



2026 Budget

Ensuring life safety and welfare of our community through efficient and consistent application of adopted codes and standards.

Serving the Communities of



Ensuring life safety and welfare of our community through efficient and consistent application of adopted codes and standards.

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Introduction and Overview

Governing Boards and Members

Pikes Peak Regional Building Department

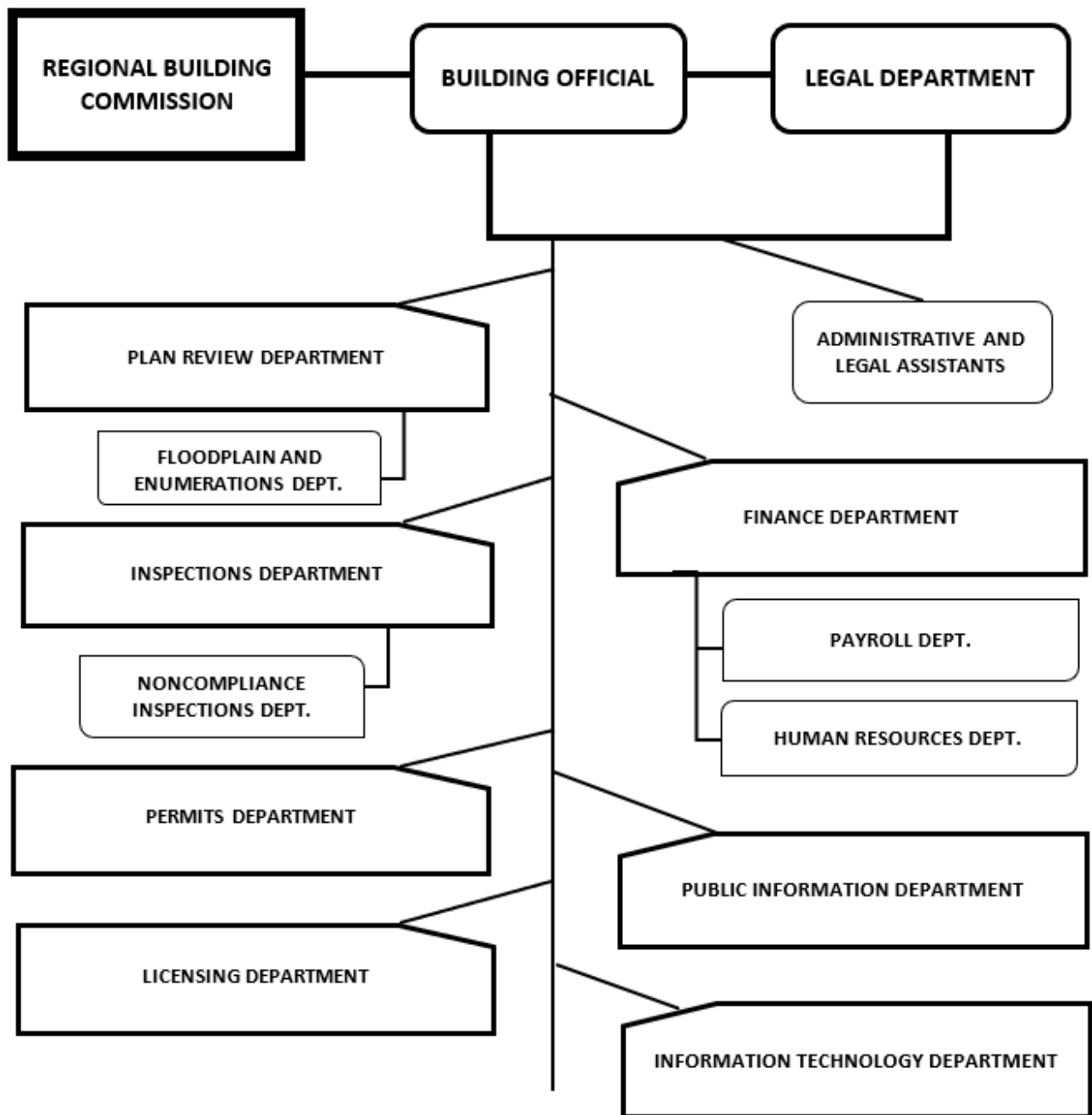
Regional Building Commission

Carrie Geitner, Chair	El Paso County Commissioner
Brian Risley, Vice Chair	Councilmember, Colorado Springs
Todd Dixon, Member	Mayor of Green Mountain Falls

Advisory Board

Loren Moreland, Chairman	Board of Review member, Building A, B, or C Contractor
Zach Taylor, Vice Chairman	Board of Review member, Architect
Christopher Freer, Member	Board of Review member, Engineer
George C. Hess III, Member	Board of Review member, Contractor A or B
Jim Johnson, Member	Board of Review member, Citizen-at-Large
John Bell, Member	Trustee, Town of Green Mountain Falls
John Graham, Member	Mayor, City of Manitou Springs
Sana Abbott, Member	Councilmember, Town of Monument
Dennis Stern, Member	Mayor, Town of Palmer Lake
Gordon Rick, Member	Mayor Pro Tem Ward 1, City of Fountain

