2016 Proposed Budget Overview

BOARD PRIORITIES

- Long-term financial stability of La Plata County
- Land use code and update Comprehensive Plan
- Operational efficiency and effectiveness
- Public and environmental health
- Intergovernmental coordination and collaboration

COUNTY WIDE REVENUES & EXPENDITURES

County Wide Revenues & Expenditures:	2015	2016	Inc/(Dec)
Operating Revenues	$ 61,096,711	$ 63,823,972	4.5%
Operating Expenditures	58,055,912	59,559,916	2.6%
Revenues Exceed Expenditures	**3,040,799**	**4,264,056**	**40.2%**
County Wide Other Sources:			
Capital Grants	2,021,362	5,232,667	158.9%
Transfers In	5,577,637	8,000,000	43.4%
Other Sources	**7,598,999**	**13,232,667**	**74.1%**
County Wide Other Uses:			
Contingencies	1,946,240	8,680,000	346.0%
Capital Projects & One Time Exp	13,508,187	22,945,503	69.9%
Transfers Out	5,577,637	8,000,000	43.4%
Other Uses	**21,032,064**	**39,625,503**	**88.4%**
Other Uses Exceed Other Sources	**(13,433,065)**	**(26,392,836)**	**96.5%**
Total Use of Fund Balances	**$ 10,392,266**	**$ 22,128,780**	**112.9%**

MAJOR FUNDS

MAJOR FUNDS

2016 Budget	General Fund	Road & Bridge Fund	Social Services Fund	Capital Improv't Plan Fund	TOTAL ALL FUNDS
Expected Beginning Fund Balance	$ 53,987,236	$ 6,780,842	$ 1,859,412	$ 10,311,330	$ 72,938,820
On Going Revenues	37,055,354	7,819,159	5,581,539	2,000,000	52,456,052
Operating Expenditures	35,025,264	8,130,601	6,034,544	-	49,190,408
Change in Fund Balance for Operations	2,030,090	(311,441)	(453,005)	2,000,000	3,265,644
One Time Revenues	-	3,044,667	-	10,188,000	13,232,667
One Time Expenditures:					-
Capital, Projects, One Time, Transfers Out	8,755,771	5,095,667	-	15,442,542	29,293,980
Contingencies	1,000,000	750,000	250,000	6,500,000	8,500,000
Change in Fund Balance-One Time Exp	(9,755,771)	(2,801,000)	(250,000)	(11,754,542)	(24,561,313)
TOTAL CHANGE IN FUND BALANCE	**(7,725,681)**	**(3,112,441)**	**(703,005)**	**(9,754,542)**	**(21,295,669)**
Expected Ending Fund Balance	46,261,556	3,668,400	1,156,407	556,788	51,643,151
Less Reserved Ending Fund Balance*	38,908,030	3,351,180	-	-	42,259,210
EXPECTED UNRESERVED	**$ 7,353,526**	**$ 317,220**	**$ 1,156,407**	**$ 556,788**	**$ 9,383,941**

