year consistency, avoids wide fluctuations in budget strategy, and provides resources for maximum service levels to keep the Town in a strong financial position.

Analysis:

The increases in 2008 and 2010 are a result of on-going operations. For 2009, with good financial management, the percentage increased despite difficult economic conditions. For 2011 and 2012, the Town intentionally spent down reserves.

The percentage of Unreserved Fund Balance remains well above the Town's policy requirement and at a very healthy level.

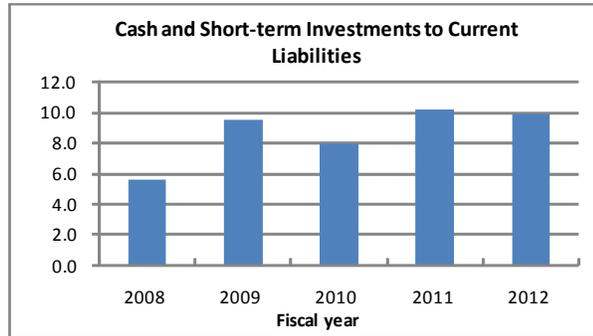
Liquidity

Warning Trend:

Decreasing amount of Cash and Short-term Investments as a percentage of Current Liabilities

Formula:

$$\frac{\text{Cash and Short-term Investments}}{\text{Current Liabilities}}$$



Fiscal year:	2008	2009	2010	2011	2012
Cash and Short-term Investments	16,820,720	16,220,900	17,348,260	17,346,906	18,195,345
Current Liabilities *	2,991,763	1,702,658	2,175,179	1,697,895	1,836,198
Cash and short-term investments ratio to current liabilities	5.6	9.5	8.0	10.2	9.9

* Includes amounts in escrow for development fees.

Description:

A good measure of a local government's short-run financial condition is its cash position. Cash position, which includes cash on hand and in the bank, as well as other assets that can be easily converted to cash, determines a government's ability to pay its short-term obligations. This is also known as liquidity, and the immediate effect of insufficient liquidity is insolvency--the inability to pay bills. Low or declining liquidity can indicate that a government has overextended itself in the long run. A cash shortage may be the first sign.

Commercial entities use a standard ratio of liquidity called the "quick ratio"; cash, short-term investments and accounts receivable divided by current liabilities (short-term debt, current portion of long-term debt, accounts payable, accrued and other current liabilities). If this ratio is less than one to one (or less than 100%), the commercial entity is considered to be facing liquidity problems. However, most of a commercial entity's accounts receivable is collected within thirty days; a municipality's receivables are usually not collected that quickly. Accordingly, the ratio of cash and short-term investments to current liabilities is a better measure of a municipality's liquidity.

Comparing cash and short-term investments to current liabilities is also referred to as *current account analysis*. In this terminology, an excess of liabilities over cash and short-term investments (a ratio of less than one to one) would be referred to as a *current account deficit* and the reverse (a ratio of greater than one to one) would be a *current account surplus*.

Commentary:

Liquidity is an indicator of the Town's ability to pay its short-term obligations. Liquidity is the ratio of cash and short-term investments to current liabilities. A low ratio may result in cash-flow problems for the Town and require greater use of short-term borrowing to cover expenses. The credit rating industry considers a liquidity ratio of less than 1:1 cash to current liabilities to be a negative factor, although a single year at this level is not considered serious.

Decreasing liquidity is a warning trend.

Analysis:

The trend is positive as the ratio remains well over 1:1 and has increased over the last five years. The slight decrease in the ratio in 2010 is due to increased deferred revenues that were recognized in 2011.

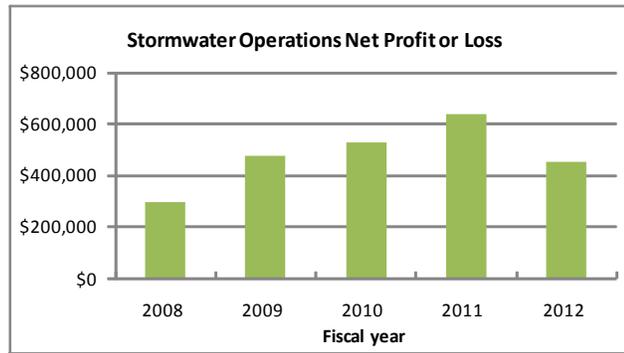
Stormwater Operations - Income and Losses

Warning Trend:

Recurring enterprise losses (deficits)

Formula:

Enterprise profits or losses



Fiscal year:	2008	2009	2010	2011	2012
Stormwater Operating Results (Net Profit or Loss)	419,203	627,105	681,618	807,956	622,419
excluding depreciation					
Net profit or loss*	298,334	478,892	527,622	638,799	455,586

*Net profit or loss is after depreciation expense and before interest or transfers

Description:

Enterprise losses are a special and highly visible type of operating deficit because enterprise fund programs are expected to function as if they were commercially operated private entities, rather than governmental "not for profit" entities. This means that the costs (expenses, including depreciation) of providing goods and services to the public are to be recovered through user charges. In addition, enterprise operations usually need to issue revenue bonds to finance capital improvement projects, and the interest rates and covenants associated with the issuance of such bonds can be significantly affected by the operating position of the enterprise.

Enterprise fund programs common to local government are water, gas, electric utilities, swimming pools, golf courses, airports, parking garages and transit systems. In times of financial strain, a local government can raise taxes to increase support for a general fund program. However, enterprises are typically subject to the laws of supply and demand. Managers of such programs who raise user fees or rates may find that revenues actually decrease because customers limit their use of the service.

Commentary:

The Town operates one enterprise, the stormwater utility. Like private businesses, this entity charges customers for services to cover costs of operations. Net income or loss is the difference between the revenues and costs of providing these services. Income is used to retire debt, fund capital construction, and to maintain an adequate level of working capital.

Recurrent enterprise losses represent a warning trend.

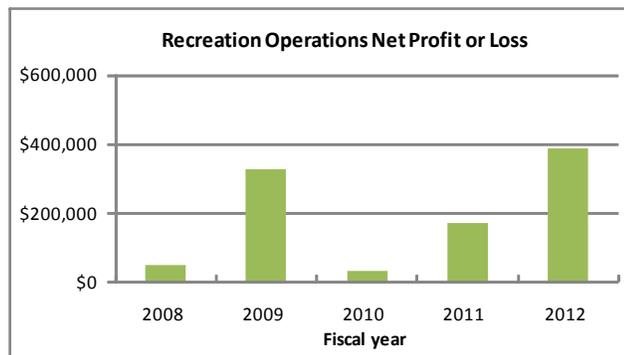
Analysis:

Over the five year period the Stormwater Fund has shown a net profit from operations each year.

