



## **Keystone Town Council Work Session Agenda**

The Keystone Town Council will have a Work Session on June 25, 2024, at 4:00 p.m. at 1628 Sts. John Rd, Keystone, CO 80435.

- I. CALL TO ORDER, ROLL CALL
- II. REVIEW OF TOWN FINANCIALS
- III. DISCUSSION ON BALLOT QUESTIONS
- IV. DISCUSSION OF 2024 MODEL TRAFFIC CODE
- V. DISCUSSION OF PROPOSITION 123 COMMITMENTS
- VI. DISCUSSION OF MANAGER/COUNCIL ISSUES
- VII. ADJOURNMENT

	F	G	H	I	J	K	L	M
1	<b>Town of Keystone</b>							
2	<b>Statement of Financial Position</b>		Printed: 6/20/24					
3	<b>As of Date Indicated</b>							
4			<i>Preliminary - Subject to Change</i>					
5								
6	<b>May 31, 2024</b>		<b>General</b>	<b>Capital</b>	<b>Housing</b>	<b>Conserv</b>	<b>All Funds</b>	
7			<b>Fund</b>	<b>Fund</b>	<b>Fund</b>	<b>Trust Fund</b>	<b>Combined</b>	
8	<b>ASSETS</b>							
9	Investment Acct - Colotrust		0					0
10	Operating - FirstBank		1,056,931					1,056,931
11	Pooled Cash		83,937	(83,937)	0	0		0
16			<hr/>					
17	Total Cash in Bank		1,140,869	(83,937)	0	0		1,056,931
18			<hr/>					
19	Sales Tax Receivable		216,606					216,606
20	Other Tax Receivable		593					593
21	Accounts Receivable		0	0	0	0		0
26	Interfund & Other Receivables		(83,937)	83,937	0	0		0
27	Prepaid Expenses		0					0
28	Office Space Security Deposit		4,900					4,900
29			<hr/>					
30	<b>TOTAL ASSETS</b>		<b>1,279,030</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>1,279,030</b>
31			<hr/>					
32	<b>LIABILITIES, DEFERRED INFLOWS AND FUND EQUITY</b>							
33	Accounts Payable		109,555	0	0	0		109,555
39	Payroll Liabilities		11,274	0	0	0		11,274
45	Wages Payable		0					0
46	Due to Summit County (Sales Tax Advance)		400,000					400,000
47	Misc Liabilities		0					0
48			<hr/>					
49	<b>TOTAL LIABILITIES</b>		<b>520,829</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>520,829</b>
50			<hr/>					
51	<b>DEFERRED INFLOWS</b>							
52	Deferred Revenue		0					0
53			<hr/>					
54	<b>TOTAL DEFERRED INFLOWS</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>
55			<hr/>					
56	<b>FUND EQUITY</b>							
57	Invested in Capital Assets, Net		0					0
58	Amount to be Provided for Debt Repayment		(400,000)					(400,000)
59	Beg Fund Balance - General Fund		0					0
60	Beg Fund Balance - Capital Improv Fund			0				0
61	Beg Fund Balance - Workforce Housing				0			0
62	Beg Fund Balance - Conservation Trust					0		0
63	Current Surplus (Deficit)		1,158,202	0	0	0		1,158,202
64	<b>TOTAL FUND EQUITY</b>		<b>758,202</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>758,202</b>
65			<hr/>					
66	<b>TOTAL LIABILITIES, DEFERRED INFLOWS</b>							
67	<b>AND FUND EQUITY</b>		<b>1,279,030</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>1,279,030</b>
68	No assurance provided on these financial statements; substantially all disclosures required by GAAP omitted.		=	=	=	=		=

