



Keystone Town Council Agenda

The Keystone Town Council will have a Special Meeting on August 26, 2025, at 4:00 p.m. at 1628 Sts. John Rd, Keystone, CO 80435.

The Town of Keystone conducts hybrid meetings. This meeting will be held in person at Keystone Town Hall and will also be broadcast live over Teams. [Join the live broadcast available by computer here.](#) If you will need special assistance in order to attend any of the Town's public meetings, please notify the Town Clerk's Office at (970) 450-3500x1 via phone, or clerk@keystoneco.gov via e-mail, at least 72 hours in advance of the meeting.

- I. **CALL TO ORDER, ROLL CALL**
- II. **PLEDGE OF ALLEGIANCE**
- III. **APPROVAL OF AGENDA**
- IV. **COMMUNICATIONS TO COUNCIL**
 - A. *Public Comment (Pursuant to Resolution 2024-18, comment is limited to non-agenda items only; 3-minute time limit please)*
- V. **DISCUSSION**
 - A. **PRESENTATION FROM UNITED STATES FOREST SERVICE**
 - B. **PRESENTATION FROM SUMMIT COUNTY OPEN SPACE AND TRAILS**
 - C. **DISCUSSION OF FINANCIALS**
 - D. **DISCUSSION OF NATURAL MEDICINE (PSILOCYBIN)**
 - E. **DISCUSSION OF GOALS AND PRIORITIES**
- VI. **CONSENT**
 - A. **FIRST READING OF ORDINANCES**
 - B. **RESOLUTIONS**
 - C. **MEETING MINUTES**
 - 1. **August 12, 2025 – Meeting Minutes**

D. EXCUSED ABSENCES – NONE

E. OTHER

1. Accounts Payable List

VII. NEW BUSINESS

A. CONSIDERATION OF ORDINANCES (SECOND READING/PUBLIC HEARING) -- NONE

B. RESOLUTIONS

1. Resolution 2025-30, A Resolution of Town Council of the Town of Keystone, Colorado, Approving a Capitalization and Depreciation Policy

2. Resolution 2025-31, A Resolution of Town Council of the Town of Keystone, Colorado, Adopting a Penalty and Fine Schedule

C. OTHER - NONE

VIII. PLANNING MATTERS

IX. REPORT OF TOWN MANAGER AND STAFF

X. REPORT OF MAYOR AND COUNCIL

XI. OTHER MATTERS (Town Manager/Mayor/Councilmember may bring up items on other matters that are not on the agenda)

XII. SCHEDULED MEETINGS

XIII. EXECUTIVE SESSION

Executive session pursuant to C.R.S. sec. 24-6-402(4)(b), for the purpose of receiving legal advice regarding certain rights-of-way and their legal status following the incorporation of the Town of Keystone.

XIV. ADJOURNMENT

Summit County Open Space and Trails Overview



**Keystone Town Council -
08/26/2025**

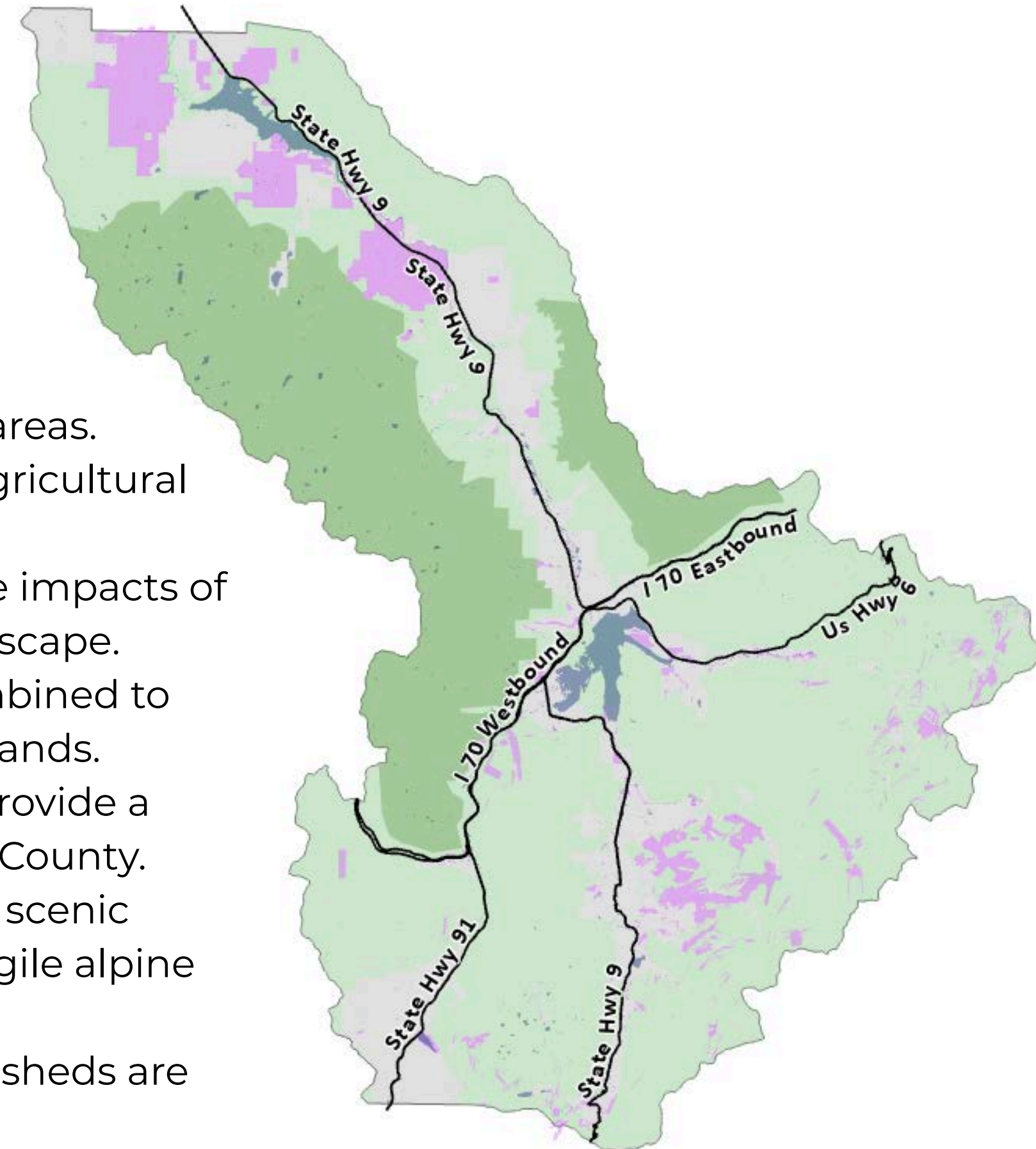
Open Space and Trails Program at a Glance

MISSION:

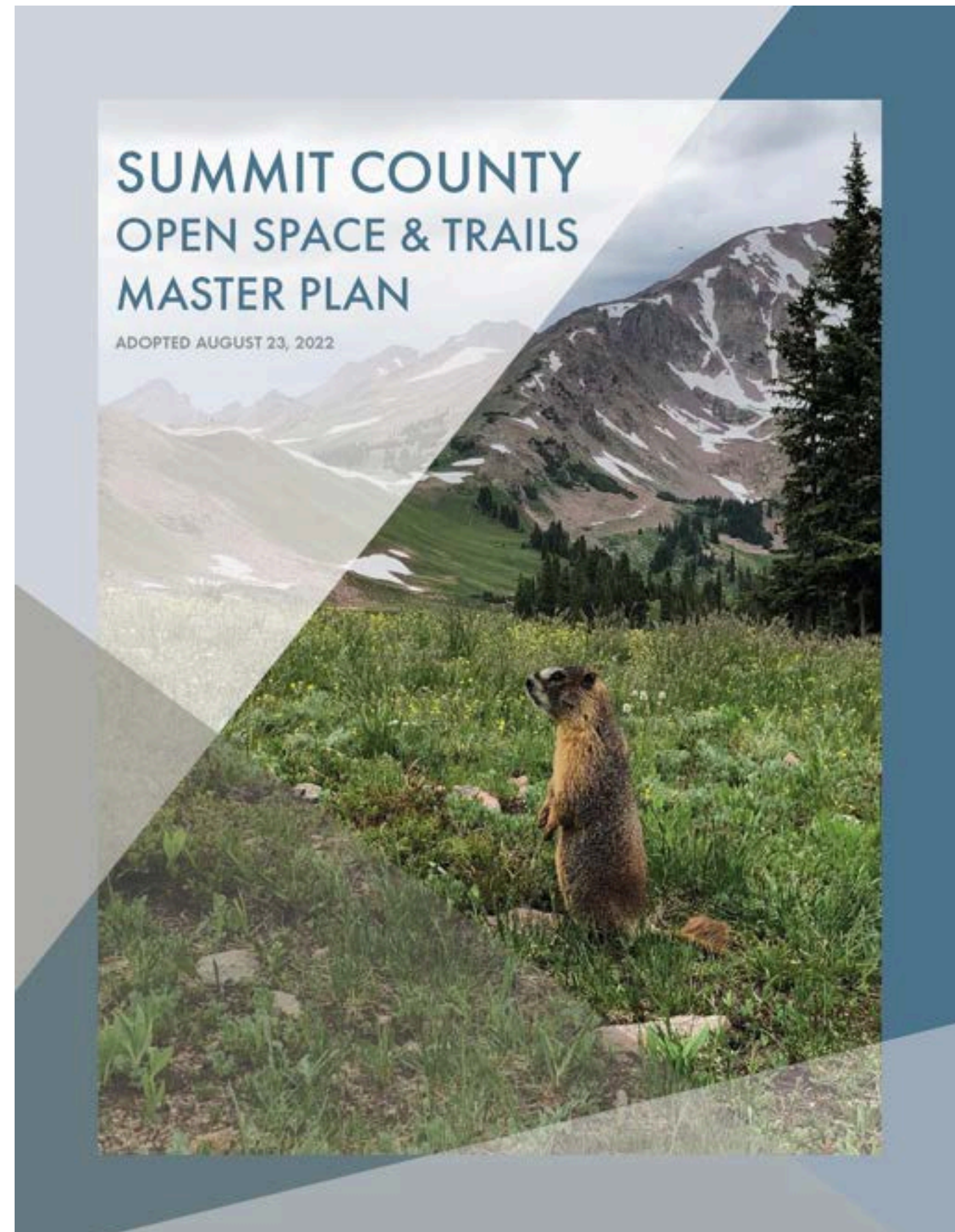
To identify, protect, and manage open spaces, trails, and trailheads to preserve and maintain Summit County's rural mountain character, unique natural areas, and high quality of life for residents and visitors.

OPEN SPACE SELECTION CRITERIA

- **Access.** Lands that provide trailheads or public access to recreation areas.
- **Agricultural/Cultural.** Lands that represent Summit County's rich Agricultural and Cultural heritage,
- **Buffers.** Natural and undeveloped lands that separate and buffer the impacts of development and contribute to the rural mountain quality of the landscape.
- **Extensions.** Land adjacent to publicly held property that can be combined to enlarge and/or connect existing open space parcels and other public lands.
- **Recreational.** Lands with significant recreational value. Lands that provide a unique outdoor recreation opportunity not available elsewhere in the County.
- **Unique Lands.** Lands possessing unique values such as outstanding scenic quality, rare flora, riparian quality, wetlands, critical wildlife habitat, fragile alpine areas, or unusual geologic or topographical formations.
- **View Corridors.** Lands with high aesthetic appeal within major view sheds are emblematic of Summit County's rural mountain character.