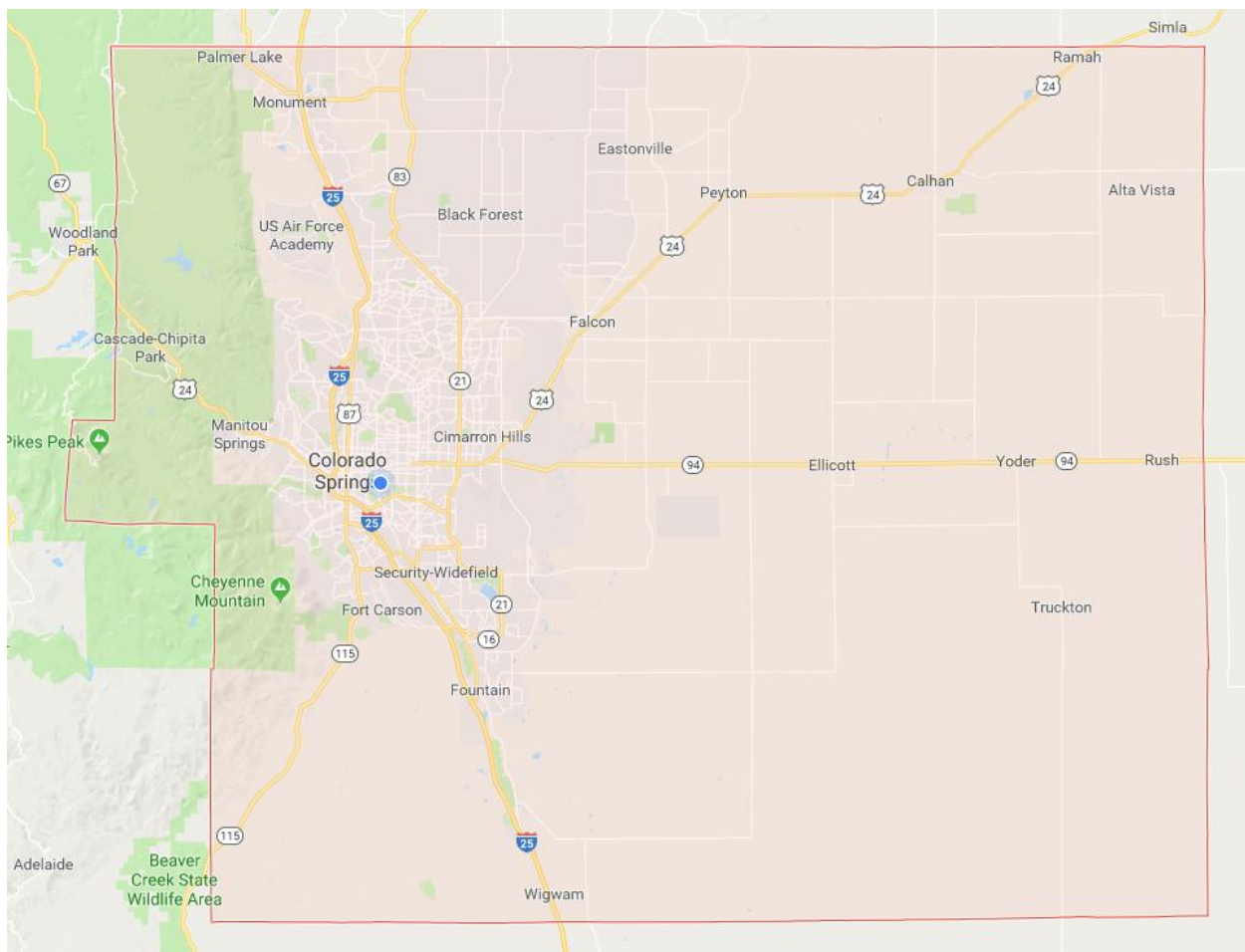
Organizational Chart



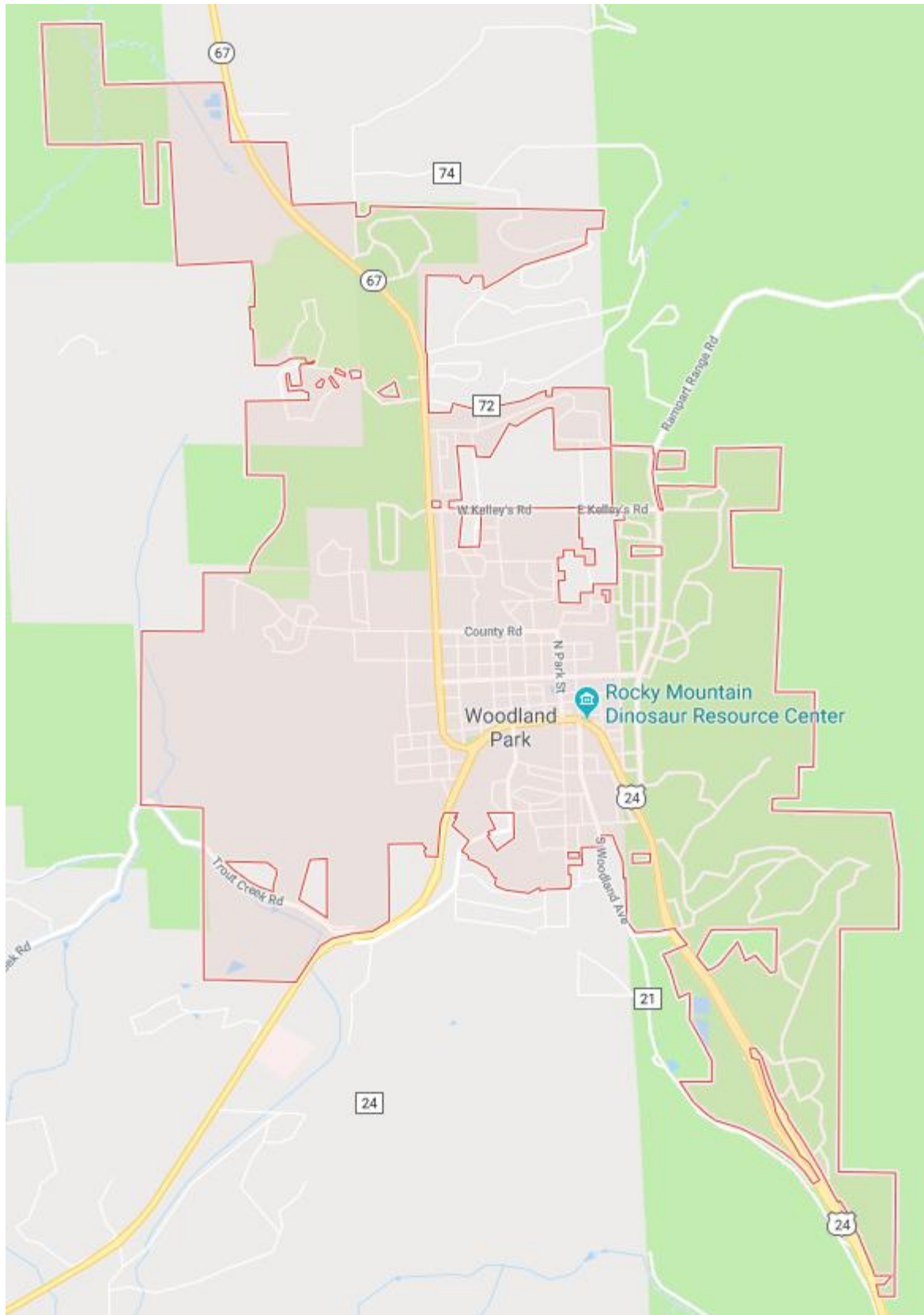
Map of Service Area

Pikes Peak Regional Building Department is responsible for the plan review, permitting, and inspections of all building construction activity within the unincorporated areas of El Paso County, as well as the participating incorporated municipalities in the county. These currently include the cities of Colorado Springs, Fountain and Manitou Springs, and the towns of Green Mountain Falls, Monument and Palmer Lake. Pikes Peak Regional Building Department is also responsible for licensing and/or registration of contractors providing construction consulting and/or performing construction work regulated by the adopted building codes in the jurisdictions it services.

Further, Pikes Peak Regional Building Department also services the City of Woodland Park, in Teller County, which is directly to the west of El Paso County.



El Paso County, Colorado



Woodland Park, Colorado

Introduction

Pikes Peak Regional Building Department (the “Department”) is responsible for the administration and enforcement of all building and construction codes, which include codes that govern enumerations, floodplain, building (commercial and residential), plumbing, mechanical and electrical work adopted by its member entities.

The Department is self-funded with revenue generated from plan reviews, permits, and licensing fees. Fee adjustments are proposed when the Regional Building Commission determines them to be necessary to maintain the Department’s operation.

The Department was created by an inter-governmental agreement between the Board of County Commissioners of the County of El Paso and the City of Colorado Springs in 1966 to provide uniform and regional service to their jurisdictions. The cities of Fountain and Manitou Springs, and the towns of Green Mountain Falls, Monument and Palmer Lake soon became parties to the agreement. The City of Woodland Park, having authority to adopt and enforce building or construction codes in its jurisdiction, later entered into a separate inter-governmental agreement with the Department for inspection and enforcement services.

The Department is administered by the Regional Building Commission, which is a three-member governing body consisting of one county commissioner designated by the Board of County Commissioners of the County, one council member designated by the City Council of the City of Colorado Springs, and one elected official chosen by the other five-member entities to the inter-governmental agreement from a list supplied by the other member entities. The Regional Building Commissioners’ terms are for two years. The Regional Building Commission provides general supervision of administration and policy direction to the Department. Among its powers and functions, the Regional Building Commission is responsible for budget oversight and approval of the Department’s budget. The Regional Building Commission meets on the fourth Thursday of each month.

The Regional Building Advisory Board (“Advisory Board”) assists the Regional Building Commission in matters relating to the administration, financing and budget of the Department. The Advisory Board consists of the Department’s five-member Board of Review (as appointed by the City of Colorado Springs and El Paso County) and one appointed representative from each of the remaining five-member entities.