Recreation Operations - Income and Losses

Warning Trend:
Recurring losses (deficits)

Formula:
Enterprise profits or losses



Fiscal year:	2008	2009	2010	2011	2012
Operating Revenue	3,264,948	3,551,599	3,672,154	3,765,882	4,132,752
Expenditures	4,184,108	4,212,493	4,497,776	4,554,047	4,926,022
Operating profit or loss	(919,160)	(660,894)	(825,622)	(788,165)	(793,270)
Net profit or loss including interest and transfers	49,193	329,090	31,350	173,293	386,902
Operating Revenue as a percentage of Expenditures	78.0%	84.3%	81.6%	82.7%	83.9%

Description:

An operating deficit occurs when current expenditures exceed current revenues. This may not mean that the budget will be out of balance ("budget deficit"), because reserves ("fund balances") from prior years can be used to cover the difference. It does mean, however, that during the current year, the government is spending more than it is receiving. This may be caused by an emergency (such as a natural catastrophe) requiring a large immediate expenditure or the spending pattern may be part of a policy to use accumulated surplus fund balances. An operating deficit in any one year may not be cause for concern, but frequent and increasing deficits can indicate that current revenues are not supporting current expenditures and that serious problems may lie ahead. Budgetary analysis does not always reveal operating deficits because they can be temporarily financed by short-term loans or by accounting transactions that, for example, inappropriately accrue future revenues or transfer surplus fund balances from other funds. An analyst looking for operating deficits should consider each fund separately, so that a surplus in one fund cannot hide a deficit in another. Analyzing funds separately also helps to pinpoint emerging problems. Although such transactions can provide necessary opportunities to meet current needs and can serve as a positive source of financing, they should be scrutinized and used on a short term/temporary basis only.

Commentary:

This indicator shows the difference between the revenues and expenditures of the Recreation Fund. Unlike the Federal government, Colorado municipalities are prohibited by Local Budget Law from spending more money than they have. However, when a Town spends more than it collects in a year, the deficit can be covered by cash reserves, transfers from other funds or from other sources. An operating deficit may occur as a result of lower revenues or higher costs than were budgeted. An operating deficit may also result when Town Council intentionally spends accumulated surplus funds.

Frequent and increasing operating deficits may indicate that revenues are not supporting current expenditures. The following occurrences are warning trends:

- Two consecutive years of operating deficits;
- A current operating fund deficit greater than that of the previous year;
- An operating deficit in two or more of the last five years;
- An abnormally large deficit - more than 5 to 10 percent of net operating revenues in any one year.

Analysis:

The Recreation Fund is not self sustaining and will always require an operating transfer from the Parks and Recreation Fund to balance the budget. The goal of the Town is for the recreation fund to recover 80% of their annual operating costs through user charges. With this in mind, the trend is considered positive, with operating revenues covering at least 80% expenditures for the most recent four of the last five years.

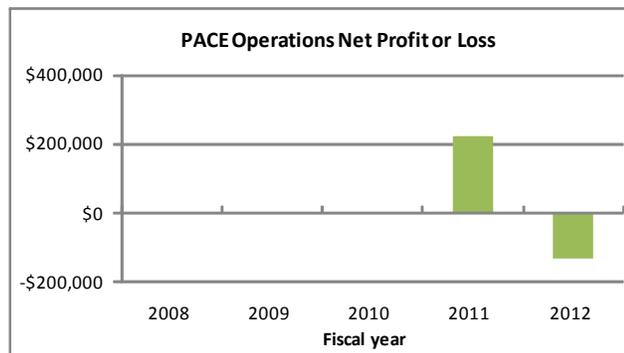
PACE Operations - Income and Losses

Warning Trend:

Recurring losses (deficits)

Formula:

Enterprise profits or losses



Fiscal year:	2008	2009	2010	2011	2012
Operating Revenue				550,201	1,112,329
Expenditures				925,844	1,846,842
Operating profit or loss				(375,643)	(734,513)
Net profit or loss including interest and transfers				224,357	(132,578)
Operating Revenue as a percentage of Expenditures				59.4%	60.2%

Description:

An operating deficit occurs when current expenditures exceed current revenues. This may not mean that the budget will be out of balance ("budget deficit"), because reserves ("fund balances") from prior years can be used to cover the difference. It does mean, however, that during the current year, the government is spending more than it is receiving. This may be caused by an emergency (such as a natural catastrophe) requiring a large immediate expenditure or the spending pattern may be part of a policy to use accumulated surplus fund balances. An operating deficit in any one year may not be cause for concern, but frequent and increasing deficits can indicate that current revenues are not supporting current expenditures and that serious problems may lie ahead. Budgetary analysis does not always reveal operating deficits because they can be temporarily financed by short-term loans or by accounting transactions that, for example, inappropriately accrue future revenues or transfer surplus fund balances from other funds. An analyst looking for operating deficits should consider each fund separately, so that a surplus in one fund cannot hide a deficit in another. Analyzing funds separately also helps to pinpoint emerging problems. Although such transactions can provide necessary opportunities to meet current needs and can serve as a positive source of financing, they should be scrutinized and used on a short term/temporary basis only.

Commentary:

This indicator shows the difference between the revenues and expenditures of the PACE Fund. Unlike the Federal government, Colorado municipalities are prohibited by Local Budget Law from spending more money than they have. However, when a Town spends more than it collects in a year, the deficit can be covered by cash reserves, transfers from other funds or from other sources. An operating deficit may occur as a result of lower revenues or higher costs than were budgeted. An operating deficit may also result when Town Council intentionally spends accumulated surplus funds.

Frequent and increasing operating deficits may indicate that revenues are not supporting current expenditures. The following occurrences are warning trends:

- Two consecutive years of operating deficits;
- A current operating fund deficit greater than that of the previous year;
- An operating deficit in two or more of the last five years;
- An abnormally large deficit - more than 5 to 10 percent of net operating revenues in any one year.

Analysis:

The PACE Center opened in October 2011 and the first full year of operations was 2012. The PACE Fund is not self sustaining at this point and it is anticipated that an operating transfer from the General Fund will be required to balance the budget. The ultimate goal of the Town is for the PACE fund to become self sustaining, but for the near future the goal is recover 60% to 75% of their annual operating costs through user charges. With this in mind, the trend is considered positive, with operating revenues covering 60% expenditures for the first two years of operations.

TREND EVALUATION: DEBT INDICATORS

SUMMARY

Debt is an effective way to finance capital improvements and to balance out short-term revenue flows, but its misuse can cause serious financial problems. Even a temporary inability to repay debt can damage the Town's credit rating, possibly increasing its rate for future borrowing.

The most common forms of long-term debt are general obligation, special assessment and revenue bonds. Even when these types of debt are used exclusively for capital projects, the Town needs to ensure that its outstanding debt does not exceed its ability to repay as measured by the wealth of the community. Another way to evaluate ability to repay is to consider the amount of principal and interest, or debt service that the Town is obligated to repay each year. Also to be considered are overlapping debt and other jurisdiction debts against which the Town has pledged its full faith and credit. Under the most favorable circumstances, the Town's debt is proportional in size and rate of growth to its tax base, does not extend past the useful life of the facilities that it finances, is not used to balance the operating budget, does not require repayment schedules that put excessive burdens on operating expenditures; and is not too high as to jeopardize its credit rating.

