



BOARD OF TRUSTEES MEETING

Thursday, December 08, 2022 at 5:00 PM

Palmer Lake Town Hall – 28 Valley Crescent, Palmer Lake, Colorado

LIVE STREAM available at Town website

AGENDA

This agenda is subject to revision 24 hours prior to commencement of the meeting.

Call to Order

Pledge of Allegiance

Roll Call

Consent Agenda

Items under the consent agenda may be acted upon by one motion. If, in the judgment of a board member, a consent agenda item requires discussion, the item can be placed on the regular agenda for discussion and/or action.

- [1.](#) Minutes from November 10, 2022 Meeting
- [2.](#) Special Meeting Minutes from November 17, 2022
3. Checks over \$15,000 - Martin Marietta (\$88,571.00); Bradley Excavating (\$31,725.00); Filtronics (22,523.79); GMS (\$46,002.58); GMS (\$30,000.00)

Business Items

- [4.](#) Ordinance 17-2022 to Amend Code Section 5.20 Relating to Adult Use Cannabis
5. Certificates of Appreciation

Recess for Social (approximately 45 minutes)

Administer Oath of Office for Mayor - Glant Havenar

Administer Oath of Office for Trustees - Kevin Dreher, Shana Ball, Dennis Stern

Roll Call

Presentation by Tri-lakes Cares

6. Tri-Lakes Cares Presentation - Haley Chapin, Executive Director

Staff/Department Reports

- [7.](#) Water
- [8.](#) Public Works including Roads & Park Maintenance
- [9.](#) Police
- [10.](#) Fire
- [11.](#) Administration
- 12. Attorney
- 13. Administrator/Clerk

Consent Agenda

Items under the consent agenda may be acted upon by one motion. If, in the judgment of a board member, a consent agenda item requires discussion, the item can be placed on the regular agenda for discussion and/or action.

- [14.](#) Financials (Oct)

Business Items

- [15.](#) Resolution 57-2022 to Summarize Revenues and Expenditures and Adopt the 2023 Budget and Certify Mill Levy
- [16.](#) Resolution 58-2022 to Confirm Audit Services for YE2022 (Green & Associates LLC)
- 17. Nomination and Approval of Mayor Pro Tem
- [18.](#) Distribute Final Preliminary Engineering Report for Water System Improvements

Public Comment

Public comments are encouraged to be emailed to the Town office at info@palmerlake.org with subject line of Public Comment (48 hour prior to meeting) and shall be announced, distributed, and addressed at the meeting. Otherwise, please step to the microphone, state your name and address for the record and address the Board on matters not on the agenda. Please note that the Board will not take action on your concern but may refer it to staff and/or to a future meeting agenda. Public members are allowed up to 3 minutes for comments. Thank you!

Board Reports**Next Meetings (12/15 Special Meeting; 1/5 Training; 1/12) and Future Items****Adjourn**

Americans with Disabilities Act

Reasonable accommodations for persons with a disability will be made upon request. Please notify the Town of Palmer Lake (at 719-481-2953) at least 48 hours in advance. The Town of Palmer Lake will make every effort to accommodate the needs of the public.



BOARD OF TRUSTEES MEETING

Thursday, November 10, 2022 at 5:00 PM

Palmer Lake Town Hall – 28 Valley Crescent, Palmer Lake, Colorado

MINUTES

Call to Order. Mayor Bass called the meeting to order at 5:04 pm.

Pledge of Allegiance

Roll Call. Present: Mayor Bill Bass; Trustees Karen Stuth, Glant Havenar, Nicole Currier, Sam Padgett, Darin Dawson, Jessica Farr

Consent Agenda. MOTION (Farr, Stuth) to approve the consent agenda including items 1) Minutes from October 27, 2022 Meeting; 2) Checks over \$15,000 to Timberline. Roll call vote – aye 7; nay 0. Motion passed.

Staff/Department Reports

3) Water; 4) Public Works including Roads & Park Maintenance; 5) Police; 6) Fire; 7) Administration – included in packet. Interim Fire Chief Vincent addressed the inquiry about exploring options to remove the logs from the reservoir area since mitigation.

8. Attorney – Attorney Krob informed the Board of the History Colorado covenant to alterations to the town hall with the grant submittal with the State Historical Society. Staff will research the limitations with the State.

9. Administrator/Clerk – Collins requested that Chief Vincent address Board direction relative to the ambulance. He has the opportunity to return it to Black Forest if it is not intended to be put in service. The Board clarified this was a donation and the consensus was to return it. Collins continued with congratulations to newly elected officials and thanks to all candidates. An update was provided on the collaborative work on the GOCO grant concept submittal; an MMOF grant application for the design work of a main street improvement project; completion of the Walnut St water line improvement; and training dates for Board members.

Public Hearing

10. 1st Reading - Ordinance to Adopt the New Town Code. Trustee Havenar requested the record reflect that she did not want the first reading to take place until a public workshop was conducted on the new town code. Trustee Dawson inquired what members want to accomplish. Discussion took place between members about the sequence of events – launch of recodification project in 2016, multiple changes of office administration, direction by Board in 10/2020 to bring it to completion, direction by Board in 3/2021 to bring it to completion with the understanding it will require review and

amendment. It was noted that one of two options can take place at this point – scrap the project and start over at a higher cost (paid to Municode) or adopt the code and begin to amend as desired. Trustee Havenar suggested the Board ratify the code with the following – establish the Board member “liaison” role at the first meeting in January; review one chapter of code each month; and clarify/confirm that the code reflects “statutory town” not city. Public members were invited to speak. Ms Nikki McDonald offered background to past codification and that the current town code revisions pre-date the current Board, current staff and discussion took place about the petition turned over to the Board and how to move forward. Attorney Krob stated that the town municipal code is a living document and should be regularly reviewed and amended as desired. Ms Susan Miner stated the positive to adopt the town code to address land use code since the adoption of the Community Master Plan. Ms Shana Ball referenced Title 31 of State Statute relating to statutory towns and cities. Trustee Havenar inquired with new elected officials in attendance of their commitment to review the code once in office. Mr. Kevin Dreher stated he supports reviewing the code. Mr. Dennis Stern agreed with the review activity. Ms Miner noted to the Board that the structure of the commissioner or liaison in some form is a core value in the Master Plan. Trustee Dawson confirmed that the town code needs to be adopted to amend it. Mayor Bass closed the hearing.

Attorney Krob noted this Ordinance requires a passing on the first reading and suggested the Board add action on the first reading as item 21 to the agenda.

Business Items

11. Special Event Application - Star Lighting and Chili Supper (11/26). Mr. Calvin Pickup represented the Firefighters Association requesting approval of the traditional chili supper and star lighting activity on November 26. MOTION (Farr, Padgett) to approve the event. Roll call vote – aye 7; nay 0. Motion passed.
12. Special Event Application - EZ Business Workshop (11/30) – PLEDG. Trustee Stuth addressed the public and Board members about the town being within the enterprise zone and for local business to take advantage of tax credits. A workshop is being offered on 11/30 to assist with the required pre-application process – must be completed in 2022 to be eligible to apply for future credit. MOTION (Farr, Dawson) to approve the workshop and waive fees. Roll call vote – aye 6; nay 0 (abstain 1 – Stuth). Motion passed.
13. Special Event Application - *A Christmas Carol* Production (12/9 & 12/10). Mr. Lynn Roth explained the production of *A Christmas Carol* by the funky little theater group as an interactive show. Three shows will take place from December 9-10. Discussion from the public took place about making wassail in the kitchen Saturday morning of 12/10. MOTION (Dawson, Havenar) to approve the event with coordination of those assembling wassail Saturday AM. Roll call vote – aye 7; nay 0. Motion passed.
14. Special Event Application - “LOVE to Party” Valentine Dinner and Dance (02/11/23). Trustee Currier left the room for this item. Ms Cathy Wilcox stated the name is officially “All You Need is Love” with a pasta dinner and dance from 4-10p. The funds will assist Awake Palmer Lake for lights and addition of stairs from the east side of the bridge. MOTION (Padgett, Stuth) to approve the event. Roll call vote – aye 6; nay 0 (abstain 1 – Currier). Motion passed.

15. Resolution 54-2022 Yule Log Community Tradition (Dinner and Hunt). Mayor Bass read the resolution to indefinitely approve and support the Yule Log tradition. MOTION (Currier, Padgett) to approve Resolution 54-2022. Roll call vote – aye 7; nay 0. Motion passed.
16. Resolution 55-2022 to Amend the Town Star Lighting Policy. It was noted that the revision includes adding the hockey classic to the regular star lighting. MOTION (Dawson, Currier) to approve Resolution 55-2022 to amend the star lighting policy. Roll call vote – aye 7; nay 0. Motion passed.
17. Resolution 53-2022 to Support Adoption of the Community Master Plan. Mr. Bill Fisher approached the Board to provide the purpose of the Planning Commission work and adoption of the Community Master Plan as a guideline for the town. Members thanked the community for their efforts. MOTION (Dawson, Stuth) to approve Resolution 53-2022. Roll call vote – aye 7; nay 0. Motion passed.
18. Resolution 56-2022 to Adopt 3-mile Plan. Ms Susan Miner spoke to the purpose of the 3-mile plan and that it is a statutory requirement that the town did not previously have in place. MOTION (Stuth, Havenar) to approve Resolution 56-2022 to adopt the plan. Roll call vote – aye 7; nay 0. Motion passed.
19. Distribute/Review Draft Master Fee Schedule for 2023. Collins reviewed the modifications to the proposed master fee schedule in preparation for adoption in January. Discussion and direction took place to check into adult use cannabis licensing fees. Discussion took place about water tap size fees and ongoing work of revised fire review/inspection fees.
20. Review of Proposed 2023 Budget (Direction for Final Budget). Deputy Clerk Stambaugh reviewed the modifications to the proposed budget including the revenue modification with the passing of ballot issue 2D. Discussion took place about \$1.5 million being an appropriate revenue forecast. The wildland fire program was added, and discussion took place to balance the revenue and expenses. Collins reviewed items to address with remaining 2022 funds including a podium, mason repair to the fireplace, and repair to the library door frame due to water damage. Mr. Niall Byrne offered to assist with the fireplace masonry work. Mr. Roger Moseley addressed the Board about the water fund – 7% being a good change and he inquired about a review 2x/year of the water fund. Collins that the reference made was in the former Town code, and Board members noted this is being done with a review of monthly financials. Collins requested Board member support to bring the accounting functions in-house. Currently, outsourcing the municipal accounting is more than \$90,000 and about 60% of the functions can be managed internally with access to the financial data. The savings of over \$60,000 will cover the cost of wages. Discussion took place about the quantity of administrative personnel in the office. Collins asked what information Board members want to see to justify administrative positions. Trustee Currier suggested detailed job descriptions and financial details of the accounting would be helpful to consider. Mr. Dreher suggested an explanation on the website of who does what administrative function would be helpful. Board members agreed to add administrative personnel with functions and who to contact on the website.
21. Added pursuant to item 10. Ordinance 16-2022 to Adopt Town Code – First Reading. MOTION (Padgett, Currier) to waive the reading of Ordinance 16-2022. Roll call vote – aye 7; nay 0. Motion passed. MOTION (Padgett, Currier) to pass Ordinance 16-2022 to adopt the town code. Roll call vote – aye 7; nay 0. Motion passed.

Public Comment. Ms Dee Banta shared with the Board that she had a great customer service experience with Tish about the electronic sign. She commended the town staff. Mr. Bill Dandino handed an envelope to Attorney Krob stating it is his formal complaint against Mayor Bass and expects a response by November 18 otherwise he will forward a packet to the Secretary of State. Ms Kellie Chandler provided her background in education and administration. She thanked the current board and new members in the audience. She read an email previously sent about hydrants near her home and spoke about the response from staff and lack of response from officials. She expressed concern about the fire department and wanting the hydrants back in service.

Board Reports. None stated.

Next Meeting (Special Meeting 11/17; 12/8) and Future Items. Collins noted the special meeting on 11/17 is at the Chamber Community Room. Trustees Padgett, Dawson, and Currier will not attend. Attorney Krob inquired about direction with the passing of ballot issue 2D. Board members discussed a draft ordinance and Attorney Krob stated the CML website has ordinances on a marijuana resource page. Trustee Stuth suggested working with Mr. Jim Parco. Attorney Krob will initiate this item with a draft ordinance to consider or workshop. Trustee Currier requested that staff distribute the municipalities used to compare MJ license fees from the master fee schedule.

Convene to Executive Session. For the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators under C.R.S. 24-6-402(4)(e) – possible annexation; and for the purpose of receiving legal advise on specific legal questions under C.R.S. 24-6-402(4)(b) - code of conduct policy. MOTION (Padgett, Stuth) to convene to executive session at 7:45 pm. Roll call vote – aye 7; nay 0. Motion passed.

Reconvene to Open Session. MOTION (Padgett, Currier) to reconvene to open session. Roll call vote – aye 7; nay 0. Motion passed.

Adjourn. MOTION (Currier, Padgett) to adjourn at 8:23 pm. Motion passed.