Members of the Board of Review and its advisory committees are appointed for a three-year term. The Regional Building Technical Committee and the Regional Building Licensing Committee advise the Board of Review. These committees are responsible to make recommendations regarding requests for variances from code requirements, review license applications, and inspect the construction work in accordance with the various adopted building and construction codes.

Budget Message

From: Roger N. Lovell, Building Official

Date: August 20, 2025

As Building Official, it is my distinct honor to present you with the Department's Budget for Fiscal Year 2026 (the "Budget" or this "Budget"). This Budget provides information about revenue and expenditure forecasts for the Department for 2026.

Each year the Department works hard to develop a budget for the following year based on projections, specific economic factors, and local conditions. The Department strives for an accurate yet conservative budget with the primary focus on core department services. The annual budget is one of the most important documents reviewed, discussed, and approved by the Regional Building Commission and the Department's two largest jurisdictions: the City of Colorado Springs and El Paso County. It serves as a guiding, important communication and accountability tool for the Department, its employees, and the jurisdictions served by the Department.

As the Pikes Peak Region continues to grow and evolve, the Department must do the same. The first half of 2025 has been a roller coaster of ups and downs requiring the Department to adjust to consistently changing demands. As anticipated, residential construction has lagged behind 2024 with new commercial construction outpacing 2024.

A strong and resilient building department must be able to adapt in real time to changing economic trends. The ability to do so has been a goal of the Department for the past five years and will remain a top priority of the Department.

A review of the construction activity in the Pikes Peak Region through July 31, 2025, continues to demonstrate an evolving construction industry in the Pikes Peak Region. While interest rates have eased slightly and inflation has cooled, there is still significant uncertainty in the construction industry. Through July 31, 2025, the Department has issued 1,814 single-family home permits representing a 5.0% decrease over the same time period in 2024 and remaining flat when compared to 2023. In the first half of 2025, the Department averaged 259 single-family permits each month with an average valuation of \$535,117. The average single-family home valuation has decreased 4.8% over the same time period in 2024, but increased 36% over the same time period in 2023.

As anticipated, multi-family construction has slowed in recent years. Through July 31, 2025, the Department issued permits for 947 multi-family units, an increase of 69% over the same time period in 2024 and a 51% decrease over the same time period in 2023. The average valuation per multi-family unit has increased 1.3% and 26% over the same time periods in 2024 and 2023, respectively.

As of July 31, 2025, total construction valuation to include new commercial, new residential, and alterations and remodels stands at \$2,106,458,487, a decrease of 4.3% over the same time period in 2024, but a 3.6% increase over 2023.

As anticipated in prior budgets, the construction economy in the Pikes Peak Region has cooled from the historic levels of 2020 and 2021. This budget anticipates that overall construction activity in 2026 will be similar in nature to 2025.

Throughout 2025, the Department has continued to focus on core services while working to improve efficiency. The Department has also progressed or accomplished the goals set forth in prior years, which the Department will continue to monitor in 2026 and beyond.

Fiscal Responsibility:

- The 2025 Budget anticipated a 3.7% increase in revenue, and the Department prepared a conservative budget based on projected workload and revenue. Throughout the first half of 2025, the Department has experienced a reduction in revenue that has exceeded projections. As of June 30, 2025, revenue was 7% below projections. Department staff closely monitors revenue and expenses each month and strive to keep expenses at or below actual revenue and the approved budget for each year. As of June 30, 2025, expenses were below the approved budget by 8%, leaving the Department with a net gain for the first half of the year of \$29,656. While this may appear insignificant, it reflects prudent fiscal management, responsible allocation of resources, and efficiency within government operations. The Department has succeeded at reducing expenses while increasing efficiency, employee benefits, and remaining proactive in its hiring practices. While the Department has succeeded at fiscal responsibility for many years, fiscal responsibility remains a top priority in this Budget and all forthcoming budgets.

Digital Accessibility:

- Beginning in 2023 and continuing throughout 2024 and 2025, the Department has diligently and proactively worked to comply with state digital accessibility requirements, while also monitoring and taking into account federal requirements. The Department is proud to report that in advance of state and federally imposed deadlines, all public facing and subscription-based webpages are in substantial compliance with WCAG 2.1 Level AA. Digital accessibility is an ongoing process that requires consistent effort and attention, and as technology evolves, the Department is fully committed to ensuring that its digital content is accessible to everyone.

Although the Department has achieved several accomplishments set forth in 2024 and 2025, the focus of this budget message is on the future of the Department. Partner jurisdictions, property owners, contractors, and design professionals all rely on the Department to provide consistent, accurate, and timely service. The foundation of the Department must be able to withstand a changing and challenging construction industry and the needs of the communities it serves. Strategic goals for 2026 include, but are not limited to the following:

Online Services:

- As the need and desire for online services are ever changing and persistent, the Department remains committed to continued development of an educational, factually accurate, interactive, accessible, and user-friendly website. The industry relies upon this resource daily for its construction-related operations and projections; the jurisdictions served by the Department rely upon it for planning and construction-related operations and decision-making; and the public relies on it for access to public records and all other construction-related needs.

- For many years enhancement of online services has been a primary goal, and the Department endeavors to be a leader in technology and online services. This is a continuous effort and requires a substantial financial investment in the Department's IT Department.

Focus on Employees and Commitment to Excellence:

- The Department's single largest asset and expense are staff. Without exceptional staff, the Department cannot provide exceptional services. Not only must the staff be educated and knowledgeable, but they must also be willing to engage, consider alternatives, work toward a common goal, and provide accurate and quality customer service. Additionally, all staff participate in technical training(s) and undergo individual assessment(s) to assist in enhanced teamwork and performance. While the Department performs at an exceptional level, a continued focus on staff retention and development is critical to service levels.
- Administrative staff continuously works to enhance current and future employee benefits at a reduced cost to its staff. In 2023, the Department negotiated with a new benefits provider and was successful in reducing the cost of benefits for year 2024 with no reduction in quality. The same benefits with certain additional employee-related options were maintained by the Department for year 2025. Currently, the Department is negotiating the 2026 benefits package, and this budget anticipates a potential increase of up to 28.0% in the cost of medical benefits. While negotiations will focus on a lower cost increase for the Department and its staff, the economic environment and certain legislative changes in the past several years may finally catch up with the local and national trend of increase in cost of available health benefits.
- When the Department invests in its employees, the result is staff that works as a team, is educated, knowledgeable, innovative, and provides quality service in a timely manner. Exceptional service requires exceptional employees; to attract and maintain a qualified workforce, the Department must measure what is important and compensate its employees fairly. Every two years the Department retains an independent third party to conduct a salary study. Every other year, the Department conducts a market review analysis of the pay schedule as part of the budget development process. In 2025, the Department conducted a market review analysis, and the results of the analysis indicate that Department pay schedule is in line with other local governments. While the Department may be in line with other local governments, many Department employees are struggling with increased cost of housing and necessities. The Department must remain competitive to retain an exceptional workforce. Losing quality employees comes at a significant expense to the Department as training can take from six months to a year. Based upon the availability of funds and local economic circumstances, the 2026 Budget includes a cost-of-living increase of up to 5.0%¹. The focus of the Department will remain on performance-based reviews and resulting merit(s) during the 2026 calendar year. Performance-based reviews and considerations result in difficult, but needed, conversations to be had. It is the Department's position that a performance-based merit system is essential in managing and maintaining a productive, accountable, and engaged workforce.