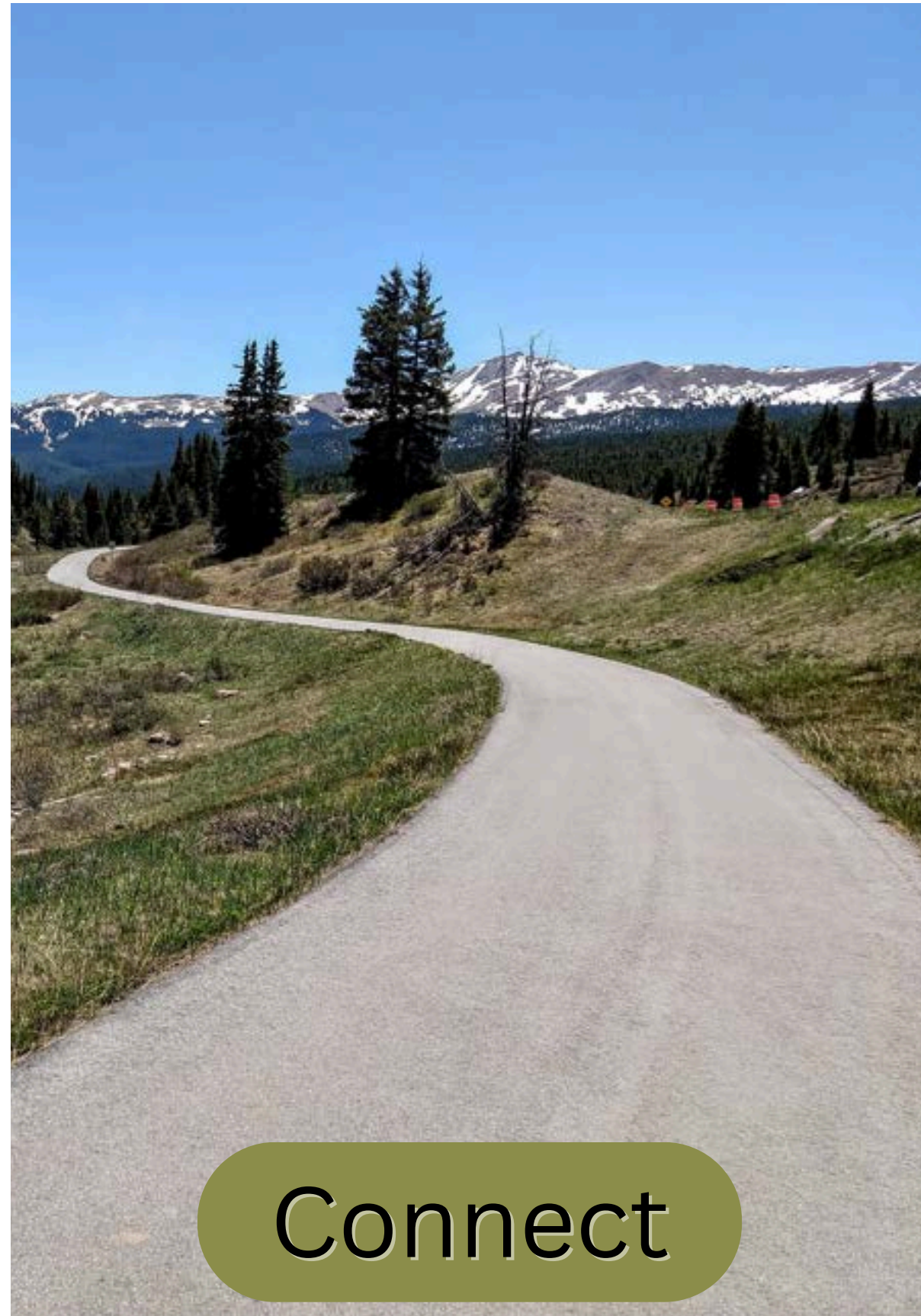
2022 Open Space and Trails Master Plan



Open Space and Trails Roles



Conserve



Connect



Collaborate

Tenderfoot Meadows Open Space Management Plan

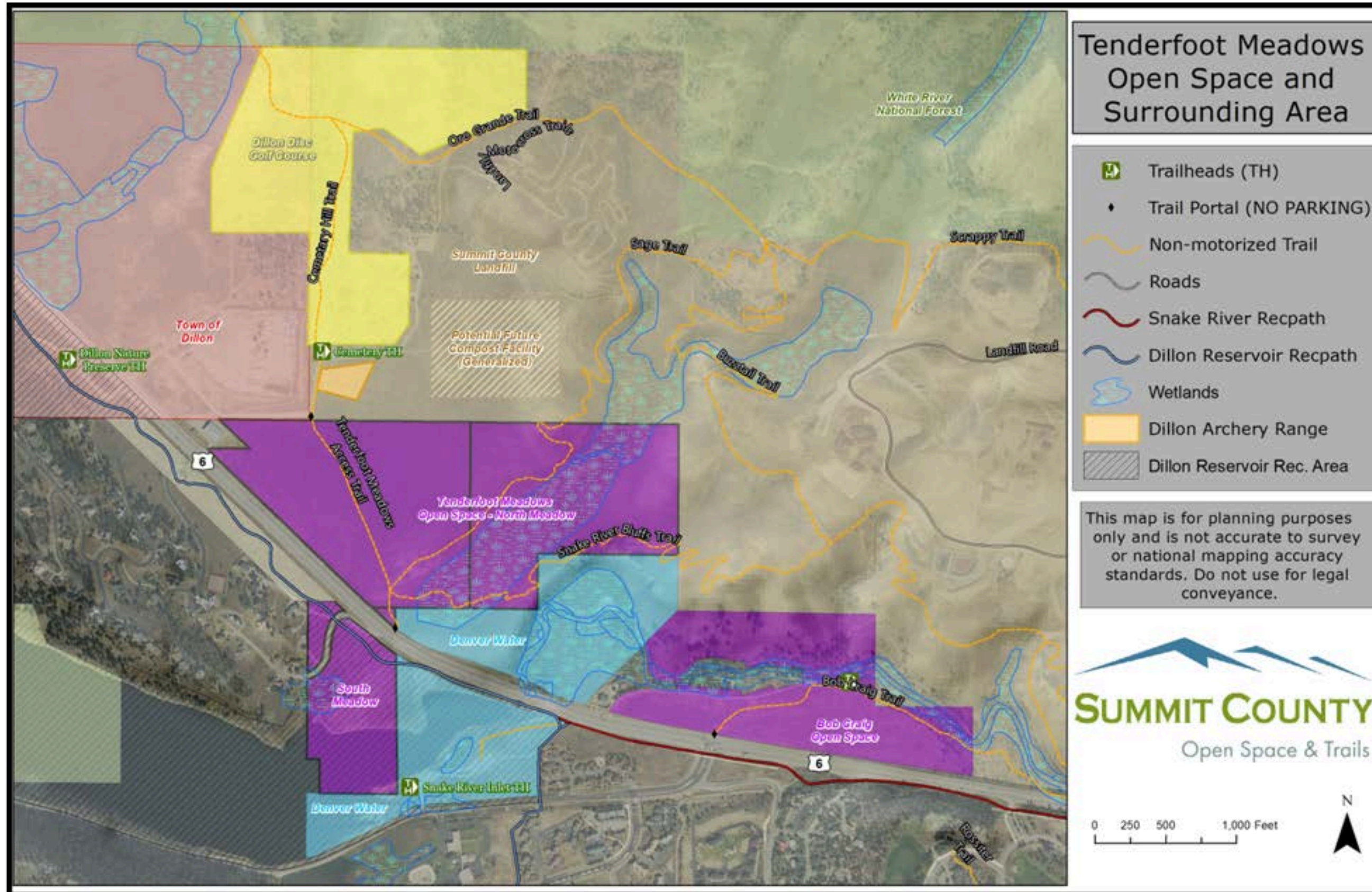


Tenderfoot Meadows Open Space

- 97 acres Purchased between 1999 and 2001
 - Open Space values:
 - Buffers
 - Extensions
 - Unique Lands
 - View Corridors



Vision for the Property



“The primary motivation for purchase of this property was to protect the viewshed of the undisturbed community separator between the Towns of Dillon and Keystone. Uses of this property shall be limited to activities that maintain or promote the natural, open appearance of the sage meadows and balance conservation of natural resources with opportunities for recreation.”

Management Plan

- Original Plan written in 2002
- Directed by OSAC to update in 2022
 - Reflect Current Conditions
 - Incorporate Open Space Master Plan Goals



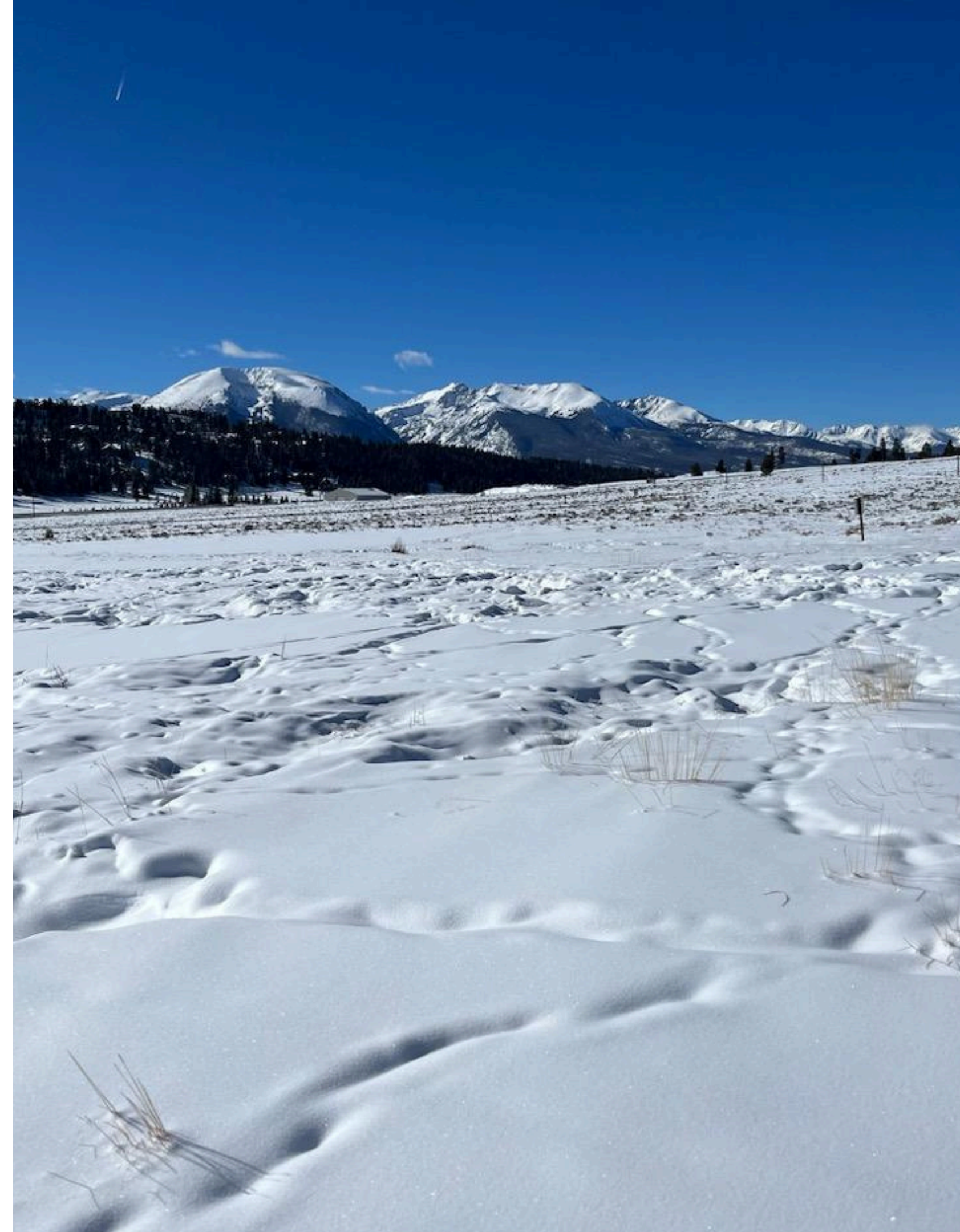
Public Engagement

- Initial Stakeholder Meeting
- On-site User Intercept Surveys
- Public Scoping and Comment Period
- Public Open House



Key Outcomes

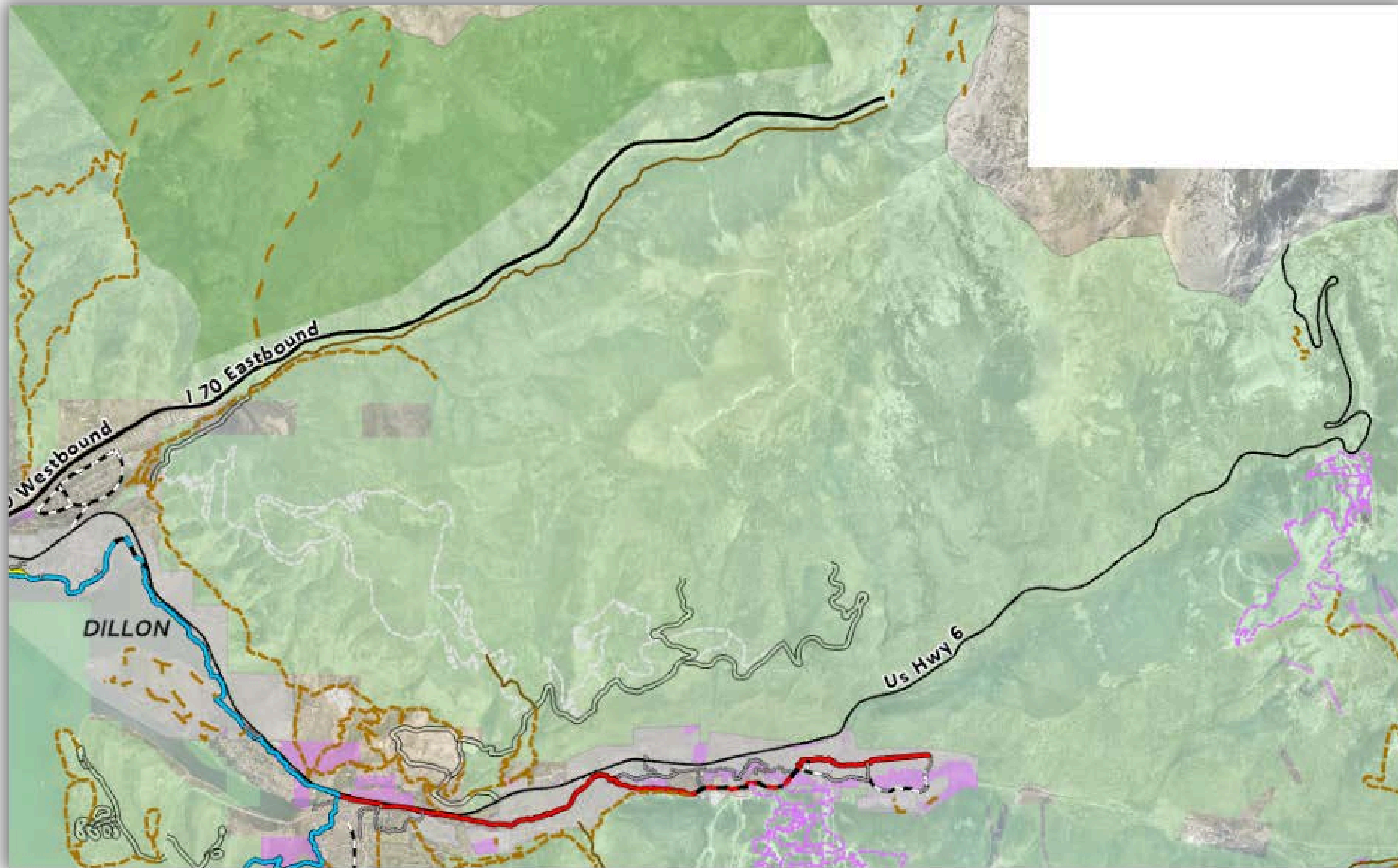
- Seasonal Wildlife Closure
- Criteria for New Trail Development
- Public Sentiment and Comments
 - Desire for new trails
 - Low levels of user conflict