An examination of the Town's debt structure can reveal the following:

- Inadequacies in cash management procedures or expenditure controls
- Increasing reliance on long-term debt
- Decreasing expenditure flexibility (due to increased fixed costs in the form of debt service)
- Use of short-term debt to finance current operations
- Existence of sudden large increases or decreases in future debt service
- Amount of additional debt that the community can absorb

INDICATORS

- Current Liabilities
- Combined Long-Term (Overlapping) Debt
- Debt Service

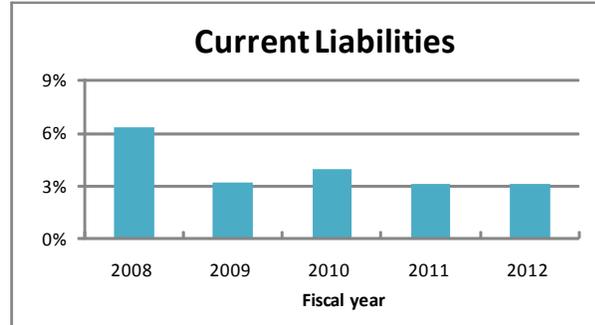
Current Liabilities

Warning Trend:

Increasing Current Liabilities at the end of the year as a percentage of Net Operating Revenues

Formula:

$$\frac{\text{Current Liabilities}}{\text{Net Operating Revenues}}$$



Fiscal year:	2008	2009	2010	2011	2012
Current Liabilities *	2,991,763	1,702,658	2,175,179	1,697,895	1,836,198
Net Operating Revenues	46,880,653	53,165,831	54,230,377	54,400,130	58,637,483
Current Liabilities as a percentage of Net Operating Revenues	6.4%	3.2%	4.0%	3.1%	3.1%

* Includes amounts in escrow for development fees.

Description:

Current liabilities are defined as the sum of all liabilities due at the end of the fiscal year, including short-term debt, current portion of long-term debt, all accounts payable, accrued liabilities and other current liabilities.

A major component of current liabilities may be short-term debt in the form of tax or bond anticipation notes. Although short-term borrowing is an accepted way to deal with uneven cash flow, an increasing amount of short-term debt outstanding at the end of successive years can indicate liquidity problems, deficit spending or both. Current Liabilities do not include interfund loans between funds.

Commentary:

Current liabilities are those amounts which the General Fund owes and expects to pay within one year. This indicator shows Town payments due at year end as a percentage of operating revenues. These liabilities are comprised of accounts payable, payroll taxes, employee benefits payable and obligations to perform a service in the near future.

Increasing current liabilities may indicate cash shortages and, therefore, is a warning trend.

Analysis:

The trend is favorable over the five-year period, as the percentage has declined from 2008 and has remained stable over the past four years.

The addition of new long term debt will cause current liabilities to increase due to the increase in the annual debt service obligations. The Town should remain cognizant of this and monitor this trend closely when new debt is issued in the future.

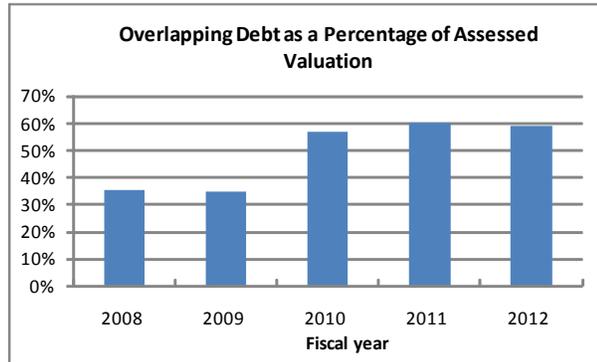
Combined Long-term (Overlapping) Debt

Warning Trend:

Increasing Long-term Overlapping Bonded Debt as a percentage of Assessed Valuation

Formula:

$$\frac{\text{Long-term Direct and Overlapping G.O. Debt}}{\text{Assessed Valuation}}$$



Fiscal year:	2008	2009	2010	2011	2012
Long-term Direct and Overlapping G.O. Debt	207,105,710	207,617,086	343,879,404	334,197,610	332,843,220
Assessed Valuation	582,431,345	595,640,819	602,423,757	556,939,889	561,018,741
Long-term Overlapping Debt as a percentage of Assessed Valuation	35.6%	34.9%	57.1%	60.0%	59.3%

Description:

Overlapping debt is the net direct bonded debt of another jurisdiction that is issued against a tax base within part or all of the boundaries of the community. Examples of other jurisdictions are school, metropolitan and utility districts. The level of overlapping debt is only that debt applicable to the property shared by the two jurisdictions.

The overlapping debt indicator measures the ability of the community's tax base to repay the debt obligations issued by all of its governmental and quasi-governmental jurisdictions. Like long-term debt of the government itself, overlapping debt can be measured in terms of assessed valuation or another tax base or repayment source.

Both special-purpose and overlapping debt need to be considered in assessing total indebtedness. First, although the probability that your community would have to repay the debt may be slim, the potential is real. Second, during depressed economic times, your government may be affected by the same adverse conditions that might cause an overlapping agency to default, which would render the burden of assuming additional debt even more severe.

Commentary:

Combined long-term debt represents the portion of debt which is dependent on property taxes for payment. It is a measure of the community's ability to pay the combination of the Town's long-term debt with the bonded debt of jurisdictions overlapping the Town.

The warning signals are as follows:

- Combined debt exceeding 10 percent of assessed valuation;
- An increase of 20 percent over the previous year in combined debt as a percentage of market valuation;
- Combined debt as a percentage of market valuation increasing 50 percent over four years;
- Combined debt exceeding 90 percent of the amount authorized by state law.

Analysis:

The Town's Long-term Overlapping Debt as a percentage of Assessed Valuation appears to be high, but the Town of Parker has numerous metropolitan districts and several special districts that account for 65% of the G.O. debt issued for capital construction of infrastructure. The percentage of Douglas County School District debt applicable to the Town accounts for 19% of Long-Term Direct Debt and the remaining 16% is direct debt of the Town of Parker.

The Town's does not have any outstanding G.O. debt at this time, but the voters did give the Town authorization to issue \$12,500,000 of G.O. debt in 2001 for the acquisition and preservation of open space and parkland. The Town currently has no plans to issue the debt, but reserves the right to do so at any time.

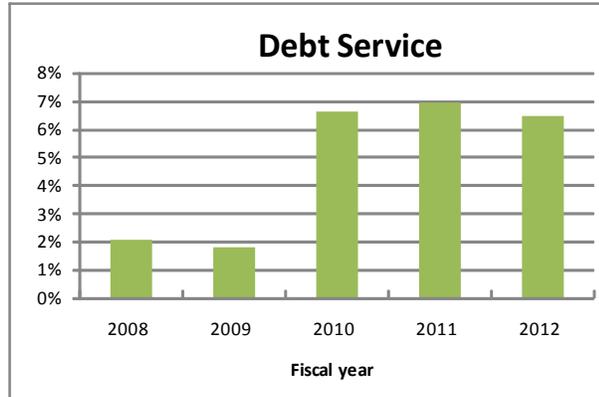
Debt Service - General Fund

Warning Trend:

Increasing Net Direct Debt Service as a
Percentage of General Revenue

Formula:

$$\frac{\text{General Fund Net Direct Debt Service}}{\text{Net Operating Revenues}}$$



Fiscal year:	2008	2009	2010	2011	2012
Net Direct Debt Service	959,785	956,063	3,604,400	3,784,923	3,784,573
Net Operating Revenues *	46,880,653	53,165,831	54,230,377	54,400,130	58,637,483
Net Direct Debt Service as a percentage of Net Operating Revenues	2.0%	1.8%	6.6%	7.0%	6.5%

* Operating revenues : general fund revenues, including carryover cash, plus operating transfers from other funds.