Licensing Reward Program:

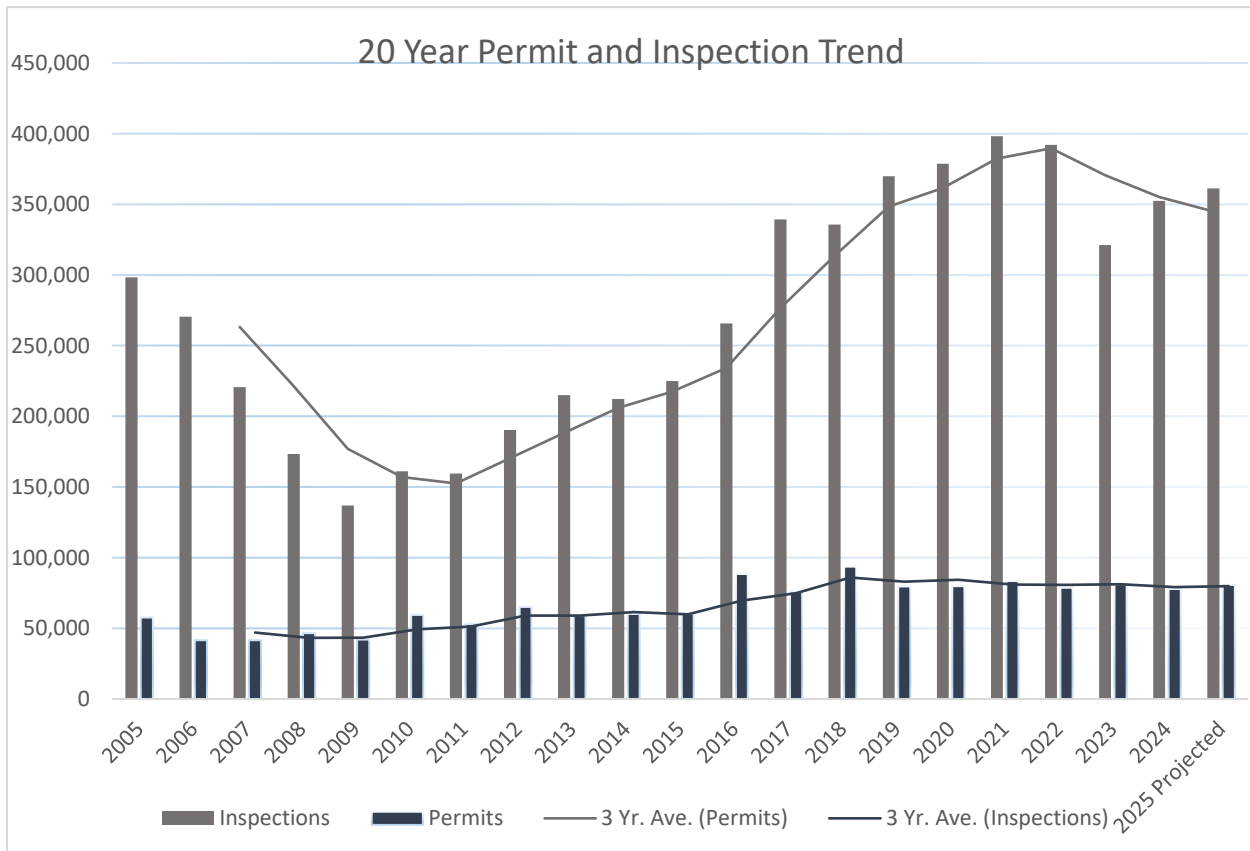
- This Budget extends for the tenth consecutive year the Department's Licensing Reward program for contractors (excluding licensed fire contractors) that have been licensed with the Department

¹ The actual cost of living increase payments to employees will be determined by administrative staff in December of 2025 and throughout 2026, if needed, based upon availability of funds and current economic circumstances.

for at least 3 years, remain in good standing, and have no “administratively closed” status permits at the time of renewal of their license. If such criteria are met, the qualifying contractors may renew their license / registration at no cost. The fees range from \$75 to \$200 per contractor, and in the past nine years, the non-collection of such fees has resulted in an annual savings of approximately \$300,000 for those qualifying contractors. In 2024, 1,689 licenses and registrations were renewed at no cost. As of July 31, 2025, 1,105 licenses and registrations have been renewed at no cost.

Budget Trends and Challenges

As shown below, the number of inspections and permits has steadily increased between 2009 and 2022. Total inspection and permit numbers remain difficult to project for 2025, but the Department anticipates 2025 inspection and permit numbers to slightly exceed those of 2024. The Department anticipates it will conduct approximately 360,000 inspections in 2025 and issue more than 80,000 permits.



This Budget does not propose any fee increases, although the Department continues to be faced with increasing costs and the impacts of inflation. The Department is not immune to higher costs of vehicles, required electrification(s), supplies and services, gas, insurance, and employee benefits.

While the Department has not increased fees in the last 20 years and has maintained the lowest fees in the State of Colorado for single-family housing, and second lowest in the State for new commercial projects, new and forthcoming legislation will continue to strain the current fee structure. It is imperative

that the Department's administrative staff maintain a conservative approach to spending while working to retain and reward knowledgeable, efficient, and professional staff.

The increase in construction activity that occurred in 2020 through 2022 resulted in a significant increase in staffing levels within the Department. As the pace of construction activity has reduced in recent years, the Department has maintained appropriate staffing levels by only creating positions based on need and filling vacant positions that warrant such. This budget proposes no additional positions for a total of 137 employees. Increased utilization of technology and efficiency have allowed the Department to forgo filling certain vacant positions. The Department monitors staffing levels closely and works to minimize impact on the industry by being proactive in its hiring practices.

The Department continues to adapt to change and is sustainable; its future is stable; and staff continues to be more educated, more diverse, and more efficient each year. The Department is well positioned and prepared for future growth as well as a weakening economy. The Department is self-sustainable, with the objective of enhancing the communities it serves. It strives to create environments that are greater, stronger, and more sustainable, while also ensuring that they remain affordable and accessible for living, raising families, working, and conducting business.

As the construction and development industries continue to change, the Department must adapt and respond as well. The 2026 Budget anticipates \$22,749,556 in revenue, an increase of 3.0% and 6.8% over the 2025 and 2024 Budgets, respectively. The Department anticipates single-family and new commercial construction to be like 2025 with little to no growth, with the potential for more growth with a reduction in interest rates. Multi-family construction is anticipated to remain at pre-pandemic levels with a modest increase over 2024 levels. As the region has seen significant growth in recent years, the Department anticipates continued revenue from alterations and remodels, as well as additional revenue from new construction.

This Budget anticipates up to \$22,749,556 in Department expenses, an increase of 3.0% and 6.8% over the 2025 and 2024 Budgets, respectively. The 2025 Budget anticipated expenses exceeding revenue up to \$715,197; current projections indicate that expenses should not exceed revenue in 2025. As submitted, this conservative budget again anticipates expenses possibly exceeding revenue; this time, however, up to \$1,363,584. In the unlikely event expenses do exceed revenue, the Department has several options at its disposal. One, the Department may utilize its fund balance to offset the loss; and/or two, the Building Commission may adjust the Building Valuation Modifiers, as it deems necessary.

In closing, this Budget provides for a sustainable Building Department, continued increased public access and service, a more educated and knowledgeable staff, and increased efficiency with no increase in fees providing a positive impact on the construction industry and communities served by the Department.

It is my pleasure to serve as the Regional Building Official, and on behalf of the entire Department, I thank you for your support. We all look forward to a productive and successful 2026.