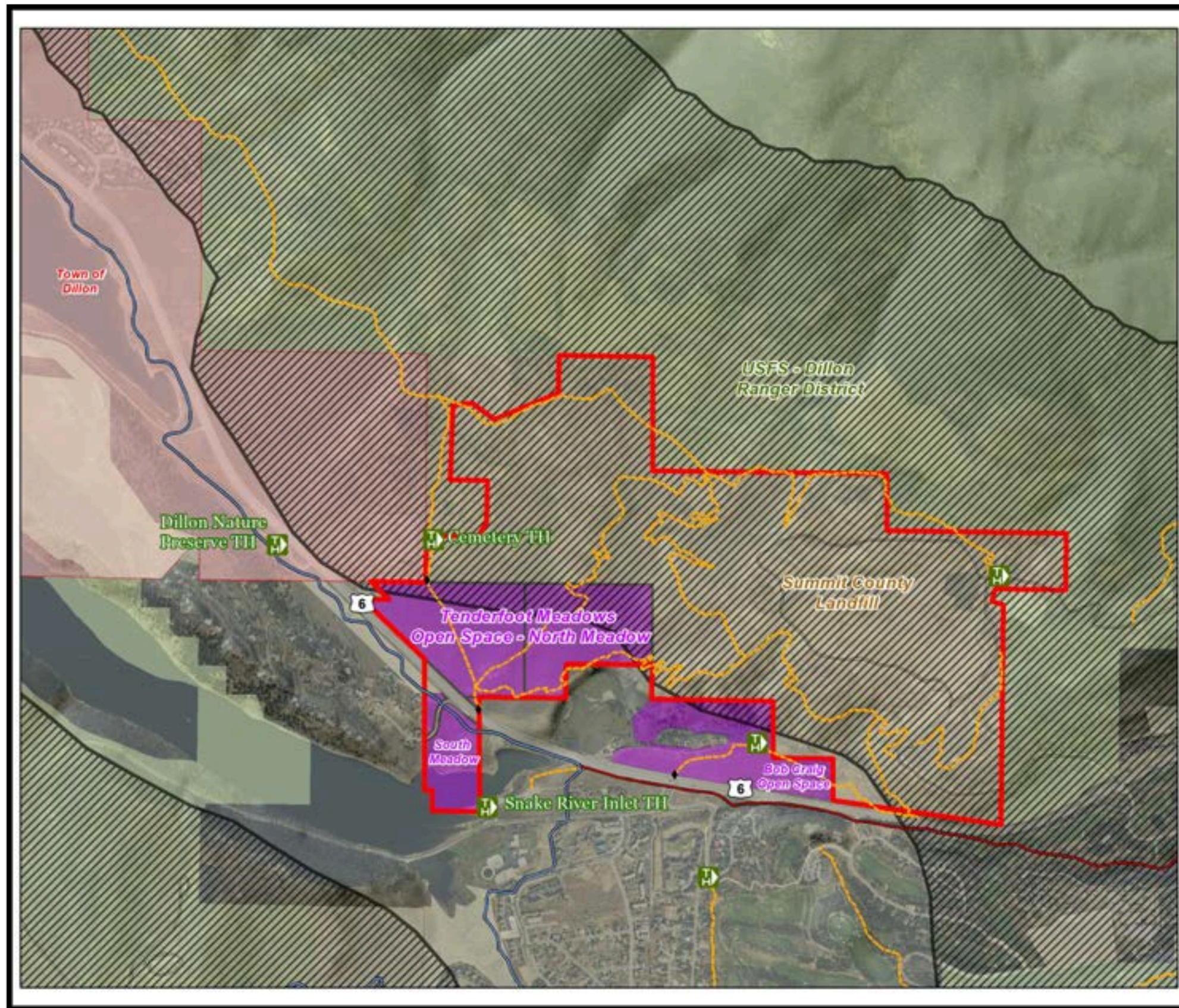
Seasonal Wildlife Closure



Seasonal Wildlife Closure



Seasonal Wildlife Closure



- Recommended by CPW
- December 1 – April 1, annually
- Protects Winter Elk Range
- Supported by over 75% of survey respondents

Seasonal Wildlife Closure



SEASONAL CLOSURE

AREA CLOSED BEYOND THIS SIGN FROM DECEMBER 1 - APRIL 1

Why is this Area Closed?

Forage becomes very scarce during the winter, and wildlife must survive primarily on the fat reserves they developed over the summer and fall. Off-leash dogs, bikes, and even just the presence of humans can cause wildlife to flee from the perceived threat. This increases their stress levels and causes them to burn the calories they need to survive.

Pregnant deer and elk are especially vulnerable during the spring when they need solitude to safely give birth and feed their newborns. Studies have shown that human disturbance during this time lowers the survival rates of their young.

One of the most harmful things some people do is willfully and illegally ignore seasonal closures meant to protect wildlife during these sensitive times. People may not see it happen immediately, but severely stressed animals eventually starve to death when fat stores are used up.



VIOLATORS MAY BE FINED PURSUANT TO BOCC RESOLUTION 2015-55



For more information, call Summit County Open Space and Trails at 970-668-4060

Seasonal Wildlife Closure



Seasonal Wildlife Closure



-4 F

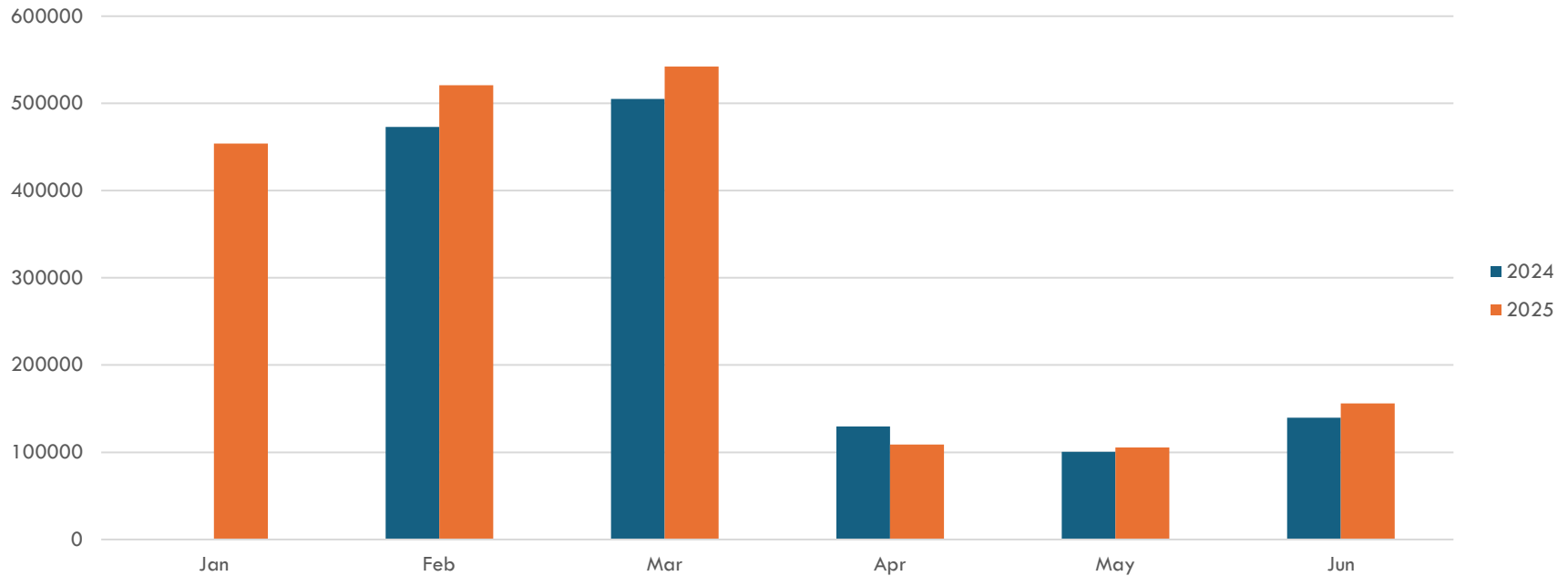
TRAILCAM06

● 01/15/2025 09:25AM



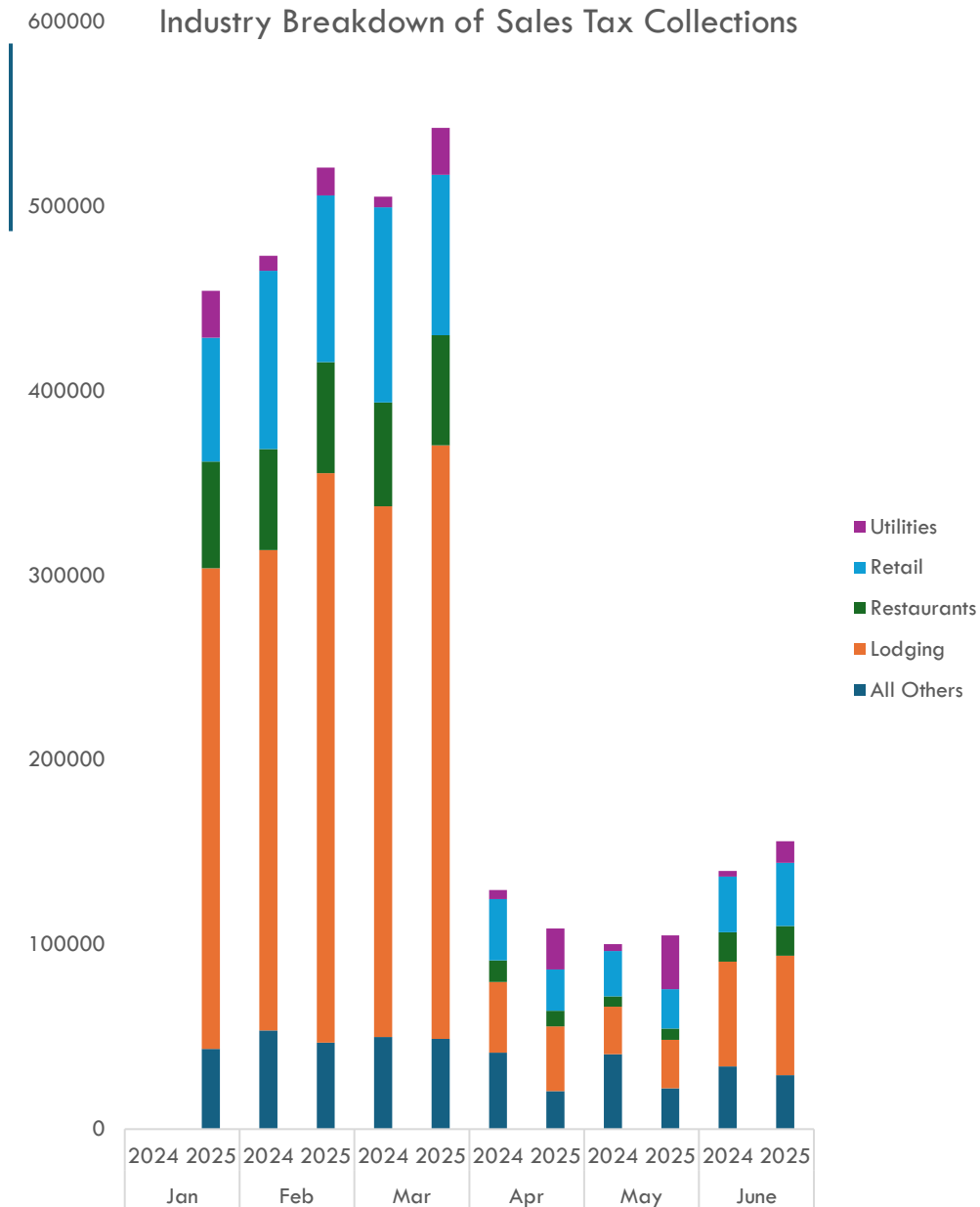
June tax revenues and
July financials

Monthly Comparison of Sales Tax Collected



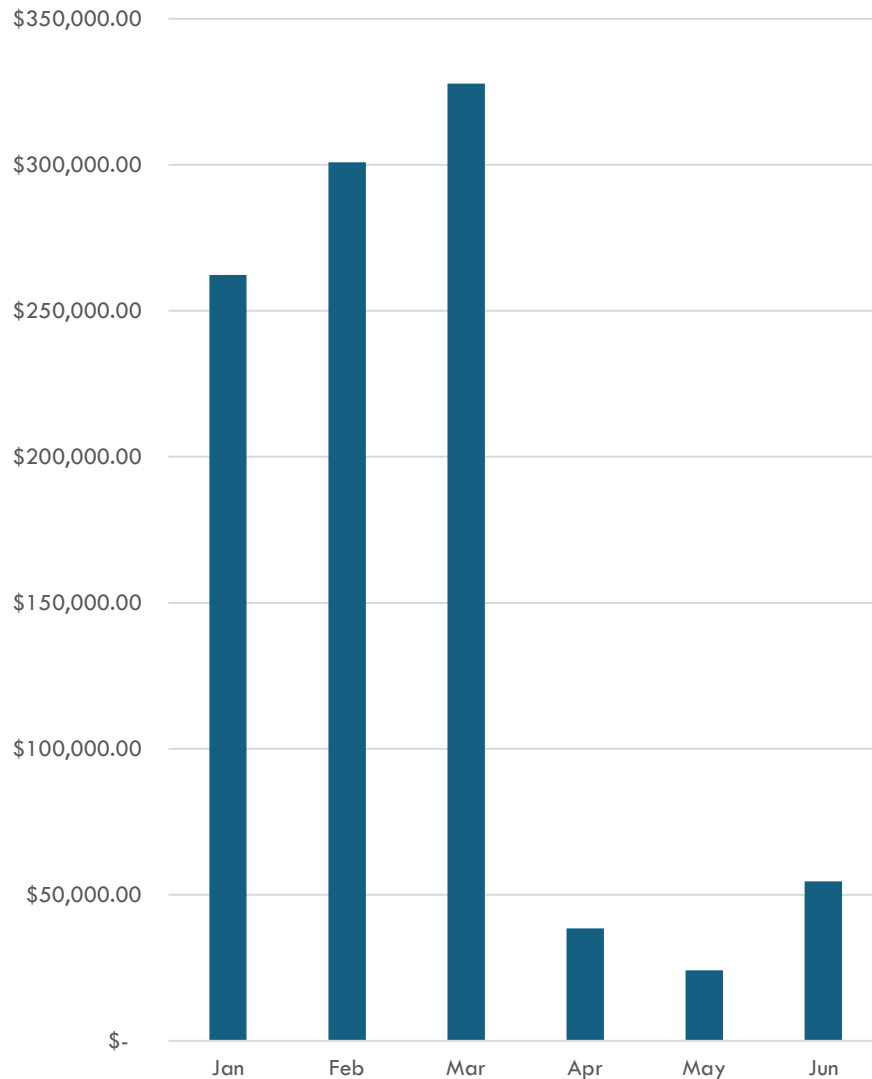
Sales tax revenue for June 2025 increased by 12% compared to June 2024. The year-to-date total (February through June) is up 6% compared to the same period last year. January 2024 shows no collections because the Town had not yet incorporated. Sales tax collection are at 55% of the annual budget.

For comparison purposes, we used actual sales tax revenue for February. Since Keystone's share was prorated, our portion of the revenue was lower.



All Other was higher in 2024 due to construction related activity. Utilities are up this year because some 2024 filings were missed and later corrected.

Lodging Tax Collected

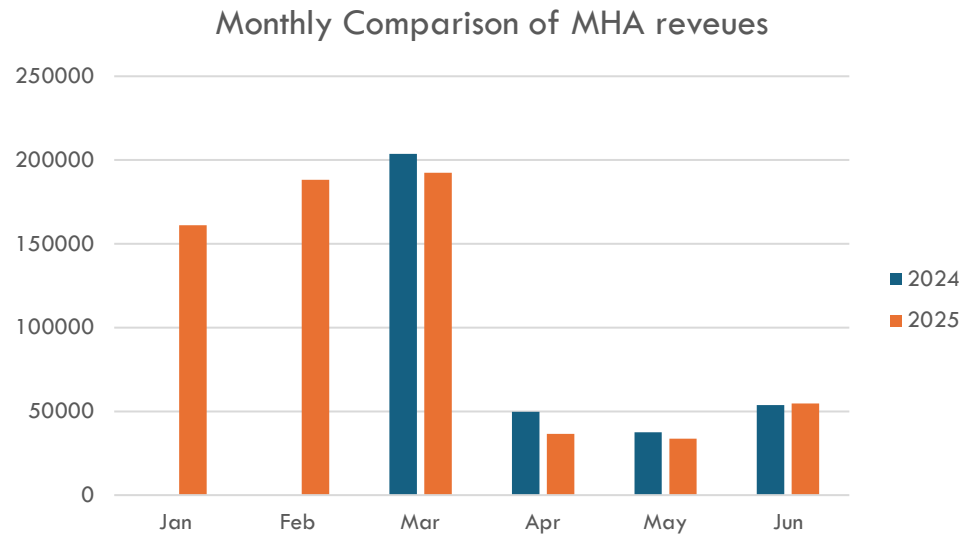


The Town of Keystone began collecting lodging tax in January 2025.