	E	F	H	I	J	K	L	M	N
2	Town of Keystone								Printed: 6/20/24
3	Statement of Revenues, Expenses and Changes in Fund Balance								Preliminary
4	Actual, Budget and Forecast for the Periods Indicated								
5	Modified Accrual Basis		2024 ANNUAL			2024 From Inception (2/8/2024)			2025
6		Approved		Variance	5 Months	5 Months	Variance	Placeholder	
7		2024	2024	Favorable	Ended	Ended	Favorable	2025	
8		Budget	Forecast	(Unfavor)	5/31/24	5/31/24	(Unfavor)	Budget	
9					Actual	Budget			
10	<b>GENERAL FUND</b>								
11	<b>Revenues</b>								
12	12	Sales Tax (1 mo estimate)	2,614,224	2,614,224	0	1,076,239	1,059,611	16,628	3,323,383
13	13	<b>Other Tax Revenue</b>							
14	14	Highway Users Tax Fund	48,627	48,627	0	0	0	0	66,612
15	15	Cigarette Tax	5,092	5,092	(0)	1,004	1,004	0	7,115
16	16	Nicotine Tax	59,628	59,628	0	0	0	0	83,315
17	17	Road and Bridges Tax	91,684	91,684	(0)	35,324	35,324	(0)	103,774
18	18	Specific Ownership Tax	25,348	25,348	0	0	0	0	34,723
19	19	Auto Ownership Tax	9,970	9,970	0	0	0	0	13,657
20	20	Other Tax Revenue	0	0	0	0	0	0	
21	21								
22	22	<b>Total Other Tax Revenue</b>	240,348	240,349	1	36,328	36,328	(0)	309,196
23	23	<b>Fees</b>							
24	24	Building Permits	203,203	203,203	0	2,530	25,400	(22,870)	362,282
25	25	Franchise Fees	0	0	0	0	0	0	
26	26								
27	27		203,203	203,203	0	2,530	25,400	(22,870)	362,282
28	28	<b>Licenses</b>							
29	29	Business Licenses			0	0	0	0	34,723
30	30	Short Term Rentals	541,732	541,732	(0)	0	0	0	547,150
31	31	Liquor Licenses		350	350	350	0	350	0
32	32								
33	33		541,732	542,082	350	350	0	350	581,873
34	34	<b>Fines</b>							
35	35	Municipal Court Fines			0	0	0	0	0
36	36	Code Enforcement Fines			0	0	0	0	
37	37								
38	38		0	0	0	0	0	0	0
39	39	<b>Other Income</b>							
40	40	Grants			0	0	0	0	
41	41	Interest on Taxes			0	0	0	0	
42	42	Interest on Investments			0	0	0	0	
43	43	Admin Miscellaneous Income			0	0	0	0	
44	44								
45	45		0	0	0	0	0	0	0
46	46								
47	47	<b>Total Revenue</b>	3,599,507	3,599,858	351	1,115,447	1,121,339	(5,892)	4,576,734
48	48								
49	49	<b>Expenditures</b>							
50	50	<b>Employee Benefits &amp; Taxes</b>							
51	51	401 A Match	44,414	44,414	0	7,001	16,151	9,149	60,000
52	52	457 Match	16,655	16,655	0	350	6,056	5,706	130,000
53	53	Flexible Spending Account (FSA)	5,774	5,774	0	750	2,100	1,350	6,500
54	54	Wellness Reimbursement	12,158	12,158	0	0	4,421	4,421	9,600
55	55	Health Insurance Premiums	79,834	79,834	0	8,900	29,031	20,131	0
56	56	Health Ins Employee Contributions			0	(1,572)	0	1,572	0
57	57	Workers Comp Insurance Premiums	11,381	11,381	0	6,144	4,139	(2,005)	0
58	58	Payroll Taxes	18,543	18,543	0	3,283	6,743	3,460	900
59	59								
60	60								
61	61								
62	62								
63	63	<b>Total Employee Benefits &amp; Taxes</b>	188,759	188,759	0	24,856	68,640	43,784	207,000