Mayor William Bass

ATTEST: Dawn A. Collins, Town Clerk



BOARD OF TRUSTEES - SPECIAL MEETING

Thursday, November 17, 2022 at 5:00 PM

Tri-lakes Chamber Community Room, 2nd St., Monument

LOCAL LICENSING AUTHORITY

Call to Order. Mayor Bass called the licensing authority to order at 5:01 pm.

1. Modification of Premises - Alpine Essentials (850 A/B Commercial Ln). Ms. Brenda Woodward made her request to the members to modify the premises to accommodate a check-in area, retail sales area, and the modification for other preparation space, as well as compliant cameras as required. MOTION (Havenar, Farr) to approve the Modification of Premises for Alpine Essentials. Roll call vote – aye 4; nay 0. Motion passed.

MINUTES

Pledge of Allegiance

Roll Call. Present: Mayor Bill Bass; Trustees Jessica Farr, Glant Havenar, Karen Stuth. Excused: Trustees Darin Dawson, Nicole Currier, Sam Padgett.

Public Hearing

2. Proposed 2023 Budget. Mayor Bass opened the hearing to the public. Mr. Roger Moseley inquired about 2021 actual and 2022 estimated both over in the water fund. Trustee Jessica Farr stated the location of the meeting was not “secret” but scheduled and noticed at the Chamber because the town hall had a prior rental reservation. Farr questioned the total revenue of \$1.5 million. Discussion took place about the direction of the Board at the previous meeting. Mr. Kevin Dreher clarified how spending is done compared to revenue through the year. Ms. Shana Ball confirmed that the revenue and expenditures are proposed. Discussion took place to consider capital items/spending coming back to the Board and reviewing the forecasted revenue by quarter. Discussion also took place about how taxes will be paid to the town. Ms. Melissa Woodward confirmed that taxes are paid monthly. It was confirmed the new sales are allowed for the two existing facilities. Mayor Bass closed the hearing.

Business Items

3. Ordinance 16-2022 to Adopt New Town Code. Trustee Havenar summarized the expectation to review the new code beginning in January and prioritizing sections to review. MOTION (Stuth, Farr) to waive the second reading and adopt Ordinance 16-2022 for the new town code. Roll call vote – aye 4; nay 0. Motion passed.

4. Direction to Finalize Proposed 2023 Budget. Discussion took place about Board review of anticipated revenue by the second quarter 2023.
5. Review Proposed 2023 Master Fee Schedule. Staff noted the added fees for licensing, fire review/inspection and police. Ms. Melissa Woodward inquired about the process to apply for a new license. Discussion took place about the timeframe for the two current licensees for a local license. Discussion took place to reconsider the short-term rental code and lodging fees. No change was directed to the proposed master fee schedule.
6. Review Draft Ordinance Relating to Adult Use Cannabis. Attorney Krob provided the background to the drafted ordinance forwarded by email to the Board members noting that it generally followed the Leadville code. Discussion took place about the licensing procedures. Ms. Brenda and Melissa Woodward provided the state process and needing an ordinance that allows said new license. Staff noted that the current code requires a new application to go before the Planning Commission for zoning purpose. It was discussed to amend the Planning Commission requirement as a new license will only be made by an existing licensee. Board members discussed allowing the retail store with a stipulation to meet regulations determined in the new year so that establishments can begin the application process with the state. Board members directed staff to bring a simplified ordinance to amend code of the Planning Commission requirement, allow retail storefront with understanding that regulations will come into effect early in 2023. Attorney Krob noted that establishments will follow the detailed state requirements and not need the same requirements in the local regulation (ie., cameras).

Public Comment. Ms. Melissa Woodward offered thanks to the Board members and Mr. Dino Salvatori echoed her words to the Board.

Next Meeting (12/8) and Future Items

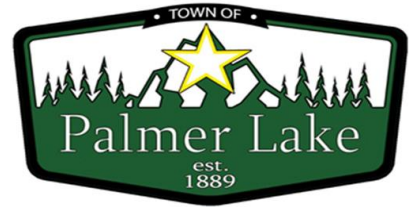
Convene to Executive Session. For the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators under C.R.S. 24-6-402(4)(e) – water infrastructure plan; elephant rock lease; Hwy 105 property offer - MOTION (Stuth, Farr) to convene to executive session at 6:13 pm. Roll call vote – aye 4; nay 0. Motion passed.

Reconvene to Open Session. MOTION (Stuth, Havenar) to reconvene at 6:53 pm. Roll call vote – aye 4; nay 0. Motion passed.

Adjourn. MOTION (Stuth, Farr) to adjourn. Motion passed.

Mayor Bill Bass

ATTEST: Dawn A. Collins, Town Clerk



Item 4.

**TOWN OF PALMER LAKE
BOARD OF TRUSTEES - AGENDA MEMO**

DATE: December 8, 2022	ITEM NO.	SUBJECT: Ordinance Relating to Adult Use Cannabis
Presented by: Town Administrator /Clerk		

Background

As directed at the special meeting on 11/17, Attorney Krob will provide a draft ordinance for review and consideration to allow adult use cannabis and appropriate application/license fees.

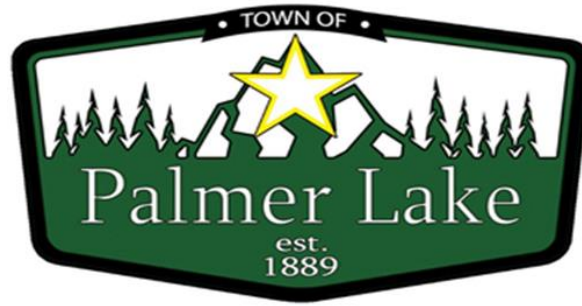
Town of Palmer Lake Monthly Water Usage

Month Year November 2022

	Gallons	Acre Ft
Surface Water	2,533,000	7.77
Well A2	1,562,000	4.79
Well D2	0	0
Total	4,095,000	12.56
Avg. Gal/Day	137,000	0.42

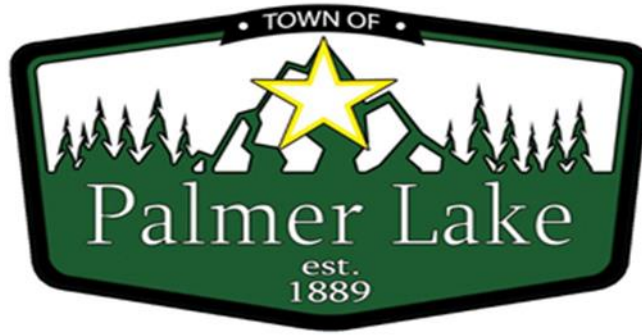
Release To Lake 8.27 AF Max Allowed = 8.4 AF / Month
Release Glen Park Evaporation 0 AF
Water system 0 AF

Total 0 AF



Board of Trustees Summary Sheet

	November 2022
Title	Department Monthly Report
Date	12/8/2022
Contact	Jason Dosch
Summary	<p>Graded roads Patched Potholes Snow plowed and sanded ROWs and Town parking lots Cut tree limbs from ROW and chip branches Clear drainage ditches Replaced and repaired street signs Performed routine maintenance on equipment and playground equipment Emptied trash cans at Lake Rec area - cleaned restroom Performed playground inspections Maintained area around the Town office and Town Hall Set up and tear down seating and tables at Town Hall for meetings and events Attended Parks Committee meetings Attended Special events permit meetings Removed dead deer from ROW Attended TAC meeting at PPACG Started design phase on Palmer Lake Elementary School Project Performed maintenance on parking kiosk at Trailhead parking lot Assisted Water Dept on Walnut St new water main installation Completed paving project on S. Valley Rd Met with Core Electric for planning new power source near Ped Bridge at Centennial Park</p>
Training	Cirsa, Safety
Other Activity	

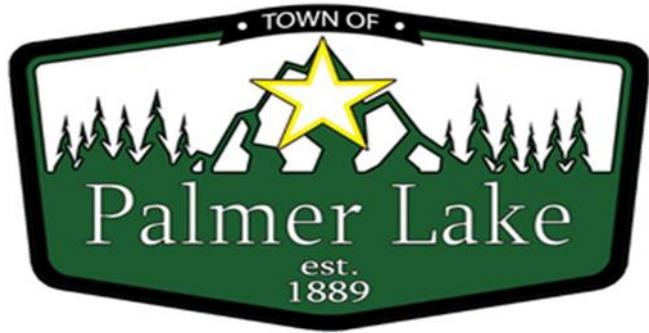


Board of Trustees Summary Sheet

	Nov-Dec 2022
Title	Police Monthly Report
Action	N/A
Date	11/1-11/30/2022
Contact	J. Vanderpool
Summary	In the Month of November 2022, the PLPD conducted 37 traffic stops and issued 20 citations. Also, in the month of October, 3 DUI arrests, 1 Criminal Mischief arrest, and 2 Domestic Violence arrests were made. 2 Parking tickets were issued.
Training	Safety training as well as cyber security courses were completed this month.
Photographs	The attached photograph is of the graffiti painted on the building at 100 county line road.
Other Actions	PLPD officers responded to a call at 66 lower Glenway in which town property was damaged. The offender was cited.
Active investigations	Palmer Lake PD officers are actively investigating several different crimes that have occurred this month.
Calls for service	Officers responded to 268 calls for service this month. 230 of these calls were in the Town of Palmer Lake, 38 were outside of town.

Code Enforcement	<p>Code enforcement officers have been working with town residents to correct several violations. The code enforcement officer is continuing her work getting the local businesses up to date with their business licenses.</p> <p>The monthly update is not included with this report as the CODE Enforcement officer has been out of the office.</p>
S.T.E.P.	<p>S.T.E.P. was instituted in March of last year and seems to be making a difference. Accidents are becoming more infrequent. Increased traffic speeds through town have slowed dramatically during these shifts.</p>

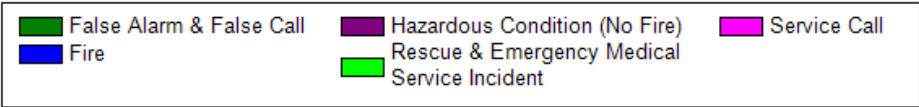
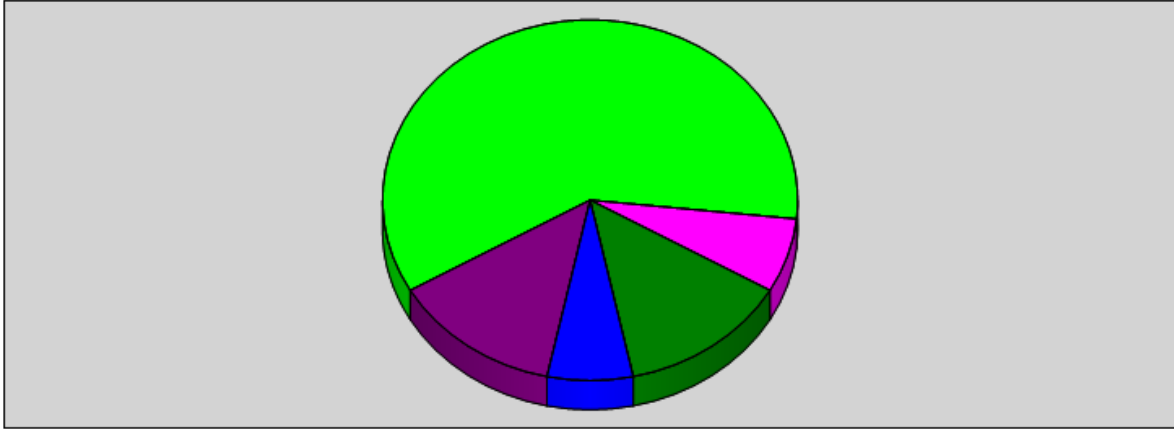




Board of Trustees Summary Sheet

Title	Palmer Lake Fire Department-Monthly Report
Action	
Date	November 2022
Contact	John Vincent, Interim Chief

Summary



INCIDENT TYPE	NOV	TOTAL
False Alarm & False Call	2	2
Fire	1	1
Hazardous Condition (No Fire)	2	2
Rescue & Emergency Medical Service Incident	9	9
Service Call	1	1
Total	15	15

	<p><u>Significant Event(s)</u></p> <p>Mutual-Aid to Monument FPD for 2nd Alarm Structure Fire</p> <p><u>Training:</u></p> <p>Larkspur Fire Academy, 6 Palmer Lake Graduates</p>

LAND USE Permits for November 2022

Item 11.

ADDRESS	TYPE OF WORK	EXPIRATION	# of Taps	REGIONAL NUMBER
			1039	
	TYPE	AMOUNT		
	Other	1		
	TOTAL	1		

CONTACT US REPORT - NOVEMBER 2022

	Submitted Time	First Name	Subject
1	11/01/22 - 4:29 PM	Marissa	Article for website
2	11/01/22 - 9:14 PM	Steve	Fencing
3	11/05/22 - 12:54 PM	Terry	Star Lighting

Dawn Collins

From: Julia Stambaugh
Sent: Friday, December 2, 2022 9:05 AM
To: Dawn Collins
Subject: Kiosk - Nov

Follow Up Flag: Flag for follow up
Flag Status: Flagged

Here are November's numbers for the Kiosk.

