

Town of Blue River Budget Report 2025



Prepared by:
Town Manager



*Town Board of Trustees
Mission Statement*

*The Town of Blue River endeavors to nurture
our serene mountain community by
Conserving our natural residential
environment,
Promoting unity with our neighbors and
surroundings,
Channeling the voice of our residents, and
enhancing the quality of life of all*



**Town of Blue River
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Budget Memorandum

Date: November 12, 2024
To: Mayor Nicholas Decicco & Blue River Board of Trustees
From: Michelle Eddy, Town Manager/Clerk
RE: 2025 Budget Memo

I am pleased to present the 2025 Budget in accordance with State Statutes and the Blue River Municipal Code. The Town of Blue River is in a good financial position. The Town continues to see steady increases revenues in taxes and fees. In 2024, the Town continued to observe increases in sales with lodging taxes. Revenues for building projects saw an increase as the Town approaches build-out. The increases have enabled the Town to maintain a stable financial position as well as invest in capital land acquisitions and increased road maintenance. The 2025 Budget reflects stable revenues and budget priorities focused on capital and road improvements. It is noted, most revenues are projected to remain fairly flat compared to 2024 and 2023 actuals.

Property tax revenue and considerations:

The Town of Blue River property valuations saw another in overall values. The Colorado State Legislature has passed legislation to reduce property taxes for citizens throughout the State. This will force an overall reduction in assessed valuations. In 1995, the Town of Blue River conducted a vote and “de-bruced” from restrictions of TABOR and the mill levies were successfully set at 12.290 mills. However, a follow up vote to waive the tax limit increase of 5.5% has not been passed. Without waiving the limit, the Town is restricted on how much of an increase in property taxes it may hold each year, despite a fixed mill levy. As was the case in 2024, this current restriction will necessitate Town will need to conduct a one-time mill levy reduction for 2025, of approximately 2.75 mills to 9.54 mills. This the reduction of eligible revenues for the Town for 2025 is \$250,627.03 due to the statutory tax limitations. The Town of Blue River should consider a ballot question for 2025, to allow the Town to waive the limits and retain the excess revenues for capital improvement projects in the future.

For 2025, the Town will work to continues to develop a capital road project for Spruce Creek Road and the development of broadband for priorities in the coming year. In 2023, the Town hired NEO Connect to conduct a feasibility study for broadband. Partnerships with the Town of Breckenridge and Summit County have been developed to apply for a grant through the Colorado Broadband Office. Estimated costs for broadband infrastructure is estimated at \$13 million. In 2024, the Town has increased the road maintenance budget by 46%. The 2025 budget plan is to increase road maintenance again by another 16%. Focus for roads will be to continue improved maintenance and planning in troublesome areas. Durablend products are planned for Spruce Creek Road and Coronet. Additional road base will be added to Bonanza, Calle de Plata, Coronet, Crown, Gold Nugget, Holly, Pennsylvania Creek, Sherwood and Starlit. In addition, cross road culverts will be replaced on Spruce Creek and Gold Nugget. It is estimated that over 90% of the roads in Blue River will have new road base and will be considered to be up to standard by the end of 2025.

The General Fund Budget reflects significant increases in expenses primarily focused on roads, capital expenses, new police vehicles and the addition of a Code Ambassador position. The budget reflects estimated expenses related to the proposed CDOT chain-up station in relation to potential studies and cost incurred for the 1041 review process.

Thank you to the Board of Trustees Finance Committee and Staff for all their hard work on the 2025 Budget.