Description:

Debt service is defined here as the amount of principal and interest that a local government must pay each year on net direct bonded long-term debt plus the interest it must pay on direct short-term debt. Increasing debt service reduces expenditure flexibility by adding to the government's obligations. Debt service can be a major part of a government's fixed costs, and its increase may indicate excessive debt and fiscal strain.

Commentary:

Debt service represents the annual payment of principal and interest on long-term debt. In 2001, the Town issued \$7,715,000 in Certificates of Participation, Series 2001 (COPs) to finance the costs of constructing and equipping the "Town Hall" office building. The final debt service payment for this issue was made in 2010.

In 2009, the Town issued \$44,250,000 in Certificates of Participation (COP's) to finance the costs of constructing and equipping a new police station, as well as an arts, cultural and events center. Payments are due semi-annually in varying amounts through October 15, 2035.

Analysis:

The increase for 2010 includes the first principal payment on the COP's. The Net Direct Debt Service as a percentage of Net Operating Revenues is relatively small and is not a warning signal.

The addition of any new long term debt that will be paid from the General Fund will cause the percentage to increase. The Town should remain cognizant of this and monitor this trend closely to ensure there isn't a decrease in expenditure flexibility (due to increased fixed costs in the form of debt service) when new debt is issued in the future.

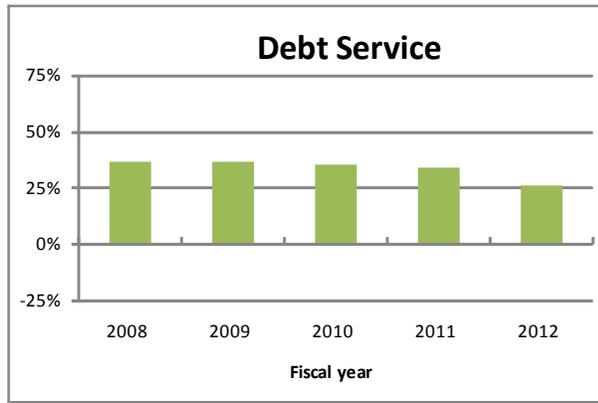
Debt Service - Parks and Recreation Fund

Warning Trend:

Increasing Net Direct Debt Service as a Percentage of 2.5 cent Sales/Use Tax

Formula:

$$\frac{\text{Parks and Recreation Fund Net Direct Debt Service}}{\text{Sales/Use Tax Two and One Half Cent Capital Revenue}}$$



Fiscal year:	2008	2009	2010	2011	2012
Net Direct Debt Service	1,488,900	1,486,975	1,482,775	1,482,275	1,244,300
Sales/Use Tax 1/2 Cent Recreation Revenue	4,016,037	4,060,349	4,152,606	4,347,687	4,790,577
Net Direct Debt Service as a percentage of Pledged Revenue	37.1%	36.6%	35.7%	34.1%	26.0%

Description:

Debt service is defined here as the amount of principal and interest that a local government must pay each year on net direct bonded long-term debt plus the interest it must pay on direct short-term debt. Increasing debt service reduces expenditure flexibility by adding to the government's obligations. Debt service can be a major part of a government's fixed costs, and its increase may indicate excessive debt and fiscal strain.

Commentary:

Debt service represents the annual payment of principal and interest on long-term debt. In 2006, The Town issued revenue serial bonds in the original amount of \$17,025,000 with debt service payments due annually. These bonds were issued to provide funds for (a) the acquisition and construction of a fieldhouse and related improvements, (b) the current refunding of \$1,305,000 of revenue bonds and (c) the costs of issuance. The Sales and Use Tax Revenue Bonds pledge two and one half cent of the Town's three cent sales tax, however, the Parks and Recreation Fund makes the annual debt service payment is from its dedicated one half cent sales and use tax revenue.

This indicator measures debt service on the bonds to the sales & use tax revenue stream which supports it rather than the pledged stream.

Analysis:

The trend is positive, showing a decrease in percentage of net direct debt service as a percentage of pledged revenue for the last five years.

The addition of any new long term debt that will be paid from the Parks and Recreation Fund will cause the percentage to increase. The Town should remain cognizant of this and monitor this trend closely to ensure there isn't a decrease in expenditure flexibility (due to increased fixed costs in the form of debt service) when new debt is issued in the future.

TREND EVALUATION: UNFUNDED LIABILITIES

SUMMARY

An unfunded liability is one that has been incurred during past/current year(s), but does not have to be paid until a future year and for which reserves have not been set aside. It is similar to long-term debt in that it represents a legal commitment to pay at some time in the future. If such obligations are permitted to grow over a long period of time they can have a substantial effect on the Town's financial condition.

One type of unfunded liability has been considered in this report; the employee leave (compensated absences) liability. The liability can have a significant potential to affect the Town's financial condition because (1) it does not show up in the primary financial statements in a way that makes its impact easy to assess and (2) it accumulate gradually over time. Employee leave liabilities may go unnoticed until they have created severe problems.

An analysis of the Town's unfunded liabilities can answer the following questions:

- Is the amount of unused vacation, sick and compensatory leave time per employee increasing?
- Are policies for the payment of unused leave realistic compared to the Town's ability to pay?

INDICATORS

- Accumulated Employee Leave

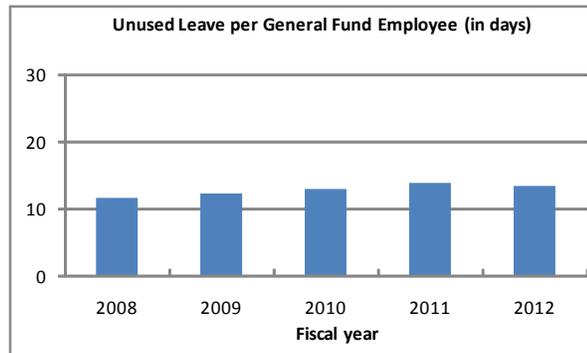
Accumulated Employee Leave

Warning Trend:

Increasing number of unused vacation and sick leave days per employee

Formula:

$$\frac{\text{Total days of unused vacation and sick leave}}{\text{Number of employees}}$$



Fiscal year:	2008	2009	2010	2011	2012
Total days of unused vacation and sick leave	2,419	2,556	2,705	2,760	2,770
Number of general fund employees*	208	208	207	199	205
Days of unused leave per general fund municipal employee	11.6	12.3	13.1	13.9	13.5

* Budgeted full-time employees

Description:

Local governments usually allow their employees to accumulate some portion of unused vacation and sick leave to be paid at termination or retirement. Although leave benefits initially represent only the opportunity cost of not having work performed, these benefits become a real cost when employees are actually paid for their accumulated leave, either during their employment or at termination or retirement.