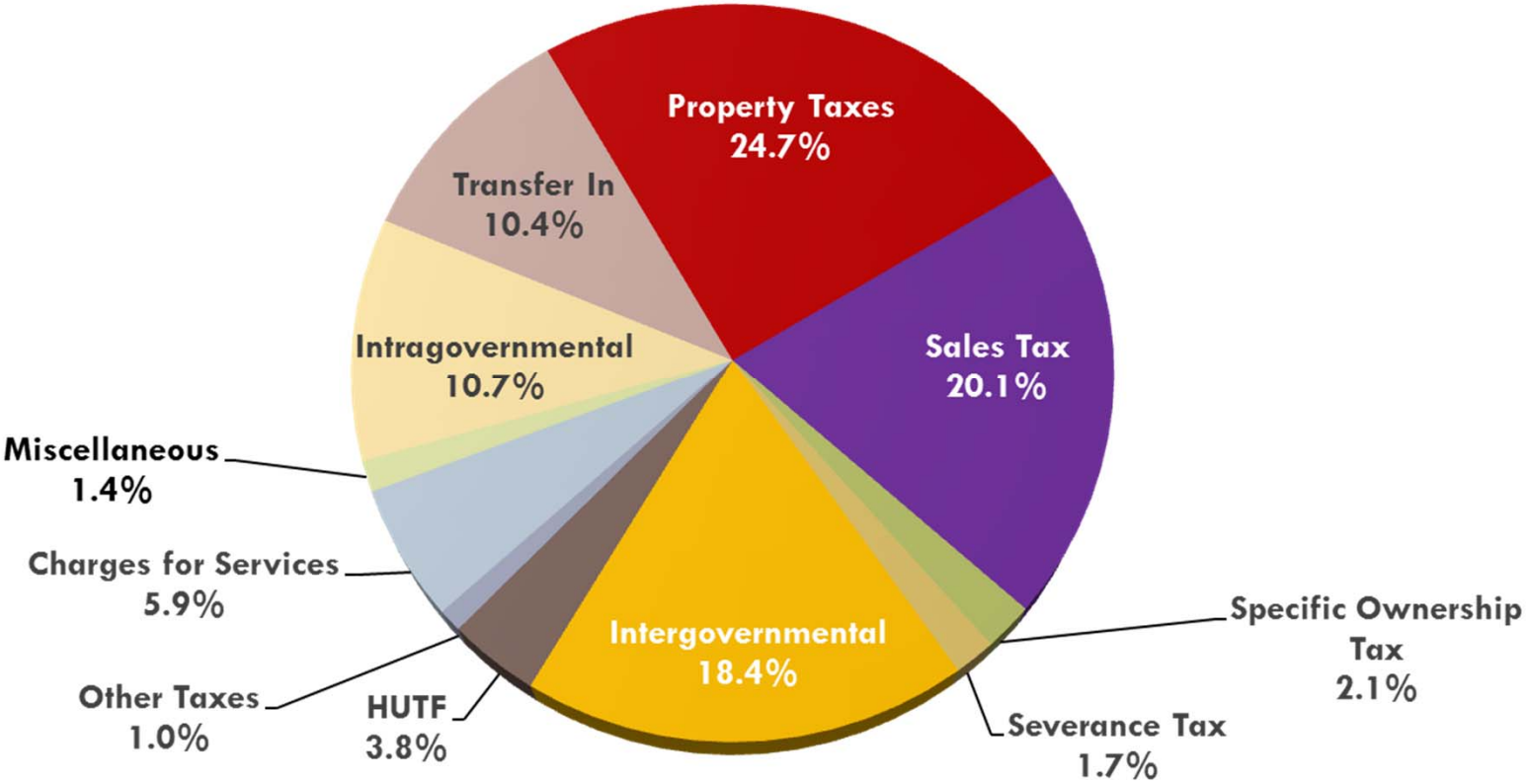
Reserved Ending Fund Balance:*					
Nonspendable	129,028	311,200	-	-	440,228
Restricted for:					-
Economic Stabilization (TABOR)	1,111,661	234,575	-	-	1,346,235
Conservation Trust Fund Program	2,652,677		-	-	2,652,677
Jail Site Remediation Brown Share	445,523	-	-	-	445,523
Capital & Improvements Road Impact	-	1,450,305	-		1,450,305
Law Enforcement Forfeiture	426,585	-	-	-	426,585
Committed for:					-
Emergencies and Disasters	7,296,930	-	-	-	7,296,930
Operating Restricted	8,756,316	1,355,100	-	-	10,111,416
Capital Purchases and Improvements	18,089,310	-	-	-	18,089,310
Reserved Ending Fund Balance	38,908,030	3,351,180	-	-	42,259,210