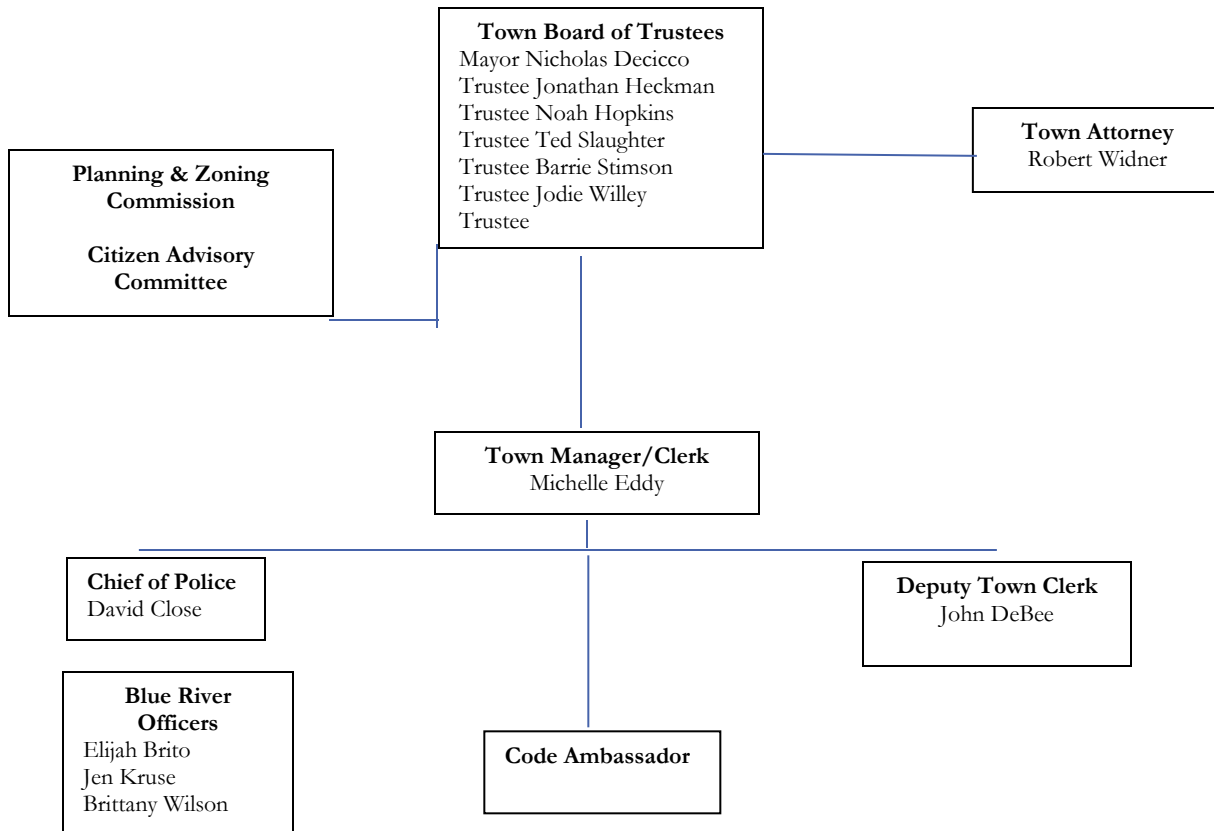
Michelle Eddy, MMC/CPM
Town Manager/Clerk



Overview

The Town of Blue River was incorporated in 1964. It was developed as a residential community and remains solely, a residential community today. The Town is a Statutory Town with a council-manager form of government. The seven-member Board of Trustees determines policies, enacts local legislation, adopts the budget, and appoints the Town Manager. The Town Manager executes the laws and administers the Town government. The Board of Trustees appoints the Town Attorney, Planning & Zoning Commission, and any established committees. The seven-member Planning & Zoning Commission's responsibility is to review development applications in accordance with the building code and Architectural Guidelines. The 2020 Census shows the Town full-time population at 877. There are a total of 935 lots within the Town of Blue River. There are estimated to be 82 buildable lots remaining in Blue River. With the exception for four neighborhoods, all roads within the Town of Blue River are dirt roads maintained through a contract.

Organizational Chart



Town of Blue River 2025 Budget

Revenues for the 2025 budget total \$3,033,262. The Town's primary revenue source remains taxes and fees which provides 77% of the total revenues. Other revenues include building permits and fees, court fines, grants, and business and lodging registration income.