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2	<b>Town of Keystone</b>								Printed: 6/20/24
3	<b>Statement of Revenues, Expenses and Changes in Fund Balance</b>								<i>Preliminary</i>
4	<b>Actual, Budget and Forecast for the Periods Indicated</b>								
5	<b>Modified Accrual Basis</b>		<b>2024 ANNUAL</b>			<b>2024 From Inception (2/8/2024)</b>			<b>2025</b>
6						<b>5 Months</b>	<b>5 Months</b>		
7		<b>Approved</b>		<b>Variance</b>		<b>Ended</b>	<b>Ended</b>	<b>Variance</b>	<b>Placeholder</b>
8		<b>2024</b>	<b>2024</b>	<b>Favorable</b>		<b>5/31/24</b>	<b>5/31/24</b>	<b>Favorable</b>	<b>2025</b>
9		<b>Budget</b>	<b>Forecast</b>	<b>(Unfavor)</b>		<b>Actual</b>	<b>Budget</b>	<b>(Unfavor)</b>	<b>Budget</b>
64	<b>General Expenditures All Departments</b>								
65	Telephone	2,830	2,830	0		1,179	1,430	251	3,168
66	Office Lease	50,700	50,700	0		16,600	16,400	(200)	196,158
67	Office Building Maintenance	3,700	3,700	0		1,350	1,950	600	3,504
68	Office Supplies	3,754	3,754	0		892	1,129	237	4,203
69	Prof Services/Membership Fees	10,429	10,429	0		11,549	10,429	(1,120)	10,742
70	Dues and Subscriptions	6,802	6,802	(0)		0	2,040	2,040	7,006
71	Training	6,802	6,802	(0)		2,955	0	(2,955)	14,011
72	Travel/Meals/Ldging	6,802	6,802	(0)		1,227	0	(1,227)	14,011
73	Uniforms/Clothing	1,700	1,700	0		110	0	(110)	1,751
74	Insurance	5,000	5,000	0		1,552	5,000	3,448	70,056
75	Bank and Misc Fees	0	0	0		20	0	(20)	0
76	IT/Technology	68,016	68,016	0		11,983	11,470	(513)	93,409
77	Website	6,802	6,802	0		542	2,042	1,500	7,006
78	Equipment Repairs/Leases	5,526	5,526	0		0	1,659	1,659	7,589
79									
80	<b>Total Gen Exp All Departments</b>	<b>178,862</b>	<b>178,863</b>	<b>(1)</b>		<b>49,960</b>	<b>53,549</b>	<b>3,589</b>	<b>432,616</b>
81									
82	<b>Mayor and Town Council</b>								
83	Mayor Wages	11,000	11,000	0		3,554	4,000	446	12,000
84	Council Wages	33,000	33,000	0		10,568	12,000	1,432	36,000
85	Cell Phone AllowTown Council	5,775	5,775	0		1,800	2,100	300	6,300
86									
87		49,775	49,775	0		15,922	18,100	2,178	54,300
88									
89	Misc Expense Town Council	1,251	1,251	0		965	460	(505)	1,401
90	<b>Total Mayor and Town Council</b>	<b>51,026</b>	<b>51,026</b>	<b>0</b>		<b>16,887</b>	<b>18,560</b>	<b>1,673</b>	<b>55,701</b>
91									
92	<b>Administration Services</b>								
93	Town Manager Wages	127,530	127,530	0		6,346	28,340	21,994	175,141
94	Town Clerk Wages	95,047	95,047	0		31,555	33,216	1,661	106,411
95	Office Clerk Wages	58,333	58,333	0		5,769	17,502	11,733	65,308
96	Cell Phone Administration	2,250	2,250	0		283	675	392	0
97	Keystone Housing Administration	15,000	15,000	0		2,000	4,500	2,500	0
98									
99		298,160	298,160	0		45,953	84,233	38,280	346,860
100	Postage	2,607	2,607	0		0	783	783	2,919
101	Printing	7,300	7,300	0		312	2,190	1,878	8,173
102	Community Engagement	8,502	8,502	0		0	1,000	1,000	8,757
103	Local Travel	2,607	2,607	0		102	948	846	2,919
104	Elections	12,000	12,000	0		0	0	0	0
105	Town Attorney Contract	90,688	90,688	0		68,021	30,000	(38,021)	93,409
106	Smoking Cessation (from Nicotine Tax)	59,628	59,628	0		0	13,250	13,250	83,315
108	Payroll Contract (Paylocity)	4,950	4,950	0		1,674	1,800	126	5,099
109	Accounting Contract (M&W)	63,494	63,494	0		21,135	20,000	(1,135)	64,958
110	Annual Audit Contract	0	0	0		0	0	0	19,266
111	Short Term Rental Contract Support	116,761	116,761	(0)		0	0	0	120,264
112	Miscellaneous Adminstrative Expense	0	0	0		10	0	(10)	
113									
114	<b>Total Administrative Services</b>	<b>666,697</b>	<b>666,697</b>	<b>0</b>		<b>137,207</b>	<b>154,204</b>	<b>16,997</b>	<b>755,938</b>
115									
116	<b>Community Development</b>								
117	Comm Dev Director Wages	124,431	124,431	0		34,146	40,431	6,285	148,320
118	Planner2 Wages	60,489	60,489	0		0	7,561	7,561	93,409
119	Cell Phone Comm Dev	1,350	1,350	0		138	300	162	1,800
120	Keystone Housing Incentive Comm	9,500	9,500	0		1,250	2,500	1,250	6,300
121									
122		195,770	195,770	0		35,534	50,792	15,258	249,829
123	Building Permit/Inspections	162,562	162,562	0		0	20,320	20,320	289,826
124	GIS	9,069	9,069	0		0	2,721	2,721	9,341
125	Professional Services (Contracted)	11,336	11,336	0		0	3,402	3,402	11,676
126	Planning Supplies/Printing	5,668	5,668	0		0	1,500	1,500	5,838
127	Communications	2,721	2,721	0		0	604	604	2,802
128	Miscellaneous Comm Dev Expense	0	0	0		0	0	0	
129									
130	<b>Total Community Develop</b>	<b>387,126</b>	<b>387,126</b>	<b>0</b>		<b>35,534</b>	<b>79,339</b>	<b>43,809</b>	<b>469,311</b>