Respectfully,
Pikes Peak Regional Building Department



Roger N. Lovell, Regional Building Official

Key Economic Factors and Assumptions

In developing this Budget, the Department has identified several key assumptions that guide and may impact the Department's projections.

- Unemployment rate (4.5% as of June 2025)
- Anticipated cut to the Federal Funds Rate
- Return to average inflation (2.4% as of June 2025)
- Weather delays and natural disasters
- Uncertain impact of tariffs

Long-Range Financial Planning

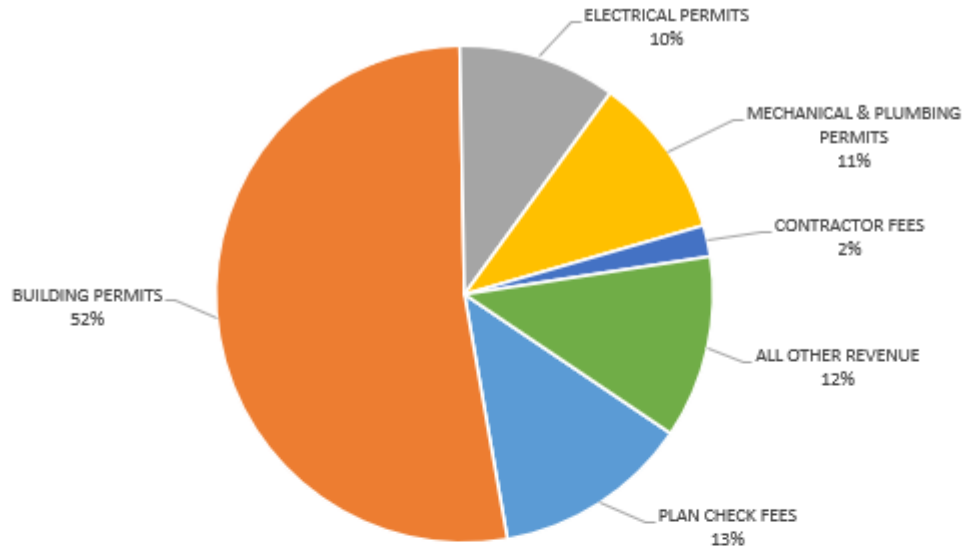
The Department is dedicated to using long-range financial planning as a tool to ensure the construction of safe and sustainable building practices within the community. These practices include, but are not limited to, maintaining cash reserves, strategic staffing, keeping budgets balanced, and possibly drawing from unrestricted fund balances.

While construction activity remains steady and home prices stay high, the Department does not expect growth in single-family or new commercial construction in 2026. Construction is a cyclical industry, so it's wise to be prepared for a downturn in the future. The Department is well-positioned to handle economic sustainability challenges.

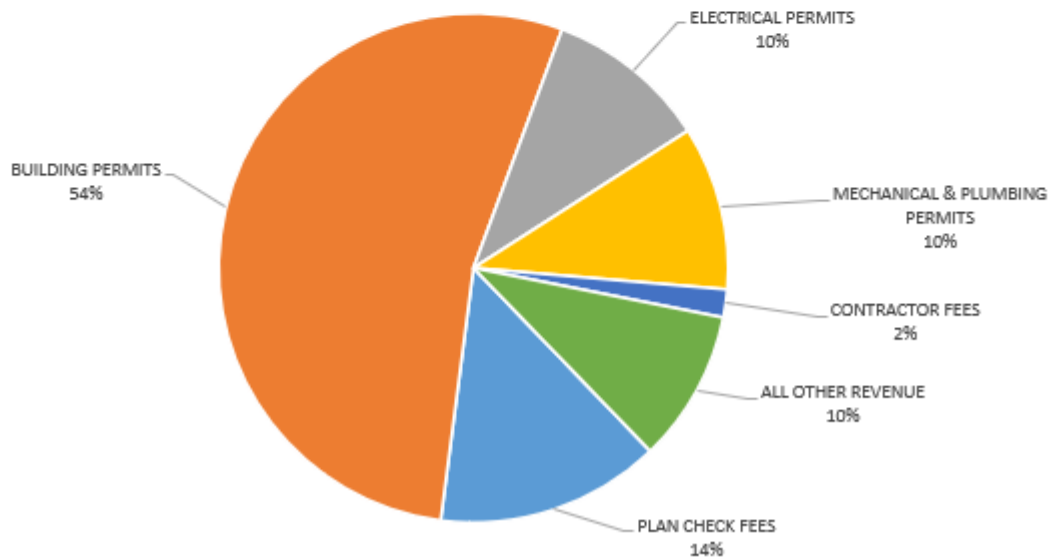
Revenue Analysis

We are anticipating a continued leveling in the construction market in 2026. Building permits are the largest revenue category for the Department. This includes new residential and commercial buildings, remodels, and reroof permits. In order to combat the increased inflation, the US economy experienced, the Federal Reserve made several increases in the federal funds rate, thus increasing the cost of borrowing. Those increases in the cost of borrowing significantly slowed the demand for single-family homes, thereby decreasing permitting revenue. In 2025, inflation has slowed but remains somewhat elevated, and the Federal Reserve has chosen not to decrease the federal funds rate. In 2026, the Department will continue the Licensing Rewards program. This program incentivizes contractors to be Pikes Peak Regional Building Code compliant and, as a result, offsets the loss in revenue the program generates. The benefit to the Department is reduced monitoring of contractors' permits and licensing status.