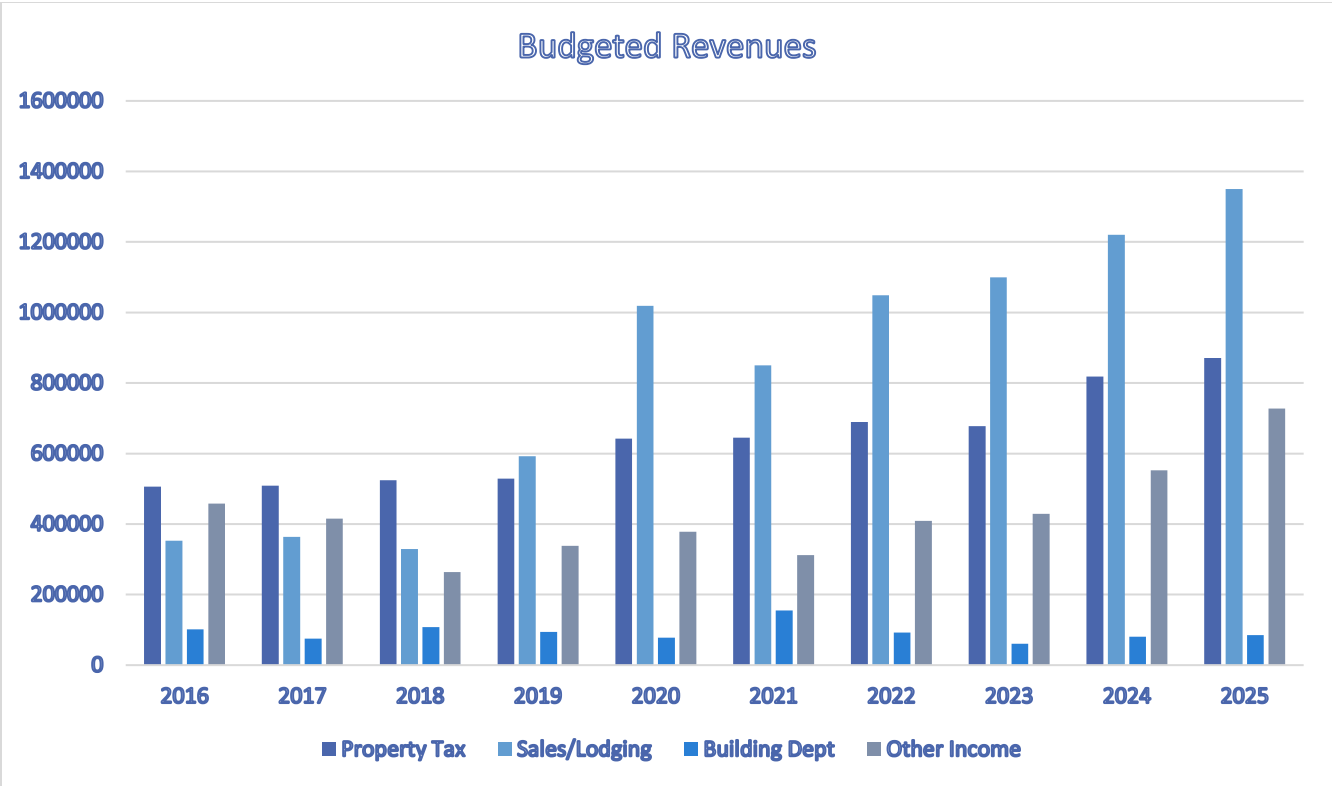