\$ 2,316.10 Gross Collections (437 Transactions)
\$ (131.10) Fees
\$ (70.00) Monthly T2 Svc charge
\$ 2,115.00 Net Collections - November

YTD Totals

\$ 47,859.06	Gross Collections	<u>YTD # of Transactions</u>	<u>Avg per Month</u>
\$ (2,709.00)	Fees	8,462	940
\$ (630.00)	Monthly T2 Svc charge		
\$ 44,520.06	Net Collections		
\$ 3,339.00	Total Fees	7%	

Thank you,
Julia

Julia Stambaugh
Deputy Town Clerk/Administrative Supervisor



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www.townofpalmerlake.com

TOWN OF PALMER LAKE
Financial Statements
October 2022
Unaudited



CASH POSITION

October 31, 2022



TOWN OF PALMER LAKE				
Schedule of Cash Position				
October 31, 2022				
FINANCIAL INSTITUTION	TYPE OF ACCOUNT	CHECKING / SAVINGS	BANK RATE	BALANCE
OPERATING FUNDS:				
Community Banks of CO	General Fund Operating	Checking	n/a	\$ 959,039
<i>* Restricted - Operating Reserve - 3 months (\$582,475)</i>				
Community Banks of CO	Water Fund Operating	Checking	n/a	\$ 1,225,501
<i>* Restricted - Operating Reserve - 3 months (\$236,018)</i>				
Colorado Trust (ColoTrust)	General Fund	Savings	3.21%	\$ 1,414,841
Subtotal - Operating Funds				\$ 3,599,381
RESTRICTED FUNDS:				
Colorado Trust (ColoTrust)	Water Reserve 2010	Savings	3.21%	\$ 179,709
Colorado Trust (ColoTrust)	Water Loan Reserve	Savings	3.21%	\$ 199,595
Colorado Trust (ColoTrust)	Water Savings	Savings	3.21%	\$ 200,215
Colorado Trust (ColoTrust)	Police CIP Reserve	Savings	3.21%	\$ 7
Colorado Trust (ColoTrust)	Fire CIP Reserve	Savings	3.21%	\$ 60,111
Colorado Trust (ColoTrust)	CTF Reserve	Savings	3.21%	\$ 27,372
Colorado Trust (ColoTrust)	Roads CIP Reserve	Savings	3.21%	\$ 10,011
Subtotal - Restricted Funds				\$ 677,020
TOTAL				\$ 4,276,401

GENERAL FUND
October 2022



TOWN OF PALMER LAKE

Item 14.

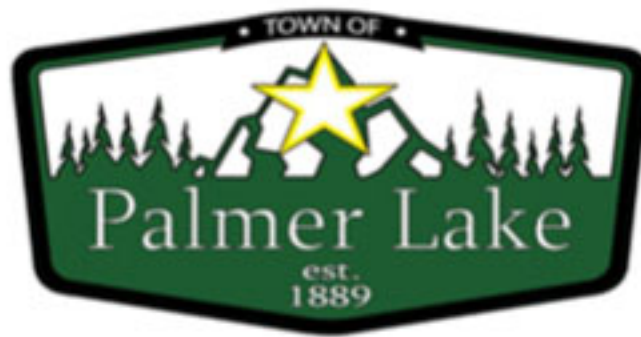
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL GENERAL FUND For the Ten Months Ended October 31, 2022 UNAUDITED

	2022 Adopted Budget	Actual	Variance Favorable (Unfavorable)	Percent of Budget (YTD 83%)
REVENUE				
Taxes	\$ 2,090,342	\$ 2,104,826	\$ 14,484	101%
Fees and Licenses	191,900	197,519	5,619	103%
Intergovernmental	14,100	7,317	(6,783)	52%
Fines	70,900	54,882	(16,018)	77%
Interest income	12,000	19,970	7,970	166%
Departmental	19,000	91,422	72,422	481%
Miscellaneous income	170,100	144,804	(25,296)	85%
Total Revenue	\$ 2,568,342	\$ 2,620,740	\$ 52,398	102%
EXPENDITURES				
General and Administrative				
Salaries and Benefits	\$ 179,369	\$ 137,488	\$ 41,881	77%
Professional Services	315,785	328,466	(12,681)	104%
General Administration	605,730	443,186	162,544	73%
Total General and Administrative	\$ 1,100,885	\$ 909,140	\$ 191,744	83%
Police Department				
Salaries and Benefits	\$ 588,861	\$ 425,530	\$ 163,331	72%
Professional Services	-	-	-	0%
General Administration	60,470	66,451	(5,981)	110%
Total Police Department	\$ 649,331	\$ 491,981	\$ 157,350	76%
Fire Department				
Salaries and Benefits	\$ 464,572	\$ 358,061	\$ 106,511	77%
Professional Services	-	-	-	0%
General Administration	73,050	89,874	(16,824)	123%
Total Fire Department	\$ 537,622	\$ 447,935	\$ 89,687	83%
Roads Department				
Salaries and Benefits	\$ 187,002	\$ 140,093	\$ 46,909	75%
Professional Services	20,000	1,968	18,032	10%
General Administration	388,071	158,101	229,970	41%
Total Roads Department	\$ 595,073	\$ 300,162	\$ 294,911	50%
Parks Department				
Salaries and Benefits	\$ 62,231	\$ 16,866	\$ 45,365	27%
General Administration	23,200	20,819	2,381	90%
Total Parks Department	\$ 85,431	\$ 37,685	\$ 47,746	44%
Total Expenditures	\$ 2,968,341	\$ 2,186,903	\$ 781,438	74%
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES				
	\$ (400,000)	\$ 433,837	\$ 833,836	
FUNDS BALANCE - BEGINNING OF YEAR				
		\$ 2,749,080		
FUNDS BALANCE - END OF YEAR				
		\$ 3,182,917		
Less:				
Restricted:				
Operating Reserve - 3 months		(582,475)	<i>Note 1</i>	
Fire - CIP Reserve		(60,111)		
FUNDS AVAILABLE - END OF YEAR - Unrestricted				
		\$ 2,540,331		

Note 1: A 12 Month Operating Reserve would be Optimum

WATER ENTERPRISE FUND

October 2022



TOWN OF PALMER LAKE
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN
FUNDS AVAILABLE - BUDGET AND ACTUAL
WATER ENTERPRISE FUND
For the Ten Months Ended October 31, 2022
UNAUDITED

	<u>2022 Adopted Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Percent of Budget (YTD 83%)</u>
REVENUE				
Water Revenue	\$ 1,198,500	\$ 987,783	\$ (210,717)	82%
Water Fees	71,957	45,151	(26,806)	63%
Water Taps	200,000	54,222	(145,778)	27%
Late Fees/ Service Fees	-	16,655	16,655	0%
Water Meters	6,500	1,950	(4,550)	30%
Interest	3,000	4,700	1,700	157%
Miscellaneous	-	525	525	0%
Total Revenue	<u>\$ 1,479,957</u>	<u>\$ 1,110,986</u>	<u>\$ (368,971)</u>	<u>75%</u>
EXPENDITURES				
Salaries and Benefits	\$ 454,797	\$ 330,661	\$ 124,136	73%
Professional Services	127,500	104,647	22,853	82%
Administrative	183,450	167,047	16,403	91%
Operations	461,400	191,557	269,843	42%
Capital	412,654	154,390	258,264	37%
Debt Service	183,229	189,639	(6,410)	103%
Total Expenditures	<u>\$ 1,823,030</u>	<u>\$ 1,137,941</u>	<u>\$ 685,089</u>	<u>62%</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>\$ (343,072)</u>	<u>\$ (26,955)</u>	<u>\$ 316,118</u>	
FUNDS AVAILABLE - BEGINNING OF YEAR		<u>\$ 656,879</u>		
FUNDS AVAILABLE - END OF YEAR		<u>\$ 629,924</u>		
Less:				
Restricted:				
Operating Reserve - 3 months (CWR&PDA Loan Requirement)		(236,018)	<i>Note 1</i>	
Water Loan Reserve		(199,595)		
Water Reserve - 2010		<u>(179,709)</u>		
FUNDS AVAILABLE - END OF YEAR - Unrestricted		<u><u>\$ 14,603</u></u>		

Note 1: A 12 Month Operating Reserve would be Optimum

CONSERVATION TRUST FUND

October 2022



TOWN OF PALMER LAKE

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

CONSERVATION TRUST FUND

For the Ten Months Ended October 31, 2022

UNAUDITED

	2022 Adopted Budget	Actual	Variance Favorable (Unfavorable)	Percent of Budget (YTD 83%)
REVENUE				
State Shared Revenue	\$ 44,406	\$ 24,713	\$ (19,693)	56%
Interest/Miscellaneous income	-	287	287	0%
Total Revenue	\$ 44,406	\$ 25,000	\$ (19,406)	56%
EXPENDITURES				
Salaries and Benefits	\$ 18,774	\$ 18,971	\$ (197)	101%
Administrative	25,630	13,367	12,263	52%
Total Expenditures	\$ 44,405	\$ 32,338	\$ 12,066	73%
NET CHANGE IN FUND BALANCE	\$ 1	\$ (7,338)	\$ (7,340)	
FUND BALANCE - BEGINNING OF YEAR		\$ 36,140		
FUND BALANCE - END OF YEAR - Restricted		\$ 28,802		

GRANTS AND DONATIONS FUND

October 2022



TOWN OF PALMER LAKE

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL GRANTS & DONATIONS

For the Ten Months Ended October 31, 2022

UNAUDITED

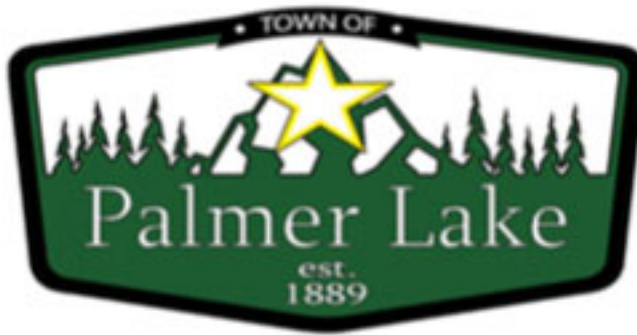
Item 14.

For Information Purposes Only

	2022 Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent of Budget (YTD 83%)
REVENUE				
FPPA Matching Funds	\$ 14,000	\$ -	\$ (14,000)	0%
Fire Mitigation Grant	50,000	-	(50,000)	0%
DOLA EIAF Water Sys- PER Grant	15,000	-	(15,000)	0%
CDOT Bridge Rehab	200,000	-	(200,000)	0%
CDOT PL Elementary Road Improvements	176,590	-	(176,590)	0%
American Rescue Plan	376,145	376,145	-	100%
CDPHE 2020 WQIF	-	25,300	25,300	0%
Fire Grants	-	17,263	17,263	0%
Police Donations/ Grants	59,437	80,090	20,653	135%
Parks Donations/ Grants	1,000	1,743	743	174%
Total Revenue	\$ 892,172	\$ 500,541	\$ (391,631)	56%
EXPENDITURES				
General Administrative				
Grants Expense- DOLA / GOCO	\$ -	\$ -	\$ -	0%
Total General Administrative Expenditures	\$ -	\$ -	\$ -	0%
Police Department Expenditures				
Grant Expense	\$ 59,537	\$ 36,294	\$ 23,243	61%
Total Police Department Expenditures	\$ 59,537	\$ 36,294	\$ 23,243	61%
Fire Department Expenditures				
Grants Expense	\$ -	\$ 10,788	\$ (10,788)	0%
Fire Mitigation CUSP	50,000	5,902	44,098	12%
Total Fire Department Expenditures	\$ 50,000	\$ 16,690	\$ 33,310	33%
Roads Department Expenditures				
CDOT Bridge Rehab	\$ 200,000	\$ -	\$ 200,000	0%
CDOT PL Elementary Road Improvements	176,590	20	176,570	0%
Grants Expense- Douglas	13,900	-	13,900	0%
Total Roads Department Expenditures	\$ 390,490	\$ 20	\$ 390,470	0%
Parks Department Expenditures				
Parks Committee (donations)	\$ 1,000	\$ 313	\$ 687	31%
Total Parks Department Expenditures	\$ 1,000	\$ 313	\$ 687	31%
Water Department Expenditures				
American Rescue Plan	\$ 376,145	\$ 343	\$ 375,802	0%
DOLA EIAF Water Sys- PER Grant	15,000	-	15,000	0%
Total Water Department Expenditures	\$ 391,145	\$ 343	\$ 390,802	0%
Total Expenditures	\$ 892,172	\$ 53,660	\$ 838,512	
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES				
	\$ -	\$ 446,881	\$ 446,881	

Check Register

October 2022



Ranges:	From:	To:	From:	To:
Check Number	First	Last	10/1/2022	10/31/2022
Vendor ID	First	Last	Checkbook ID	First
Vendor Name	First	Last		Last