June's lodging tax saw a decrease of 4% when compared with industry sales tax for lodging tax in June 2024

Lodging tax revenue from February through June 2025 is up 10% compared to sales tax reported by the lodging industry during the same period in 2024.

Year-to-date, lodging tax collections have reached 63% of the \$1.6 million annual budget.



*MHA revenues won't be directly comparable to sales tax revenues because the MHA tax includes several exemptions, the most common of which are food for home consumption, residential gas, and electricity.

June's revenue was 2% higher than in June 2024.

MONTHLY SCHL Contributions

F	G	H	I	J	L	M	N	O	Q
1	Town of Keystone								
2	Statement of Financial Position							Printed: 8/21/25	
3	As of Dates Indicated								
4									
5		Audited	Preliminary - Subject to Change						
6		Final							
7		2024	July 31, 2025						
8		Combined	General	Housing	Conserv	Lodging	Fixed Assets	All Funds	
9		Funds	Fund	Fund	Trust Fund	Tax Fund	& LT Debt	Combined	
10	ASSETS								
11	Investment Acct - Colotrust	1,701,273	2,683,113	1,232,544	0	665,198	0	4,580,854	
12	Operating - FirstBank	172,888	228,504					228,504	
13	Total Cash in Bank	1,874,161	2,911,617	1,232,544	0	665,198	0	4,809,359	
14									
15	Sales Tax Receivable	660,190	396,767					396,767	
16	Other Tax Receivable	2,356	3,600					3,600	
17	Accounts Receivable	230,633	0	24,893	0	0	0	24,893	
18	Interfund & Other Receivables	35,106	560					560	
19	Prepaid Expenses	5,467	1,464					1,464	
20	Office Space Security Deposit	4,900	4,900					4,900	
21	Loan Receivable - Down Pmt Assist	0		91,956				91,956	
22	Interest Receivable on Loan - DPA	0		9,362				9,362	
23	Roads	24,285,718					24,285,718	24,285,718	
24	Buildings, Property and Equipment	16,288	0	0	0	0	16,288	16,288	
25	Accumulated Depreciation on Assets	(406,391)					(406,391)	(406,391)	
26	TOTAL ASSETS	26,708,428	3,318,908	1,358,755	0	665,198	23,895,614	29,238,475	
27									
28	LIABILITIES, DEFERRED INFLOWS AND FUND EQUITY								
29	Accounts Payable	135,507	358,983	0	0	0	0	358,983	
30	Payroll Liabilities	2,459	85	0	0	0	0	85	
31	Wages Payable	0	0					0	
32	Accrued Compensated Absences	42,249					42,249	42,249	
33	Due to Summit County (Sales Tax Advance)	0	0					0	
34	Misc Liabilities	6,263	0					0	
35	CommDev Compliance Deposit	0	442,085					442,085	
36	Clearing Account	(28)	0					0	
37	TOTAL LIABILITIES	186,450	801,153	0	0	0	42,249	843,402	
38									
39	DEFERRED INFLOWS								
40	Deferred Revenue	0	0					0	
41	TOTAL DEFERRED INFLOWS	0	0	0	0	0	0	0	
42									
43	FUND EQUITY								
44	Invested in Capital Assets, Net	23,895,614	0	0	0	0	23,895,614	23,895,614	
45	Amt to be Prov for Down Pymt Assist Loan	0		101,318				101,318	
46	Amt to be Prov for Compensated Absences	(42,249)					(42,249)	(42,249)	
47	Amount to be Provided for Debt Repayment	0	0					0	
48	Fund Balance - General Fund	1,942,890	2,517,755					2,517,755	
49	Fund Balance - Workforce Housing	725,722		1,257,437				1,257,437	
50	Fund Balance - Conservation Trust	0			0			0	
51	Fund Balance - Lodging Tax					665,198		665,198	
52	TOTAL FUND EQUITY	26,521,978	2,517,755	1,358,755	0	665,198	23,853,365	28,395,073	
53									
54	TOTAL LIABILITIES, DEFERRED INFLOWS								
55	AND FUND EQUITY								
56		26,708,428	3,318,908	1,358,755	0	665,198	23,895,614	29,238,475	
57	No assurance provided on these financial statements; substantially all disclosures required	=	=	=	=	=	=	=	

	A	B	D	E	F	G	H	I
6			Approved		7 months			
7			Amended		Ended	Variance	% of	
8			2025	2025	7/31/2025	Favorable	2025	
9			<u>Budget</u>	<u>Forecast</u>	<u>Actual</u>	<u>(Unfavor)</u>	<u>Budget</u>	<u>Notes</u>
10	GENERAL FUND							
11	Revenues							
12		Sales Tax (1 mos estimated)	3,440,698	3,440,698	2,128,184	(1,312,514)	62%	
13		Other Tax Revenue						
14		Highway Users Tax Fund	66,612	30,000	0	(66,612)	0%	The State Fiscal Year 2025 HUTF distribution is based on 2023 vehicle registrations and lane miles. Since Keystone incorporated in 2024, we reported this year, with distributions starting in July 2025
15		Cigarette Tax	7,115	7,115	3,769	(3,346)	53%	
16		Nicotine Tax	83,315	152,722	0	(83,315)	0%	The IGA has been modified and we just recived the signed agreement
17		Road and Bridges Tax	103,774	89,737	86,327	(17,447)	83%	
18		Specific Ownership Tax	34,723	0	0	(34,723)	0%	Since we don't levy property taxes we don't qualify for SO tax
19		Auto Ownership Tax	13,657	30,000	23,491	9,834	172%	Some of the funds relate to 2024 appear in our 2025 records because the 2024 fiscal year has been closed out.
22		Total Other Tax Revenue	309,196	309,574	113,587	(195,609)	37%	
23		Fees						
24		Building Permits	40,641	50,000	47,794	7,153	118%	10% revenue from SC on building permit review and grading and excavating permits. \$18K is restricted for open space
25		Comm Dev Reimbursable Costs	20,000	0	0	(20,000)	0%	received once a development occurs expense. See other **
26		Franchise Fees	1,500	1,500	0	(1,500)	0%	Comcast will remitt 24 & 25 in the next month
28			62,141	51,500	47,794	(14,347)	77%	
29		Licenses						
30		Business Licenses	34,000	3,750	2,050	(31,950)	6%	Started in June. Forecast is based on 75 licenses @ \$50
31		Short Term Rentals	547,150	547,150	55,860	(491,290)	10%	September event
32		Liquor Licenses	1,750	5,250	1,928	178	110%	Forecast is based on 30 @\$175
33		Tobacco Licenses	0	800	0	0		forecast is based on 4 @ \$200
35			582,900	556,950	59,838	(523,062)	10%	
36		Fines						
37		Municipal Court Fines	40,000	40,000	0	(40,000)	0%	new IGA
38		Code Enforcement Fines	5,000	5,000	0	(5,000)	0%	
39		*** Court Reimbursable Costs	19,382	0	0	(19,382)	0%	will receive once cost occurs. See other *** under expenditures
41			64,382	45,000	0	(64,382)	0%	
42		Other Income						
43		Grants	215,000	340,000	62,383	(152,617)	29%	Town Manager Grant and Comp plan are reimbursable grants at 50%. SIPA Grant for \$110K.
44		Interest on Taxes			0	0		
45		Interest on Investments	68,000	68,000	57,211	(10,789)	84%	
46		Admin Miscellaneous Income	0	0	134,388	134,388		CML dinner and development donation of \$122,500
48			283,000	408,000	253,982	(29,018)	90%	
50	Total Revenue		4,742,317	4,811,721	2,603,385	(2,138,932)	55%	

	A	B	D	E	F	G	H	I
6			Approved		7 months			
7			Amended		Ended	Variance	% of	
8			2025	2025	7/31/2025	Favorable	2025	
9			Budget	Forecast	Actual	(Unfavor)	Budget	Notes
52		Expenditures						
53		Employee Benefits & Taxes						
54		401 A Match	67,515	67,515	39,187	(28,328)	58%	Town contributes 8% in lieu of social security employee must contribute 3%.401a
55		457 Match	25,318	21,444	9,956	(15,362)	39%	Town matches up to 3% toward 401a when they contribute to 457
56		Flexible Spending Account (FSA)	12,000	1,200	575	(11,425)	5%	This is an expense account and the admin cost is \$75 per month so \$900 per year.
57		Wellness Reimbursement	17,500	17,500	8,958	(8,542)	51%	employee benefit
58		Health Insurance Premiums	120,360	185,073	103,764	(16,596)	86%	employee pays 20% . This line item will be over budget
59		Health Ins Employee Contributions	0	(37,015)	(19,945)	(19,945)	20%	from employee
60		Workers Comp Insurance Premiums	12,375	2,086	1,248	(11,127)	10%	based on WC estimate
61		COL and Merit Raises	40,548	40,548	14,118	(26,430)	35%	
62		Payroll Taxes	40,137	14,682	8,651	(31,486)	22%	
63								
64		Total Employee Benefits & Taxes	335,753	313,033	166,512	(169,241)	50%	
65		General Expenditures All Departments						
66		Telephone	3,168	2,500	1,386	(1,782)	44%	
67		Office Lease	196,158	196,158	34,300	(161,858)	17%	Rent is \$4900 month currently
68		Office Building Maintenance	3,504	0	0	(3,504)	0%	
69		Office Supplies	5,000	8,000	5,480	480	110%	
70		Prof Services/Membership Fees	17,000	20,000	12,309	(4,691)		Employers Council, CAST, Employers Council, I70 Co., CGFOA, CML, NWCOG
71		Dues and Subscriptions	7,000	5,000	16,058	9,058	72%	and Appraisal
72		Training	14,011	14,011	7,406	(6,605)	229%	items need to be reclassified
73		Travel/Meals/Lodging	14,011	13,511	5,636	(8,375)	53%	
74		Uniforms/Clothing	5,000	5,000	3,338	(1,662)	40%	
75		Insurance	7,500	8,500	6,586	(914)	67%	Planning commissioners coats
76		Bank and Misc Fees	0	80	70	70	88%	Based on CIRSA quote. Quarterly expenditure
77		IT/Technology	60,000	60,000	23,365	(36,635)	39%	Verticomm, SIPA, Adobe and phone set up
78		Website	0	5,000	4,030	4,030		Annual reoccurring fee
79		Equipment Repairs/Leases	7,589	0	0	(7,589)	0%	
80								
81		Total Gen Exp All Departments	339,942	337,760	119,964	(219,978)	35%	
82								
83		Mayor and Town Council						
84		Mayor Wages	12,000	12,000	6,937	(5,063)	58%	
85		Council Wages	36,000	36,000	20,580	(15,420)	57%	
86		Cell Phone AllowTown Council	6,300	6,300	3,600	(2,700)	57%	
87								
88			54,300	54,300	31,117	(23,183)	57%	
89								
90		Community Support Town Council	100,000	100,000	55,232	(44,768)		Child care \$22K, Summit Foundation passes \$8K, Treetop \$10K * Nicotine revenue is restricted, \$5K 2025 Mountain Towns Host Fees will be moved here. The \$40,000 for grants for bear-proof garbage containers will be funded from this allocation.
91		Travel and Training	5,000	1,000	708	(4,292)	14%	
92		Misc Expense Town Council	1,401	7,000	6,790	5,389	485%	Town Council dinners and CML Dinner. This line item will be over budget.
93		Total Mayor and Town Council	160,701	162,300	93,847	(66,854)	58%	
94								

	A	B	D	E	F	G	H	I
6			Approved		7 months			
7			Amended		Ended	Variance	% of	
8			2025	2025	7/31/2025	Favorable	2025	
9			Budget	Forecast	Actual	(Unfavor)	Budget	Notes
95		Administration Services						
96		Town Manager Wages	178,200	178,200	95,193	(83,007)	53%	
97		Administrative Wages	185,240	195,240	106,725	(78,515)	58%	to include intern from grant
98		Cell Phone Administration	2,700	2,700	1,575	(1,125)	58%	
99		Keystone Housing Administration	18,000	18,000	10,500	(7,500)	58%	
100								
101			384,140	394,140	213,993	(170,147)	56%	
102		Postage	2,919	500	58	(2,861)	2%	
103		Printing	4,000	1,000	294	(3,706)	7%	
104		Community Engagement	20,000	20,000	7,436	(12,564)	37%	comp plan events
105		Local Travel	2,919	500	38	(2,881)	1%	
106		Elections	0	0	0	0	0%	
107		Town Attorney Contract	150,000	150,000	77,713	(72,287)	52%	
108		Smoking Cessation (fr Nicotine Tax)	27,000	0	0	(27,000)	0%	
109		Payroll Contract (Paylocity)	9,900	9,900	4,990	(4,910)	50%	
110		Accounting Contract (M&W)	10,000	50,000	38,079	28,079	381%	implementing an account system takes time so their services are need a bit longer. This item will be over budget.
111		Annual Audit Contract	19,266	19,266	0	(19,266)	0%	
112		Short Term Rental Contract Support	120,264	210,264	100,176	(20,088)	83%	to include the str software enhancements funded by grant
113		Miscellaaous Administrative Expense	15,000	5,000	2,761	(12,239)	18%	Publication notices and missed contrubution for missed earnings
114								
115		Total Administrative Services	765,407	860,569	445,538	(319,869)	58%	
116								
117		Finance Department						
118		Finance Department Wages	127,000	127,000	64,965	(62,035)	51%	
119		Cell Phone Finance	900	900	488	(412)	54%	
120		Keystone Housing Finance	6,000	6,000	3,250	(2,750)	54%	
121								
122			133,900	133,900	68,703	(65,197)	51%	
123								
124		Communications / Postage	2,000	500	80	(1,920)	4%	
125		Computer Services	18,000	18,000	15,650	(2,350)	87%	Caselle contract
126		Miscellaneous Expense	4,009	500	362	(3,647)	9%	checks
127		Total Finance Department	157,909	152,900	84,795	(73,114)	54%	
128								
129		Community Development						
130		Community Development Wages	241,729	207,452	128,238	(113,491)	53%	
131		Cell Phone Comm Dev	1,800	1,800	975	(825)	54%	
132		Keystone Housing Incentive Comm Dev	12,000	12,000	6,000	(6,000)	50%	
133								
134			255,529	221,252	135,213	(120,316)	53%	
135		Building Permit/Inspections	0	0	0	0		
136		GIS	9,341	5,000	0	(9,341)	0%	
137		**Professional Services (Contracted)	20,000	0	0	(20,000)	0%	
138		Planning Supplies/Printing	5,838	5,838	50	(5,788)	1%	
139		Local Travel	5,838	500	0	(5,838)	0%	
140		Communications	0	500	191	191	0%	
141		Miscellaneous Comm Dev Expense	2,500	2,500	0	(2,500)	0%	
142								
143		Total Community Develop	299,046	235,590	135,454	(163,592)	45%	
144								