2024 YEAR TO DATE REVENUE BY CATEGORY



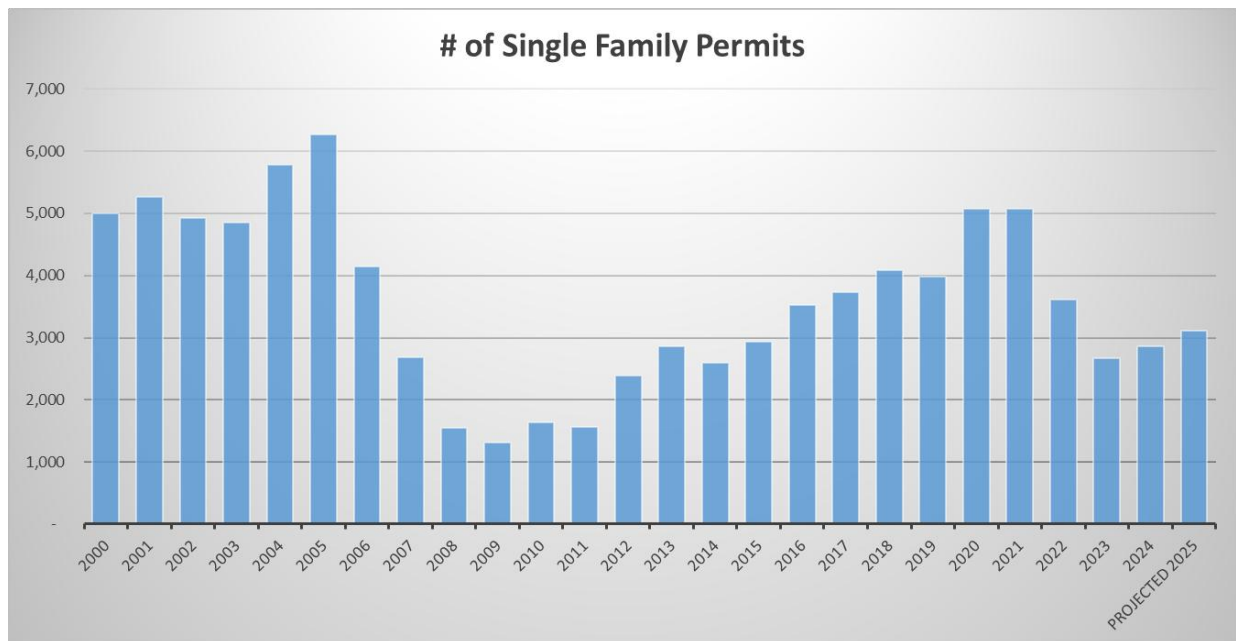
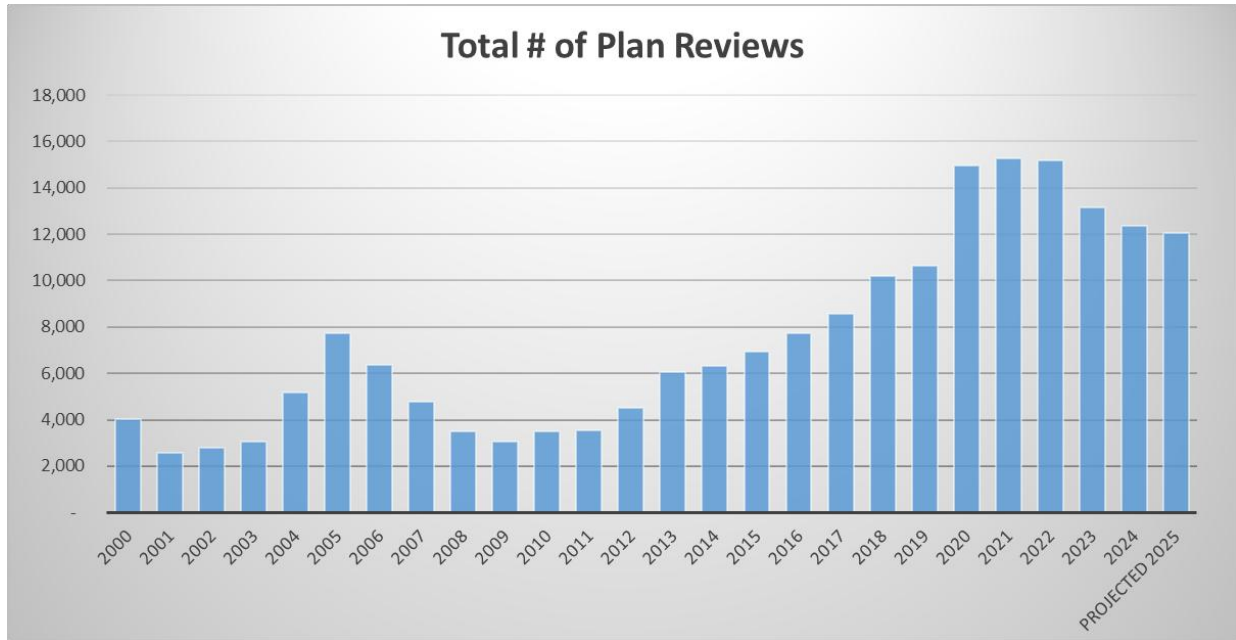
2023 YEAR TO DATE REVENUE BY CATEGORY

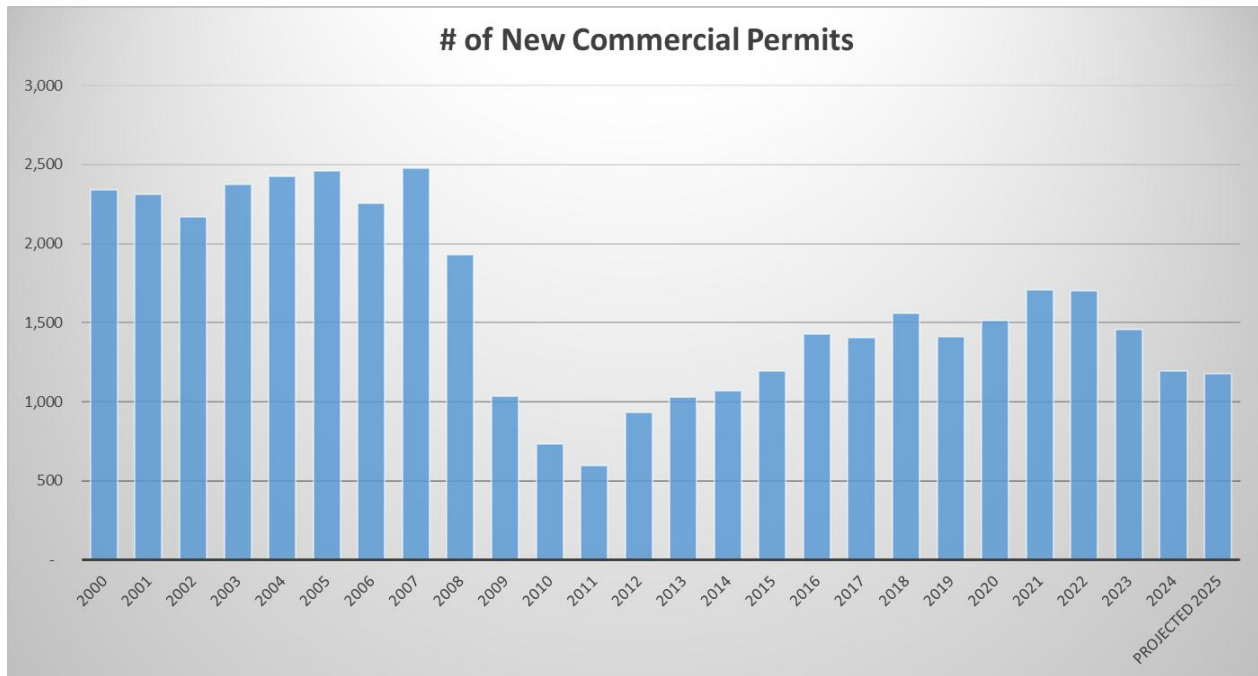


Revenue Forecast

Plan reviews are a leading indicator of future permits. Large scale projects such as new single-family homes, commercial buildings, and remodels require the building plans to be reviewed and approved prior to the issuing of a permit. Not all plan reviews take the same amount of time. Smaller remodel projects can be completed over the counter, while larger projects require the plans to be submitted for review.