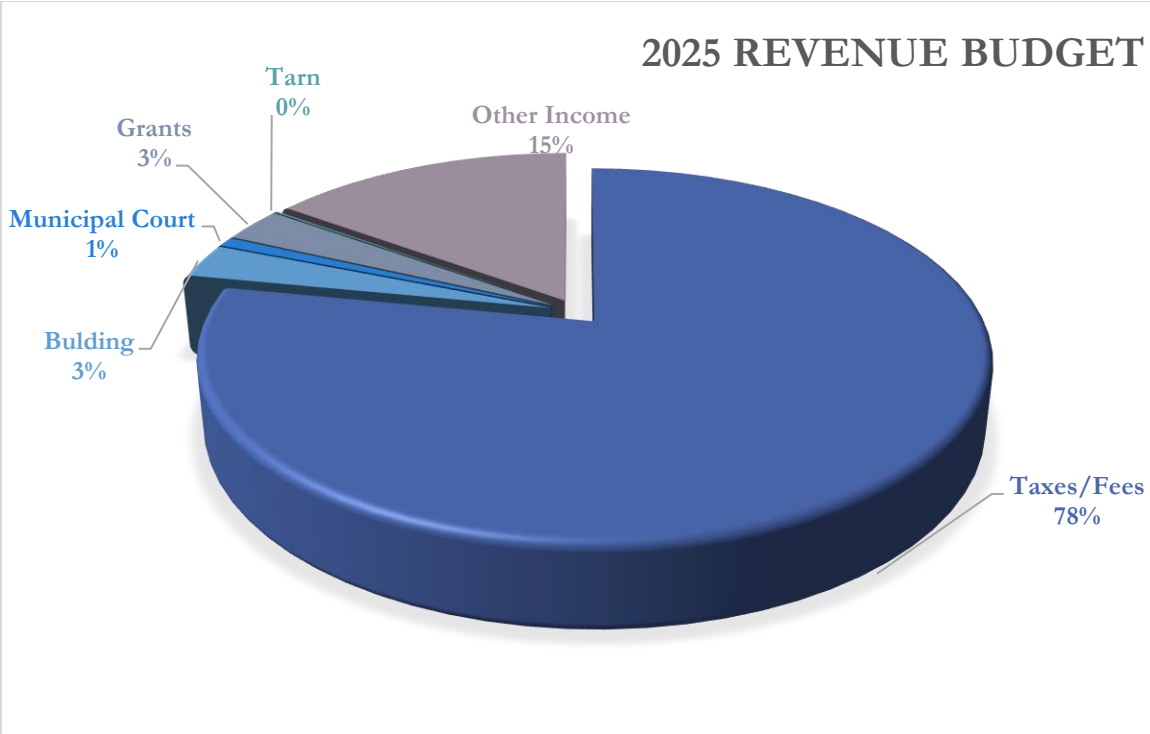
General Fiscal Notes