	A	B	D	E	F	G	H	I
6			Approved		7 months			
7			Amended		Ended	Variance	% of	
8			2025	2025	7/31/2025	Favorable	2025	
9			Budget	Forecast	Actual	(Unfavor)	Budget	Notes
145		Public Works						
146		Public Works Wages	93,409	93,409	53,076	(40,333)	57%	
147		Cell Phone Public Works	900	900	525	(375)	58%	
148		Keystone Housing Public Works	6,000	6,000	3,500	(2,500)		
149								
150			100,309	100,309	57,101	(43,208)	57%	
151		Communications	0	0	0	0		
152		Engineer Consultant	11,000	11,000	0	(11,000)	0%	
153		Planning and Printing Supplies	2,500	0	0	(2,500)	0%	
154		Road Maint/Snow Plowing Contracts						
155		Loveland Pass Village	22,800	19,899	3,348	(19,452)	15%	
156		Keystone Roads- Currently County Maintained	86,000	86,000	80,888	(5,112)	94%	
157		Roads not County Maintained	96,967	96,967	11,675	(85,292)	12%	
158		Asphalt Crack Seal	0	0	2,580	2,580		
159		Noxious Weed Control	17,514	0	0	(17,514)	0%	
								forecast includes the expenditure for the \$122,500 contribution for pathway on hwy 6. Rest is out of lodging tax fund. Actuals include Tree Mitigation at Town
160		Other Maintenance	40,866	163,366	9,851	(31,015)	24%	Hall
161		Total Road Maintenance/Snow Plowing Contracts	264,147	366,232	108,342	(155,805)	41%	
162						0		
163		Trail Maintenance	50,000	0	0	(50,000)	0%	
164		Signage	15,500	3,000	0	(15,500)	0%	
165		Engineering Services	30,000	30,000	21,482	(8,518)	72%	
166		Miscellaneous Public Works Expense	19,000	3,000	799	(18,201)	4%	tools for Public Works
167								
168		Total Public Works Expenses	492,456	513,541	187,724	(460,537)	38%	
169								
170		Public Safety						
171		Communications	33,394	23,600	17,702	(15,692)	53%	
172		Law Enforcement Contract Support	556,414	640,000	593,205	36,791	107%	both Dillon and SC Sheriff. This line item will be over budget.
173		Animal Control	3,923	2,618	2,618	(1,305)	67%	
174		Miscellaneous Public Safety Exp	0	0	0	0		
175								
176		Total Public Safety Expenses	593,731	666,218	613,525	19,794	103%	
177								
178		Municipal Court						
								Under the new IGA, Keystone's payment will be made in arrears once the cost has been established
179		Judge	7,589	0	0	(7,589)	0%	based on its percentage of total court cases
180		Prosecutor	11,209	0	0	(11,209)	0%	
181		Miscellaneous Exp Municipal Cout	584	0	0	(584)	0%	
182								
183		***Total Court Expenses	19,382	0	0	(19,382)	0%	
184								

	A	B	D	E	F	G	H	I
6			Approved		7 months			
7			Amended		Ended	Variance	% of	
8			2025	2025	7/31/2025	Favorable	2025	
9			Budget	Forecast	Actual	(Unfavor)	Budget	Notes
185		Capital and Non-Routine Projects						
186		Office Set Up-Furniture, Supplies and Equipment	45,500	45,500	4,413	(41,087)	10%	
187		Facility Modifications			0	0		
188		Staff Hiring Expense	1,200	1,200	385	(815)	32%	
189		Start Up Consultant Support (Clerk/Community Dev/Public Works)			0	0		
190		IT-Infrastructure/Software/Computers/Printers/Set up	89,000	89,000	9,994	(79,006)	11%	records management system, printer \$10K, \$5K conferencing equipment
191		Website	30,000	20,000	17,374	(12,626)	58%	new website. Contract received \$20K
192		Town Signage	4,000	4,000	0	(4,000)	0%	
193		Engineering Assessment Town Maintained Roads	8,000	8,000	0	(8,000)	0%	
194		Flood Plain Plan	15,000	0	0	(15,000)	0%	
195		Trails and Open Space Master Plan	30,000	30,000	24,622	(5,378)	82%	connectivity plan
196		Comprehensive Use Plan	100,000	200,000	124,250	24,250	124%	contract just shy of \$200K grant will cover 50% which is shown in grants
197		Strategic Plan	60,000	60,000	0	(60,000)	0%	
198		Vehicle and equipment	70,000	35,000	0	(70,000)	0%	new Gator with plow
199								
200		Total Capital and Non-Routine Exp	452,700	492,700	181,038	(271,662)	40%	
201								
202		Economic Development						
203		Economic Development and Marketing	100,000	0	120	(99,880)	0%	
204								
205		Total Economic Development Expenses	100,000	0	120	(99,880)	0%	
206								
207		Total Operating Expenditures	3,717,028	3,734,612	2,028,517	(1,844,316)	55%	
208								
209		Total Revenue (from above)	4,742,317	4,811,721	2,603,385	(2,138,932)	55%	
210								
211		Operating Surplus (Deficit)	1,025,289	1,077,110	574,868	(450,421)		
212								
213		Beginning Fund Balance - General	1,102,678	1,942,890	1,942,890	840,212		
214								
215		Ending Fund Balance - General	2,127,967	3,020,000	2,517,758	389,791		
216		Components of General Fund Bal						
217		TABOR Restricted Funds	111,511	112,038				
218								

	A	B	D	E	F	G	H	I
6			Approved		7 months			
7			Amended		Ended	Variance	% of	
8			2025	2025	7/31/2025	Favorable	2025	
9			<u>Budget</u>	<u>Forecast</u>	<u>Actual</u>	<u>(Unfavor)</u>	<u>Budget</u>	<u>Notes</u>
219								
220								
221		RESTRICTED FUNDS						
222		Workforce Housing Fund						
223		Revenue and Other Financing Sources						
225		Revenue 5A (17.2%) 2 mos Est.	226,361	170,000	111,915	(114,446)	49%	
226		Revenue 6B (82.8%) 2 mos Est	1,089,689	805,000	538,753	(550,936)	49%	
227		DPA Loan Interest		676	292	292	0%	This is a new line item base on the DPA loan collection of interest
228		Interest Income on Taxes	49,850	25,100	20,046	(29,804)	40%	Interest has been adjusted to today's rates and balance
229		Total Revenues	1,365,900	1,000,776	671,006	(694,894)	49%	
230								
231		Expenditures						
232		Housing Authority Fees	58,929	85,000	47,335	(11,594)	80%	The auditor recommended that we allocate these costs as expenditures, even though the disbursements are netted
233		Land Purchase	600,000	600,000	0	(600,000)	0%	
234		Professional Services	150,000	150,000	0	(150,000)	0%	conceptual site plans
235		Down Payment Assistance	100,000	100,000	93,382	(6,618)	93%	Repayment loan
236		DPA Loan Principal Payment (contra)		(3,189)	(1,426)	(1,426)		
237		Transfer to General Fund	0	0	0	0	0%	
238								
239		Total Expenditures	908,929	931,811	139,291	(769,638)	15%	
240								
241		Surplus after other sources (uses)	456,971	68,965	531,715			
242								
243		Fund bal - Beginning Housing Fund	895,592	725,722	725,722			
244		Fund bal - Ending Housing Fund	1,352,563	794,687	1,257,437			
245								
246		Conservation Trust Fund						
247		Revenue and Other Financing Sources						
248		Conservation Trust Revenue	12,920	0	0	(12,920)	0%	CTF distributions are based on certified population from the prior year. Certified in the 2025, with distributions beginning in March 2026.
249		Interest Income		0	0	0	0%	
250		Total Revenues	12,920	0	0	(12,920)	0%	
251								
252		Expenditures						
253		Conservation Trust Expenses	0	0	0	0	0%	
254		Transfer to General Fund	0	0	0	0	0%	
255								
256		Total Expenditures	0	0	0	0	0%	
257								
258		Surplus after other sources / uses	12,920	0	0	(12,920)	0%	
259								
260		Fund bal - Begin Cons Trust Fnd	12,920	0	0			
261		Fund bal - Ending Cons Trust Fnd	25,840	0	0			
262								
263		Lodging Tax						
264		Revenue and Other Financing Sources						
265		Lodging Tax	1,600,000	1,600,000	1,004,315	(595,685)	63%	
266		Interest Income	32,000	15,000	11,673	(20,327)	36%	
267								
268		Total Revenues	1,632,000	1,615,000	1,015,988	(616,012)	62%	
269								
270		Expenditures						
271		Police Services	200,000	450,000	127,274	(72,726)	64%	
272		Police Capital Equipment	250,000	0	0	(250,000)	0%	
273		Misc. Public Safety Expenses	15,000	0	0	(15,000)	0%	
274		Road Construction / Repaving	400,000	772,000	223,516	(176,484)	56%	maintenance of road medians and Hwy 6 sidewalk
275		Trail Construction / Repaving	80,000	0	0	(80,000)	0%	
276		Engineering / Design Services	250,000	0	0	(250,000)	0%	
277		Transfer to (from) General Fund	0	0	0	0		
278								
279		Total Lodging Tax Expenditures	1,195,000	1,222,000	350,790	(844,210)	29%	
280								
281		Surplus after other sources / uses	437,000	393,000	665,198			
282								
283		FUND BALANCE - Beginning Lodge Tax	0	0	0			
284		FUND BALANCE - Ending Lodge Tax	437,000	393,000	665,198			

TOWN OF KEYSTONE, COLORADO

STAFF REPORT

TO: Mayor & Town Councilmembers
THROUGH: John Crone, Town Manager
Lindsay Hirsh, Community Development Director
FROM: Jennifer Madsen, Town Attorney
DATE: August 26, 2025
SUBJECT: Proposed Regulations on Natural Medicine Uses (updated)

Executive Summary:

An overview of Colorado's new natural medicine landscape was provided to Council at the [October 22 work session](#). At that meeting, Staff discussed with Council the option of a moratorium on natural medicine uses. Town Council approved Ordinance 2024-O-15 to implement a moratorium on the operation of natural medicine businesses, uses, and services until February 1, 2026. This work session is to discuss proposed natural medicine regulations.

Background:

In 2022, Colorado voters approved the [Natural Medicine Health Act](#) (the "NMHA") through a statewide ballot measure ([Proposition 122](#)). The NMHA decriminalized the personal use, possession and growth of certain natural medicines, such as psilocybin and psilocin, for individuals over the age of 21. The NMHA also established a regulating framework for the use of these substances in therapeutic settings, including the creation of licensed healing centers where natural medicines can be administered under the supervision of trained facilitators. State decriminalization and legalization of natural medicine is a recent development. In November 2020, Oregon voters passed ballot measure 109 and Oregon became the first state to create a state-legal, regulated market for psychedelic psilocybin products. Colorado became the second state when voters approved of the decriminalization in November 2022.

The first phase of Colorado's legalization and licensing regime focuses on psilocybin, a naturally occurring psychedelic compound found in more than 200 species of mushrooms that grow naturally around the world. Other substances related to mushrooms and in the state definition of natural medicine will be the focus of future roll out of licensing and state regulations in coming years.

Licensing requirements: The NMHA, as amended in 2023 by SB-23-290, creates occupational licensing requirements for facilitators that are to be administered by the Colorado Department of Regulatory Agencies (DORA) (such as requirements for training and experience) and business licensing requirements for healing centers, products manufacturers, cultivation faculties, and testing facilities that are to be administered by the Colorado Department of Revenue (DOR Natural Medicine Division).

It is important to note state law requires natural medicine facilities must be located at least 1,000 feet from any school, unless the local law allows allow a shorter distance.

What follows is an overview of the state regulations on operating requirements for the natural medicine businesses:

Facility Security and Access

- All business operations must occur within licensed, secure, enclosed facilities.
- Access to restricted areas (where cultivation, testing, manufacturing, or storage occurs) is limited to licensed personnel.
- Security plans must include video surveillance, secure storage of natural medicine, and restricted public access.

General Sanitary Standards and Hygiene

Natural Medicine Businesses must:

- Exclude ill individuals (those with open wounds, infections, or microbial contamination) from operations involving direct contact with products.

- Require all employees working with natural medicine to maintain personal cleanliness and handwashing before and during duties.
- Maintain clean, sanitary floors, walls, ceilings, and provide adequate lighting in processing and storage areas.

Facility and Contamination Controls

Facilities must:

- Be protected against pests, odors, and microbial growth.
- Store materials and products to prevent growth of undesirable microorganisms.
- Handle toxic cleaning chemicals in accordance with local, state, and federal safety laws, with all Safety Data Sheets (SDS) maintained on-site.

Handwashing, Toilets, and Water Supply

Facilities must have:

- At least one toilet and hand-washing station, with hot water, soap, and drying supplies.
- Sanitized restroom facilities on a regular schedule.
- Potable drinking water for employees and participants.

Fire, Building & Local Health Inspections

Natural Medicine Businesses are subject to:

- Fire safety, building, and zoning inspections by local authorities.
- These inspections may impose additional requirements (e.g., installation of fire suppression systems or verification of compliance with time/place/manner regulations).

Operations and Environmental Standards

- Outdoor cultivation or clinical sessions are prohibited unless specifically approved (e.g., secured outdoor administration areas).
- Businesses must include Environmental, Social, and Governance (ESG) plans, with specific goals such as:

- Sustainable practices (e.g., renewable energy, recyclable materials)
- Social impact goals (e.g., inclusive hiring, community benefit sharing)
- Public transparency (e.g., publishing ESG plans online)

Licensing, Zoning, and Local Control

- Licensees must comply with local zoning and land use laws.
- Local governments may regulate the time, place, and manner of business operations but may not ban them outright.
- Premises cannot be shared with other regulated substances (e.g., marijuana), with limited exceptions.

Staffing and Background Checks

- Natural Medicine Handler Licenses are required for anyone handling or accessing regulated medicine.
- All personnel must pass criminal background checks and be 21 years or older.
- Certain felony convictions and past regulatory violations may disqualify applicants.

Taxes, Fees, and Recordkeeping

- All taxes must be current; failure to file or pay taxes can result in denial or revocation of licenses.
- All changes in ownership, location, or business status require prior approval and proper filing.
- Licensees must keep detailed records of financial interests, visitor logs, operations, and security data.

Inspections and Enforcement

- The State Licensing Authority may conduct random inspections and require compliance documentation at any time.
- Noncompliance can result in warnings, license suspension or revocation, and administrative sanctions.

Complaints and Community Impact

- Businesses must report adverse health events and may be required to respond to public health orders.
- Law enforcement retains full authority to investigate unlawful conduct despite state licensure.

