



2017 Budget Public Meeting and Input



AGENDA

1. Where we have been: 2015 Financial Report highlights
2. Where we are: 2016 Budget highlights
3. Where we are going: 2017 priorities and challenges
4. Questions and input

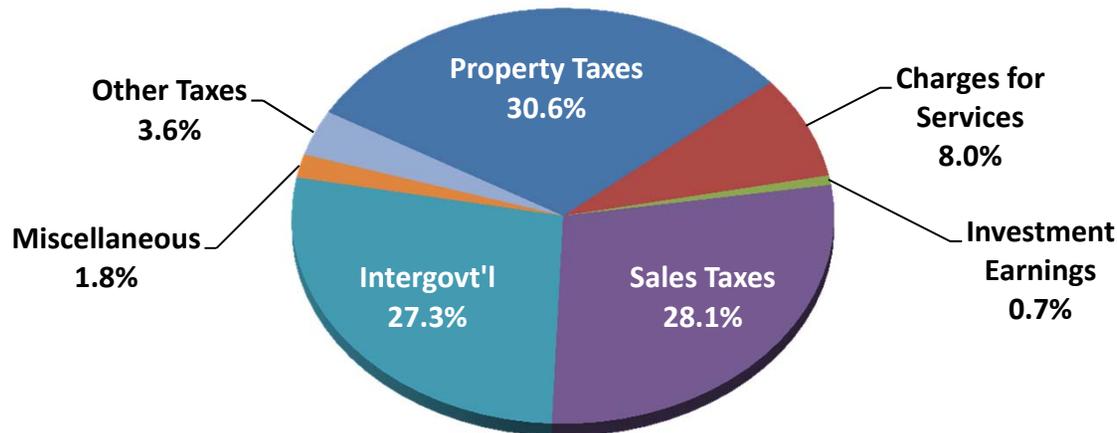
Where We Have Been

2015 Financial Report Highlights

2015 Statement of Activities

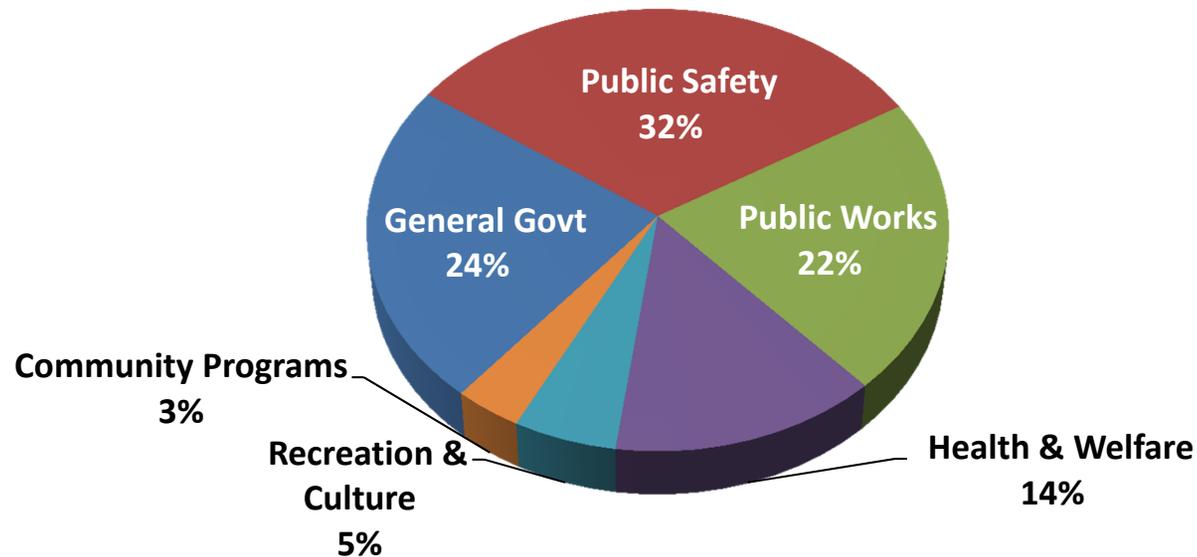
Revenue by Source	2015	2014	\$ Increase/ (Decrease)	% Increase/ (Decrease)
Property Taxes	\$ 17,141,607	\$ 15,639,563	\$ 1,502,044	9.6%
Sales Taxes	15,734,279	14,870,392	863,887	5.8%
Intergovernmental	15,307,501	17,249,580	(1,942,079)	-11.3%
Charges for Services	4,469,493	4,961,215	(491,722)	-9.9%
Other Taxes	1,992,047	1,968,753	23,294	1.2%
Miscellaneous	1,018,957	879,741	139,216	15.8%
Investment Earnings	411,103	489,296	(78,193)	-16.0%
Total	\$56,074,987	\$ 56,058,540	16,447	0.03%