Sales and lodging taxes are estimated to see a moderate increase in line with 2024 and with current economic projections. The number of homes registering for short-term rentals has increased slightly over the past year. There are currently 225 registered homes in Blue River rented on a short-term (less than 30 days basis.)

The population in Blue River is continues to see a decline in full-time homeowners. Currently 26% of homes are occupied by full-time homeowners. There have been 23 homes/lots sold through September 2024 totaling \$25,991,000 with an average sales price of \$1,130,043.48 down 32% from 2023.

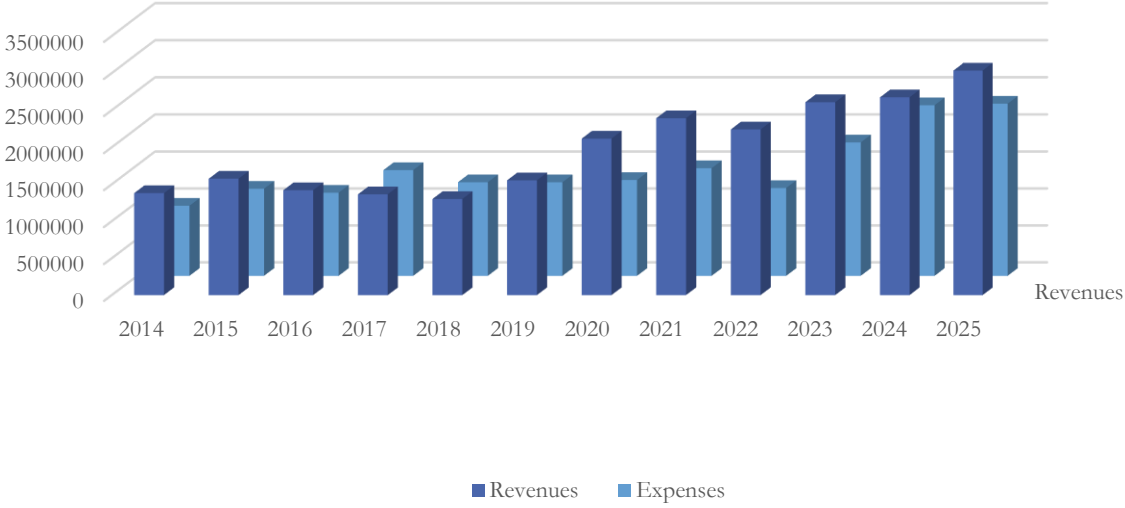
Increases in expenses are primarily due to road maintenance, police vehicles, contributions to 911 Communications Center, increase requests from organizations, additional staffing and benefits. In addition, with the new IGA for the 911 Communications Center signed in 2023, the Town's contribution is expected to be another 22% increase over 2024. The additional staff will include hiring a full-time Code Ambassador to address code violations and oversight. The police department is requesting the lease purchase of three new vehicles. There has not been a new police vehicle since 2020. The staff benefit request includes a request of a four percent cost of living increase and a change in health, dental, vision coverage to be covered 100% by the Town versus 80%. The additional benefit will allow for better staff retention and recruitment. Overall budgeted revenue will be 5% over projected 2024 and expenses increasing by 12% with a positive net revenue balance.

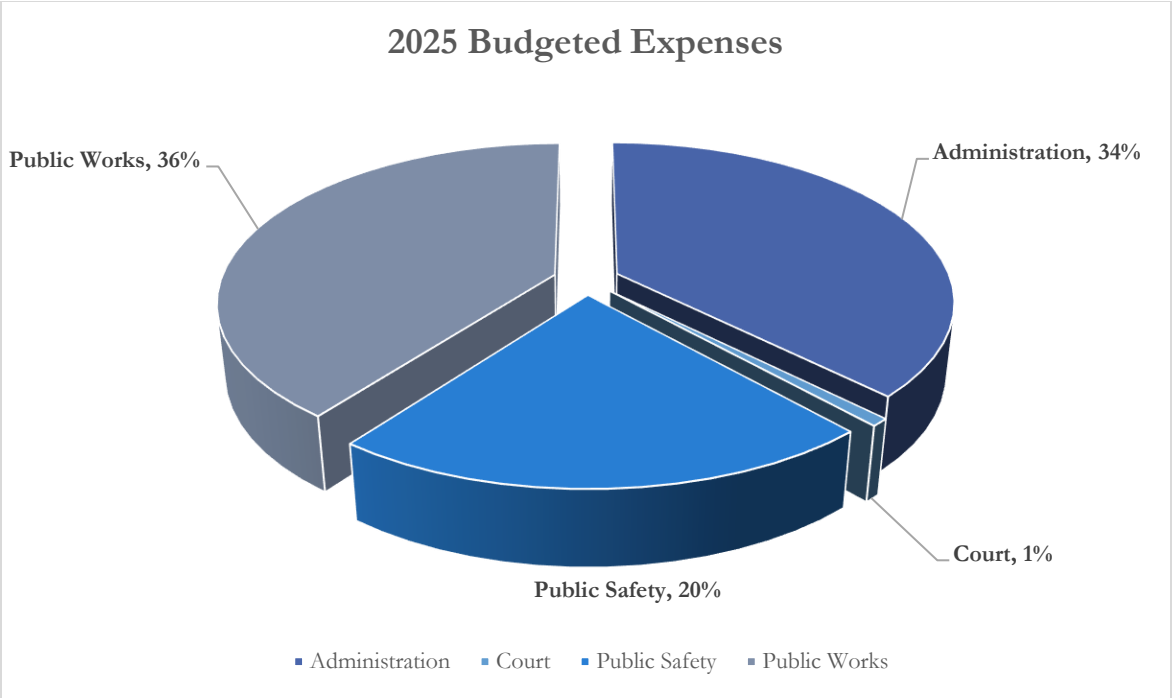




*2024 YTD 9/30/24

Revenues vs. Expenses





The above is for the General Fund and does not reflect Capital Road Improvement nor Broadband fund expenses. The roads within Blue River remain the greatest asset and greatest expense.