Local government role: As discussed on October 22, 2024, the NMHA provides that local governments may not prohibit the provision of “natural medicine services” within their jurisdiction when conducted by a state-licensed facilitator as defined by state law. A local jurisdiction may also not prohibit the establishment or operation of state-licensed natural medicine businesses (such as hearing centers) within the jurisdiction.

However, local governments retain authority to enact reasonable regulations regarding the time, place, and manner of the operation of such businesses. These regulations must not constitute a de facto ban or undermine access to services permitted under state law.

The State of Colorado, through the Department of Revenue’s Natural Medicine Division, anticipates began accepting applications for natural medicine businesses in the first quarter of 2025.

Here are examples of time, place, and manner regulations for operation of natural medicine businesses.

Time: Local governments may restrict the operational hours of the business. Other municipalities have adopted 12-hour operation regulation: 7:00 a.m. to 7:00 p.m. or 8:00 a.m. to 8:00 p.m., Monday through Sunday.

Place: This regards the location of the natural medicine use. There are two categories of uses: natural medicine healing centers and natural medicine business (for cultivation, manufacturing, and testing). Other municipalities have zoned natural medicine businesses in an industrial zone with some communities allowing placement in commercial zones. Other municipalities have zoned natural medicine healing centers in

commercial, business, and/or industrial. Municipalities can adopt the states 1,000 foot distance from any school or a shorter distance. Some municipalities have adopted a 1,000 foot distance regulation from residential dwellings or a certain distance between natural medicine facilities.

Manner: Municipalities have implemented regulations that complement or impose stricter requirements related to the operation of the businesses. A majority of municipalities have imposed security provisions for doorways, windows, and other openings: to prevent seeing in from outside. Several municipalities require clear illumination to provide visibility of entrances, parking, and exterior walkways. Other municipal regulations require businesses to be located in a permanent building; not in a trailer, tent or motor vehicle. Some municipalities prohibit the natural medicine to be placed within the facility's exterior refuse containers. Other municipalities require that natural medicine businesses will use an air filtration and ventilation system designed to reduce odors emitted from the facility.

As with all land use regulations, any requirement must have a rational relation to legitimate public interest, such as public health, safety, welfare, or local concern.

Proposed regulations on Natural Medicine uses: The proposed regulations are reasonable time, place, and manner regulations and establish a local regulatory framework for natural medicine businesses and personal use cultivation in the Town, consistent with the Town's zoning authority and Colorado state law.

1. **Proposed New Use Definitions:** The recommendation is to add the following use definitions to the Land Use Code:

Natural Medicine has the same meaning as in Section 44-50-103(13), C.R.S. [Currently, defined as psilocybin and psilocin. As of June 1, 2026, it may include dimethyltryptamine, ibogaine, or mescaline.]

Natural Medicine Business means any of the following entities licensed under the Natural Medicine State Licensing Authority and includes a Natural Medicine Healing Center, a Natural Medicine Cultivation Facility, a Natural Medicine

Products Manufacturer, a Natural Medicine Testing Facility, or another licensed entity created by the Natural Medicine State Licensing Authority.

Natural Medicine Cultivation Facility means a facility that is licensed by the Natural Medicine State Licensing Authority where regulated Natural Medicine is grown, harvested, and prepared in order to be transferred and distributed to either a Healing Center, Facilitator, a Natural Medicine Products Manufacturer, or to another Natural Medicine Cultivation Facility.

Natural Medicine Healing Center means a facility licensed by the Natural Medicine State Licensing Authority that permits a facilitator, as defined by the Natural Medicine Code, to provide and supervise natural medicine services for a participant, as defined by the Natural Medicine Code.

Natural Medicine Products Manufacturer means a facility that is licensed to manufacture regulated natural medicine products for transfer to a Healing Center, Facilitator, or to another Natural Medicine Products Manufacturer pursuant to the terms and conditions of the Natural Medicine State Licensing Authority.

Natural Medicine Testing Facility means a facility that is licensed by the Natural Medicine State Licensing Authority to perform testing and research on Natural Medicine and Natural Medicine Product.

2. **Zoning and Permitted Use Areas**¹: The proposal is to amend the Town Land Use Code to allow natural medicine businesses and uses in the Highway Business, B-1 zone district. The parcels in the B-1 zone district are located along Highway 6. The [zoning map](#) (see attachment) shows the location of these B-1. The regulation would require that natural medicine uses are 1,000 from schools (identical to the state requirement).

¹ The Town of Keystone does not have commercial or industrial zone districts.

The proposal is to allow these uses as uses by right within designated zone districts. This approach is based on the fact that natural medicine businesses are subject to extensive state regulation.

3. Operational Restrictions:

- All business operations must occur within a fully enclosed, permitted principal building.
- All such uses shall not cause odors, smoke, heat, glare or light that is detectable to a person of normal senses beyond the property line of the property upon which the use is being conducted, or in an adjacent unit or public area.
- Outdoor operations, including cultivation or clinical sessions, are prohibited.
- Personal cultivation must occur in enclosed, locked spaces and not be visible or detectable from outside the property.

4. State Compliance: All natural medicine businesses must be licensed by the State of Colorado and comply with state regulatory standards.

For your consideration, here are examples of other municipalities' regulations related:

Silverthorne: natural medicine business allowable in Commercial 2 zone, and conditional in Commercial 1.

Breckenridge: prohibits natural medicine businesses in the downtown area (along Main St) unless collocated with existing health care facility (subject to the basic 1000 ft distance to child/school centers).

Frisco: in zone districts that allow for medical office use; and at any private residential location at which such service is allowed by state regulations.

Colorado Springs: a mile from school, child center or residential dwelling

Fountain: intended to follow C. Springs example, but found that any geographical measure they might use in that small town would be unreasonably discriminatory — so they compromised with a 1,000 foot min. pedestrian distance to any school, childcare center, or residential dwelling.

Alternatives:

Town Council may provide alternative direction on natural medicine regulations.

Next steps:

Staff will draft an ordinance based on Council direction. The ordinance will be presented to the Planning & Zoning Commission for consideration and recommendation and then Town Council will consider the draft ordinance.

Attachment:

- B-1 Zoning Summary

Oro Grande Lodge Condos

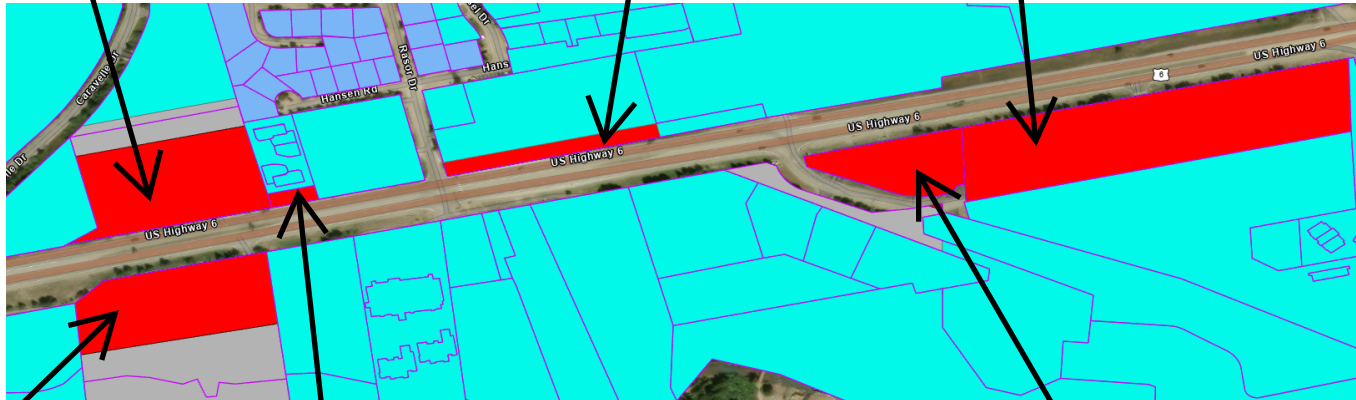
- 50 multi-family units
- wetlands to NW
- Oro Grande No. 1 Canal abuts HW 6

Oro Grande No. 1 Canal

- platted in 1989 - water conveyance
- water rights transferred to owner
- nothing built there

Gateway Condos/Commercial

- 16 multi-family units (lodge - Summit Cove)
- 1 deed restricted unit (Gateway employee)
- Commercial:
 - Steep
 - Breeze Ski Rentals
 - Max Snowboard Rentals
 - Grocery & Liquor
 - Snowbird Cafe
 - Cornerstone Real Estate
 - Haywood Cafe



Tenderfoot Lodge

- 70 lodge units
- 30377 sf ground floor area
- 4 stories

Land Owned by Oro Grande Lodge

- 20' utility easement
- part of Oro Grande No. 1 Canal

Snake River Saloon & Steakhouse

Christy Sports



Keystone Town Council Minutes

A Regular Meeting of the Keystone Town Council was held on August 12, 2025, at 7:00 p.m. at 1628 Sts. John Rd, Keystone, CO 80435. Full and timely notice of the meeting had been posted, and a quorum of the body was present.

I. CALL TO ORDER, ROLL CALL

Mayor Riley called the meeting to order at 7:05 p.m. The roll was called, and it was found there were present and participating at that time the following members: Councilmember Jon Hagenow, Councilmember Carol Kerr, Councilmember Steve Martin, Councilmember Aaron Parmet, Councilmember Dan Sullivan, Councilmember Valerie Thisted, and Mayor Ken Riley.

II. PLEDGE OF ALLEGIANCE

Mayor Riley led the Council in reciting the Pledge of Allegiance.

III. APPROVAL OF AGENDA

Mayor Riley presented the agenda.

Councilmember Hagenow moved to approve the agenda as presented.

Councilmember Sullivan seconded.

By voice vote, the motion passed unanimously, and the agenda was approved as presented.

IV. COMMUNICATIONS TO COUNCIL

Mayor Riley opened the floor for public comment. The following members of the public spoke:

Dan Johnson from the Keystone Medical Center provided public comment regarding pedestrian safety along Soda Ridge Road.

Seeing no further members of the public wishing to speak, Mayor Riley closed the floor for public comment.

V. CONSENT

A. FIRST READING OF ORDINANCES

B. RESOLUTIONS

C. MEETING MINUTES

1. July 22, 2025 – Meeting Minutes

D. EXCUSED ABSENCES

1. July 22, 2025, Carol Kerr – Remote Participation

E. OTHER

1. TOK25-009: 129 River Run Rd Signage

2. TOK25-010: 100 Dercum Sq Signage

3. TOK25-011: Class 2 Special Event Permit for the Expedition Colorado 2025 race that goes through Keystone

4. Memorandum of Understanding on Street Addressing

Mayor Riley presented the consent agenda.

Councilmember Hagenow moved to remove consideration of TOK25-011 from the consent agenda. Councilmember Kerr seconded.

By hand vote, the motion passed unanimously, and TOK25-011 was removed from the consent agenda.

Councilmember Kerr moved to remove the Memorandum of

Understanding from the consent agenda. Councilmember Hagenow seconded.

By voice vote, the motion failed.

Councilmember Kerr moved to approve the consent agenda as amended. Councilmember Hagenow seconded.

By voice vote, the motion passed unanimously, and the consent agenda was approved with the exception of TOK25-011.

VI. DISCUSSION

A. CONSIDERATION OF ORDINANCES

1. [Second Reading/Public Hearing] Ordinance 2025-O-13, Ordinance of Town Council of the Town of Keystone, Colorado, Regarding the Regulation of Pet Animals within the Town of Keystone

Mayor Riley recognized Town Clerk Madeleine Sielu to read the title of Ordinance 2025-O-13, Regarding the Regulation of Pet Animals within the Town of Keystone.

Mayor Riley opened the public hearing.

Mayor Riley recognized Town Manager John Crone and Town Attorney Jennifer Madsen to introduce Ordinance 2025-O-13.

Mayor Riley opened the floor for public comment on the item.

Seeing no members of the public wishing to speak, Mayor Riley closed the floor to public comment.

Councilmember Sullivan moved to approve Ordinance 2025-O-13, with

an amendment to Section 4.B. to read “Notwithstanding paragraph A, all pet animals on paved public pathways, public boardwalks, or in plazas and other public areas while such areas are being used for Town-permitted public gatherings, or such areas as designated by the Town Manager, shall be restrained by means of a leash, rope, chain or other physical restraint, no longer than eight (8) feet in length, of sufficient strength to control the animal.” and an amendment to Section 7.B. to add “or produce evidence on demand that such a tag has been issued” to the end. Councilmember Kerr seconded.

By roll call, the result was:

Ayes: Councilmember Hagenow, Councilmember Kerr, Councilmember Martin, Councilmember Parmet, and Councilmember Sullivan, Councilmember Thisted, Mayor Riley (7)

Nays: (0)

Absent: (0)

The motion passed, and Ordinance 2025-O-13 was approved as amended.

2. [Second Reading/Public Hearing] Ordinance 2025-O-14, An Ordinance of Town Council of the Town of Keystone, Colorado, Amending Ordinance 2024-O-07, Adopting Short-Term Rental Regulations to Establish Requirements for Parking Diagrams and Requiring Contact numbers to be Provided as a Direct Number

Mayor Riley recognized Town Clerk Sielu to read the title of Ordinance 2025-O-14, Amending Ordinance 2024-O-07, Adopting Short-Term Rental Regulations to Establish Requirements for Parking Diagrams and Requiring Contact Numbers to be Provided as a Direct Number.

Mayor Riley opened the public hearing.

Mayor Riley recognized Town Manager Crone and Town Clerk Sielu to

introduce Ordinance 2025-O-14.

Mayor Riley opened the floor for public comment on the item.

Tim Huiting from the Sanctuary spoke related to parking requirements.

Seeing no further members of the public wishing to speak, Mayor Riley closed the floor to public comment.

Councilmember Sullivan moved to approve Ordinance 2025-O-14 with an amendment to revise section F.2.g to read "A parking plan or description for the Property, including a parking diagram for single family, duplex and townhome units, which complies with the parking requirements set forth in Section G.2.a. below." Councilmember Martin seconded.

By roll call, the result was:

Ayes: Councilmember Hagenow, Councilmember Kerr, Councilmember Martin, Councilmember Parmet, and Councilmember Sullivan, Councilmember Thisted, Mayor Riley (7)

Nays: (0)

Absent: (0)

The motion passed, and Ordinance 2025-O-14 was approved as amended.

B. RESOLUTIONS

1. Resolution 2025-30, A Resolution of Town Council of Keystone, Colorado, Appointing and Setting Terms of the First Members of the Town of Keystone Business Advisory Board

Mayor Riley recognized Town Manager Crone and Town Clerk Sielu to Introduce Resolution 2025-30, Appointing and Setting Terms of the First

Members of the Town of Keystone Business Advisory Board.

Town Council directed staff to return to a future Council Meeting with a resolution for appointment following an extended recruitment period.