Where the Money Comes From



Government Wide Net Costs of Services

Function	Total Cost of Services	% of Total Costs	Net Cost of Services	% Paid By Taxpayers
General Govt	\$ 12,919,783	23.6%	\$ 6,131,453	47.5%
Public Safety	17,381,499	31.7%	14,523,433	83.6%
Public Works	11,878,828	21.7%	7,864,127	66.2%
Health & Welfare	7,701,357	14.1%	2,129,293	27.6%
Recreation & Culture	2,960,931	5.4%	2,960,931	100.0%
Community Programs	1,931,976	3.5%	1,633,542	84.6%
	<u>\$ 54,774,374</u>		<u>\$ 35,242,779</u>	



2015 La Plata County Funds

	General Fund	Road & Bridge Fund	Dept Human Services	Capital Improvement Fund	Nonmajor Funds	TOTAL
Beginning Fund Balance	59,665,300	7,780,699	2,526,130	7,386,827	659,376	78,018,332
Operations:						
Operating Revenues	33,803,945	8,636,227	5,892,528	2,993,004	2,738,549	54,064,253
Operating Expenditures	32,612,255	6,805,125	6,158,811	181,316	2,350,644	48,108,151
Change in Fund Balance for Operations	1,191,690	1,831,102	(266,283)	2,811,688	387,905	5,956,102
Capital & One Time:						
Capital & One Time Revenues	1,170,780	540,396	-	5,577,637	2,652,677	9,941,490
Capital & One Time Expenditures	8,230,314	2,746,942	-	5,730,979	-	16,708,235
Change in Fund Balance -Capital/One Time	(7,059,534)	(2,206,546)	-	(153,342)	2,652,677	(6,766,745)
CHANGE IN FUND BALANCE	(5,867,844)	(375,444)	(266,283)	2,658,346	3,040,582	(810,643)
Ending Fund Balance	53,797,456	7,405,255	2,259,847	10,045,173	3,699,958	77,207,689
Less Reserved Fund Balance*	(48,758,676)	(3,880,959)	(1,492,242)	(1,976)	-	(54,133,853)
ENDING UNRESERVED FUND BALANCE	5,038,780	3,524,296	767,605	10,043,197	3,699,958	23,073,836

<i>Reserved Fund Balance:*</i>						
Nonspendable	196,375	254,708	-	1,976	-	453,059
Restricted for:						
Economic Stabilization (TABOR)	1,600,510	-	-	-	-	1,600,510
Capital Improvements Road Impact	-	1,650,305	-	-	-	1,650,305
Law Enforcement	275,506	-	-	-	-	275,506
Child Welfare	-	-	1,492,242	-	-	1,492,242
Next Years Budget Deficient	10,356,538	-	-	-	-	10,356,538
Committed for:						
Emergencies and Disasters	6,764,859	-	-	-	-	6,764,859
Operating Restricted	9,053,215	1,975,946	-	-	-	11,029,161
Assigned for:						
Capital Purchases and Improvements	20,511,673	-	-	-	-	20,511,673
Reserved Ending Fund Balance:	48,758,676	3,880,959	1,492,242	1,976	-	54,133,853