The Town has budgeted significant funding increases for Public Works (roads). Capital road improvements and the potential for broadband continue to be a focus for 2025.

**Town of Blue River
2025 Budget
Combined Balance Sheet**

	General Fund	Capital Fund	Conservation Trust
Beginning Balance	\$7,943,671.88	\$2,943,779.46	\$131,019.97
Revenues	\$3,033,262.00	\$200,000.00	\$13,500.00
Expenses	\$2,326,529.04	\$1,116,000.00	\$20,000.00
Fund Balance	\$8,650,404.84	\$2,027,779.46	\$124,519.97
	American Rescue Plan Fund	Broadband Fund	
Beginning Balance	\$173,326.36	\$307,528.90	
Revenues	\$6,000.00	\$105,000.00	
Expenses	\$179,000.00	\$200,000.00	
Fund Balance	\$326.36	\$212,528.90	



**Town of Blue River
General Fund
2025 Budget**

	2022	2023	2024 YTD	2025 Budget
Revenues				
Taxes/Fees	\$2,202,402.83	\$2,167,094.34	\$2,193,074.16	\$2,348,062.00
Building	\$96,061.38	\$130,448.20	\$105,302.91	\$85,000.00
Court	\$17,301.93	\$25,418.20	\$35,829.74	\$38,000.00
Tarn	\$0.00	\$20.00	\$7,903.29	\$8,000.00
Grants	\$100,496.90	\$73,720.13	\$52,811.50	\$105,000.00
Other	\$264,312.50	\$445,990.45	\$409,577.55	\$449,200.00
Total	\$2,680,575.54	\$2,842,691.86	\$2,804,499.15	\$3,033,262.00

	2022	2023	2024 YTD	2025 Budget
Expenses				
Administration	\$610,722.16	\$806,806.83	\$551,237.87	\$791,305.88
Public Safety/Court	\$382,906.27	\$297,200.45	\$270,149.03	\$492,472.16
Public Works	\$500,583.66	\$644,277.96	\$546,518.98	\$842,950.00
Total	\$1,187,948.58	\$1,948,285.24	\$1,567,905.88	\$2,326,529.04



Town of Blue River General Fund-Administration Department 2025 Budget

Budget Narrative-Administration

The Administration Department for the Town of Blue River includes the administrative personnel, elected and appointed officials, employee benefits, community engagement and funding, town hall and employee housing expenses and utilities. The department is the hub of all operations for the town. Currently, there are two full-time paid staff members, seven paid elected Trustees and seven Planning/Zoning Commissioners. The Citizen Advisory Committee is a volunteer committee.