C. OTHER

1. Discussion of Fire Impact Fees

Mayor Riley recognized Town Manager Crone to introduce discussion of fire impact fees.

Councilmember Hagenow moved to instruct Manager Crone to write a letter on behalf of the Town regarding the fire impact fees and workforce housing units. Councilmember Kerr seconded.

By hand vote, the motion passed unanimously, and the Manager was instructed to write a letter on behalf of the Town.

2. TOK25-011: Class 2 Special Event Permit for the Expedition Colorado 2025 race that goes through Keystone

This item is on the agenda to provide Town Council an opportunity to consider calling up a Class 2 approval of a Special Event Permit.

Councilmember Hagenow asked a procedural question related to the application and Community Development Director Lindsay Hirsh provided an answer.

Councilmember Hagenow moved to pass on the opportunity to call up TOK25-011. Councilmember Kerr seconded.

By voice vote, the motion passed unanimously, and TOK25-011 was not called up.

VII. PLANNING MATTERS

VIII. REPORT OF TOWN MANAGER AND STAFF

The Town Manager reported that the Police Chief would likely be present at the next meeting. The Town is still within a Stage 2 Fire Ban. Short-Term Rental renewal applications are opening the week of August 25th and a new website will launch at the end of September. The Colorado Department of Transportation has reached out to have a meeting discussing the Razor Dr intersection. The Town will likely receive a \$40,000 grant from Colorado Parks and Wildlife for wildlife-proof refuse containers. Continued work is happening to help secure the Destination Blueprint grant for Keystone. An initial offer has been submitted for Town Hall. Staff recently received the conditional roads report. The Town Manager researched the feasibility of speed bumps in Loveland Pass Village and determined it is not recommended based on the size and location of the roads. The Public Utilities Commission hosted an evidentiary hearing and the Mountain Community Coalition is supporting the proposed settlement.

IX. REPORT OF MAYOR AND COUNCIL

Councilmember Hagenow reported that about fifteen residents attended “Beers With Council”. Several topics were brought up at this event including firewise designation, lodging tax, the recreation path, noxious weed control, the Town’s presence at Keystone Festivals, the Keystone PUD, and advertisement of meetings.

Mayor Riley reported that the Mayors, Managers, and Commissioners, discussed revisions to the use of nicotine tax funds and Early-Childhood Options. A memorandum of understanding related to establishing a Regional Transit Authority will be brought forward at a future meeting.

X. OTHER MATTERS (Town Manager/Mayor/Councilmember may bring up items on other matters that are not on the agenda)

Councilmember Kerr requested discussion of the upcoming Colorado Association of Ski Towns Meeting being hosted in Keystone at a future work session.

Councilmember Parmet requested to be the non-voting member of the Trails and Open Space Advisory Board. Without objection, Town Council agreed to allow Councilmember Parmet to serve as the non-voting member on the Trails and Open Space Advisory Board.

XI. SCHEDULED MEETINGS

XII. EXECUTIVE SESSION

XIII. ADJOURNMENT

Seeing no further business to discuss, Mayor Riley adjourned the meeting at 9:18 p.m.

TOWN OF KEYSTONE, COLORADO

STAFF REPORT

TO: Mayor & Town Councilmembers
THROUGH: John Crone, Town Manager
FROM: Heikela Fawkes, Finance Director
DATE: August 26, 2025 – Town Council Meeting
SUBJECT: [Consent] Resolution 2025-30, Approving Capitalization and Depreciation Policy

Executive Summary:

The attached Capitalization and Depreciation Policy establishes consistent guidelines for accounting for the Town's capital assets in compliance with Generally Accepted Accounting Principles (GAAP), Governmental Accounting Standards Board (GASB) pronouncements, and best practices recommended by GFOA, CML, and CGFOA. The policy sets capitalization thresholds, depreciation methods, useful lives, and reporting standards necessary for accurate financial reporting and audit compliance.

Background:

As a newly incorporated municipality, the Town of Keystone must formalize core financial policies to support effective asset management and reporting. This policy is designed to define when purchases should be capitalized, how they are depreciated, and how assets are inventoried, maintained, and reported. It incorporates GASB Statements 34, 87, and 96 and aligns with state and professional guidance.

Alternatives:

1. Approve the policy as presented.
2. Approve the policy with modifications.
3. Do not adopt a policy at this time.

Financial Considerations:

Adopting this policy will not have a direct budgetary impact but will significantly improve long-term financial controls, asset accountability, and audit readiness. It provides a consistent framework to distinguish capital expenditures from operating expenses.

Previous Council Actions:

Town Council reviewed this policy at the Work Session August 12, 2025.

Next Steps:

Upon approval, the policy will be incorporated into the Town's financial procedures. Finance will begin implementing fixed asset tracking and depreciation schedules in accordance with the policy.

Suggested Motions:

I move to APPROVE Resolution 2025-30, Approving a Capitalization and Depreciation Policy as presented.

Alternative Motion (if amendments are made): I move to adopt the Capitalization and Depreciation Policy with the following changes: (specify amendments).

Attachments:

- Resolution 2025-30, Approving a Capitalization and Depreciation Policy
- Exhibit A – Capitalization and Depreciation Policy

**TOWN OF KEYSTONE
Summit County, Colorado**

RESOLUTION 2025-30

**A RESOLUTION OF TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO,
APPROVING CAPITALIZATION AND DEPRECIATION POLICY**

WHEREAS, the Town of Keystone (“Town”) is a home rule municipality governed by the Keystone Home Rule Charter; and

WHEREAS, the Town Council recognizes the need for clear and consistent financial policies to ensure proper stewardship of public resources; and

WHEREAS, Governmental Accounting Standards Board (GASB) pronouncements and best practices from the Government Finance Officers Association (GFOA), Colorado Municipal League (CML), and Colorado Government Finance Officers Association (CGFOA) recommend adoption of formal asset capitalization and depreciation policies; and

WHEREAS, the Finance Director has prepared and presented a Capitalization and Depreciation Policy for the Town Council’s consideration that meets these standards and supports accurate financial reporting, compliance, and asset management;

Now, Therefore, be it Resolved by the Town Council of the Town of Keystone, Colorado, that:

Section 1. The Capitalization and Depreciation Policy, attached hereto and incorporated herein as “Exhibit A”, is hereby adopted by the Town Council of the Town of Keystone.

Section 2. . Town staff are directed to implement the policy and ensure its integration into the Town’s financial procedures and internal controls.

Section 3. Effective Date. This Resolution shall take effect upon its approval by the Town Council.

ADOPTED by a vote of _ in favor and _ against, this __ day of _____ 2025.

By: _____
Kenneth D. Riley, Mayor

ATTEST:

Approved as to Form:

By: _____
Town Clerk

By: _____
Town Attorney

Town of Keystone

Capitalization and Depreciation Policy

- I. **PURPOSE OF POLICY:** The purpose of this policy is to establish a uniform framework for capitalizing and depreciating capital assets in accordance with Generally Accepted Accounting Principles (GAAP), the Governmental Accounting Standards Board (GASB), and best practices as recommended by the Government Finance Officers Association (GFOA), Colorado Municipal League (CML), and Colorado Government Finance Officers Association (CGFOA). This ensures accurate financial reporting, effective asset management, and audit compliance
- II. **SCOPE:**

This policy applies to all departments and funds of the Town of Keystone, including governmental and proprietary (enterprise or internal service) funds. It covers the acquisition, capitalization, depreciation, inventory, and disposal of capital assets.
- III. **DEFINITIONS:**

For the purpose of this Policy:

Capital Asset

A tangible or intangible asset used in operations with an initial useful life of more than one year and a value above the Town's capitalization threshold.

Capitalization Threshold

The minimum dollar amount at which an asset is recorded as a capital asset in the Town's accounting records.

Depreciation

The systematic allocation of the cost of a capital asset over its estimated useful life.

Useful Life

The period over which a capital asset is expected to be used in operations, as determined by its physical life, legal or contractual limits, and technological obsolescence.

Book Value

The original cost of a capital asset minus accumulated depreciation.

Straight-Line Depreciation

A method of depreciation where the cost of the asset is expensed evenly over its useful life.

Salvage Value

The estimated value of an asset at the end of its useful life. Keystone assumes salvage value is zero unless otherwise justified.

Infrastructure

Long-lived capital assets that are normally stationary and can be preserved for significantly more years than most capital assets. Examples include roads, bridges, sidewalks, stormwater systems, and trails.

Building Improvements

Capital outlays that materially extend the useful life or increase the value of a building, as opposed to routine maintenance which is expensed.

Construction in Progress (CIP)

Costs incurred for construction projects that are not yet completed or placed in service. CIP is not depreciated until the project is completed.

Lease Asset

A right-to-use capital asset recognized under GASB 87 for leases that meet certain criteria. Lease assets are amortized over the term of the lease.

Donated Asset

An asset received by the Town without cost. Donated assets are recorded at their estimated fair market value at the time of acquisition.

Fixed Asset Register

The Town's official record of capital assets, including acquisition cost, useful life, depreciation, location, and disposal information.

IV. POLICY:

Capitalization Thresholds

Capital assets are defined as tangible or intangible assets with a useful life of at least one year. Assets will be capitalized if they meet or exceed the following thresholds:

Asset Category	Capitalization Threshold
Land	Capitalize all
Buildings	\$50,000
Building Improvements	\$25,000
Infrastructure	\$100,000
Machinery & Equipment	\$10,000
Vehicles	\$10,000
Computer Hardware	\$10,000
Software (internally developed or purchased)	\$25,000
Lease Assets (GASB 87)	Per lease standard
Intangible Assets	\$25,000

Assets below the thresholds are expensed in the year of acquisition.

Depreciation

All depreciable capital assets will be depreciated using the straight-line method over the following standard estimated useful lives, with no salvage value unless documented otherwise:

Asset Category	Useful Life (Years)
Buildings	25–50
Building Improvements	10–30
Infrastructure	20–50
Machinery & Equipment	5–15
Vehicles	5–10
Computer Hardware	3–5
Software	5–10
Lease Assets (GASB 87)	Term of Lease

Land and construction in progress are not depreciated.

Capital Asset Categories

Assets shall be recorded under the following categories:

Land: Real property owned by the Town; non-depreciable.

Buildings and Improvements: Structures and renovations that extend useful life.

Infrastructure: Roads, sidewalks, stormwater systems, etc.

Machinery and Equipment: Tools, furnishings, and equipment used in operations.

Vehicles: Autos, trucks, snowplows, etc.

Software/Intangibles: Licenses, internally developed systems.

Lease Assets: Right-of-use assets under GASB 87.

Construction in Progress: Costs incurred on assets not yet placed in service.

Donated assets are recorded at fair market value at the time of donation.

Timing of Capitalization

Assets are capitalized and depreciated beginning in the month placed into service, not at the time of purchase or payment.

Improvements vs. Repairs

Capitalized Improvements: Expenditures that extend the asset's useful life, increase capacity, or significantly enhance value.

Expensed Repairs/Maintenance: Routine or recurring costs to maintain current service level.

Asset Management & Inventory

The Finance Department will maintain a fixed asset register. Departments are responsible for:

- Notifying Finance of new acquisitions, transfers, or disposals

- Participating in biennial physical inventory

Disposals and Write-offs

Departments must submit documentation to Finance for approval of asset disposals. Disposed assets will be removed from the asset register, and any gain/loss will be recorded in accordance with GASB standards.

Reporting and Compliance

This policy ensures compliance with:

- GASB 34: Basic Financial Statements for State and Local Governments

- GASB 87: Leases

- GASB 96: Subscription-Based IT Arrangements

- GFOA Best Practices: Capital Asset Accounting and Control

- CML/CGFOA Guidelines: Small and Mid-Size Government Financial Operations

Annual financial reports shall include disclosures on capital asset activity and depreciation schedules.

Review Cycle: This policy will be reviewed at least once every year, or upon adoption of new GASB standards.

V. APPROVAL:

This Policy was approved by Town Council through Resolution No. _____.

TOWN OF KEYSTONE, COLORADO

STAFF REPORT

TO: Mayor & Town Councilmembers
THROUGH:
FROM: John Crone, Town Manager
DATE: August 27, 2025
SUBJECT: Fines and Penalties

Executive Summary:

The purpose of this resolution is to adopt penalties and fines for violations of Town ordinances.

Background:

With the creation of the police department and town court, it is important for the Town Council to adopt a penalty and fine schedule. Most of the fines listed are set for infractions in a range dictated by the state.

Class	Minimum Penalty	Maximum Penalty
A	\$15.00 Penalty	\$100.00 Penalty
B	\$15.00 Penalty	\$100.00 Penalty

Misdemeanor traffic offenses require a summons to court.

Violations of our Town Ordinances are limited by the maximum allowable penalty: \$2,650; however, the penalty and fine schedule will allow for lower maximum fines to be set by the Council.

The following schedule shows the proposed penalties for the Town of Keystone in comparison with Dillon and Silverthorne.