Sorted By: Check Number

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
48396	AMCOBI	AmCobi	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$2,132.86
48397	AMCOBIIT	AMCOBI	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$4,235.85
48398	AT&TMOBILITY	AT & T MOBILITY	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$1,314.06
48399	BH	BLACK HILLS ENERGY	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$33.94
48400	BLUETREEELL	BLUE TREE, LLC	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$550.00
48401	BRADLEYEXCAVATI	BRADLEY EXCAVATING INC.	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$17,640.00
48402	BROOKSPLUMBING	BROOKS PLUMBING & HEATING, INC	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$780.00
48403	CHAVEZCONSULTIN	CHAVEZ CONSULTING INC., LLC	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$187.50
48404	CIRSA	CIRSA	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$25,009.00
48405	CITYFINANCEACCT	CITY FINANCE ACCT REC	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$214.56
48406	CKT	COMMON KNOWLEDGE TECHNOLOGY	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$2,190.00
48408	CRAIGSPOWEREQUI	CRAIG'S POWER EQUIPMENT LLC	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$222.63
48410	EMERGENCYNETWOR	EMERGENCY NETWORK SECURITY SYS	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$61.00
48411	ECS	EMPLOYERS COUNCIL	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$151.25
48412	ESO	ESO SOLUTIONS, INC.	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$208.53
48413	EVOQUA	EVOQUA WATER TECHNOLOGIES LLC	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$450.00
48414	FAC	FROMM & COMPANY LLC	10/13/2022	COBANK-CKG 9495	PMCHK00000066	\$6,153.00
48415	GALLS	GALLS, LLC	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$180.33
48416	GREENERGRASSLAW	GREENER GRASS LAWNCARE INC.	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$5,190.00
48417	HOLMAN	HOLMAN	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$109.58
48418	HOMEDEPOTCREDIT	HOME DEPOT CREDIT SERVICES	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$389.68
48419	LUMEN	LEVEL 3 COMMUNICATIONS, LLC	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$449.84
48420	NAPAAUTOPARTS	NAPA AUTO PARTS	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$148.09
48421	OREILLY	O'REILLY	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$58.45
48422	PALMERLAKESANIT	PALMER LAKE SANITATION	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$2,163.24
48423	PIONEER	PIONEER	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$423.12
48424	PERRY,ROBERT	Robert Perry	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$203.11
48425	STERICYCLE	STERICYCLE, INC.	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$36.75
48426	T2SYSTEMS	T2 SYSTEMS CANADA INC.	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$70.00
48427	THECHURCHATWOOD	THE CHURCH AT WOODMOOR	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$75.00
48428	GAZETTE	THE GAZETTE	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$303.30
48429	TLECC	TIMBER LINE ELECTRIC & CONTROL	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$8,496.80
48430	TRILAKESSERVICE	TRI-LAKES SERVICE CENTER	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$1,176.87
48431	UNCC	UTILITY NOTIFICATION CENTER OF	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$61.10
48432	OESTERREICH,WES	WESTON OESTERREICH	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$292.26
48433	WHISLERINDUSTRI	WHISLER INDUSTRIAL SUPPLY	10/13/2022	COBANK-CKG 9495	PMCHK00000058	\$33.40
48434	DANAKEPNERCOMPA	DANA KEPNER COMPANY, LLC	10/13/2022	COBANK-CKG 9495	PMCHK00000059	\$335.04
48435	COREELECTRICCOO	CORE ELECTRIC COOPERATIVE	10/13/2022	COBANK-CKG 9495	PMCHK00000061	\$10,101.61
48436	COREELECTRICCOO	CORE ELECTRIC COOPERATIVE	10/13/2022	COBANK-CKG 9495	PMCHK00000060	\$300.00
48437	COMMUNITYMATTER	COMMUNITY MATTERS INSTITUTE	10/13/2022	COBANK-CKG 9495	PMCHK00000062	\$13,108.00
48438	AIRGAS	AIRGAS USA, LLC	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$349.02
48439	AT&TMOBILITY	AT & T MOBILITY	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$449.98
48440	BLUETREEELL	BLUE TREE, LLC	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$2,000.00
48441	CDPHE	CDPHE	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$465.00
48442	CENTURYLINK	CENTURYLINK	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$215.76
48443	CHRISTIANBROTHE	CHRISTIAN BROTHERS AUTOMOTIVE	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$202.52
48444	CITYFINANCEACCT	CITY FINANCE ACCT REC	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$84.00
48445	CLAYTONKNOX	CLAYTON KNOX	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$1,782.97
48446	COMCAST	COMCAST	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$203.35
48447	CKT	COMMON KNOWLEDGE TECHNOLOGY	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$398.40
48448	COREANDMAIN	CORE & MAIN LLP	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$3,582.24
48449	COREELECTRICCOO	CORE ELECTRIC COOPERATIVE	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$8,699.98
48450	DANAKEPNERCOMPA	DANA KEPNER COMPANY, LLC	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$2,489.22
48451	DPCINDUSTRIES	DPC INDUSTRIES, INC.	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$70.00
48452	EVOQUA	EVOQUA WATER TECHNOLOGIES LLC	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$1,250.00
48454	HABITATMANAGEME	HABITAT MANAGEMENT	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$8,968.00

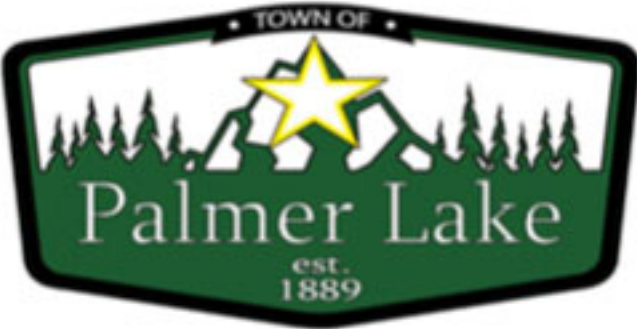
* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
48455	HICKSCONTRACTOR	HICKS CONTRACTOR SERVICES LLC	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$850.00
48456	INTELLICHOICE	Intellichoice, Inc.	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$2,078.03
48457	CICCOLELLAJOHN	JOHN CICCOLELLA	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$320.00
48458	L.N.CURTISANDSO	L.N. CURTIS AND SONS	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$3,547.76
48459	MCKINNEY	MCKINNEY DOOR & HARDWARE	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$34.00
48460	MITCHELLKING	MITCHELL KING	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$2,071.39
48461	GREASEMONKEY	MY FLEET CENTER	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$89.87
48462	OREILLY	O'REILLY	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$148.08
48463	OASISLANDSCAPE	OASIS LANDSCAPE & IRRIGATION I	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$120.00
48464	PIONEER	PIONEER	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$784.35
48465	SAFELITE	SAFELITE FULFILLMENT, INC.	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$401.82
48466	SGS	SGS NORTH AMERICA, INC.	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$240.58
48467	KNASTERTECHNOLO	THE KNASTER TECHNOLOGY GROUP	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$450.00
48468	TLECC	TIMBER LINE ELECTRIC & CONTROL	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$26,506.20
48469	TRILAKESMONUMEN	Tri-Lakes Monument Fire Protec	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$3,265.08
48470	XEROX	XEROX BUSINESS SOLUTIONS SOUTH	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$60.82
48471	XFINITY	XFINITY	10/31/2022	COBANK-CKG 9495	PMCHK00000065	\$8.28

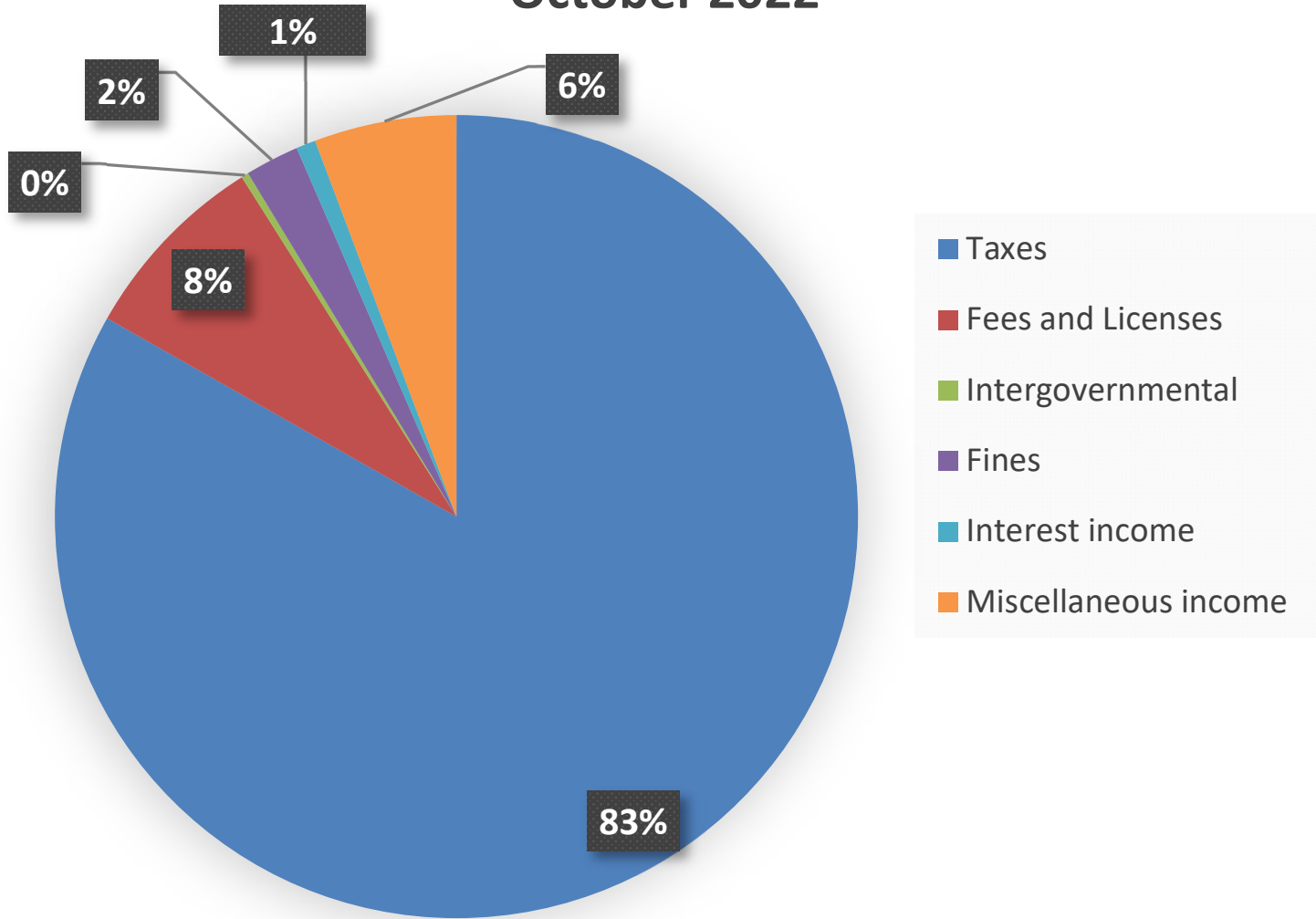
Total Checks:	73			Total Amount of Checks:		\$177,426.70
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CHARTS