COUNTY WIDE REVENUES

Anticipated Revenues $77,056,639 ↑ 12.2%

Revenues by Source	2015 Budget	2016 Budget	2016 O/(U) 2015 Budget	% Inc./(Dec) 2016 Budget
General Revenues:				
Property Taxes	17,172,980	19,033,805	*1,860,825*	*10.8%*
Sales Tax	15,379,843	15,477,793	*97,950*	*0.6%*
Specific Ownership Tax	1,577,000	1,580,206	*3,206*	*0.2%*
Severance Tax	1,000,000	1,332,527	*332,527*	*33.3%*
HUTF	2,778,913	2,915,234	*136,321*	*4.9%*
Other Taxes	833,700	758,500	*(75,200)*	*-9.0%*
Miscellaneous	1,062,121	1,050,755	*(11,366)*	*-1.1%*
Subtotal	39,804,557	42,148,820	*2,344,263*	*5.9%*
Program Revenues:				
Charges for Services	3,850,656	4,518,273	*667,617*	*17.3%*
Intragovernmental	8,324,478	8,227,574	*(96,904)*	*-1.2%*
Intergovernmental	9,117,020	8,929,305	*(187,715)*	*-2.1%*
Subtotal	21,292,154	21,675,152	*382,998*	*1.8%*
Total General & Program Revenues	**61,096,711**	**63,823,972**	***2,727,261***	***4.5%***
One Time Revenues:				
Capital Grants	2,021,362	5,232,667	*3,211,305*	*158.9%*
Capital Transfer In	5,577,637	8,000,000	*2,422,363*	*100.0%*
Subtotal	7,598,999	13,232,667	*5,633,668*	*74.1%*
Total Operating & One Time Revenues	**68,695,710**	**77,056,639**	***8,360,929***	***12.2%***

REVENUES BY SOURCE

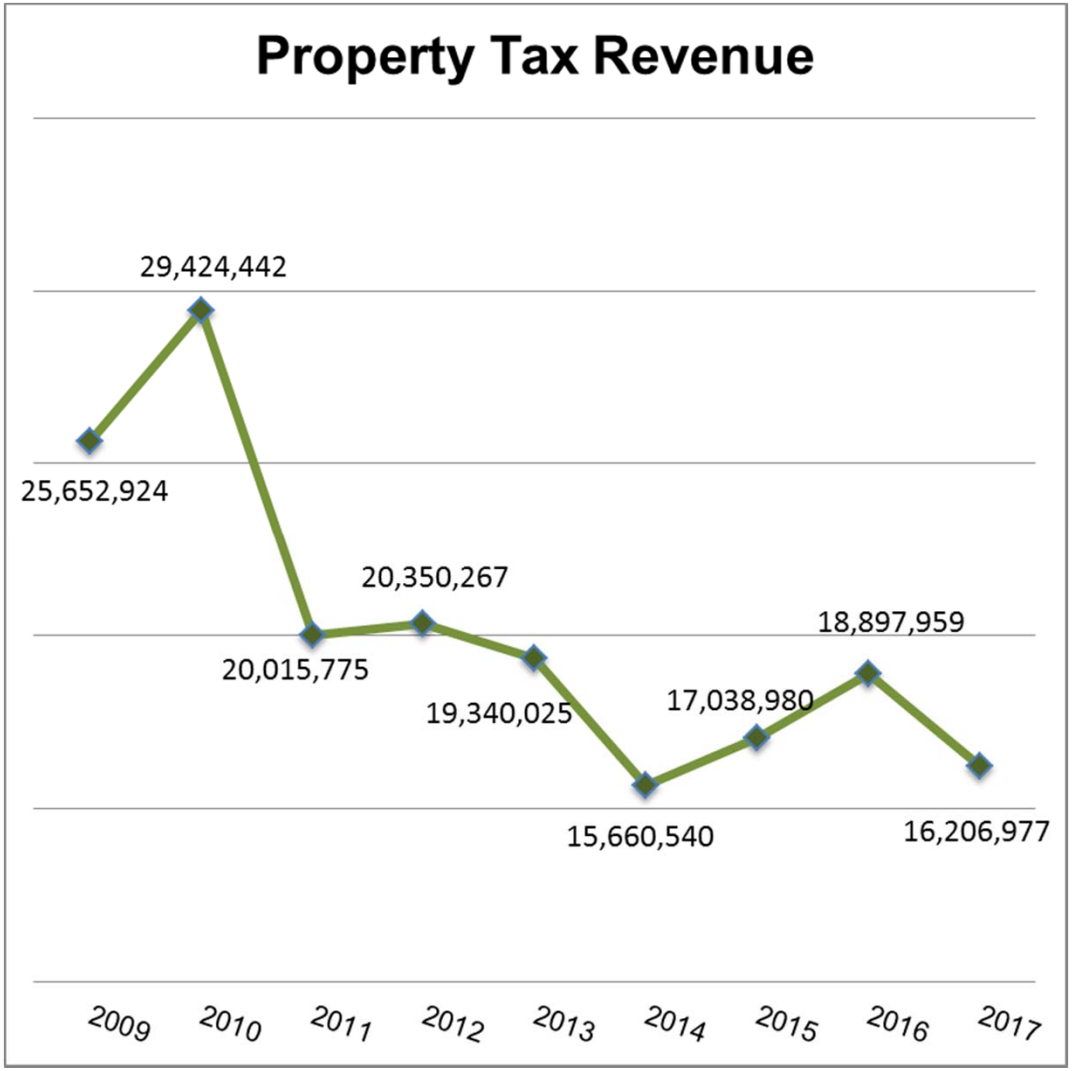


PROPERTY TAX REVENUES

Natural gas prices have fluctuated wildly over the last few years, leading to trailing swings in property tax revenue.