Commentary:

Accumulated employee leave is the value of unused vacation, sick and compensatory time accrued by General Fund Town employees. For employees who retire or leave the employment of the Town, the unused leave represents an actual cost. For employees who remain on the payroll and use their leave, it poses no additional costs to the Town, except in loss of services while they are absent.

Increasing accumulated leave indicates growing unfunded liabilities and is considered a warning trend.

Analysis:

Vacation time accrues anywhere from 6.67 to 14.67 hours per month depending on years of service. Sick leave accrues at 8 hours per month.

The Town caps vacation and sick time accruals at one hundred sixty (160) hours and eight hundred ninety-six (896) hours respectively. Any vacation leave in excess of one hundred sixty (160) hours will be removed from the employee's leave balance if not used by an employee by the last pay period or partial pay period of the calendar year. Any accrual of sick leave in excess of eight hundred ninety-six (896) hours will be converted to cash on a three-to-one basis; three (3) hours sick leave for one (1) hour cash compensation, at the employee's regular rate of pay at the end of the year. This limits the liability the Town incurs and provides an incentive for employees to use leave time as needed.

The trend is relatively stable and within acceptable levels.

TREND EVALUATION: CAPITAL PLANT

SUMMARY

Most of the Town's wealth is invested in its physical assets or capital plant (i.e. streets, buildings, stormwater utility networks and equipment). If these assets are not properly maintained or are allowed to become obsolete, the following often results: (1) decreased usefulness of the assets, (2) increased cost of maintenance and replacement, and (3) decreased attractiveness of the community as a place to live or do business.

The Town is committed to both the maintenance and upkeep of its capital assets. However, during the recent recession, the Town made some deferrals of needed capital plant expenditures. As part of its budget process beginning in 2012, the Town has committed more resources to the capital program budget to both maintaining curbs, gutters and sidewalks, and to reduce catch-up from improvements deferred in prior periods. Some of the problems associated with continued deferred maintenance are the following:

- Reduction in residential and business property values.
- Loss of efficiency that, for example, can result from an obsolete truck that spends more time in the garage than on the street.
- Increased costs of bringing a facility up to acceptable standards (retrofitting); i.e., if resurfacing a street has been delayed for too long so that the street now has to be completely reconstructed.
- Potential for a large future financial obligation to complete a backlog of maintenance work and necessary equipment purchase replacement.
- Transference of the true cost of receiving current services to future taxpayers.

INDICATORS

- Capital Equipment Outlay
- Depreciation – General Government and Business Type Activities
- Infrastructure Replacement

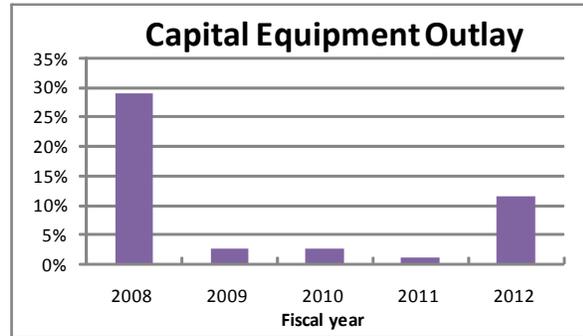
Capital Equipment Outlay

Warning Trend:

Three or more years decline in capital outlay from operating and internal service funds as a percentage of net operating expenditures.

Formula:

$$\frac{\text{Capital outlay from operating and internal service funds}}{\text{Net Operating Expenditures}}$$



Fiscal year:	2008	2009	2010	2011	2012
Total Capital Equipment Outlay	7,049,953	743,746	716,175	354,696	3,413,634
Net Operating Expenditures	24,307,826	26,670,423	27,477,691	27,909,685	29,332,361
Capital Outlay as a percentage of Operating Expenditures	29.0%	2.8%	2.6%	1.3%	11.6%

Description:

Expenditures for operating equipment--such as vehicles and computers--drawn from the operating budget are usually referred to as "capital outlay." Capital outlay items normally include equipment that will last longer than one year and have an initial cost above a significant minimum amount, such as \$5,000. Capital outlay does not include capital budget expenditures for construction of infrastructure such as streets, buildings or bridges. The purpose of capital outlay in the operating budget is to replace worn equipment or add new equipment. The ratio of capital outlay to net operating expenditures is a rough indicator of whether the stock of equipment is being adequately replaced. Over a number of years, the relationship between capital outlay and operating expenditures is likely to remain about the same. If this ratio declines in the short run (one to three years), it may mean that the local government's needs are temporarily satisfied, since most equipment lasts more than one year. A decline persisting over three or more years can indicate that capital outlay needs are being deferred, which can result in the use of inefficient or obsolete equipment.

Commentary:

This category does not measure expenditures for major capital programs such as drainage, new street projects and facility construction.

The warning trend is declining capital expenditures, which may indicate the use of inefficient or obsolete equipment.

Analysis:

With the Town's capital expenditure threshold at \$5,000, a large portion of office and computer equipment is not considered capital. A percentage of capital outlay between 5 - 7% appears to be appropriate.

The large spike in 2008 is primarily the result of the land purchase for the new police station. Deferral of capital outlays during the recession resulted in the significant drop in 2009 through 2011. The increase in 2012 was the result of the maintenance of infrastructure and replacement of aging equipment that had been deferred in prior years.

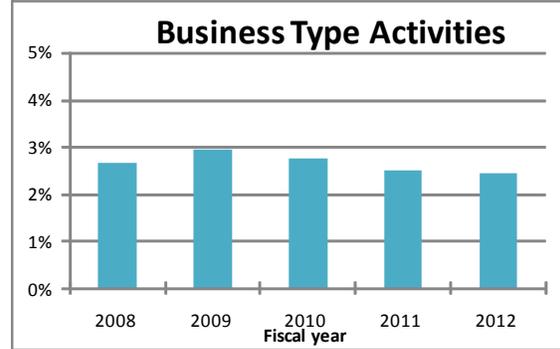
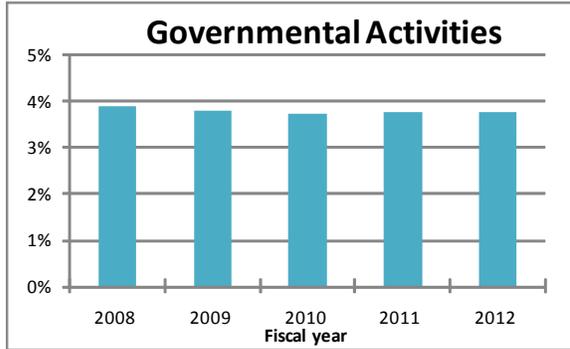
Depreciation - Governmental and Business Type Activities

Formula:

$$\frac{\text{Depreciation Expense}}{\text{Cost of Capital Assets}}$$

Warning Trend:

Decreasing Depreciation Expense as a Percentage of Depreciable Capital Assets (at cost) for Governmental and Business Type Activities



Fiscal year:	2008	2009	2010	2011	2012
Depreciation Expense for Governmental Activities	11,292,410	12,580,311	14,080,577	15,310,267	15,469,741
Cost of Depreciable Capital Assets Governmental Activities	290,668,695	332,197,819	375,198,203	405,021,826	409,231,981
Depreciation Expense as a Percentage of total Fixed Assets	3.9%	3.8%	3.8%	3.8%	3.8%
Depreciation Expense for Business Type Activities	120,869	148,214	153,996	169,157	166,833
Cost of Depreciable Capital Assets Business Type Activities	4,523,108	5,002,164	5,591,764	6,761,599	6,790,049
Depreciation Expense as a percentage of total Fixed Assets	2.7%	3.0%	2.8%	2.5%	2.5%

Description:

Depreciation is the mechanism by which the cost of a fixed asset is amortized over its estimated useful life. Depreciation is usually recorded only in enterprise and internal service funds. Total depreciation cost is generally a stable proportion of the cost of fixed assets, because older assets that have been fully depreciated are often removed from service and replaced by newer assets.

If depreciation costs are declining as a proportion of fixed asset costs, the assets on hand are probably being used beyond their estimated useful life. This can result in the inefficiencies and higher costs discussed under Capital Equipment Outlay and Infrastructure Replacement. If the ratio is declining because obsolete assets are not being replaced, it can indicate that the enterprise or internal service funds lack the resources to remain solvent. However, it could be that the estimated useful life of an asset or assets was initially underestimated or that the scale of operations has been reduced; either instance could also produce a decline in the ratio of expenses to cost of assets.

Commentary:

This indicator provides information about assets in the stormwater, fleet management and computer operations. Depreciation allocates the cost of a fixed asset over its useful life. Total depreciation cost is generally a stable proportion of the cost of fixed assets, because older assets that have been fully depreciated are removed from service and replaced with newer assets.

Analysis:

The Town has an ongoing commitment to purchase and replace machinery and equipment as needed. The capitalization threshold is currently \$5,000. Large investments in capital assets in a given year can cause the percentage to decline. In 2011, the Stormwater utility added infrastructure causing Business Type Activities percentage to drop. Governmental Type Activities has remained stable in 2010 even with the addition of the new police station and PACE center.

Overall, the percentages over the five year period have remained fairly stable.

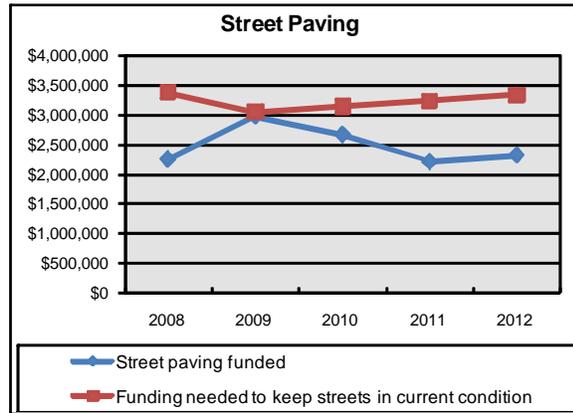
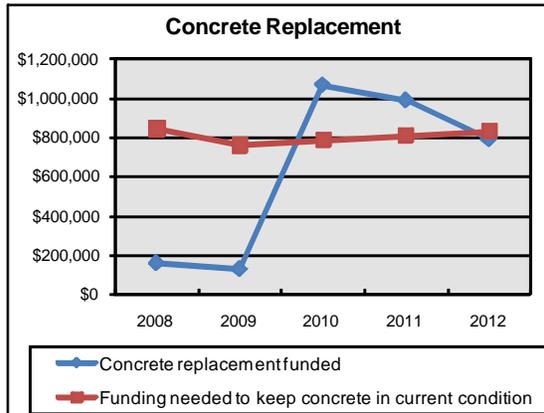
Infrastructure Replacement

Warning Trend:

Recurring capital funded less than capital required

Formula:

$$\frac{\text{Capital funded}}{\text{Capital required}}$$



Fiscal year:	2008	2009	2010	2011	2012
Street paving funded	2,250,152	2,975,374	2,656,677	2,206,001	2,314,335
Funding needed to keep streets in current condition	3,380,560	3,053,040	3,145,360	3,240,080	3,337,520
Paving funded as a percentage of capital required	66.6%	97.5%	84.5%	68.1%	69.3%
Concrete replacement funded	157,600	127,399	1,069,728	989,252	790,602
Funding needed to keep concrete in current condition	845,140	763,260	786,340	810,020	834,380
Concrete replacement funded as a percentage of capital required	18.6%	16.7%	136.0%	122.1%	94.8%

Description:

Enduring assets, such as streets, municipal buildings and bridges, are built at tremendous cost, and their decline can have far-reaching effects on business activity, property value and operating expenditures. Deferring maintenance of such assets can also create significant unfunded liability.

In general, maintenance expenditures should remain relatively stable (in constant dollars), relative to the amount and nature of the assets. A declining ratio between maintenance expenditures and size of asset stock may be a sign that the government's assets are deteriorating. If the trend persists, deterioration will push up maintenance expenditures.

Commentary:

Infrastructure includes streets, storm sewers, manholes, traffic lights, curb, gutter and sidewalk (concrete). The Town of Parker's Public Works Department (PW) has an excellent infrastructure management program. Public Works assesses the condition of the Town's largest infrastructure investments (streets, concrete and stormwater utility) on an annual basis. By projecting the total life of these assets with their replacement cost in today's dollars, the Town derives the annual dollar amount needed to invest in the Town's infrastructure to maintain its current condition.

Any year in which actual funding of infrastructure replacement was less than the funding needed produces a negative indicator.

Analysis:

The average funding for Infrastructure Replacement for the past five years is 76.9%. Street paving is funded through Highway Users Tax revenues and supplemented by General Fund revenues. Concrete replacement is funded through the Use Tax in the Public Improvement Fund and balanced against other capital requirements. Storm sewer is funded through the Stormwater Utility Fund.

Annual replacement percentages can vary based on the availability of contractors and materials, and is weather dependent. Unspent budgets are carried over to the following year to help ensure the infrastructure replacement program continues to be adequately funded.

While the Town is committed to maintaining its infrastructure and replacing old, worn out, and outdated plant and equipment as needed, the amount of street paving needed continues to outpace the amount of street paving funded. This requires public works to prioritize projects based on need and available funding.

TREND EVALUATION: LOCAL ECONOMIC AND DEMOGRAPHIC CHARACTERISTICS

SUMMARY

Community needs and resource indicators encompass economic and demographic characteristics, such as population, income, property value, employment and business activity. Local Economic and Demographic Characteristics is a category in which tax base and economic and demographic characteristics are treated as different sides of the same coin. On one side, tax base determines a community's wealth and its ability to generate revenue (that is, level of personal, commercial and industrial income). On the other side are economic and demographic characteristics that affect community demands, like public safety, capital improvements and social services.