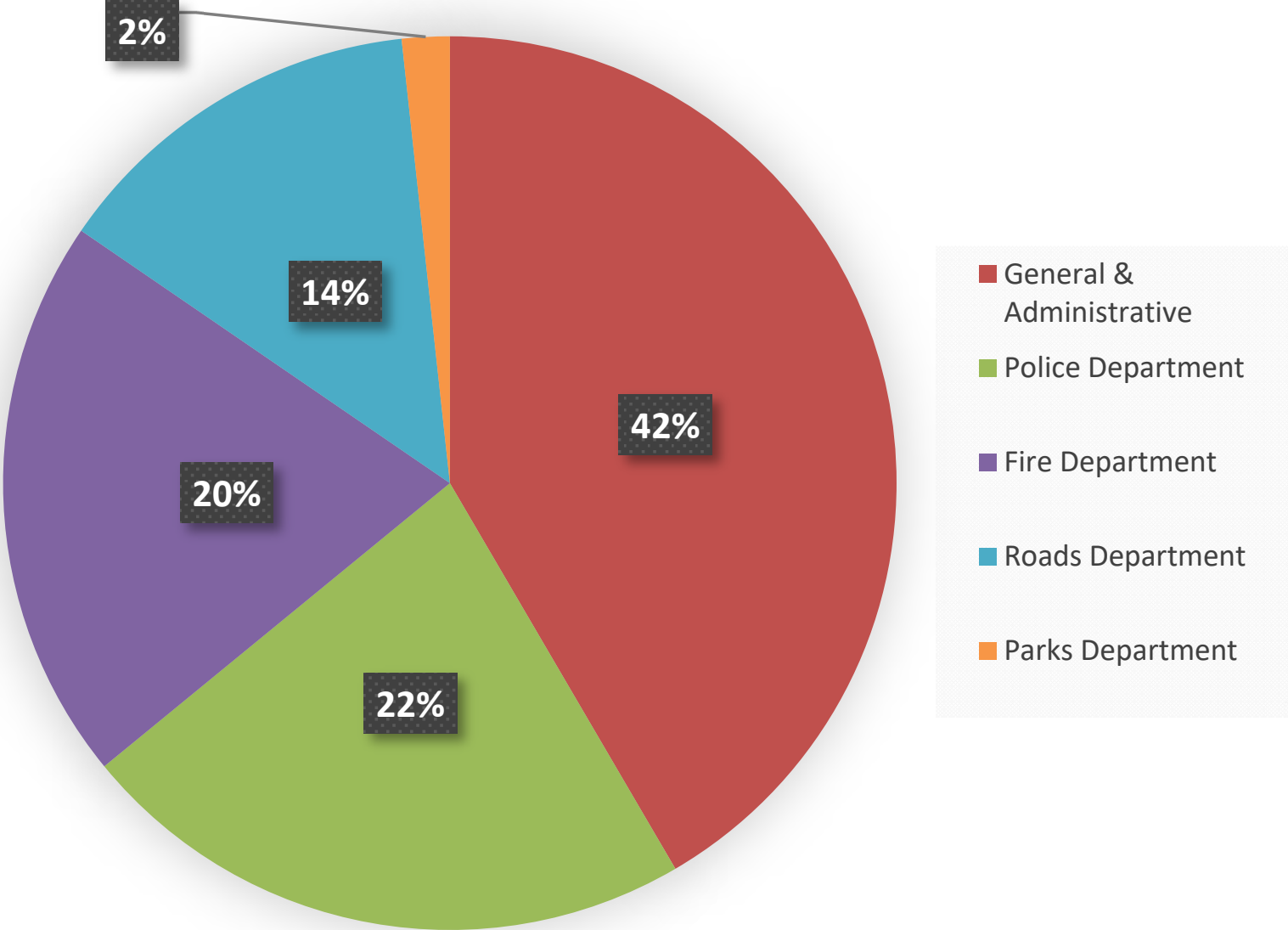
October 2022



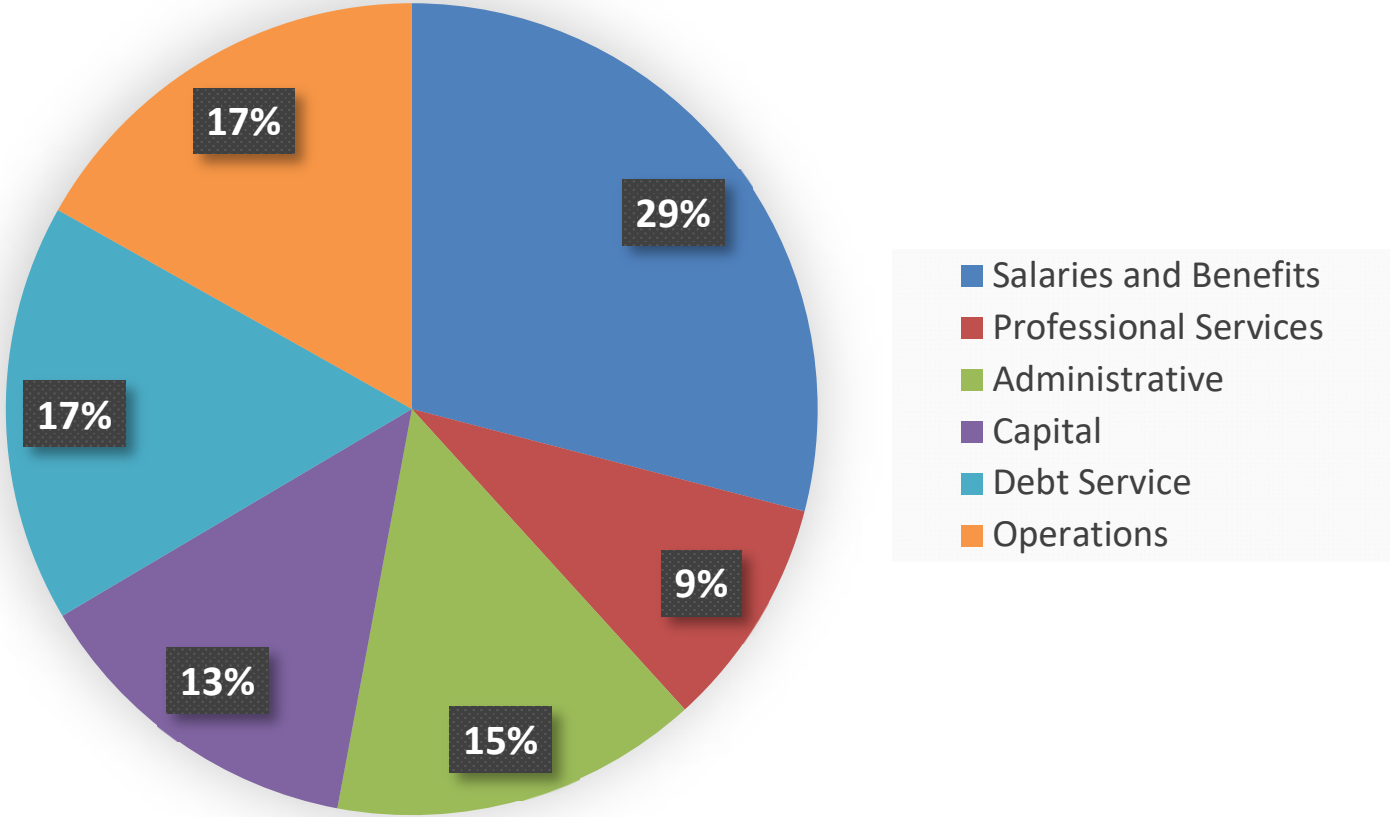
General Fund Revenue Breakdown October 2022

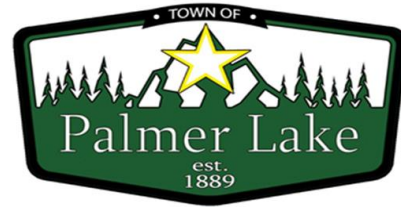


General Fund Expenditure Breakdown October 2022



Water Enterprise Fund Expenditure Breakdown October 2022





**TOWN OF PALMER LAKE
BOARD OF TRUSTEES - AGENDA MEMO**

DATE: December 8, 2022	ITEM NO.	SUBJECT: Resolution Summarizing Revenue and Expenditures, Adopting the 2023 Budget, and Appropriating Sums of Money to the Funds and Certifying Mill Levies for the Town
Presented by: Town Administrator /Clerk		

First and foremost, the year ending 2022 is very good. All town expenditures are covered without dipping into the budgeted contingency funds (building improvement and grant contributions).

The final version of the proposed 2023 budget does increase personnel wages and/or staffing for departments, as proposed since the start of the Board revenue discussions earlier this year and refined with Board involvement (note each department DrX). All departments spoke about staffing needs at the 9/29 workshop. In addition to incremental increases to competitive wages and possible staff additions as revenue allows departments to consider, staffing is also planned in anticipation of retirement or reduced work hours (ie., Admin, Water and Public Works).

Due to this first year forecasting potential increased sales revenue, we anticipate that wage increases could take place in two phases – a partial increase in January with an additional bump to consider in July, depending on the revenue realized in 2023. Also, no additional hires will be advertised until a review of the revenue takes place in Q2 2023. As stated at the 11/17 special meeting, staff members are committed to keeping departments under budget to conservatively save/plan for capital needs – equipment, facilities, improvements, etc.

Financially, the *proposed* budget can absorb the prior request to modify the hours for employee eligibility of benefits due to anticipated adjustment of staff hours/status in 2023. Eligibility is defined by total scheduled work hours. Currently, employees are eligible for benefits with regularly scheduled 40 hours. The proposed change is to modify eligibility to regularly scheduled 35 hours. With current schedules, this will impact one administrative employee. If supported, the EE handbook will require amendment to support this change.

This final version of the budget includes the final valuation report for property tax revenue. It also adjusts the water fund to balance the expenditures of ARP funds in 2023, including necessary technology improvement to the treatment facility and improvement of the distribution system.

Included with this item is the letter to the Board and several highlights from 2022. As a governing body, this Board has conducted numerous discussions and taken steps to address important matters that have lacked attention for some time.

Thank you to the current Board for conducting and supporting the discussions for additional revenue for the Town. All department staff applaud you for overseeing these efforts. Thank you for beginning to address long-term issues in the town, including water billing, water supply and drainage issues. We now have two completed studies to assist in planning for future improvement in these areas and, in the first quarter of 2023, we anticipate an analysis of the water department assets vs. current billing for future forecasting. We look forward to the new Board continuing these discussions and determining direction for these issues. Thank you for supporting the completion of the town hall renovation, for determining direction of the deeded 28-acre property, for supporting a conclusive Community Master Plan and, although it is not perfect, for adopting a codified town code that all of staff and public members can view and work from.

All departments look forward to a progressive 2023 planning for the future of Palmer Lake.

**TOWN OF PALMER LAKE
EL PASO COUNTY
STATE OF COLORADO**

RESOLUTION NO. 57-2022

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING THE 2023 BUDGET, AND APPROPRIATING SUMS OF MONEY TO THE FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN AND CERTIFYING THE GENERAL FUND AND VOLUNTEER FIRE DEPARTMENT MILL LEVIES FOR THE TOWN OF PALMER LAKE, EL PASO COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023.

WHEREAS, the Board of Trustees of the Town of Palmer Lake (“Board”) has appointed the Town Administrator/Clerk to prepare and submit a proposed Budget for the next fiscal year to the Board on December 8, 2022, as required by C.R.S. Section 29-1-105; and

WHEREAS, the Town is authorized by Section 29-1-109, C.R.S., to establish and amend its annual budget and to make transfers and supplemental appropriations of budgeted funds; and

WHEREAS, the Town Administrator/Clerk submitted the proposed 2023 Budget to the Board for its consideration; and

WHEREAS, the 2023 Budget remains in balance, as required by Colorado State Budget Law (Section 29-1-103, C.R.S.); and

WHEREAS, upon due and proper notice, published or posted in accordance with Sections 29-1-106, C.R.S., the proposed 2023 Budget was available for inspection by the public at the Town office, 42 Valley Crescent, Palmer Lake, CO 80133, and a public hearing was conducted on November 17, 2022, at the Board of Trustees special meeting at Tri-lakes Chamber of Commerce Community Room, Monument, Colorado; and

WHEREAS, interested electors of the Town were given the opportunity to file or register any objections to said proposed Budget; and

WHEREAS, the Budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Article X, § 20 of the Colorado Constitution (“TABOR”).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE OF EL PASO COUNTY, COLORADO, AS FOLLOWS:

Section 1. Adoption of Budget for 2023. That the Budget as submitted and attached hereto as **Exhibit A** and incorporated herein by this reference and, if amended, then as amended, is hereby approved and adopted by the Board as the true and accurate budget of the Town of Palmer Lake for fiscal year 2023.

Section 2. Appropriations. That the amounts set forth as expenditures as specifically allocated in the Budget attached hereto as **Exhibit A**, in the column labeled Proposed 2023 Budget are hereby appropriated.

Section 3. 2023 Levy of Property Taxes.

- A. Assessed Valuation. The El Paso County Assessor has certified the total valuation for assessment for the taxable year 2022 is \$44,795,980.
- B. Levy for Operating Expense. For the purposes of meeting general operating expenses of the Town during the 2023 Budget year, there is hereby levied a tax of 11.238 mills upon each dollar of the total valuation of assessment of all taxable property within the Town, to raise \$503,417 in revenue.
- C. Levy for Volunteer Fire Department Expense. In addition, for the purpose of funding the Palmer Lake Volunteer Fire Department (General Fund) during the 2023 Budget year, there is hereby levied a tax of 10.000 mills upon each dollar of total valuation for assessment of all taxable property within the Town, to raise \$447,960 in revenue.
- D. Total Mill Levy to be certified is 21.238 mills.
- E. The Town’s Administrator/Clerk is hereby authorized and directed to immediately have certified, to the Board of County Commissioners of El Paso County, the mill levies for the Town hereinabove determined and set.

Section 4. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 5. Severability. If any part, section, subsection, sentence, clause, phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining parts, sections, subsections, sentences, clauses, phrases or fees and charges adopted by this Resolution. The Board of Trustees hereby declares that it would have passed this Resolution, including each part, section, subsection, sentence, clause or phrase hereof, irrespective of the fact that one or more parts, sections, subsections, sentences, clauses, phrases, fees or charges could subsequently be declared invalid.

Section 6. Repealer. All ordinance, resolutions, orders, fee schedules, or parts thereof, in conflict with this Resolution are hereby repealed, provided that such repealer shall not repeal the repealer clauses of such ordinance, resolution, order or fee schedule nor revive any of the same.

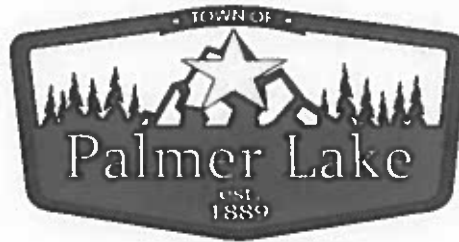
Adopted this 8th day of December 2022.

TOWN OF PALMER LAKE, COLORADO

Glant Havenar, Mayor

ATTEST:

By: _____
Dawn A. Collins, Town Administrator/Clerk



December 8, 2022

To Mayor Havenar and the Town Board of Trustees:

The 2023 Town of Palmer Lake Final Budget is presented for approval on December 8, 2022. A final Budget must be approved and sent to El Paso County by December 15, 2022 and delivered to the State by January 31, 2023.