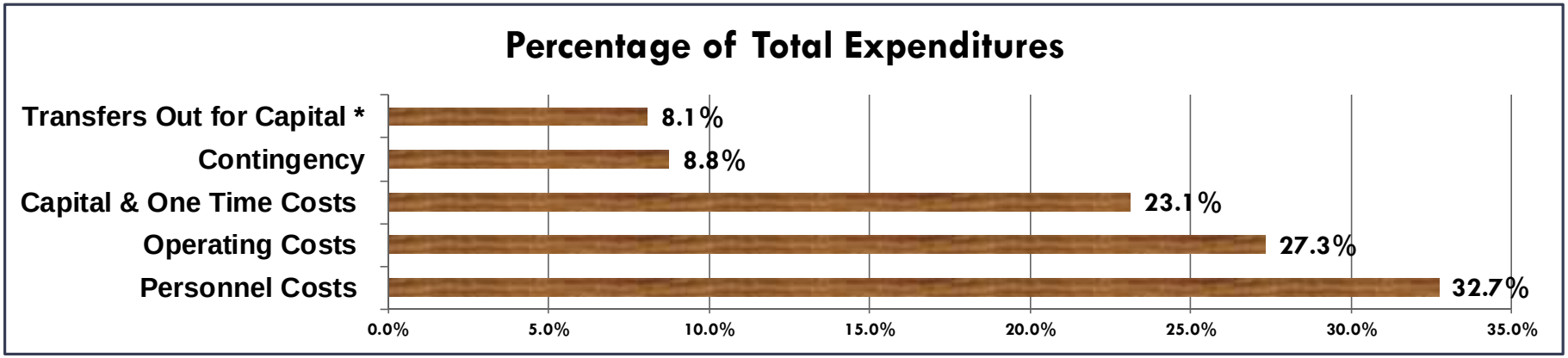
In 2014 La Plata County's total property tax revenue was $15.6 million as compared to $29.4 million in 2010, a decline of 47.8%.

Gas and oil property tax revenue is expected to decrease significantly again in 2017 as a result of current declining production and low prices.