Changes in community needs and resources are interrelated in a continuous, cumulative cycle of cause and effect. For example, a decrease in population lowers the demand for housing and causes a corresponding decline in the market value of homes. This in turn reduces property tax revenue. Initial population decline also has a negative effect on retail sales and income, causing Town revenues to drop even further. Expenditures for fixed costs that are impervious to declines in population and business activity cannot always be balanced to the revenue loss with a proportionate reduction in expenditures. In fact, the Town may be forced to raise taxes to make up for lost revenue, placing a greater burden on the remaining population. As economic conditions decline and taxes rise, the community becomes a less attractive place to live and the population may further decline.

An examination of local economic and demographic characteristics can identify the following situations:

- A decline in the tax base as measured by population, property value, employment or business activity;
- A need to shift public service priorities due to a change in the age or income of residents, or the type of density of physical development; and/or
- A need to reassess public policies if, for example, the jurisdiction has lost business to surrounding communities, and/or national/regional economic conditions have changed.

INDICATORS

- Median Age
- Property Value
- Employment Base
- Business Activity
- Population

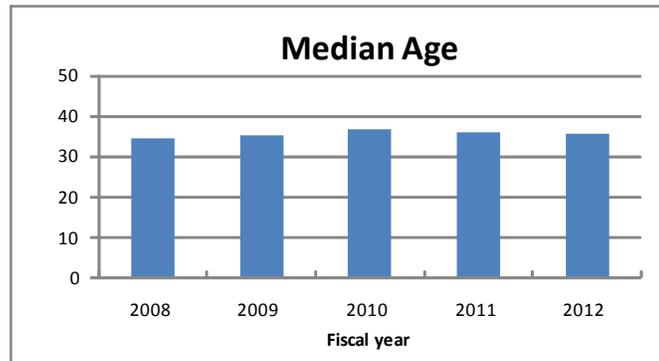
Median Age

Warning Trend:

Increasing median age of population

Formula:

Median age of population



Fiscal year:	2008	2009	2010	2011	2012
Median Age	34.50	35.40	36.60	36.10	35.80

Description:

As is the case with changes in population size, the relationship between the population's median age and other economic and demographic factors is not clear. However, evidence does indicate that an aging population and an increase in the number of senior citizens can hurt both the revenue and expenditure profiles of a local government.

Revenues can be affected for two reasons: first, the income of senior citizens is often in the form of social security and pension payments, which might not change at the same rate as the general economy, and senior citizens often have full or partial exemption from property taxes and user charges; second, older persons may spend less money than younger persons.

Meanwhile, as the proportion of senior citizens increases, expenditure rates for government services may increase because senior citizens often require specialized programs, especially in the areas of health, welfare and transportation.

As younger age groups leave a community or decrease as a percentage of population, business activity can decrease in greater proportion, especially if most of the people leaving are between the age of twenty-five and forty; people in this age group usually spend more of their income than any other age group. In addition, if this age group leaves, the community loses a significant portion of its labor force, which can further damage the local economy. However, if the increase in median age is caused by a drop in the number of families with young children, this can have a favorable effect on expenditures because it reduces needs for schools, recreation, and related programs.

Commentary:

An aging population can affect the type of services the Town provides and the amount of resources with which the Town has to address the service need.

An increasing trend is a warning signal.

Analysis:

Nationally the trend has been and continues to be an aging population. The trend is not unexpected as the baby boomers advance with no offsetting increase in births. Along with this trend is the fact that many retiring baby boomers have the greatest share of disposable income.

Parker continues to have a healthy population mix with young adults and families. While the trend had been an aging population, updated census data showed a slight decrease in the median age which is favorable for the Town.

The median age information was provided by the Town's Economic Development Department

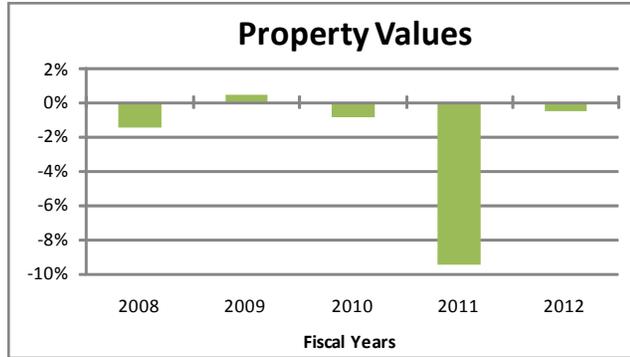
Property Value

Warning Trend:

Declining growth or drop in the market value of residential, commercial, or industrial property (constant dollars)

Formula:

$$\frac{\text{Change in property value (constant dollars)}}{\text{Property value in prior year (constant dollars)}}$$



Fiscal year:	2008	2009	2010	2011	2012
Market value of property	4,974,897,434	4,964,130,814	5,013,964,926	4,707,781,891	4,775,374,576
Consumer Price Index	209.9	208.5	212.4	220.3	224.6
Property value (constant dollars)	4,974,897,000	4,997,463,000	4,954,949,000	4,485,780,000	4,463,464,000
Property value in prior year (constant dollars)	5,045,836,000	4,974,897,000	4,997,463,000	4,954,949,000	4,485,780,000
Percent change in property value (constant dollars)	-1.4%	0.5%	-0.9%	-9.5%	-0.5%

Description:

Changes in property value are important because most local governments depend on property taxes for a substantial portion of their revenues. This is especially true in a community with a stable or fixed tax rate; the higher the aggregate property value, the higher the revenues. Communities in the midst of population and economic growth are likely to experience short-run, per unit increases in property value. This is because in the short-run, the housing supply is fixed and the increase in demand created by growth forces prices up. Declining areas are more likely to see a decrease in the market value of properties. The effect of declining property value on governmental revenues depends on the government's reliance on property taxes; the extent to which the decline will ripple through the community's economy affecting other revenues such as sales tax, is more difficult to determine. All economic and demographic factors are closely related; a decline in property value will most likely not be a cause, but a symptom of other underlying problems.

Commentary:

Assessor's market value of taxable real, personal and utility property in the Town of Parker is expressed in constant dollars to determine if it is changing in an overall positive or negative direction.

A decreasing trend is seen as a warning signal.

Property tax accounts for 3% of the Town's total revenue.

Analysis:

Property values are reassessed every other year (odd year) resulting in spikes in the indicator as assessments catch up with the market. The recession and the crash of the housing market that began at the end of 2007 significantly impacted property values.

The slight increase in 2012 is an indication that the economy is finally out of the recession and the improving property values are due to a combination of rising residential housing prices, commercial and residential development, and annexations. The projection is that this trend will continue and be more favorable in the future.