In accordance with State Statutes, this budget is a balanced budget, where expenditures do not exceed revenues plus beginning available fund balance. The Town uses the modified accrual basis of accounting for the Governmental Funds and full accrual basis of accounting in the Enterprise Fund. The services provided by each department are fully described at the start of each section by fund in the 2023 Budget Book. The Town's population continues to grow, and citizen expectations remain high regarding the scope and quality of Town services. The passing of the ballot initiative to allow adult use cannabis will provide the Town increased sales tax. This revenue will assist with increased cost of Town operations and improvements to Town infrastructure, which will help meet the services to citizens.

The Town Hall restoration project was completed in 2022. After being unavailable to the public for two years, the town hall re-opened in late March 2022. The Town will continue to seek grant funds to upgrade the main entrance to be ADA compliant. Following the completion of the completed ADA compliant ramps to the Town's public facility which houses the Vaile Museum and leased to the Pikes Peak Library, there are ongoing improvements required and several capital projects that will extend to 2023. Public Works is set to begin two projects. The first quarter will begin with the design of the Palmer Lake Elementary School Road Improvement project to rebuild the Upper Glenway roadway and water infrastructure. The Bridges Rehabilitation projects at Greely Boulevard and Spring Street are also set to begin at that time. The Town will continue to collaborate with public members to pursue grant funds to develop and improve the recreation area at Palmer Lake/Centennial Park. The 28-acre Elephant Rock property is underway to be leased to two retail developments.

In 2022, the Board saw the completion of studies to address water and drainage in the Town and supported the completion of the Community Master Plan and the adoption of the long-time recodification project, finalizing one accessible document of the town municipal code. Completing these projects will assist in further review of the town code to align the Board's desire for the future vision of the Town.

As revenues allow and in priority, the department supervisors will consider additional positions in each respective department. Police will consider bringing part-time Officers to full-time status and Fire will consider the same. Public Works will consider a full-time position to assist with facilities and parks, and Administration will consider bringing accounting functions in-house and add a full-time staff member to assist with land use requirements, code enforcement and facilities, while the Court Clerk transitions to a part-time status.

REVENUES

Projected 2023 General Fund revenues and a projected carryover, along with increased sales tax revenue, are anticipated to cover the budgeted expenditures. Economic growth may be impacted by inflation and by a possible recession. There will be a slight decrease in the collection of property tax in 2023; however, the online sales tax collection remains strong. The newly implemented short-term rentals fees, along with increased lodging fees, are expected to increase revenue in the next year.

EXPENDITURES

While there will be an increase in revenues, the expenditures will be monitored to stay within the budget parameters. The staff is thankful for the Board's support in adjusting employee wages to be closer in line with comparable towns while also maintaining a balanced budget. The budget also allows for an increase in the employee retirement contribution match to 4% per participating employee.

CAPITAL EXPENDITURES & CAPITAL IMPROVEMENTS

In the 2023 Budget, the capital expenditures have been moved out of the operating expenditures to better monitor the capital improvements. The budget reflects the funds that will be set aside to begin a build up of funds for future capital projects, equipment, and grant matches. It is anticipated to re-evaluate available funds throughout the year.

RESERVE FUNDS

The Town is not subject to the TABOR amendment. Reserve funds is at ease holding a six-month cash reserve for operating and capital.

WATER ENTERPRISE FUND

Water Enterprise Fund revenues, together with a projected carryover, allows the budgeted expenditures to be funded. In the 2023 Budget, capital expenditures have been moved out of the operating expenditures to better monitor the capital improvements.

Water revenue is not anticipated to increase in 2023. The sale of water taps have decreased due to the inflationary pressures on building material costs and a slowdown in local development. The water usage rates have not kept up to cover the cost of providing water. The rates are scheduled to increase the authorized 3% with two of the rates to increase 7% respectively to be at the intended rate. Water meter fees are less due to not receiving meter supplies. This is expected to continue in 2023. These pressures will cause expenditures to hold in 2023. The Water Department is hiring one additional full-time employee as part of the succession plan for the Water Supervisor considering retirement. Salaries for the Water Department personnel are in line with the average.

The Water Department has several infrastructure projects anticipated in the new year. In 2022, it was identified the need to drill another Arapahoe well for additional water supply. Property will need to be identified for the well. The redrill of the D2 well was completed in 2022, and the department is awaiting final approval by the State to begin running it. The water treatment facility will require multiple upgrades, along with anticipated replacement/improvements to the distribution supply lines throughout the Town. An analysis of the equipment and the current rates will be conducted early in 2023 to assess and forecast future needs for the Water Department.

SPECIAL REVENUE FUNDS

The Conservation Trust Fund has a dedicated funding source, and the allocation on revenue is controlled by the funding source. The funds are earmarked for specific use for Parks to supplement funding needs. There is ongoing partnership consideration and grant seeking, including GOCO funds, to assist in providing funds to upgrade and improve the public space around Palmer Lake.

CONCLUSION

This budget allocates funding for necessary municipal services for the Town to the benefit of residents and visitors alike. The budget represents the best balance between the Town's fiscal responsibility and the service needs of the community. The economic inflationary pressures and the Town's increasing needs in the coming year have brought the budget to the forefront this year. A year-long discussion of the community's needs culminated in the residents voting to allow adult use cannabis in the Town of Palmer Lake. The anticipated increased revenue is expected to assist in closing the gap between revenues and expenditures. The Board of Trustees diligently identified priorities for the 2023 Budget to maximize these resources to better position the Town in the future.

I would like to express sincere thanks to the department supervisors, the administrative staff and the Deputy Town Clerk for their contribution and committed work efforts to the preparation and the ongoing refinement of this budget document for the 2023 year.

Sincerely,


Dawn A. Collins, CMC
Town Administrator/Clerk

TOWN OF PALMER LAKE

GENERAL FUND

2023 Budget

	2021	2022	Submitted
	Actual	Balance	2023 Budget
Description			
REVENUE			
General Property Tax	\$ 432,113	\$ 512,452	\$ 503,417
Fire Mill Levy Property Tax	383,195	455,477	447,960
Specific Own Tax Auto / Motor Vehicle Registration	108,234	108,923	108,000
City Sales Tax/Auto Use Tax	1,099,588	1,028,174	950,000
Use Tax - Building Materials	33,579	40,782	40,000
Highway Users Tax Fund	108,034	93,144	100,000
Administration Fees	30	-	-
Tax - Other	214	-	-
Tobacco/Other Product Tax	18,401	11,327	1,515,000
Lodging Fees	24,063	31,346	40,000
Franchise Fee - Cable TV	16,927	-	-
Franchise Fee - Comcast	-	34,325	38,000
Franchise Fee - CORE/IREA	55,547	71,630	50,000
Franchise Fee - Black Hills	25,491	69,887	50,000
Franchise Fee - Century Link	864	-	-
Franchise Fee - Other	1,482	36	35
Fees / Permits / Zoning / Subdivision Fees	55,250	17,885	40,000
Business Licenses Fees	9,445	22,917	30,000
Dog License Fee	-	-	-
Impact Fees / Drainage	11,110	8,955	7,200
Liquor/MMJ License Fees	7,751	7,375	6,200
Court Fines	73,642	51,194	70,000
Court Fines - S.T.E.P.	19,168	20,470	20,000
FPPA matching funds (DOLA VFP)	-	14,000	8,100
El Paso Co Road & Bridge	6,370	7,073	6,000
Land / Building Rents	8,083	20,423	20,000
Library Revenue	2,304	4,260	5,000
COVID Employer Tax Credit	872		-
FPPA Funds - Matching	-	9,000	9,000
Admin Revenue	503	133,274	-
Police Revenue	4,274	4,948	4,500
Fire Revenue	250	523	-
Fire Deployment	-	15,676	80,000

TOWN OF PALMER LAKE

GENERAL FUND

2023 Budget

	2021	2022	Submitted
	Actual	Balance	2023 Budget
Roads Revenue	-	2,688	-
Parks Revenue	2,700	53,491	40,000
ATL Revenue	2,500	46,890	-
Donations	-	1,132	-
Miscellaneous Income	1,680	2,435	100
Insurance Income	7,269	166,822	-
Savings / Interest	1,551	5,417	3,000
Interest - Loan to Water Fund	10,000	10,000	10,000
Interest	534	-	30,000
Total Revenue	\$ 2,533,020	\$ 3,084,349	\$ 4,231,512
EXPENDITURES			
<u>General and Administrative</u>			
<u>Salaries and Benefits</u>			
Salaries / Wages Regular	\$ 114,808	\$ 106,285	\$ 163,930
Salaries / Wages Temp / Part Time	56,100	58,022	37,454
Sick Leave	1,231	364	1,248
Overtime, Civilian Unscheduled	162	72	-
Social Security Employer	10,918	9,916	12,563
Medicare Employer	2,471	2,319	2,938
FUTA Employer	164	267	197
Workers Compensation	6,025	8,267	7,950
Employee Retirement	13,712	11,520	6,557
Employee Benefits	-	23,365	19,374
Life Insurance Premiums	510	798	590
Total Salaries and Benefits	\$ 206,101	\$ 221,195	\$ 252,802
<u>Professional Services</u>			
Professional Services- Acctg/Audit	\$ 32,307	\$ 59,197	\$ 22,275
Professional Services- IT	20,799	55,620	63,200
Professional Services- Legal	47,564	37,892	60,000
Professional Services- Other Engineering	29,693	100,958	160,000
Professional Services- Other Engineering	-	19,119	-
Professional Services- Other Engineering	-	94,571	-
Total Professional Services	\$ 130,363	\$ 367,357	\$ 305,475

TOWN OF PALMER LAKE

GENERAL FUND

2023 Budget

	2021	2022	Submitted
	Actual	Balance	2023 Budget
<u>General Administration</u>			
Employee Clothing	\$ -	\$ -	\$ 800
Employee, BOT & PC Members Training	1,824	2,950	6,900
Employee, BOT & PC Members Travel	-	-	6,000
Employee, BOT & PC Members Per Diem	957	900	5,000
Advertising	1,906	1,900	2,000
Bank Fees and Services	153	600	700
Communication	4,609	22,800	28,000
County Treasurer Fees	8,169	12,600	18,000
Election Expense	-	12,000	15,000
Insurance	30,847	86,670	106,000
Legal Notices / Recordings	4,289	1,980	5,000
Memberships / Registrations Employee, BOT & PC	7,915	14,200	12,000
Postage	1,720	500	1,000
Economic Development	1,020	-	13,000
Misc. Expenses	11,628	-	-
General Supplies	26,829	1,500	20,000
General Services	24,023	45,000	50,000
General Services Town Hall	-	630	-
General Services Elephant Rock Property	-	2,506	-
Utilities - Electric - All Depts	16,976	10,500	14,500
Utilities - Electric - Elephant Rock Property	-	3,555	-
Utilities - Natural Gas - All Depts	-	6,284	6,600
Utilities - Natural Gas - Elephant Rock Property	-	312	-
Utilities - Water - All Depts	-	6,418	7,400
Utilities - Water - Elephant Rock Property	-	945	-
Utilities - Sanitation - All Depts	-	2,560	3,100
Utilities - Sanitation - Elephant Rock Property	-	540	-
Building Maintenance	881	4,277	6,050
Equipment Maintenance	-	-	1,000
Fuel	339	80	500

TOWN OF PALMER LAKE

GENERAL FUND

2023 Budget

	2021	2022	Submitted
	Actual	Balance	Budget
Capital Improvement Bldg	-	26,246	240,000
Capital Improvement Bldg Town Hall	-	126,943	32,960
Capital Improvement -Other	516,133	5,190	-
Capital Improvement -Town Hall	-	-	
Capital Equipment	-	-	6,000
Total General Administration	\$ 660,218	\$ 400,587	\$ 607,510
Total General Administrative Expenditures	\$ 996,680	\$ 989,139	\$ 1,165,787
<u>Police Department Expenditures</u>			
<u>Salaries and Benefits- Police Department</u>			
Salaries / Wages Regular	\$ 158,649	\$ 314,273	\$ 426,105
Salaries / Wages Temp/Part-time	268,977	225,731	159,455
Salaries / Wages PT Sick	594	5,528	5,315
Salaries / Wages STEP	-	7,997	5,000
Salaries / Wages Extra Duty	-	5,198	5,000
Overtime, Sworn Scheduled	2,271	261	-
Overtime, Sworn Unscheduled	-	-	2,049
Social Security Employer	17,914	16,142	11,570
Medicare Employer	6,213	8,054	8,597
FUTA Employer	533	851	512
Workers Compensation	18,076	40,891	34,876
Employee Retirement	4,281	6,314	17,044
FPPA Employer	12,327	25,037	38,599
FPPA Death + Disability	3,955	8,902	13,814
Employee Benefits	-	6,547	51,664
Life Insurance Premiums	277	1,131	1,572
Total Salaries and Benefits- Police Department	\$ 494,067	\$ 672,857	\$ 781,175
<u>Professional Services- Police Department</u>			
Professional Services- Acctg/Audit	\$ 8,200	\$ -	\$ -
Professional Services- IT	7,615	-	-
Professional Services- Legal	2,000	-	-
Total Professional Services- Police Department	\$ 17,815	\$ -	\$ -