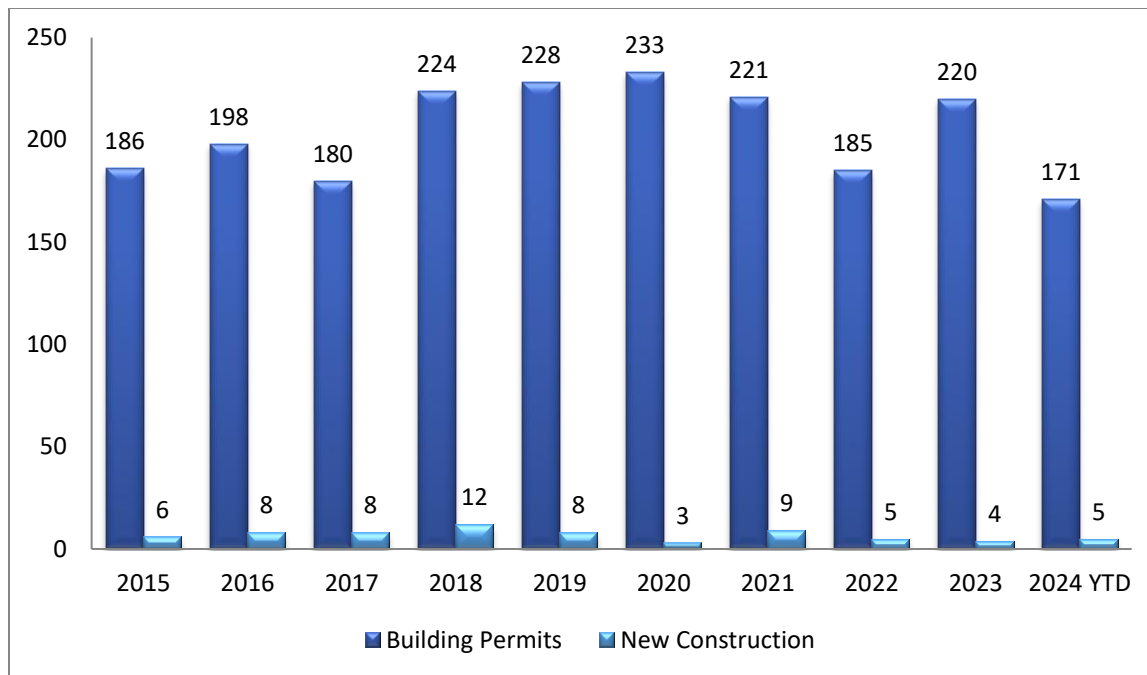
Administration

- The Town's "Weed & Seed" program continues to see success in addressing noxious weeds in town. In 2024, seven dumpster loads of weeds were collected.
- Citizens continue to participate in the defensible space program working towards town-wide forest mitigation. To date over 25% of properties in Blue River have received defensible space mitigation. These programs along with a grant received from the Colorado State Forest Service for right-of-way mitigation will continue for 2025. With the grant award for right-of-way mitigation, the budget for forest management was increased to reflect the matching expense required.
- Monthly Newsletters-The Town continues to expand its community outreach to the residents. Monthly newsletters, social media accounts, texts and emails are sent to provide continuous communication to the residents. There are 1,205 emails that receive the Town newsletter including 1,026 residents.
- The Technology budget also serves all technology needs for the Police Department, building and general administration services.
- The Community Fund and initiatives was further developed in 2024 with the addition of the Town's participation in the Summit County Community Childcare Assistance program in the amount of \$25,000. The Resident Grant program providing resident grants for wildfire defensible space projects, natural night sky lighting and bear resistance cans was funded at \$25,000. For 2025, the Town is budgeting to fund the Childcare Assistance Program, Tree Top, Resident Grant program and the Summit County Wildfire Evacuation Plan.



Town of Blue River General Fund-Public Works

Building Permits by Year



Budget Narrative-Public Works

The Public Works Department provides building permitting, road maintenance, snow removal, and wildfire defensible space program. In 2024, there has been steady new construction as the Town approaches build-out. Overall permits remain steady with many additions and remodels. This may be due to the increased in construction costs coupled with the limited land availability within the Town. There are 76 vacant lots within Town limits. There have been 5 new construction projects permits issued in 2024. It is anticipated this trend will continue in the foreseeable future. The Town of Blue River utilizes Citizen Serve for permitting, code enforcement and licensing. The Town contracts with Charles Abbot, LLC for all building inspections and plan review.

In 2024, 7 homes participated in the wildfire defensible space grant program. Homeowners are increasingly working towards defensible space and fire protection activities. The number of homes participating in defensible space is at 25%. It is a goal to apply for a designation as a Fire Wise Community. The Town received a three-year, \$150,000 matching grant from the Colorado State Forest Service for right-of-way mitigation in 2023. This is a voluntary program to address hazard trees in the Town right-of-way beginning in 2024 and continuing until 2026.