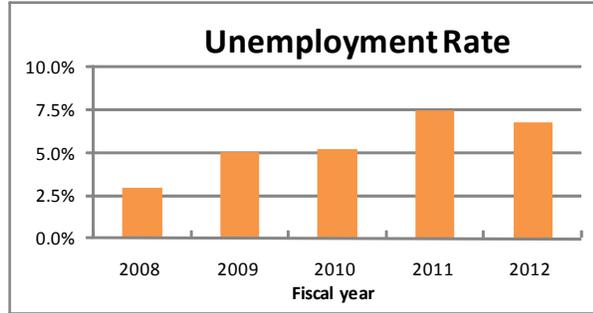
Employment Base

Warning Trend:

Increasing rate of local unemployment or a decline in the number of jobs within the community

Formula:

Local unemployment rate and/or the number of jobs within the community



Fiscal year:	2008	2009	2010	2011	2012
Unemployment rate	3.0%	5.0%	5.2%	7.5%	6.8%

Description:

The unemployment rate and the number of jobs within the community are considered together because they are closely related; for the purpose of this discussion, they will be referred to as the employment base. Employment base is related directly to business activity and personal income. Changes in the unemployment rate are related to changes in personal income; and thus a measure of, and an influence on, the community's ability to support its business sector.¹

If the employment base is growing, is sufficiently diverse to provide a cushion against short-run economic fluctuations or a downturn in one sector, and it provides sufficient income to support the local business community, then it will have a positive influence on the local government's financial condition. A decline in the employment base--as measured by unemployment rate or number of available jobs--can be an early sign that overall economic activity is declining and that government revenues may be declining as well.

Commentary:

The unemployment rate is the number of unemployed persons as a percent of all persons working or seeking work. A decline in unemployment may signal a strong employment base. An increase would signal a warning.

Analysis:

The national recession began in late 2007 and ended in July 2009 causing increases in unemployment beginning in 2008 that has carried into 2011. The economy has been improving and unemployment rates declined in 2012 and are expected to continue to improve over the next few years, although it is not projected to return to pre recession levels.

¹ The unemployment rate reflects the employment status of citizens who live within a community's geographic boundaries, regardless of whether their jobs are within or outside the community.

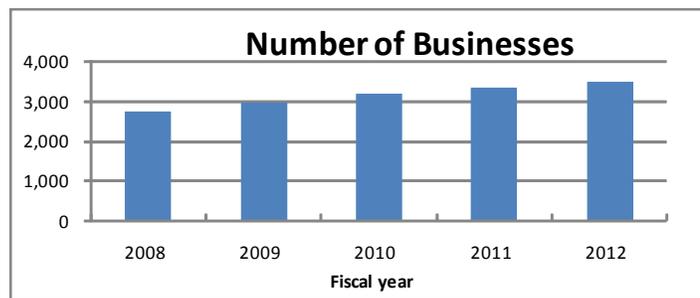
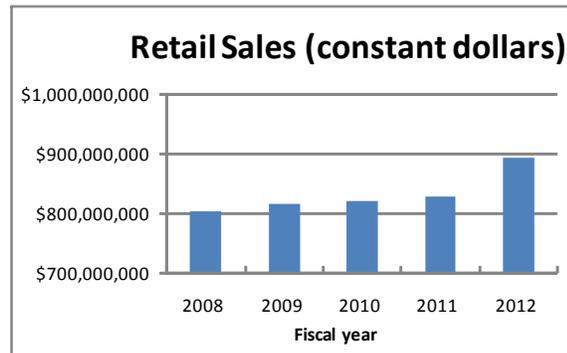
Business Activity

Warning Trend:

Decline in business activity as measured by retail sales, number of business units, gross business receipts, (constant dollars where appropriate)

Formula:

Retail Sales constant dollars



Fiscal year:	2008	2009	2010	2011	2012
Retail Sales	803,207,800	812,070,088	830,527,314	869,273,511	958,115,409
Consumer Price Index	209.9	208.5	212.4	220.3	224.6
Retail Sales (constant dollars)	803,208,000	817,523,000	820,752,000	828,237,000	895,407,000
Number of Retail Businesses (within Town limits)	2,741	2,994	3,218	3,361	3,514

Description:

The level of business activity affects a local government's financial condition in two ways. First, it directly affects any revenue yields that are a product of business activity, such as those from sales or gross receipt taxes. Second, it has indirect influences; a change in business activity affects demographic and economic areas such as personal income, property value and the employment base. Changes in business activity also tend to have cumulative effects. For example, a decline in business activity can harm a community's employment base, income and property value, which can in turn create further decline in business activity.

Commentary:

For both indicators, an increasing trend is a positive indicator. A decrease signals a downward trend in the economy which will adversely affect Town revenues.

Analysis:

In general, through 2012, retail sales have increased at a pace greater than inflation. The recession that significantly impacted the nation was not a major factor for retail sales in the Town. This was mostly result of the timing of the new Costco opening in August of 2008.

The number of businesses can fluctuate as businesses close and new businesses open (including home based businesses). Commercial development over the last several years has provided additional locations for new businesses to locate in the Town.

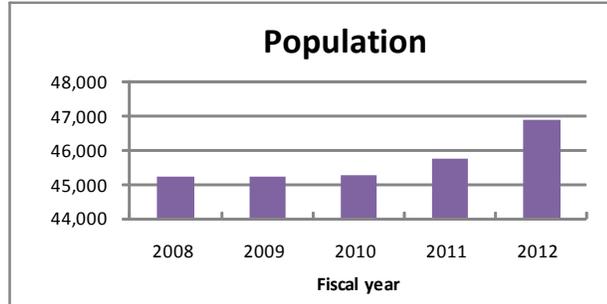
Population

Warning Trend:

Rapid change in population size

Formula:

Population



Fiscal year:	2008	2009	2010	2011	2012
Population	45,244	45,259	45,297	45,758	46,919

Description:

The exact relationship between population change and other economic and demographic factors is uncertain. However, population change can directly affect governmental revenues. For example, some taxes are collected on a per capita basis, and many intergovernmental revenues and grants are distributed according to population; a sudden increase in population can create immediate pressures for new capital outlay and higher levels of service. In the case of annexations, where the capital infrastructure is already in place, there may still be a need to expand operating programs.

A decline in population would at first glance, appear to relieve the pressure for expenditures, because the population requiring services is smaller, but in practice, a local government faced with population decline is rarely able to make reductions in expenditures that are proportional to population loss. First, many costs, such as debt service, pensions and governmental mandates, are fixed and cannot be reduced in the short-run. Second, if the out-migration is composed of middle and upper-income households, then those remaining in the community are likely to be the poor and aged who depend the most on government services. In addition, the interrelationship of population levels, and other economic and demographic factors tends to give population decline a negative cumulative effect on revenues; the greater the decline, the more adverse the effects on employment, income, housing and business activity.

Commentary:

The population of the Town of Parker is determined by the U. S. Census count made every 10 years and estimates during non-Census years prepared by the Town of Parker economic development department.

Rapid change is the warning trend for this indicator, because abrupt increases or decreases in population can increase service costs or reduce Town revenue bases.

Analysis:

The Denver Metro Area continues to see a net population influx.

The Town's annual population changes continue to be minimal and fairly stable. The economic downturn has impacted the housing market over the last couple years as housing starts are well below the Town's ten year average.

Planning for future needs and the continued growth of the population are addressed annually in the Budget and in the 10-Year Capital Improvement Plan.