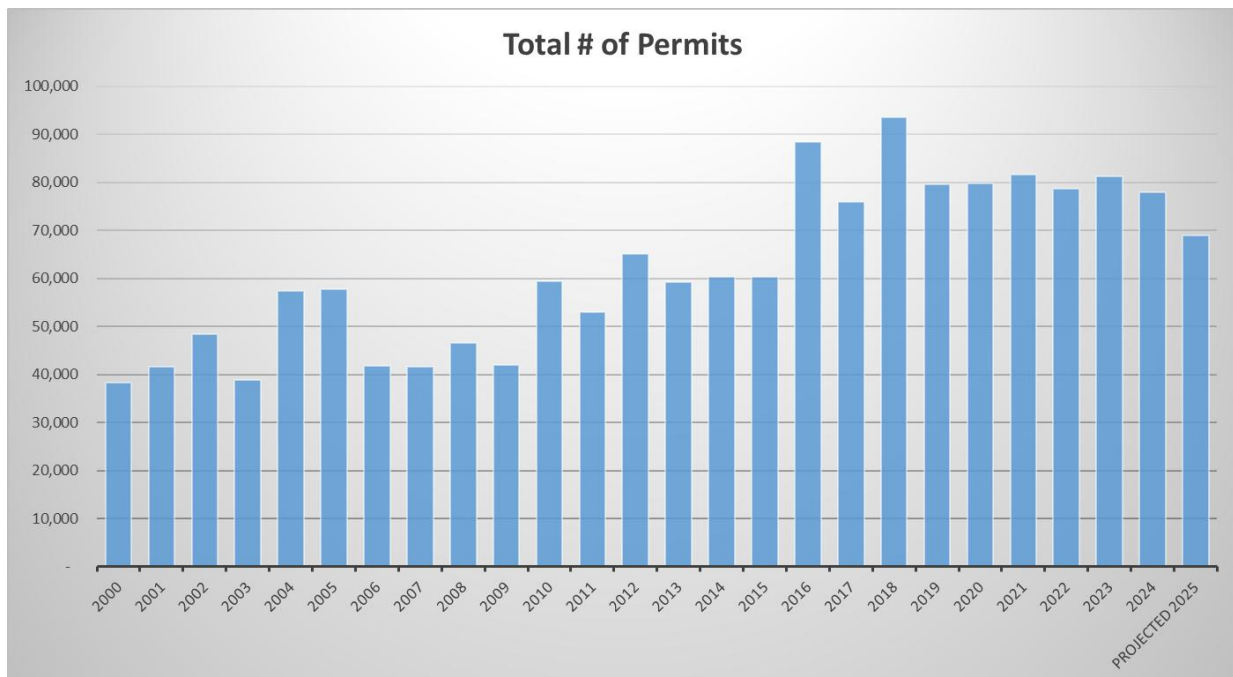
The Plan Review Department has developed, continues to improve and implement an electronic plans submittal and review process. This has increased the efficiency of the Department in allowing it to review plans promptly and get such out to external agencies, whose review and approval are also required in the permitting process. Electronic plans submittal and review process does not, however, mean reduction in workload because of the increase in the number of submittals and required triage and electronic work (including electronic review and resulting communications) by Department staff.





While the Department anticipates that new commercial activity in 2026 will trail the activity in 2025, it is not in a position to estimate such.

The chart below shows the total number of permits issued per year beginning in 2000. This includes new residential, new commercial, as well as remodels and other projects that require permits. The spike in permits issued in 2016 and 2018 is due in part to hailstorms.



The total number of inspections drives staffing at the Department. Some of the permits issued only require one inspection, while large commercial projects may require hundreds of inspections. The decrease in the number of inspections in recent years is due to numerous large multi-family projects previously under construction having been completed.



Budget Process

The Department charges fees for services, thus the Department's fund is a proprietary fund and is reported as such. The Department only has one (1) fund and this Budget and audit report reflects this.

Formal budgetary accounting is employed as a management control device for the fund. The Department adheres to the following procedures in establishing the budgetary data reflected in its financial statements:

- Prior to October 15, the Department submits the proposed budget to the Advisory Board and then to the Regional Building Commission.
- Prior to its adoption, the budget is open for inspection by the public.
- After public inspection and consideration of any objections, the Advisory Board makes a recommendation to the Regional Building Commission to approve the proposed budget.

June 1	Work with the Building Official to determine priorities for the next year.
July 1	Begin work with Department managers to develop a detailed budget in line with priorities.
July 31	Review the proposed budget with the Building Official and finalize.
August 20	Present the Budget to the Advisory Board as a Work Session item.
August 28	Present the Budget to the Building Commission as a Work Session item.
September 17	Present the Budget to the Advisory Board with a request for a recommendation to the Building Commission.
September 25	Present the Budget to the Regional Building Commission with a request for approval.
October – December	Present the Budget to El Paso County and the City of Colorado Springs.

The budget is created using the accrual method of accounting. This is the same method used for the Department financial statements. This Budget is not prepared in accordance with accounting principles generally accepted in the United States of America because they do not include accrued vacation and sick leave.

Staff works with the Building Official to determine the priorities for the upcoming year, finalize details of those priorities, and establish department budgets.

In general, a balanced budget is strived for where revenue equals expenses. This year, the Department is proposing a balanced budget through a draw from unrestricted fund balance. Budgets may be amended

to account for changes in revenue or expenses. The amended budget is reviewed and approved by the Advisory Board and the Regional Building Commission.

Budget Trends

Expenses are anticipated to be \$22,749,556, an increase of 3.0% from the 2025 budget. The increase is attributed to an increase in medical insurance costs, but slightly offset by a reduction in staffing in several departments.

Summary of Revenue and Expenditures

	2023 Actual	2024 Actual	2025 Budget	2026 Budget	% Change
Revenue					
Permit Revenue	\$ 15,194,038	\$ 14,100,484	\$ 15,751,287	\$ 15,751,287	0.0%
Fee Revenue	4,428,613	4,137,163	4,899,042	4,904,042	0.1%
Other Revenue	957,065	1,167,921	730,643	730,643	0.0%
Total Revenue	20,579,716	19,405,568	21,380,972	21,385,972	0.0%
Expenses					
Salary & Benefits	14,891,071	13,790,712	17,469,339	18,038,327	3.3%
Operating Expenses	3,162,120	3,112,553	3,676,380	3,761,229	2.3%
Cost of Sales	935,843	992,919	950,450	950,000	0.0%
Total Expenses	18,989,034	17,896,184	22,096,169	22,749,556	3.0%
Net Income	1,590,682	1,509,384	(715,197)	(1,363,584)	
Beginning Fund Balance	26,398,865	27,989,547	29,498,931	28,783,734	
Ending Fund Balance	\$ 27,989,547	\$ 29,498,931	\$ 28,783,734	\$ 27,420,150	

Financial Summary Schedules

Revenue

Revenue is generated in the form of permits, fees and licensing, and other miscellaneous sources.

Below is a short description of each type of revenue. See Fee Schedule in the Pikes Peak Regional Building Code for additional information.

Plan Check Fee – Revenue received upon submittal of new plans for review by the Department staff. The fee is 28% of the estimated permit fee determined by the estimated contract price of the job.

Building Permits – Revenue for building/structural permits itself, which covers the cost of inspections. Depending on the type of project, the fee is determined by the calculated valuation or the contract price of the project.

Electrical Permits – Revenue for electrical permits/inspections is based on valuation.

Mechanical/Plumbing Permits – Revenue for mechanical/plumbing permits/inspections is based on valuation.

Elevator Permits – Revenue for new elevator permits.

Floodplain Permits – Revenue for new floodplain permits.

Mobile Home Permits – Revenue for manufactured home set permits/inspections.

Elevator Inspections – Revenue for the annual inspection for the permits to operate any conveyance equipment.

Contractor Licenses – Revenue for issuing licenses to conduct business that requires permit and licensing in the Department's jurisdiction.

Mechanics Licenses – Revenue for issuing licenses to conduct mechanical business that requires permit and licensing in the Department's jurisdiction.

Special – Various fees generally in relation to collecting fees for other entities.

Re-Inspections – Penalty fees when inspection fails repeatedly for same issues.

Variance Requests – Fees to apply for variances to be heard at the Technical Committee monthly meetings.

Address Assignment Fees – Flat fees assigned at time of plan review for all new construction.

Floodplain Plan Review – Flat fees assigned at time of plan review for all new construction.

Utility Fees – Revenue generated from resealing Colorado Springs Utilities' electric meters after completion of electric inspections.

Misc. Revenue – Revenue from miscellaneous sources.

Code Sales – Revenue from the sale of building code books.

Rental Income – Revenue from the rental of facilities.

Gain on Sale of Asset – Revenue from the sale of fixed assets minus accumulated depreciation.