<u>MTC Sec. / Ord#</u>	<u>Offense</u>	<u>Fine</u>	<u>Points</u>	<u>Dillon Fine</u>	<u>Silverthorne Fine</u>
	Equipment				
109	Low-power scooters, animals, skis, skates, and toy vehicles on highways.	\$25	0	\$25	\$25
201	Obstruction of view or driving mechanism - hazardous situation	\$50	0	\$50	\$50
202	Unsafe vehicles	\$55	2	\$55	\$50
204	When lighted lamps are required	\$25	2	\$25	\$25
205	Head lamps on motor vehicles	\$25	0	\$25	\$25
206	Tail lamps and reflectors	\$25	0	\$25	\$25
208	Stop lamps and turn signals	\$25	0	\$25	\$25
209	Lamp or flag on projecting load	\$25	?	-	-
217	Use of multiple beam lights	\$25	0	\$25	\$25
225	Mufflers - prevention of noise	\$25	0	\$25	\$25
228	Restrictions on tire equipment	\$25	0	\$25	\$25
230	Emergency lighting equipment - who must carry	\$25	0	\$25	\$25
236	Child restraint systems required	\$85	0	\$85	\$85
237	Safety belt systems – mandatory use	\$85	0	\$85	\$85
	Signals, Signs, Markings				
603	Obedience to official traffic control devices	\$120	4	\$120	\$110
605	Flashing signals	\$85	4	\$85	\$85
608	Signals by hand or signal device	\$80	2	\$80	\$80
	Rights-of-way				

701	Vehicles approaching or entering an intersection	\$80	3	\$80	\$80
702	Vehicle turning left	\$90	3	\$90	\$80
703	Entering through highway - stop or yield intersection	\$90	4	\$90	\$80
704	Vehicle entering roadway	\$85	3	\$85	\$85
705	Operation of vehicle approached by emergency vehicle	\$90	4	\$90	\$90
709	Stop when traffic obstructed	\$85	3	\$85	\$85
710	Emerging from or entering alley, driveway, or building	\$85	4	\$85	\$85
711	Driving on mountain highways	\$115	3	\$115	\$115
	Pedestrians				
801	Pedestrian obedience to traffic control devices and traffic regulations	\$25	0	\$25	\$25
802	Pedestrians' right-of-way in crosswalks	\$40	0	\$40	\$40
803	Crossing at other than crosswalks	\$25	0	\$25	\$25
	Turning Stopping				
901	Required position and method of turning	\$85	3	\$85	\$85
902	Limitations on turning around	\$85	3	\$85	\$85
903	Turning movements and required signals	\$85	3	\$85	\$85
	Driving Overtaking Passing				
1001	Drive on right side	\$85	4	\$85	\$85
1002	Passing oncoming vehicles	\$115	4	\$115	\$115
1003	Overtaking a vehicle on the left	\$115	4	\$115	\$115
1007	Driving on roadways laned for traffic	\$115	4	\$115	\$115
1008	Following too closely	\$115	4	\$115	\$115
1010	Driving on divided or controlled-access highways / driving across median	\$85	3	\$85	\$85
1010	Driving on divided or controlled-access highways / wrong direction	\$85	4	\$85	\$85
	Speed				
1101[3]	Special hazard	\$110	3	\$70	\$110
1101[1]	5-9 MPH	\$90	1	\$90	\$80
1101[1]	10-19 MPH	\$155	4	\$155	\$145

1101[1]	20-24 MPH	\$220	6	\$220	\$210
1101[1]	25-39 MPH	SUM	6	SUM	SUM
1103	Minimum speed regulation	\$75	3	\$75	\$75
1105	Speed contest	SUM	12	SUM	SUM
	Parking / Parking Lots				
1202	Parking or abandonment of vehicles	\$40	0	\$40	\$40
1204	Stopping, standing, or parking prohibited in specified places	\$40	0	\$40	\$40
1205	Parking at curb or edge of roadway	\$40	0	\$40	\$40
1206	Unattended motor vehicle	\$40	0	\$40	\$25
1208	Reserve parking for persons with disabilities	\$100	0	\$100	\$100
1211	Limitations on backing	\$50	2	\$50	\$45
	Other Offenses				
1401	Reckless driving	SUM	8	SUM	SUM
1402	Careless driving	\$170	4	\$170	\$160
1403	Following fire apparatus prohibited	\$40	3	\$40	\$40
1404	Crossing fire hose	\$25	0	\$25	\$25
1405	Riding in trailers	\$25	0	\$25	\$25
1406	Foreign matter on highway prohibited	\$80	0	\$50	\$50
1412	Operation of bicycles and other human-powered vehicles	\$50	0	\$50	\$25
1413	Eluding or attempting to elude a police officer	SUM	12	SUM	SUM
1409	Compulsory insurance	SUM	4	SUM	SUM
	School Buses				
1903	School buses - stops - signs - passing	SUM	6	SUM	SUM
	Animals				
2025-O-13	Dog at large	1st 50 2nd 100 3rd SUM		1st 50 2nd 100 3rd SUM	1st 50 2nd 100 3rd 200

		1st 50 2nd 100 3rd SUM		1st 50 2nd 100 3rd SUM	
	Pet Waste				
		1st 50 2nd 100 3rd SUM		1st 50 2nd 100 3rd SUM	1st 50 2nd 100 3rd 200
	Licensing				
		1st 50 2nd 100 3rd SUM		1st 50 2nd 100 3rd SUM	
	Vaccination				
	Noise				
		1st 50 2nd 100 3rd 200			
2025-O-09	Violation				
	Wildlife-proof Refuse Containers				
		1st 50 2nd 100 3rd 200			
2025-O-06	Violation				
	Fire Restrictions and Fireworks				
		1st 50 2nd 100 3rd SUM			
2025-O-10	Violation				

MTC Sec./ Ord#	Offense	Fine	Points	Dillon Fine	Silverthorne Fine
	Equipment				
109	Low-power scooters, animals, skis, skates, and toy vehicles on highways.	\$25	0	\$25	\$25
201	Obstruction of view or driving mechanism - hazardous situation	\$50	0	\$50	\$50
202	Unsafe vehicles	\$55	2	\$55	\$50
204	When lighted lamps are required	\$25	2	\$25	\$25
205	Head lamps on motor vehicles	\$25	0	\$25	\$25
206	Tail lamps and reflectors	\$25	0	\$25	\$25
208	Stop lamps and turn signals	\$25	0	\$25	\$25
209	Lamp or flag on projecting load	\$25	?	-	-
217	Use of multiple beam lights	\$25	0	\$25	\$25
225	Mufflers - prevention of noise	\$25	0	\$25	\$25
228	Restrictions on tire equipment	\$25	0	\$25	\$25
230	Emergency lighting equipment - who must carry	\$25	0	\$25	\$25
236	Child restraint systems required	\$85	0	\$85	\$85
237	Safety belt systems – mandatory use	\$85	0	\$85	\$85
	Signals, Signs, Markings				
603	Obedience to official traffic control devices	\$120	4	\$120	\$110
605	Flashing signals	\$85	4	\$85	\$85
608	Signals by hand or signal device	\$80	2	\$80	\$80
	Rights-of-way				
701	Vehicles approaching or entering an intersection	\$80	3	\$80	\$80
702	Vehicle turning left	\$90	3	\$90	\$80
703	Entering through highway - stop or yield intersection	\$90	4	\$90	\$80
704	Vehicle entering roadway	\$85	3	\$85	\$85
705	Operation of vehicle approached by emergency vehicle	\$90	4	\$90	\$90
709	Stop when traffic obstructed	\$85	3	\$85	\$85
710	Emerging from or entering alley, driveway, or building	\$85	4	\$85	\$85
711	Driving on mountain highways	\$115	3	\$115	\$115

	Pedestrians				
801	Pedestrian obedience to traffic control devices and traffic regulations	\$25	0	\$25	\$25
802	Pedestrians' right-of-way in crosswalks	\$40	0	\$40	\$40
803	Crossing at other than crosswalks	\$25	0	\$25	\$25
	Turning Stopping				
901	Required position and method of turning	\$85	3	\$85	\$85
902	Limitations on turning around	\$85	3	\$85	\$85
903	Turning movements and required signals	\$85	3	\$85	\$85
	Driving Overtaking Passing				
1001	Drive on right side	\$85	4	\$85	\$85
1002	Passing oncoming vehicles	\$115	4	\$115	\$115
1003	Overtaking a vehicle on the left	\$115	4	\$115	\$115
1007	Driving on roadways laned for traffic	\$115	4	\$115	\$115
1008	Following too closely	\$115	4	\$115	\$115
1010	Driving on divided or controlled-access highways / driving across median	\$85	3	\$85	\$85
1010	Driving on divided or controlled-access highways / wrong direction	\$85	4	\$85	\$85
	Speed				
1101[3]	Special hazard	\$110	3	\$70	\$110
1101[1]	5-9 MPH	\$90	1	\$90	\$80
1101[1]	10-19 MPH	\$155	4	\$155	\$145
1101[1]	20-24 MPH	\$220	6	\$220	\$210
1101[1]	25-39 MPH	SUM	6	SUM	SUM
1103	Minimum speed regulation	\$75	3	\$75	\$75
1105	Speed contest	SUM	12	SUM	SUM
	Parking / Parking Lots				
1202	Parking or abandonment of vehicles	\$40	0	\$40	\$40
1204	Stopping, standing, or parking prohibited in specified places	\$40	0	\$40	\$40

1205	Parking at curb or edge of roadway	\$40	0	\$40	\$40
1206	Unattended motor vehicle	\$40	0	\$40	\$25
1208	Reserve parking for persons with disabilities	\$100	0	\$100	\$100
1211	Limitations on backing	\$50	2	\$50	\$45
	Other Offenses				
1401	Reckless driving	SUM	8	SUM	SUM
1402	Careless driving	\$170	4	\$170	\$160
1403	Following fire apparatus prohibited	\$40	3	\$40	\$40
1404	Crossing fire hose	\$25	0	\$25	\$25
1405	Riding in trailers	\$25	0	\$25	\$25
1406	Foreign matter on highway prohibited	\$80	0	\$50	\$50
1412	Operation of bicycles and other human-powered vehicles	\$50	0	\$50	\$25
1413	Eluding or attempting to elude a police officer	SUM	12	SUM	SUM
1409	Compulsory insurance	SUM	4	SUM	SUM
	School Buses				
1903	School buses - stops - signs - passing	SUM	6	SUM	SUM
	Animals				
2025-O-13	Dog at large	1st 50 2nd 100 3rd SUM		1st 50 2nd 100 3rd SUM	1st 50 2nd 100 3rd 200
	Pet Waste	1st 50 2nd 100 3rd SUM		1st 50 2nd 100 3rd SUM	
	Licensing	1st 50 2nd 100 3rd SUM		1st 50 2nd 100	1st 50 2nd 100 3rd 200

				3rd SUM	
	Vaccination	1st 50 2nd 100 3rd SUM		1st 50 2nd 100 3rd SUM	
	Noise				
2025-O-09	Violation	1st 50 2nd 100 3rd 200			
	Wildlife-proof Refuse Containers				
2025-O-06	Violation	1st 50 2nd 100 3rd 200			
	Fire Restrictions and Fireworks				
2025-O-10	Violation	1st 50 2nd 100 3rd SUM			

Financial Impact:

This resolution will result in a positive financial impact for the Town.

Proposed Motion:

If the Council wishes to adopt the proposed penalty and fine schedule, it may do so by adopting the following motion:

I move to adopt Resolution 2025-31. Adopting a Penalty and Fine Schedule..

**TOWN OF KEYSTONE
Summit County, Colorado**

RESOLUTION 2025-31

**A RESOLUTION OF TOWN COUNCIL, OF THE TOWN OF KEYSTONE,
COLORADO, ADOPTING A PENALTY AND FINE SCHEDULE**

WHEREAS, the Town of Keystone, Colorado ("Town") is a home rule municipality, duly organized and existing under the laws of the state of Colorado; and

WHEREAS, the Town of Keystone Town Charter article 1.2 grants the Keystone Town Council the right to exercise all powers possible under the Constitution and laws of the State of Colorado; and

WHEREAS, the Colorado State Statute 31-16-101, among others, allows the Town to assess penalties for violations of Town ordinances; and

WHEREAS, the Town Council of the Town of Keystone determined that the use of penalties for violations of Town ordinances will encourage adherence to Town ordinances, and

WHEREAS, the Town Council of the Town of Keystone determined that adherence to the Town ordinances is vitally important to the health and wellbeing of the people of Keyatone, and

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE
TOWN OF KEYSTONE, COLORADO:**

Section 1. The Penalty and Fine Schedule attached hereunder as Exhibit A is hereby adopted.

Section 2. The Town Manager shall be authorized to add the schedule any additional penalties or fines that have been approved by the Town Council.

Section 3. The Penalty and Fine Schedule may be updated from time to time by a resolution of the Town Council.

Section 4. Effective Date. This Resolution shall take effect upon its approval by the Town Council.

ADOPTED by a vote of __ in favor and __ against, this 27th day of August 2025.

By: _____
Kenneth D. Riley, Mayor

ATTEST:

Approved as to Form:

By: _____
Town Clerk

By: _____
Town Attorney

Exhibit A
Penalty and Fine Schedule 2025-26

MTC Sec. / Ord#	Offense	Fine
	Equipment	
109	Low-power scooters, animals, skis, skates, and toy vehicles on highways.	\$25
201	Obstruction of view or driving mechanism - hazardous situation	\$50
202	Unsafe vehicles	\$55
204	When lighted lamps are required	\$25
205	Head lamps on motor vehicles	\$25
206	Tail lamps and reflectors	\$25
208	Stop lamps and turn signals	\$25
209	Lamp or flag on projecting load	\$25
217	Use of multiple beam lights	\$25
225	Mufflers - prevention of noise	\$25
228	Restrictions on tire equipment	\$25
230	Emergency lighting equipment - who must carry	\$25
236	Child restraint systems required	\$85
237	Safety belt systems – mandatory use	\$85
	Signals, Signs, Markings	
603	Obedience to official traffic control devices	\$120
605	Flashing signals	\$85
608	Signals by hand or signal device	\$80
	Rights-of-way	
701	Vehicles approaching or entering an intersection	\$80
702	Vehicle turning left	\$90
703	Entering through highway - stop or yield intersection	\$90
704	Vehicle entering roadway	\$85
705	Operation of vehicle approached by emergency vehicle	\$90
709	Stop when traffic obstructed	\$85
710	Emerging from or entering alley, driveway, or building	\$85
711	Driving on mountain highways	\$115
	Pedestrians	
801	Pedestrian obedience to traffic control devices and traffic regulations	\$25
802	Pedestrians' right-of-way in crosswalks	\$40
803	Crossing at other than crosswalks	\$25

	Turning Stopping	
901	Required position and method of turning	\$85
902	Limitations on turning around	\$85
903	Turning movements and required signals	\$85
	Driving Overtaking Passing	
1001	Drive on right side	\$85
1002	Passing oncoming vehicles	\$115
1003	Overtaking a vehicle on the left	\$115
1007	Driving on roadways laned for traffic	\$115
1008	Following too closely	\$115
1010	Driving on divided or controlled-access highways / driving across median	\$85
1010	Driving on divided or controlled-access highways / wrong direction	\$85
	Speed	
1101[3]	Special hazard	\$110
1101[1]	5-9 MPH	\$90
1101[1]	10-19 MPH	\$155
1101[1]	20-24 MPH	\$220
1101[1]	25-39 MPH	SUM
1103	Minimum speed regulation	\$75
1105	Speed contest	SUM
	Parking / Parking Lots	
1202	Parking or abandonment of vehicles	\$40
1204	Stopping, standing, or parking prohibited in specified places	\$40
1205	Parking at curb or edge of roadway	\$40
1206	Unattended motor vehicle	\$40
1208	Reserve parking for persons with disabilities	\$100
1211	Limitations on backing	\$50
	Other Offenses	
1401	Reckless driving	SUM
1402	Careless driving	\$170
1403	Following fire apparatus prohibited	\$40
1404	Crossing fire hose	\$25
1405	Riding in trailers	\$25
1406	Foreign matter on highway prohibited	\$80
1412	Operation of bicycles and other human-powered vehicles	\$50
1413	Eluding or attempting to elude a police officer	SUM
1409	Compulsory insurance	SUM

	School Buses	
1903	School buses - stops - signs - passing	SUM
	Animals	
2025-O-13	Dogat large	1st 50 2nd 100 3rd SUM
	Pet Waste	1st 50 2nd 100 3rd SUM
	Licensing	1st 50 2nd 100 3rd SUM
	Vaccination	1st 50 2nd 100 3rd SUM
	Noise	
2025-O-09	Violation	1st 50 2nd 100 3rd 200
	Wildlife-proof Refuse Containers	
2025-O-06	Violation	1st 50 2nd 100 3rd 200
	Fire Restrictions and Fireworks	
2025-O-10	Violation	1st 50 2nd 100 3rd SUM