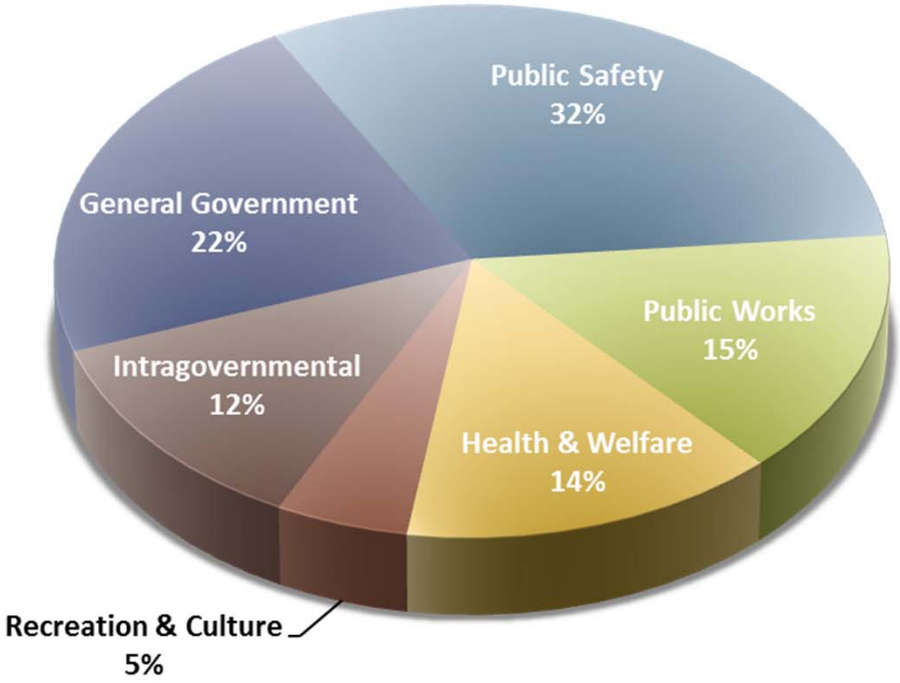
COUNTY WIDE EXPENDITURES

	2015 Budget	2016 Budget		
Personnel Costs	$32,346,981	$32,443,751	↑	0.3%
Operating Costs	25,708,931	27,116,165	↑	5.5%
Capital & One Time Costs	13,508,187	22,945,503	↑	69.9%
Contingency	1,946,240	8,680,000	↑	346.0%
Transfers Out for Capital *	5,577,637	8,000,000	↑	43.4%
Projected Expenditures	**$79,087,976**	**$99,185,419**	↑	**25.4%**



*The $8,000,000 is a transfer out of General Fund's Reserved Fund Balance for Capital into the Capital Improvement Fund for capital purchases. These capital projects are reported in the Capital Improvement Fund along with corresponding revenues.

EXPENDITURES BY FUNCTION



General Government function includes Administration, Assessor, Attorney, Clerk, Commissioners, Elections, Facilities & Grounds, Finance, GIS, Human Resources, IT, OMPO, Planning, Procurement, Public Trustee, Risk Management, Surveyor, Treasurer, and contributions to outside entities that provide general government like services.

Public Safety function includes Alternate to Incarceration, Coroner, Criminal Investigations, District Attorney, Detentions, Emergency Management, Patrol, Sheriff, Special Investigations, Special Services, and contributions to outside entities that provide public safety like services.

Public Works function includes Durango Hills Road Improvement District, Landfills, Palo Verde #3 District, Road & Bridge, Weed Control, and contributions to outside entities that provide public work like services.

Recreation & Culture function includes Conservation Trust, Extension Services, County Fair and Fairgrounds, and Libraries.

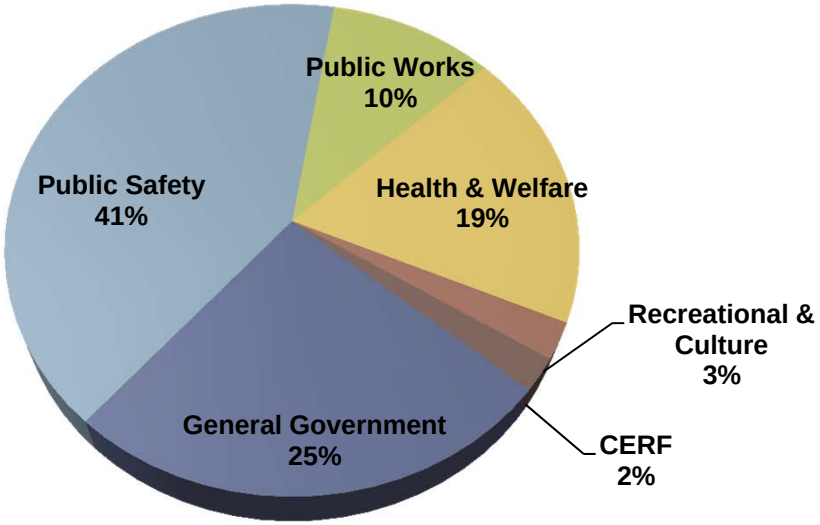
Health & Welfare function includes Department of Human Services, Senior Services, Veterans Services, and contributions to outside entities that provide health and welfare like services.

PERSONNEL INFORMATION

	SALARIES & WAGES				BENEFITS			
Function	2015 Budget W/O Extra Payperiod **	2016 Budget	Increase	% Chg	2015 Budget	2016 Budget	Increase	% Chg
General Government	$ 5,997,592	$ 6,232,152	$ 234,560	3.9%	$2,041,346	$2,044,400	$ 3,054	0.1%
Public Safety	9,959,452	10,175,586	216,134	2.2%	3,811,577	3,709,135	(102,442)	-2.7%
Public Works	2,467,458	2,534,643	67,185	2.7%	931,095	946,494	15,399	1.7%
Health & Welfare	3,692,485	4,103,814	411,329	11.1%	1,393,702	1,459,905	66,203	4.8%
Recreational & Culture	381,759	404,893	23,134	6.1%	151,624	143,721	(7,903)	-5.2%
CERF	469,340	485,478	16,138	3.4%	201,260	203,531	2,271	1.1%
TOTAL	**$22,968,086**	**$23,936,566**	**$ 968,480**	**4.2%**	**$8,530,604**	**$8,507,185**	**$(23,419)**	**-0.3%**