	E	F	H	I	J	K	L	M	N
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4	Actual, Budget and Forecast for the Periods Indicated								
5	Modified Accrual Basis		2024 ANNUAL			2024 From Inception (2/8/2024)		2025	
6			Approved		Variance	5 Months	5 Months		Placeholder
7			2024	2024	Favorable	Ended	Ended	Variance	2025
8			Budget	Forecast	(Unfavor)	5/31/24	5/31/24	Favorable	2025
9						Actual	Budget	(Unfavor)	Budget
131	<b>Public Works</b>								
132	Public Works Director Wages								
133		45,344	45,344	0	0	0	0	0	93,409
134		450	450	0	0	0	0	0	900
135		3,000	3,000	0	0	0	0	0	6,000
136									
137		48,794	48,794	0	0	0	0	0	100,309
138	Communications								
139		2,721	2,721	0	0	0	0	0	2,802
140	Engineer Consultant								
141		5,668	5,668	0	0	0	0	0	11,676
142	Planning and Printing Supplies								
143		2,834	2,834	0	0	0	0	0	5,838
144	<b>Road Maint/Snow Plowing Contracts</b>								
145					-				
146	Loveland Pass Village								
147		0	0	0	0	0	0	0	35,028
148	Keystone Roads- Currently County Maint								
149		0	0	0	0	0	0	0	81,733
150	Roads not County Maintained								
151		0	66	(66)	66	0	(66)	(66)	166,968
152	Asphalt Crack Seal								
153		0	0	0	0	0	0	0	16,697
154	Noxious Weed Control								
155		0	0	0	0	0	0	0	17,514
156	Other Maintenance								
157		0	0	0	0	0	0	0	40,866
158	Total Road Maintenance/Snow Plowing								
159		0	66	(66)	66	0	(66)	(66)	358,806
160	Signage								
161		0	0	0	0	0	0	0	11,676
162	Engineering Services								
163		5,668	5,668	0	0	0	0	0	21,855
164	Miscellaneous Public Works Expense								
165		0	0	0	0	0	0	0	
166	<b>Total Public Works Expenses</b>								
167		65,685	65,751	(66)	66	0	(66)	(66)	512,962
168	<b>Public Safety</b>								
169	Miscellaneous Public Safety Exp								
170		0	85,708	(85,708)	8,798	0	(8,798)	(8,798)	
171	<b>Total Public Safety Expenses</b>								
172		0	85,708	(85,708)	8,798	0	(8,798)	(8,798)	686,974
173	<b>Municipal Court</b>								
174	Judge								
175		0	0	0	0	0	0	0	7,589
176	Prosecutor								
177		0	0	0	0	0	0	0	11,209
178	Miscellaneous Exp Municipal Court								
179		0	0	0	0	0	0	0	584
180	<b>Total Court Expenses</b>								
181		0	0	0	0	0	0	0	19,382
182	<b>Total Operating Expenditures</b>								
183		1,538,155	1,623,929	(85,775)	273,308	374,292	100,984	100,984	3,239,884
184	<b>Operating Surplus (Deficit)</b>								
185		2,061,353	1,975,929	(85,424)	842,139	747,047	95,092	95,092	1,336,850
186	<b>Other Sources (Uses)</b>								
187	Transfer to Capital Improvement								
188		(900,000)	(888,900)	11,100	(83,937)	(13,427)	(70,510)	(70,510)	(200,000)
189	Transfer fr Workforce Housing								
190		0	27,500	27,500	0	0	0	0	0
191	Transfer fr Conservation Trust								
192		0	0	0	0	0	0	0	0
193	Summit County Adv - Sales Tax								
194		0	800,000	800,000	800,000	800,000	800,000	800,000	0
195	Summit County Adv - Repayment								
196		0	(800,000)	(800,000)	(400,000)	(400,000)	0	0	0
197	<b>Total Other Sources (Uses)</b>								
198		(900,000)	(861,400)	38,600	316,063	386,573	(70,510)	(70,510)	(200,000)
199	<b>Beginning Fund Balance - General</b>								
200		0	0	0	0	0	0	0	1,114,529
201	<b>Ending Fund Balance - General</b>								
202		1,161,353	1,114,529	(46,824)	1,158,202	1,133,620	24,582	24,582	2,251,379
203		=	=	=	=	=	=	=	