Interest Earnings – Revenue from interest bearing bank accounts or other investments.

EPC CAM Back Bill – Revenue from El Paso County for common area maintenance where the Department paid the full original expense.

	Revenue				2025 Budget -	
	2023 Actual	2024 Actual	2025 Budget	2026 Budget	2026 Budget	% Change
Permit Revenue						
Building Permits	\$ 11,034,619	\$ 10,173,365	\$ 11,530,363	\$ 11,530,363	\$ -	0.0%
Mechanical/Plumbing Permits	2,142,084	2,047,052	2,278,390	2,278,390	-	0.0%
Electrical Permits	2,114,756	1,992,176	1,863,560	1,863,560	-	0.0%
Elevator Permits	97,440	80,082	61,368	61,368	-	0.0%
Floodplain Permits	3,850	5,630	5,406	5,406	-	0.0%
Mobile Home Permits	14,592	15,630	12,200	12,200	-	0.0%
Total Permit Revenue	15,407,341	14,313,935	15,751,287	15,751,287	-	0.0%
Fee Revenue						
Plan Check Fees	2,939,078	2,479,661	3,168,502	3,168,502	-	0.0%
Contractor Licensing Fees	578,177	610,774	580,000	580,000	-	0.0%
Licensing Reward Program	(212,475)	(216,350)	(250,000)	(250,000)	-	0.0%
Elevator Inspections	409,305	555,302	525,000	525,000	-	0.0%
Address Assignment Fees	110,550	110,550	157,568	157,568	-	0.0%
Mechanical Licenses	13,070	12,985	14,250	14,250	-	0.0%
Re-Inspections	156,475	158,260	210,592	210,592	-	0.0%
Floodplain Plan Review	25,680	46,110	58,331	58,331	-	0.0%
Manufactured Home Alt Construct Inspec Fee	-	7,100	-	5,000	5,000	100.0%
Variance Requests	5,360	6,350	6,355	6,355	-	0.0%
Utility Fees	8,360	10,416	16,339	16,339	-	0.0%
Collection & Other Fees	418,796	340,659	412,105	412,105	-	0.0%
Total Fee Revenue	4,452,376	4,121,818	4,899,042	4,904,042	5,000	0.1%
Other Revenue						
Code Sales	35,223	26,859	20,000	20,000	-	0.0%
Misc. Revenue	36,824	58,729	50,000	50,000	-	0.0%
Gain On Sale Of Assets	184,831	206,565	142,643	142,643	-	0.0%
Interest Earnings	360,992	554,898	450,000	450,000	-	0.0%
EPC CAM Back Bill	106,548	106,547	68,000	68,000	-	0.0%
Total Other Revenue	724,418	953,599	730,643	730,643	-	0.0%
Draw from fund balance	-	-	715,197	1,363,584	648,387	
	\$ 20,584,135	\$ 19,389,351	\$ 22,096,169	\$ 22,749,556	\$ 653,387	3.0%

Expenses

The largest portion of expenses is salary and benefits. The Department is a service organization and depends upon employees to provide the expertise and service to its customers. Actual and projected expenses have increased in direct relation to increased staffing levels and remaining staffing needs. Expenses have increased at a slower rate than revenue due to Department efficiencies such as electronic inspections, reorganizing inspectors' routes, and project length. Project length refers to the time between when permit and plan review fees are collected in comparison to when the services are provided; i.e., the services continue to be provided for a long time after the payment of fees, and are sometimes carried over to the next budget year.

Expenses for the Department are outlined below. This Budget anticipates \$22,749,556 in Department expenses, a 3.0% increase from the 2025 Budget. Salary & Benefits are increasing due to medical insurance costs, but slightly offset by a reduction in staffing in several departments. As the pace of construction changes in the Pikes Peak Region, staffing levels are adjusted accordingly. The Department has not furloughed employees, rather balanced the demands of the industry through natural attrition.

Expenses						
	2023 Actual	2024 Actual	2025 Budget	2026 Budget	2025 Budget - 2026 Budget	% Change
Salaries & Benefits	\$ 15,219,158	\$ 15,310,082	\$ 17,469,337	\$ 18,038,327	\$ 568,990	3.3%
Rent	581,478	1,554	800	800	-	0.0%
Supplies	243,284	462,024	392,250	471,950	(20,300)	-5.2%
Maintenance	-	-	82,000	219,000	137,000	167.1%
Fleet	186,190	531,436	825,000	825,000	-	0.0%
Insurance	350,597	371,781	430,000	430,000	-	0.0%
Services	1,072,746	677,513	884,075	786,772	(97,303)	-11.0%
Common Area Maintenance	357,706	937,306	937,707	937,707	-	0.0%
Community Engagement & Education	129,600	127,875	125,000	90,000	(35,000)	-28.0%
Depreciation	844,324	798,576	900,000	900,000	-	0.0%
Cost Of Sales	91,519	15,562	50,000	50,000	-	0.0%
Total Expenditures	\$ 19,076,600	\$ 19,233,709	\$ 22,096,169	\$ 22,749,556	\$ 653,387	3.0%

Capital Expenditures

The Department classifies a capital asset as property and equipment, which includes land, building, leasehold improvements, furniture and fixtures, and other equipment that have a useful life greater than one year and have a cost greater than \$5,000. The Department maintains a capital reserve. Unless otherwise noted, capital expenditures will be paid from the operating budget and not the capital reserve.

The schedule below shows the budgeted capital expenditures for 2026.

Capital Project	2026 Budget
Fleet Replacement	\$ 500,000
Fleet Additions	-
Total Capital Spending	\$ 500,000

The Department operates a fleet of roughly 85 vehicles. The fleet is made up of small trucks and SUVs. The vehicles are rotated around 40,000 miles. This helps the Department avoid substantial maintenance costs and retain a high trade-in (sales) value. Fleet replacement is an ongoing capital expenditure and is planned for out of the operating budget instead of the capital reserve. Fleet additions are based on the need to hire additional staff members.

Statistical Section

El Paso County is located in east central Colorado and covers about 2,158 square miles. As of 2020, the population was 731,641 and had grown 1.27% from the prior year. The county is most populated county in the state.

Population				
Year	Colorado	% Change	El Paso County	% Change
2010	5,029,196	1.05%	622,263	2.26%
2011	5,116,302	1.73%	637,302	2.42%
2012	5,189,458	1.43%	644,964	1.20%
2013	5,268,367	1.52%	654,928	1.54%
2014	5,352,866	1.60%	663,957	1.38%
2015	5,454,707	1.90%	675,663	1.76%
2016	5,542,951	1.62%	689,577	2.06%
2017	5,616,567	1.33%	701,544	1.74%
2018	5,694,311	1.38%	714,398	1.83%
2019	5,763,976	1.22%	722,493	1.13%
2020	5,782,914	0.33%	731,641	1.27%
2021	5,812,069	0.50%	737,867	0.85%
2022	5,839,926	0.48%	740,567	0.37%
2023	5,890,612	0.87%	748,659	1.09%
2024	5,957,493	1.14%	752,772	0.55%

source: United States Census Bureau

Below are various other statistical information about the region.

Median household income (2019-2023)	\$	89,549
Owner-occupied housing unit rate		66.4%
Median gross rent (2019 - 2023)	\$	1,708
Households		298,973
High school graduate or higher % of persons age 25+ years		95.4%
Bachelor's degree or higher % of persons age 25+ years		44.3%
Mean travel time to work (minutes)		22.9
All employer firms (2021)		18,618
https://data.census.gov/profile/El_Paso_County_Colorado?g=050XX00US08041		