** For comparison purposes this chart shows what 2015 Budget not including the extra pay period.

Percentage of FTEs by Function



MEDICAL INSURANCE

Three Year Health Management Strategy

2014
Introduce Consumer Driven Health Plans, Health Savings Accounts, and Health Advisory Services

2015
Implement Consumer Driven Health Plans, HSA, Health Advisory Services
Formalize Wellness Program & Employee Health Clinic

2016
Phase Out PPO I &
Phase in 2nd and 3rd level HDHPs

Health Management Plan Annual Objectives	2014	2015	2016
Provide employee education in consumer driven plans, HSA's, and Health Advisory Services	✓		
Provide employee education in PPO I & J plan design changes	✓		
Select HSA and Health Advisory Services providers	✓		
Implement new plan designs		✓	
Formalize County Wellness Program and implement the on-site fitness program		✓	
Review Employee Health Clinic provider options and costs		✓	
Phase out PPO I			✓
Phase in 2nd and 3rd level HDHPs			✓
Implement Employee Health Clinic if a viable option is selected			✓

MAJOR CAPITAL & PROJECTS

Capital Projects in 2016 total $22 million

R&B Fund - $5,095,667

- $400,000 is the balance needed to complete the 2015 Marvel & Ignacio Equip Sheds project. Total Cost of $1,345,300 with a 60% grant of $807,180 funded by an energy impact grant.
- Overlay & Turn Lane on CR 210, total cost $350,000.
- $2,125,000 on CR 517 to provide public safety, access and reconstruct a paved road, with funding of $1 million from DOLA, $800,000 from SUIT, and $275,000 from CDOT.
- $1,400,000 on CR 318 a mill and overlay of 3 miles with funding of $700,000 from DOLA.
- $200,000 of MOU fees collected from the energy industry will be used to design Rock Creek Bridge on CR 514 and the Tiffany Bridge on CR 321. (use reserved fund balance)

Capital Improvement Fund - $15,401,542

- 10 Burnett property for Human Services at a minimum cost of $8,000,000.
- Courthouse Remodel at an estimated cost of $5,100,000 with a $1,900,000 DOLA grant.
- Document Recording system for the County Clerk's office at a cost of $125,000.

General Fund - $270,000

- Multi Event Center Master Plan $270,000 (Conservation Trust Fund reserved fund balance)

Vehicle & Equipment Replacement CERF - $1,523,946

CONTINGENCIES

County Wide Contingencies total $8,680,000

- General Fund - $1,000,000
- Road & Bridge Fund - $750,000
- Social Services Fund - $250,000
- Capital Improvement Fund - $6,500,000
- District Attorney's Fund - $30,000
- Durango Hills Road Improvement Fund - $50,000
- Capital Equipment Replacement Fund - $100,000

Since there is an absolute prohibition against spending in excess of an appropriation it is critical that the budget allows for contingencies, a future event or circumstance that is possible but cannot be predicted.

C.R.S.§ 29-1-110 Expenditures not to exceed appropriations.
During the fiscal year, no officer, employee, or other spending agency shall expend or contract to expend any money, or incur any liability, or enter into any contract which, by its terms, involves the expenditures of money in excess of the amount appropriated. Any contract, verbal or written, made in violation of this section shall be void, and no moneys belonging to a local government shall be paid on such contract.

NEXT STEPS

- Oct 12th – 23rd - Board of County Commissioners meetings with Elected Officials and Department Heads. Schedule is available on the County's Web Site.

- Oct. 14th – 2016 Budget Public Hearing, 6:00 p.m. to 8:00 p.m.

- Dec. 8th - 2016 Budget presented for adoption

MORE INFORMATION

The 2016 Proposed Budget is available for inspection by the public on the County's Website, County Administration Building – 1101 E 2nd Ave and the Clerk's Office, 98 Everett St, Suite C, Durango, CO

Questions or Comments

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