# TOWN OF KEYSTONE, COLORADO

## STAFF REPORT

TO: Mayor & Town Councilmembers  
THROUGH: John Crone, Town Manager  
FROM: Jennifer Madsen, Town Attorney  
DATE: June 25, 2024  
SUBJECT: [Work Session] Discussion on Ballot Questions/deBrucing and Lodging Tax (part 2)

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### **Executive Summary:**

This work session item is a continuation of the discussion from June 11 related to TABOR and ballot questions. This discussion item is intended to provide an overview of the ballot questions and discussion of what is needed for ballot questions on deBrucing and lodging taxes.

### **Background:**

#### *Ballot Questions:*

Town Council can submit any proposed or adopted ordinance or resolution or any question to a vote of the registered electors. Town Council can submit these ballot questions to voters at regular, coordinated, or special elections. The Town's next regular election will be held on April 7, 2026, and Summit County is conducting a general election on November 5, 2024. The Town can participate in that general election.

All Taxpayers' Bill of Rights, Section 20 of Article X of the Colorado Constitution (TABOR) questions must be held at the following election: (1) state general election (November of even numbered years); (2) first Tuesday of November in odd-numbered

years; or (3) biennial Town regular elections. Non-TABOR ballot questions do not have the same date restrictions.

For planning, the process of conducting an election is approximately one hundred days give or take some days depending on the type of election. If Town Council is considering placing a question on the ballot for the November general election, the Summit County Clerk must be notified by the 100th day before the election. For the November 5, 2024, election, Summit County Clerk must be notified by Friday, July 26, 2024, that the Town would like to participate in the election. In addition, by Tuesday, August 27, 2024, the Town must consent to an intergovernmental agreement (Election IGA) with Summit County for the coordinated election. The Election IGA identifies the responsibilities of the Town and of the County related to the election. The County is primarily responsible for conducting the election and the Town would be responsible for providing information to the County related to the Town's issue for the election and pay a prorated share of costs for items such as printing and mailing of ballots, TABOR notice (if required), and other election expenses. The ballot language must be provided to the County at least by Friday, September 6, 2024.

DeBrucing Question:

A primer on TABOR was provided to Town Council at the June 11 work session. As explained, the biggest change caused by the adoption of TABOR is its formulaic limitation on the annual growth of municipal revenues. TABOR does not limit the amount of money that can be budgeted. It does not limit the amount of money that may be appropriated. It does not limit the amount of money that may be spent. Instead, it limits the amount of revenue that may be retained in any particular year from most sources (including both taxes and fees) according to a revenue cap and requires a refund of excess revenue received in any particular year absent voter approval to keep the excess. Specifically, all Town revenue is subject to the limitation unless it meets one of the 11 exceptions:

- revenue used for refunds to taxpayers;
- gifts;



- federal funds;
- collections for another government;
- pension contributions by employees;
- pension fund earnings;
- transfers or expenditures from reserves;
- damage awards;
- property sales;
- enterprise revenue; and
- voter-approved revenue changes

The first nine of these are excluded from the definition of fiscal year spending.