Roads within the Town of Blue River are primarily dirt roads requiring annual grading and mag-chloride applications. Significant road base was added to areas, as well as ditching and crowning



were conducted to help facilitate proper drainage. Ongoing mitigation has assisted in road maintenance efforts improving drainage and overall wear and tear. In 2024, Spruce Creek Road and Blue River Road received an application of a product DuraBlend in an effort to prolong the maintenance of the road. This in addition to the application of mag-chloride enhanced the longevity of the road. It is planned to treat these roads with the product again as well as apply an additional product called DuraBlend-X to Coronet. The Town in cooperation with the Road Contractor will continue to add road base to needed areas identified to bring them up to standard. With the work that is planned and with what has been conducted, 90% of the roads in Blue River will have been treated by the end of 2025. The Contractor will include both spring and fall time culvert clearing in addition to grading. In 2024, a road culvert was installed on Coronet to address flooding in the area. Road culverts are planned for Spruce Creek and Gold Nugget in 2025. In an effort to better maintain the roads between full grading applications, the Contractor will deploy a staff member once a month to evaluate and address any areas needing attention

In 2024, the Town made plans to hire a full-time Code Ambassador. The Code Ambassador will be addressing various code issues and violations throughout Town and assisting with short-term rental compliance.

Town of Blue River General Fund-Public Safety

Budget Narrative-Public Safety

Since 2017, the Town of Blue River has operated an independent “Marshal’s Office”. In 2019, the Marshal’s Office officially changed to become the Blue River Police Department. There are four full-time officers. The Blue River Police Department provides 24/7 coverage of the Town. The Blue River Police Department is committed to crime prevention and working cooperatively with the community to identify and solve neighborhood problems.

Town of Blue River Capital Fund 2025 Budget

Budget Narrative-Capital

The Town remains focused on road improvement projects. Past projects include widening the entrance of Spruce Creek Road; guardrail installation and road base to Lakeshore Drive; drainage work in 97 Circle and drainage road improvements along Blue River Road. Capital improvements have included the installation of 35 cisterns in 17 locations throughout the Town.

At the end of 2018, the Town of Blue River adopted the Capital Improvement Plan. This plan outlines capital improvements identified by the Board of Trustees, Planning & Zoning Commission, Town Appointed Committees, and residents. The focus is road improvements but also additional cisterns, trails, and recreation path. The plan identifies estimated cost, locations and types of improvements needed.





In 2025, the Town will continue to focus attention to addressing the drainage and ongoing maintenance issue on Spruce Creek Road. The proposed project seeks to reduce the impacts of traffic utilizing the road both from locals and tourists seeking to access Forest Service trails; increase safety and drainage. Designs for the project will be placed out to bid early 2025.

Town of Blue River Conservation Trust Fund 2025 Budget



Budget Narrative-Conservation Trust

The Conservation Trust revenues received are paid quarterly through the Department of Local Affairs on a per capita basis to 470 eligible local governments: counties, cities, towns, and Title 32 special districts that provide park and recreation services in their service plans. Funding can be used for the acquisition, development, and maintenance of new conservation sites or for capital improvements or maintenance for recreational purposes on any public site. A public site is defined by the department as a publicly owned site, or a site in which a public entity/local government holds an interest in land or water.

With the adoption of the Blue River Open Space & Trails Plan there is opportunity to utilize the funds towards the development of a trail system in Blue River. Plans for the Conservation Trust Funds in 2025 include allocation of funding for trail improvements along newly acquired properties in the Clyde Lode and Coronet subdivisions. In addition, the Town may utilize the funds for any improvements at the Goose Pasture Tarn.

Town of Blue River American Rescue Plan & Broadband Funds 2025 Budget

In 2021, the Town of Blue River received \$232,000 from the American Rescue Plan. Funds are restricted for use for broadband and infrastructure. In 2023, the Town contracted with NEO Connect to conduct a feasibility study for broadband. From that study, it was determined the Town would need partnerships and significant funding to bring fiber to the valley. The Town continues to work with NEO Connect and partnerships with Summit County, Town of Breckenridge to find solutions to bring broadband to the area.