TOWN OF PALMER LAKE

GENERAL FUND

2023 Budget

	2021	2022	Submitted
	Actual	Balance	2023 Budget
<u>General Administration- Police Department</u>			
Employee Clothing / Uniform	\$ 3,982	\$ 914	\$ 7,077
Employee Training	2,051	2,877	5,300
Employee Travel	412	972	4,160
Employee Per Diem	-	-	2,560
Subject Testing	680	800	1,000
Communication/Radios/PPCRN	19,551	6,400	8,400
Insurance	11,884	-	-
Membership/Registration	265	252	3,940
Postage	-	-	-
Misc Expenses	752	-	-
General Supplies	3,737	5,408	12,291
General Services	9,602	1,507	6,500
Utilities	5,480	-	-
Utilities - Sanitation	-	-	-
Building Maintenance	4,620	750	8,600
Equipment Maintenance	23	-	2,280
Repair / Maintenance Supplies	-	-	-
Vehicle License / Fees	-	-	-
Vehicle Repair / Maint	7,886	7,000	6,863
Fuel	15,603	19,500	28,000
Vehicle Loan- Principal	6,473	6,132	-
Vehicle Loan- Interest	1,760	1,709	-
Capital Equipment	38,469	732	25,428
Total General Administration- Police Department	\$ 133,230	\$ 54,953	\$ 122,399
Total Police Department Expenditures	\$ 645,113	\$ 727,810	\$ 903,574
<u>Fire Department Expenditures</u>			
<u>Salaries and Benefits- Fire Department</u>			
Salaries / Wages Regular	\$ 272,141	\$ 346,579	\$ 468,605
Salaries / Wages Temp/Part-time	66,491	73,231	100,930
Salaries/Wages Restricted	20,446	-	-
Salaries / Wages PT Sick	-	3,444	3,364
Salaries / Wages Fire Deployment	-	-	-
Overtime, Sworn Scheduled	-	29,764	44,805
Fire Deployment	-	-	50,000

TOWN OF PALMER LAKE

GENERAL FUND

2023 Budget

	2021	2022	Submitted
	Actual	Balance	2023 Budget
Deployments	-	-	-
Overtime, Sworn Unscheduled	-	-	-
Social Security Employer	6,279	6,220	7,694
Medicare Employer	5,120	6,369	8,957
SUTA Employer	-	-	-
FUTA Employer	416	687	638
Workers Compensation	15,030	38,882	45,203
Employee Retirement	18,649	5,819	20,536
FPPA Employer	32,556	29,427	46,893
FPPA Death + Disability	7,935	10,463	16,783
Employee Benefits	-	14,020	51,664
Life Insurance Premiums	813	1,064	1,572
Total Salaries and Benefits- Fire Department	\$ 445,873	\$ 565,969	\$ 867,644
<u>Professional Services- Fire Department</u>			
Professional Services- Acctg/Audit	\$ 8,200	\$ -	\$ -
Professional Services- IT	11,081	-	-
Professional Services- Legal	1,000	-	-
Total Professional Services- Fire Department	\$ 20,281	\$ -	\$ -
<u>General Administration- Fire Department</u>			
Employee Clothing / Uniform	\$ 4,516	\$ 4,631	\$ 6,703
Employee Training	1,526	1,014	17,473
Employee Travel	-	-	4,000
Employee Per Diem	1,493	-	3,500
Communication/Radios/PPCRN	17,331	6,400	17,000
Insurance	18,290	-	-
Memberships / Registrations	785	4,240	980
Postage	118	-	-
General Supplies	7,963	7,400	17,500
Medical Equip / Supplies	4,387	5,400	5,000
General Services	9,340	16,769	31,764
Building Maintenance	3,463	3,231	-
Repair / Maintenance Supplies	1,884	204	4,500

TOWN OF PALMER LAKE

GENERAL FUND

2023 Budget

	2021	2022	Submitted
	Actual	Balance	2023 Budget
Utilities	3,184	-	-
Vehicle License / Fees	-	-	2,000
Vehicle Repair / Maint	15,327	15,127	20,000
Fuel	6,553	11,690	15,000
Equipment Maintenance	301	-	7,000
Capital Equipment	43,220	-	137,000
Bank Fees	1	-	-
Total General Administration- Fire Department	\$ 139,682	\$ 76,106	\$ 289,420
Total Fire Department Expenditures	\$ 605,835	\$ 642,075	\$ 1,157,064
<u>Public Works Department - Roads Expenditures</u>			
<u>Salaries and Benefits- Public Works Department</u>			
Salaries / Wages Regular	\$ 141,866	\$ 179,368	\$ 179,954
Salaries / Wages Temp/Part-time	-	-	58,826
Salaries / Wages PT Sick	-	-	1,961
Overtime, Civilian Unscheduled	1,294	1,746	836
Social Security Employer	8,684	11,046	14,978
Medicare Employer	2,031	2,583	3,503
FUTA Employer	101	162	260
Workers Compensation	13,089	27,441	23,977
Employee Retirement	12,183	3,039	7,232
Employee Benefits	-	(762)	22,962
Life Insurance Premiums	309	532	699
Total Salaries and Benefits- Public Works	\$ 179,558	\$ 225,155	\$ 315,186

TOWN OF PALMER LAKE

GENERAL FUND

2023 Budget

	2021	2022	Submitted
	Actual	Balance	2023 Budget
<u>Professional Services- Roads Department</u>			
Professional Services- Acctg/Audit	\$ 9,768	\$ -	\$ -
Professional Services- IT	5,953	-	-
Professional Services- Legal	350	-	-
Professional Services- Engineering	20,195	155	10,000
Professional Services- MS4	-	2,000	10,000
Professional Services- Other	-	-	10,000
Total Professional Services- Roads Department	\$ 36,266	\$ 2,155	\$ 30,000
<u>General Administration- Roads Department</u>			
Employee Clothing / Uniform	\$ 383	\$ 257	\$ 750
Employee Training	-	-	811
Employee Travel	-	-	250
Employee Per Diem	-	-	200
Communication	1,379	-	-
Insurance	8,896	-	-
Memberships / Registrations	779	3,013	750
Postage	1,842	-	-
General Supplies	4,569	839	4,000
Sign Parts / Supplies	873	2,027	5,000
General Services	11,732	19,888	35,900
Road / Street Material	23,770	25,332	35,000
Utilities	5,126	-	-
Street Lights	10,222	12,580	13,200
Building Maintenance	2,906	113	6,000
Dust Control	10,963	16,822	18,000
Culverts	1,965	5,000	5,000
Vehicle License / Fees	3,484	-	-
Vehicle Repair / Maint	-	4,059	4,000
Heavy Equipment Repair	3,716	29,079	20,000
Fuel	13,032	22,119	18,000
Vehicle Loan- Principal	5,857	5,825	-
Vehicle Loan- Interest	1,593	1,624	-

TOWN OF PALMER LAKE

GENERAL FUND

2023 Budget

	2021	2022	Submitted
	Actual	Balance	Budget
Capital Improvement Roads	224,096	215,000	329,000
Capital Improvement-Drainage	-	30,000	90,000
Capital Equipment	31,529	10,000	37,000
Total General Administration- Roads Department	\$ 368,712	\$ 403,576	\$ 622,861
Total Public Works Department Roads Expenditures	\$ 584,534	\$ 630,886	\$ 968,047
<u>Public Works Department - Parks Expenditures</u>			
<u>Salaries and Benefits- Parks Department</u>			
Salaries / Wages Regular	\$ -	\$ 20,381	\$ -
Salaries / Wages Temp/Part-time	8,997	-	-
FICA Employer	683	1,264	-
Medicare Employer	161	296	-
FUTA Employer	45	112	-
Workers Compensation	866	1,756	-
Total Salaries and Benefits- Parks Department	\$ 10,752	\$ 23,809	\$ -
<u>General Administration- Parks Department</u>			
Employee Clothing / Uniform	\$ -	\$ -	\$ 200
Employee Training	-	-	250
Memberships / Registrations	-	20	100
Parks Committee Expenses	2,500	-	1,000
Misc. Expenses-Volunteers	2,511	-	-
General Supplies	2,451	5,360	7,090
General Services	13,190	16,000	14,800
Utilities	22	-	-
Equipment Maintenance	462	822	1,000
Repair / Maint Supplies	30	479	-
Vehicle Repair / Maint	40	-	1,000
Fuel	(516)	1,059	1,600
Capital Equipment	-	-	10,000
ATL Expenses	-	46,890	-
Total General Administration- Parks Department	\$ 20,690	\$ 70,629	\$ 37,040
Total Public Works Department - Parks Expenditures	\$ 31,443	\$ 94,438	\$ 37,040

TOWN OF PALMER LAKE

GENERAL FUND

2023 Budget

	2021	2022	Submitted
	Actual	Balance	2023 Budget
Total Operations	\$ 1,866,925	\$ 2,095,210	\$ 3,065,725
Total General Administrative and Operations	\$ 2,863,606	\$ 3,084,349	\$ 4,231,512
EXCESS OF REVENUE OVER (UNDER)			
EXPENDITURES AND OTHER FINANCING USES	\$ (330,586)	\$ 0	\$ 0
FUND BALANCE - BEGINNING OF YEAR	\$ 3,079,666	\$ 2,749,080	\$ 2,749,080
FUND BALANCE - END OF YEAR*	\$ 2,749,080	\$ 2,749,080	\$ 2,749,080
<i>*3 month Operating Reserve as recommended by State of Colorado</i>			
<i>\$582,475 in 2022</i>			

TOWN OF PALMER LAKE

WATER FUND

2023 Budget

	2021	2022	Submitted
	Actual	Balance	2023 Budget
Description			
REVENUE			
Water Revenue	\$ 924,422	\$ 933,981	\$ 940,000
Water Improvement Fee	52,148	54,005	55,000
Water Loan Revenue	214,111	215,387	216,000
Water Tap Fees	188,250	84,521	100,000
Water Meter Sales / Parts	2,163	2,000	3,000
Service/Late Fees	12,272	16,644	14,000
Water Reserve Interest	85	4,000	7,000
Water Revenue Interest	95	4,000	7,000
Misc Income	-	525	200
ARP Funds	167,114	248,000	259,238
Water Dept. Misc. Revenue / TANK	10,543	-	10,000
Total Revenue	\$ 1,571,204	\$ 1,563,063	\$ 1,611,438
EXPENSES			
<u>General Administrative</u>			
<u>Salaries and Benefits</u>			
Salaries / Wages Regular	\$ 248,422	\$ 412,953	\$ 400,788
Salaries / Wages Temp/Part-time	-	41,442	19,254
Sick Leave	430	364	642
Overtime, Civilian Scheduled	-	-	19,110
Overtime, Civilian Unscheduled	500	252	1,470
FICA Employer	14,351	27,830	27,358
Medicare Employer	3,363	6,509	6,398
FUTA Employer	164	382	281
Workers Compensation	14,960	34,347	28,487
Employee Retirement	2,533	937	16,855
Employee Benefits	126	3,696	40,900
Life Insurance Premiums	312	798	1,245
Total Salaries and Benefits	\$ 285,160	\$ 529,511	\$ 562,790

TOWN OF PALMER LAKE

WATER FUND

2023 Budget

	2021	2022	Submitted
	Actual	Balance	2023 Budget
<u>Professional Services</u>			
Professional Services- Acctg/Audit	\$ 9,500	\$ 36,720	\$ 45,225
Professional Services- IT/Water billing	77,114	60,000	78,000
Professional Services- Legal	19,651	35,000	20,000
Professional Services- Other/Engineering, etc	27,259	20,432	40,000
Total Professional Services	\$ 133,523	\$ 152,152	\$ 183,225
<u>General Administrative</u>			
Employee Clothing	\$ 163	\$ 793	\$ 1,000
Employee Training	661	878	4,500
Employee Travel	248	-	6,000
Per Diem	-	-	3,000
Memberships / Registrations	8,641	9,250	10,000
Memberships / Registrations	515	-	-
Bank Fees and Services	18	35	100
Payment Processing	370	-	-
Communication	1,771	2,700	3,100
Insurance	8,738	13,366	13,400
Publication / Legal Notices	-	-	500
Postage	611	25	-
Misc. Expenses	-	-	800
General Services - Water Dept	20,042	19,847	27,870
Utilities - Electric	121,042	96,686	83,000
Utilities - Natural Gas	-	3,500	18,400
Utilities - Water	-	11,237	12,500
Utilities - Sanitation	-	17,489	16,400
Total Administration	\$ 162,820	\$ 175,806	\$ 200,570
Total General Administrative	\$ 581,504	\$ 857,469	\$ 946,585