Enterprises are excluded from the definition of “district,” and so enterprise revenue is not accounted as being collected by any local government. Voter approved revenue changes are a component in the calculation of the calculation of the annual revenue limit.

A municipality can submit a question to voters asking for a TABOR waiver. A TABOR waiver (sometimes referred to as a “deBrucing” because TABOR was authored in part by Douglas Bruce) ballot question asks voters to allow the government to retain and spend funds in excess of the TABOR revenue and spending cap. With a TABOR waiver, if revenues exceed the TABOR revenue cap, the Town would be permitted to keep revenues in excess of the cap.

This deBrucing ballot issue has been submitted to voters by many local governments and the overwhelming majority of voters in these local governments have approved of the deBrucing measure.

*What does a deBrucing ballot question need to include?*

Unlike tax ballot questions, TABOR does not specify how a voter-approved revenue change ballot question must be worded and there is really no model for drafting the

question. There is, however, a checklist of options to consider when determining how to draft a question seeking voter approval to retain excess revenue.

Town Council may refer a deBrucing ballot question to voters by either passing a resolution or an ordinance. In drafting the question, the following factors should be included or considered:

- (1) reference to TABOR – the wording should advise the voter that the question is indeed intended to authorize a “voter-approved revenue change.
- (2) disclaim that it is not a tax increase – the wording should indicate that the question does not seek to raise any taxes.
- (3) broad form or dollar specific? If Town Council decides to submit a deBrucing question, a decision will need to be made on whether to limit the requested approval to a particular dollar amount or seek a broad approval of any excess revenue.
- (4) starting in what year? The ballot question should specify the fiscal year or years to which it applies. If the ballot question is intended to give open-ended approval to retain any excess revenue into the future, it should specify the first fiscal year for which the approval is intended to be given.
- (5) time-limited or open-ended? Some municipalities have included sunset provisions in both dollar-specific and broad form deBrucing ballot questions.
- (6) what revenue sources are being deBruced?
- (7) earmarking excess revenues? Some municipalities have included in the deBrucing question that if the municipality is authorized to keep excess TABOR revenue, the money will be spent for certain purposes. This “earmarking” is not required. An example of earmarking is “if allowed to retain excess revenue, the money will be used for broad categories of expenditures such as ‘law enforcement’ or ‘park improvements.’” Earmarking can raise some administrative issues such as demonstrating how the excess revenue was earmarked and what if the governing body wants to redirect the excess revenue.

What follows is an example of a deBrucing question with no earmarking pertaining to all revenue and not time-limited:

SHALL THE TOWN OF SILVERTHORNE, COLORADO, WITHOUT CREATING ANY NEW TAX OR INCREASING ANY CURRENT TAXES, BE PERMITTED TO RETAIN AND SPEND THE FULL AMOUNT OF THE TOWN TAXES, GRANTS, AND ALL OTHER REVENUE COLLECTED FROM ALL SOURCES INCLUDING ALL REVENUE RECEIVED IN 2010 AND EACH SUBSEQUENT YEAR, WITHOUT REGARD TO ANY REVENUE OR EXPENDITURE LIMITATION INCLUDING THOSE CONTAINED IN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?

Lodging Tax Question:

A lodging tax question is subject to the requirements of TABOR as it is a new tax. Town Council would need to adopt a resolution or ordinance setting the language for the lodging tax.

A lodging tax would apply to the rental fee for the rental of a room or accommodation for a short-term period, 29 days or less, and would apply to short-term rentals and to hotel units. If Town Council is considering a lodging tax, Town Council would need to identify the percentage of the tax. In addition, Town Council would need to decide whether to identify a spending source (earmark) of the lodging tax.

TABOR has specific requirements of what needs to be included in a new tax question. The ballot language for the new tax must include an estimate of the dollar amount of revenue anticipated. The wording of the question is also dictated by TABOR. The question begins, "Shall the Town of Keystone's taxes be increased by \$\_\_\_\_\_ annually from the adoption of . . .tax . . ." Additionally, TABOR requires specific detail and information that must be included in ballot issue notices – these are the pro and con summaries.

# TOWN OF KEYSTONE, COLORADO

## STAFF REPORT

TO: Mayor & Town Councilmembers  
THROUGH: John Crone, Town Manager  
FROM: Jennifer Madsen, Town Attorney  
DATE: June 25, 2024  
SUBJECT: [Work Session] Discussion on 2024 Model Traffic Code

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### **Executive Summary:**

The purpose of this work session item is to provide an overview of the adoption of a model traffic code.

### **Background:**

#### *Overview:*

With limited exceptions, local governments may enact and enforce traffic regulations on roads and streets within their jurisdiction. Balancing local government's ability to regulate local traffic laws, there is an expectation from drivers that the traffic laws will be uniform between local governments and throughout the state. The answer to the requirement for local governments to adopt traffic rules and the desire for a uniform set of traffic laws is the Model Traffic Code. CDOT publishes the Model Traffic Code for local governments to adopt an ordinance and the traffic code by reference in order to provide for uniform rules of the road and vehicle requirements. The Model Traffic Code is consistent with state law traffic regulations.

Earlier in 2024, CDOT published the 2024 Model Traffic Code. The 2024 Model Traffic Code includes all state laws through the 2023 legislative session. Any traffic laws adopted by the General Assembly in 2024, such the cell phone use ban, would need to be added to the ordinance as an amendment to the traffic code.

The 2024 Model Traffic Code regulates the following subject matters:

- Vehicle Equipment (e.g., every motor vehicle shall be equipped with two headlamps)
- Size, Weight and Load of Vehicles (e.g., Sec. 502. The total outside width of any vehicle shall not exceed eight feet six inches, except as otherwise provided.)
- Signals, Signs, and Marking (e.g., Sec. 603. No driver of a vehicle shall disobey the instructions of any official traffic control device.)
- Rights-Of-Way (e.g., Sec. 701. For vehicles approaching the intersection, the driver on the left shall yield the right-of-way to the vehicle on the right.)
- Pedestrians (e.g., Sec. 803. Every pedestrian crossing a roadway at any point other than within a crosswalk shall yield the right-of-way to all vehicles.)
- Turning and Stopping (e.g., Sec. 902. The driver of any vehicle shall not turn such vehicle at an intersection or any other location so as to proceed in the opposite direction unless such movement can be made in safety and without interfering with or endangering other traffic.)
- Driving, Overtaking, and Passing (e.g., Sec. 1001. A vehicle shall be driven on the right half of the roadway except when overtaking and passing another vehicle or an obstruction exists.)
- Speed regulations (e.g., Sec. 1101. No person shall drive a vehicle on a highway at a speed greater than is reasonable and prudent under the conditions.)
- Parking (e.g., Sec. 1201. No person shall start a vehicle which is stopped, standing, or parked unless and until such movement can be made with reasonable safety.)
- Other offenses (such as careless driving, reckless driving) (e.g., Sec. 1402. A person who drives a motor vehicle in a careless and imprudent matter is guilty of careless driving.)
- Motorcycles (e.g., Sec.1502. A motorcycle driver under 18 is required to wear a protective helmet.)
- Penalties and Procedures for processing

Currently, Summit County Sheriff's Office is providing law enforcement services to the Town of Keystone. These law enforcement services include traffic enforcement. Summit County Sheriff's Office does enforce the Model Traffic Code, 2020 ed.

Neighboring jurisdictions have also adopted the Model Traffic Code for traffic enforcement. The Towns of Dillon, Silverthorne, Breckenridge, and Blue River enforce the Model Traffic Code, 2020 ed. These municipalities may be in the process of adopting the 2024 version of the Model Traffic Code.

Municipalities may decide to write their own traffic code. For example, Denver has adopted its own traffic code. It is not known why Denver has not adopted the Model Traffic Code. It may be that it passed its laws before CDOT first adopted the Model Traffic Code in 1952.

The process for adopting the Model Traffic Code is through an ordinance and the adoption of the model code is by reference similar to how the Town Council adopted the Land Use Code. When adopting the code, the Town is permitted to amend the code to make changes, exclude regulations that will not be enforced in the Town, or add additional regulations. The Towns in Summit County have not adopted consistent amendments to the Model Traffic Code.