TOWN OF PALMER LAKE

WATER FUND

2023 Budget

	2021	2022	Submitted
	Actual	Balance	2023 Budget
<u>Operations</u>			
Vehicle Loan- Principal	\$ 3,082	\$ 11,500	\$ -
Vehicle Loan- Interest	838	940	-
General Supplies - Water Dept	-	1,972	3,000
General Supplies - Treatment	8,497	28,278	49,000
General Supplies - Distribution	15,156	19,924	45,000
Services/ Maintenance - Treatment	2,059	15,807	22,000
Services/Maintenance - Distribution	4,103	3,307	22,000
Water Meters / Parts Replacements	5,515	8,100	2,000
Water Meters / Repairs	2,708	5,000	3,000
Building Maintenance	2,941	1,950	2,000
Vehicle Repair / Maint	853	6,023	8,000
Fuel	6,124	9,157	10,000
Water Line Repair	22,134	65,925	-
Equipment Maintenance	41,087	-	19,654
Repair/Maint - Treatment	-	9,013	-
Repair/Maint - Distribution	-	24,157	-
Communications	3,796	-	-
Reservoirs / Dam Maintenance	3,037	-	13,000
Water Quality Tests	22,483	5,000	23,732
Water Quality Tests - Elephant Rock Property	90	-	-
American Rescue Plan	-	-	-
Total Operations	\$ 144,501	\$ 216,053	\$ 222,386
Total Administrative and Operations			
	\$ 726,004	\$ 1,073,523	\$ 1,168,971
<u>Capital</u>			
Capital Improvement Bldgs.	\$ -	\$ -	\$ -
Capital Improvement- Water	758,278	248,000	133,254
Capital Equipment	-	35,970	33,984
Capital Equipment/IT	-	22,431	92,000
Total Capital	\$ 758,278	\$ 306,401	\$ 259,238

TOWN OF PALMER LAKE

WATER FUND

2023 Budget

	2021	2022	Submitted
	Actual	Balance	2023 Budget
<u>Debt Service</u>			
CWRPDA 2009 Principal	\$ 87,323	\$ 89,078	\$ 89,078
CWRPDA 2009 Interest	17,357	15,893	15,983
CWRPDA 2018 Principal	47,883	48,845	48,845
CWRPDA 2018 Interest	20,126	19,324	19,323
General Fund Loan - Interest	10,000	10,000	10,000
Total Debt Service	\$ 182,689	\$ 183,140	\$ 183,229
Total Operations	\$ 1,666,971	\$ 1,563,064	\$ 1,611,438
EXCESS OF REVENUE OVER (UNDER)			
EXPENSES	\$ (95,767)	\$ (0)	\$ 0
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES			
AND OTHER FINANCING SOURCES (USES)	\$ (95,767)	\$ (0)	\$ 0
FUND BALANCE - BEGINNING OF YEAR	\$ 752,446	\$ 656,679	\$ 656,679
FUND BALANCE - END OF YEAR*	\$ 656,679	\$ 656,679	\$ 656,679
<i>*3 month Operating Reserve required by CWR&PDA</i>			
<i>\$236,018 in 2022</i>			

TOWN OF PALMER LAKE

Conservation Trust Fund 2023 Budget

			Submitted
	2021	2022	2023
	Actual	Balance	Budget
Description			
REVENUE			
Miscellaneous Income - CTF	\$ 13	\$ 102	\$ -
Conservation Trust Interest	13	250	400
State Shared Revenue	35,137	36,214	36,140
Total Revenue Conservation Trust	\$ 35,163	\$ 36,566	\$ 36,540
EXPENDITURES			
<u>Administrative</u>			
<u>Salaries and Benefits</u>			
Salaries / Wages Temp/Part-time	\$ 19,290	\$ 17,858	\$ 18,720
Sick Leave	-	-	624
FICA Employer	1,196	1,532	1,199
Medicare Employer	280	298	280
SUTA Employer	-	-	-
FUTA Employer	55	81	42
Workers Compensation	-	-	-
Employee Retirement	-	-	-
Employee Benefits	-	-	-
Total Salaries and Benefits	\$ 20,820	\$ 19,769	\$ 20,866
<u>Administrative</u>			
General Supplies	8,300	6,421	4,150
General Services	2,623	5,580	3,000
Utilities	1,374	-	-
Equipment Maintenance	-	-	350
Repair / Maintenance Supplies	485	-	2,000
Fuels / Lubricants	1,832	-	1,000
Capital Improvements	7,996	4,795	5,174
Total General Administration	\$ 22,609	\$ 16,796	\$ 15,674
Total General Administrative	\$ 43,429	\$ 36,565	\$ 36,540
Total General Administrative and Operations	\$ (8,266)	\$ 0	\$ 0

TOWN OF PALMER LAKE

Conservation Trust Fund

2023 Budget

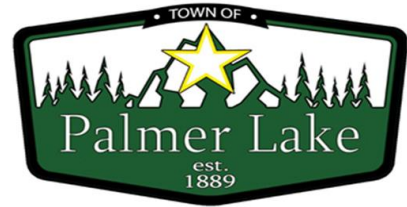
			Submitted
	2021	2022	2023
	Actual	Balance	Budget
EXCESS OF REVENUE OVER (UNDER)			
EXPENDITURES AND OTHER FINANCING USES	\$ (8,266)	\$ 0	\$ 0
FUND BALANCE - BEGINNING OF YEAR	\$ 44,406	\$ 36,140	\$ 36,140
FUND BALANCE - END OF YEAR	\$ 36,140	\$ 36,140	\$ 36,140

TOWN OF PALMER LAKE
GRANT & DONATION FUNDS
2023

Description	2021	2022	Submitted
	Actual	Balance	2023
			Budget
REVENUE			
DOLA Grant	\$ -	\$ -	\$ -
CESF Grant	40,102	-	-
Colo. State Historical Society ADA door	-	50,000	42,000
Police Donations/Grants	-	50,000	5,000
Fire Grants	10,000	296,263	-
CDOT PL Elementary Road Improvement	-	30,908	145,682
CDOT Bridge Rehab	-	-	200,000
CDPHE 2020 WQIF Grant	-	25,300	-
GOCO Grant	-	-	-
Parks Donations/Grants	-	2,843	2,500
DOLA EIAF Water Sys - PER Grant	-	15,000	-
Donations	-	1,132	-
Total Revenue	\$ 50,102	\$ 471,446	\$ 395,182
EXPENDITURES			
<u>General and Administrative</u>			
CESF Grant	\$ 40,102	\$ -	\$ -
Colo. State Historical Society ADA door	-	50,000	42,000
Grants Expenses	-	8,732	-
Total General Administrative Expenditures	\$ 40,102	\$ 58,732	\$ 42,000
<u>Police Department Expenditures</u>			
Grants Expense	\$ -	\$ 50,000	\$ 5,000
	\$ -	\$ 50,000	\$ 5,000
<u>Fire Department Expenditures</u>			
Grants Expense	\$ 10,000	\$ 139,215	\$ -
Fire Mitigation	\$ -	\$ 157,048	\$ -
Total Fire Department Expenditures	\$ 10,000	\$ 296,263	\$ -

TOWN OF PALMER LAKE
GRANT & DONATION FUNDS
2023

	2021	2022	Submitted
	Actual	Balance	2023 Budget
<u>Roads Department Expenditures</u>			
Grants Expense- Douglas	\$ -	\$ -	\$ -
CDOT PL Elementary Road Improvement	-	30,908	145,682
CDOT Bridge Rehab	-	-	200,000
CDPHE 2020 WQIF Grant High Street Study	-	17,700	-
Total Roads Department Expenditures	\$ -	\$ 48,608	\$ 345,682
<u>Parks Department Expenditures</u>			
Parks Committee (donations)	\$ -	\$ 2,843	\$ 2,500
Grants Expense	-	-	-
Total Parks Department Expenditures	\$ -	\$ 2,843	\$ 2,500
<u>Water Department Expenditures</u>			
DOLA EIAF Water Sys - PER Grant	\$ -	\$ 15,000	\$ -
Total Water Department Expenditures	\$ -	\$ 15,000	\$ -
Total Expenditures	\$ 50,102	\$ 471,446	\$ 395,182
EXCESS OF REVENUE OVER (UNDER)			
EXPENDITURES AND OTHER FINANCING USES	\$ 0	\$ -	\$ -



Item 16.

**TOWN OF PALMER LAKE
BOARD OF TRUSTEES - AGENDA MEMO**

DATE: December 8 2022	ITEM NO.	SUBJECT:
Presented by: Town Administrator /Clerk		Resolution to Authorize Financial Audit for 2022 – Green & Assoc

Background

Mr. David Green with Green & Associates LLC has been the auditor of the Town financials. Enclosed with this resolution to consider is a letter of understanding to conduct financial audit services for the 2022 Town finances in 2023. The fee for services is not to exceed the amount of \$16,100 budgeted.

TOWN OF PALMER LAKE, COLORADO

RESOLUTION NO. 58-2022

A RESOLUTION TO AUTHORIZE SIGNING A LETTER OF UNDERSTANDING FOR SERVICES FROM GREEN & ASSOCIATES LLC (FINANCIAL AUDIT)

WHEREAS, the Town of Palmer Lake, Colorado, is required to have a financial audit conducted; and

WHEREAS, Green & Associates LLC will be scheduled to audit the financial statements of the governmental activities, the business-type activities, and each major fund including the related notes to the financial statements, for the year ending December 31, 2022.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE, COLORADO AS FOLLOWS:

1. The Mayor is authorized, along with Town Administration, to sign the letter of understanding, attached herein, to establish services for the audit with Green & Associates LLC, for a not-to-exceed amount of \$16,100.
2. Severability. If any article, section, paragraph, sentence, clause, or phrase of this Resolution is held to be unconstitutional or invalid for any reason such decision shall not affect the validity or constitutionality of the remaining portions of this Resolution. The Board of Trustees hereby declares that it would have passed this resolution and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.
3. Repeal. Existing resolutions or parts of resolutions covering the same matters embraced in this Resolution are hereby repealed and all resolutions or parts of resolutions inconsistent with the provisions of this Resolution are hereby repealed.

INTRODUCED, RESOLVED, AND PASSED AT A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE ON THIS 8th DAY OF DECEMBER 2022.

ATTEST:

TOWN OF PALMER LAKE, COLORADO

Dawn A. Collins
Town Administrator/Clerk

BY: _____
Glant Havenar
Mayor

Green & Associates LLC

Certified Public Accountants & Business Consultants

November 15, 2022

To the Board of Directors and Ms. Dawn Collins

Town of Palmer Lake, Colorado
PO Box 208
Palmer Lake, CO 80133

We are pleased to confirm our understanding of the services we are to provide Town of Palmer Lake, Colorado for the year ended December 31, 2022.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, business activities, each major fund, and the disclosures, which collectively comprise the basic financial statements of Town of Palmer Lake, Colorado as of and for the year ended December 31, 2022. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Town of Palmer Lake, Colorado's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Town of Palmer Lake, Colorado's RSI in accordance with auditing standards generally accepted in the United States of America, (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles (GAAP) and will be subjected to certain limited procedures, but will not be audited:

- 1) Managements Discussion and Analysis
- 2) Budgetary Comparison – General Fund
- 3) Schedule of Contributions – Multi year
- 4) Schedule of Changed in Net Pension Liability / (Asset) and related ratios multi year
- 5) Schedule of Proportionate Share of Net Pension Liability - FPPA
- 6) Schedule of Pension Contributions – FPPA

We have also been engaged to report on supplementary information other than RSI that accompanies the Town of Palmer Lake's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements.

PO Box 865
Longmont, CO 80502

Green & Associates • LLC

PHONE (720) 839-6458
www.GreenCPAfirm.com

1. Budgetary comparison schedule – Conservation Trust
2. Budgetary comparison schedule – Water Fund
3. Local Highway Finance report

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

- Management override of controls
- Improper revenue recognition due to fraud

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Town of Palmer Lake, Colorado's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Other Services

We will also prepare the financial statements of Town of Palmer Lake, Colorado in conformity with accounting principles generally accepted in the United States of America based on information provided by you.

We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair

presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities for the financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Green & Associates LLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to regulatory agencies or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Green & Associates LLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to regulatory agencies or its designee. The regulatory agencies or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

David Green, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit on approximately May 1, 2023, or another agreed upon date, and to issue our reports no later than July 31, 2023.

Our fee for services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$16,100. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Reporting

We will issue a written report upon completion of our audit of Town of Palmer Lake, Colorado's financial statements. Our report will be addressed to The Board of Directors of Town of Palmer Lake, Colorado. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

We appreciate the opportunity to be of service to Town of Palmer Lake, Colorado and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,



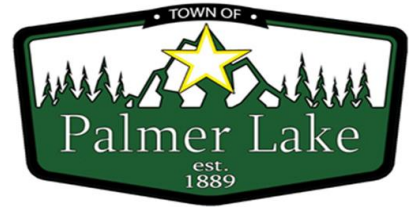
Green & Associates LLC

RESPONSE:

This letter correctly sets forth the understanding of Town of Palmer Lake, Colorado.

Management signature: _____
Title: _____
Date: _____

Governance signature: _____
Title: _____
Date: _____



Item 18.

**TOWN OF PALMER LAKE
BOARD OF TRUSTEES - AGENDA MEMO**

DATE: December 8, 2022	ITEM NO.	SUBJECT:
Presented by: Town Administrator /Clerk		Distribution of Final Preliminary Engineering Report for Water System Improvements

Background

As funded from a 2021 grant, GMS completed and presented a draft of the PER in July to the Board. The final report will be distributed, and GMS has offered to conduct a workshop for the Board to further review the study and improvement recommendations to consider in 2023 for future planning.