### *State Highways:*

As stated above, a municipality may amend the Model Traffic Code to meet the needs the community. There are, however, areas in which the Town will need prior approval for amendment to the Model Traffic Code. One of those areas is state highways.

Colorado law provides that the department of transportation has authority over the state highways. For example, municipalities cannot alter the speed limits on state highways until that speed limit change has been approved by the department of transportation. In addition to setting the speed limit, the department of transportation also has the authority to erect, control, and maintain all route markers and signage, street signs, and traffic control devices for state highways.

Currently, because the Town has contracted with Summit County Sheriff's Office to provide law enforcement services and Town Council has consented to Summit County's ordinance adopting the Model Traffic Code, the Sheriff's Office will continue to enforce its existing Model Traffic Code ordinance. Looking ahead, once the Town considers a more permanent law enforcement solution, the Town will need to adopt its own ordinance regulating traffic matters.

# TOWN OF KEYSTONE, COLORADO

## STAFF REPORT

TO: Mayor & Town Councilmembers  
FROM: John Crone, Town Manager  
DATE: June 25, 2024  
SUBJECT: [Work Session] Discussion on Proposition 123  
Commitments

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### **Executive Summary:**

The purpose of this work session item is to provide an overview of the requirements of Proposition 123, an affordable housing funding program established by Colorado voters in 2022.

### **Background:**

#### *Overview:*

Proposition 123 was enacted by the voters of Colorado in 2022. The proposition contains provisions intended to create more affordable housing through additional funding and planning. The proposition establishes a three-year cycle of funding as well as future requirements for development review.

In order for a municipality to participate in this funding, it must:

1. Identify a baseline number of affordable units in the municipality (including both existing deed restricted and naturally occurring affordable units);
2. Increase their baseline number on average 3% per year through the 3-year cycle; and
3. Adopt a “Fast Track” permit approval process for Affordable Housing by November 2026 to continue eligibility for funding.



The Town of Keystone can rely on either the State’s Baseline tool or the State calculation of our baseline. We also have the ability to determine our own baseline so long as our calculations are based on State approved data (the American Community Survey and the Comprehensive Housing Affordability Strategy Estimates for certain years) to determine the number of units that we need to commit to building. The State is still setting up these databases for the Town of Keystone so we cannot determine our baseline. However, the last reports from the County provided the following numbers. Many of these numbers represent “bunkbed housing”.

Total Number of Employees for Employee Housing Calculation	2,671.67
Total EHCs Allocated to Peak Season Employee Housing	1,519.00
Number of EHCs Required for Peak Season Employees	1,068.67
<b>Surplus of EHCs for Peak Season Employees</b>	<b>450.33</b>
Total EHCs Allocated to Seasonal Employee Housing	913.00
Number of EHCs Required for Seasonal Employees	908.42
<b>Surplus of EHCs for Seasonal Employees</b>	<b>4.58</b>

Units that are affordable to 60% AMI for rentals and 100% for sale units must be included in the baseline. We are still investigating the impact of non-general workforce housing on the baseline calculations.

Proposition 123 requires the Town to file a commitment specifying how it will increase a combination of its newly constructed affordable housing units and its existing units converted to affordable housing over its determined baseline number of affordable housing units by 3% each year.

The DOH interprets this to mean as long as the municipality demonstrates a 9% increase over the baseline at the end of the 3-year commitment period even if a 3% increase is not achieved in any particular year during that time frame.

If a commitment is not filed, then the Town and any development project in its jurisdiction are ineligible to receive any funding established by Proposition 123 during the following calendar year. The next opportunity to file a commitment is expected to open up in July of this year.

If the Town is unable to meet its 9% total commitment in the three-year period, then it and any development project in our jurisdiction are ineligible to receive any funding established by Proposition 123 for the following calendar year. However, a town may file a new commitment for a 2-year commitment to increase its affordable housing stock by a total of 6% within two years.

Proposition 123 does provide that for this first commitment and future ones, “local governments should prioritize high-density housing, mixed-income housing, and projects consistent with the goal of environmental sustainability, when appropriate, and should prioritize affordable housing in communities in which low concentrations of affordable housing exist.

Once the State has updated their databases, staff will bring a resolution to the Board to establish the Town’s initial housing commitment.