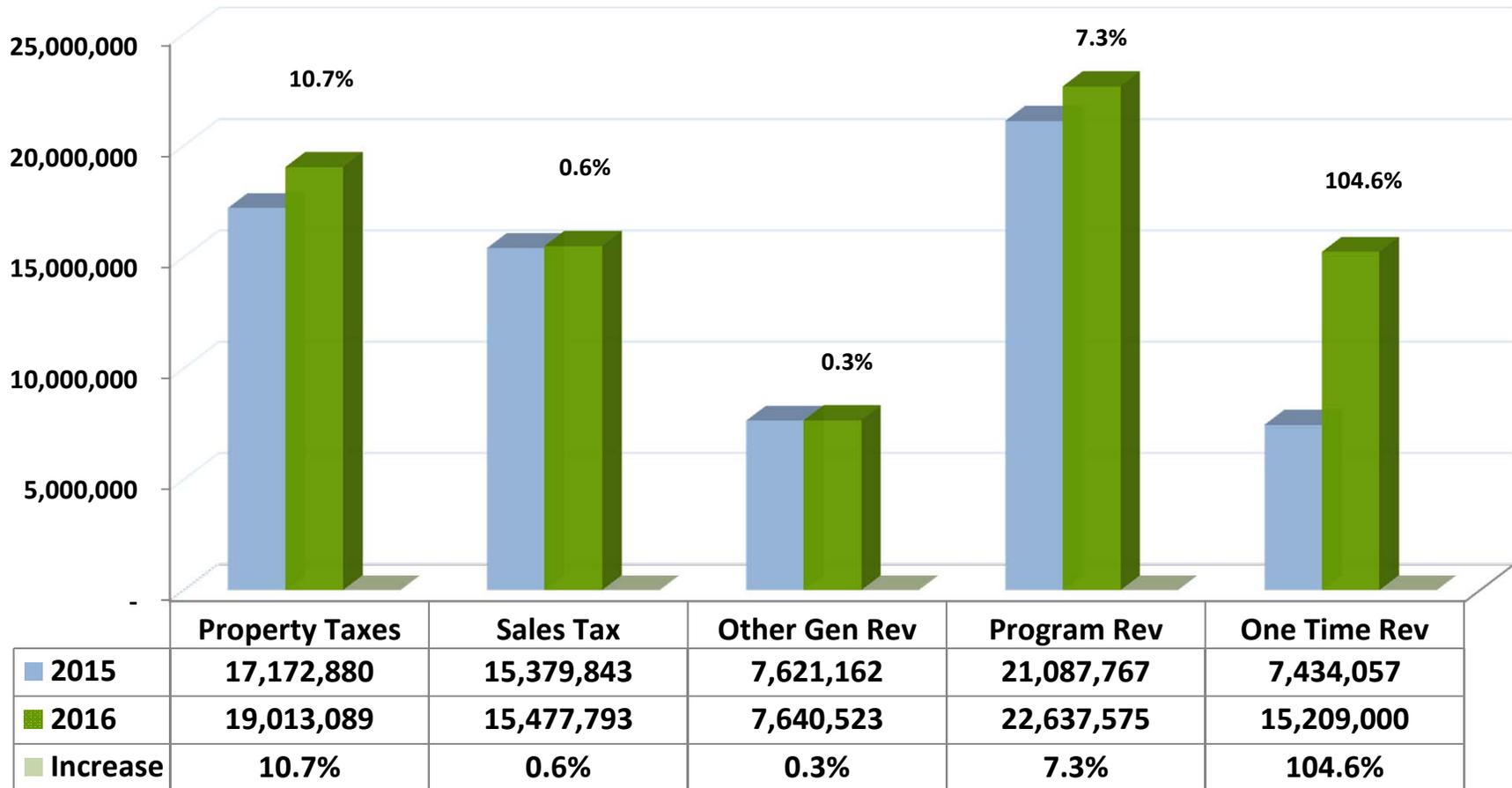
Where We Are

2016 Budget Highlights



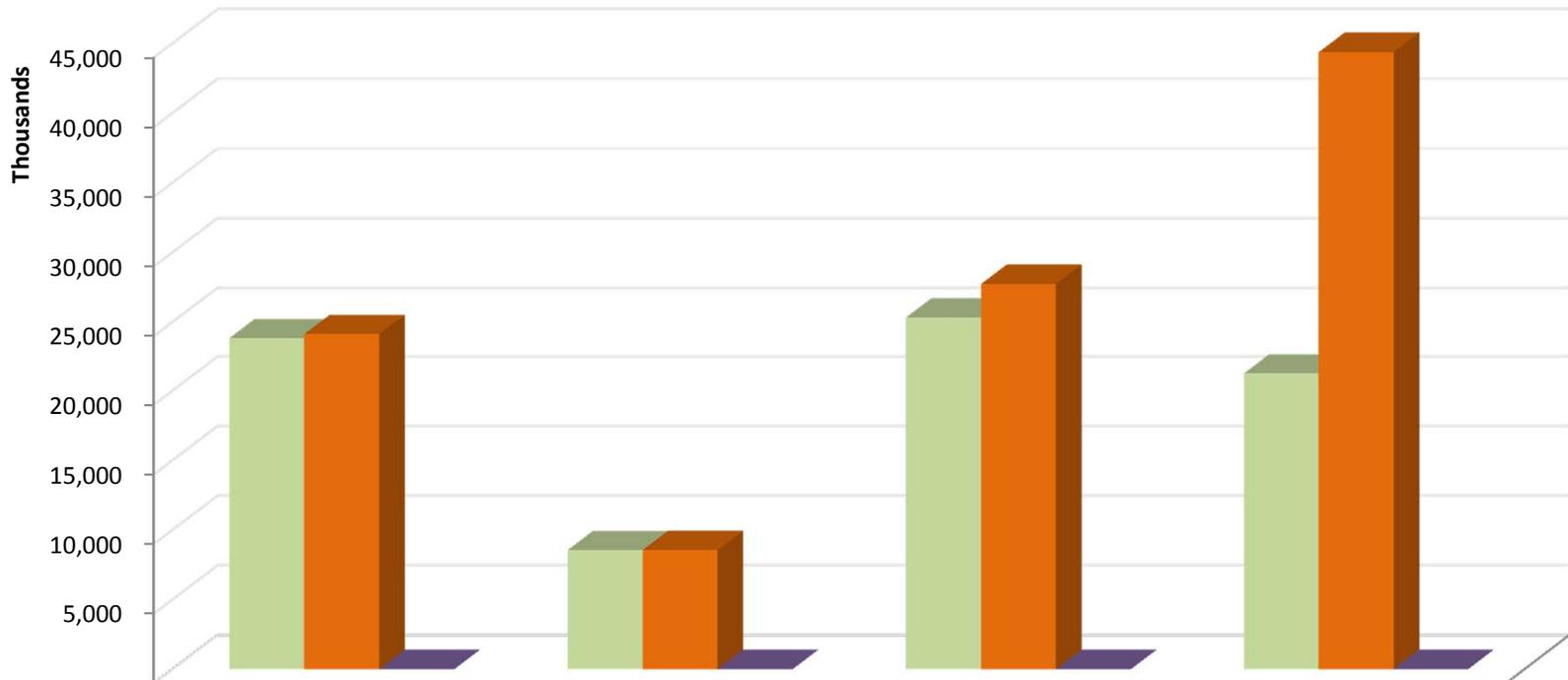
County Wide Revenues

County Wide Revenues Anticipated at \$79.9 Million



County Wide Expenditures

County Wide Expenditures Projected at \$104 Million



	Wages & Salaries	Benefits	Operating	One Time & Transfers
■ 2015 Budget	23,816,377	8,530,604	25,297,514	21,219,364
■ 2016 Budget	24,115,453	8,535,746	27,704,151	44,348,620
■ Percent Chg	1.3%	0.1%	9.5%	109.0%

2016 Budget Summary

- Operating revenues anticipated a \$3.5 million increase or 5.7% over 2015
- Operating expenditures expected to increase \$2.7 million or 4.7% over 2015
- Merit salary raises were budgeted (2015 included a merit raise, 2014 no raises were budgeted)
- Use of Capital Reserves for capital projects (\$10 million Transfer In and Transfer Out)

Where We Are Going

2017 Budget

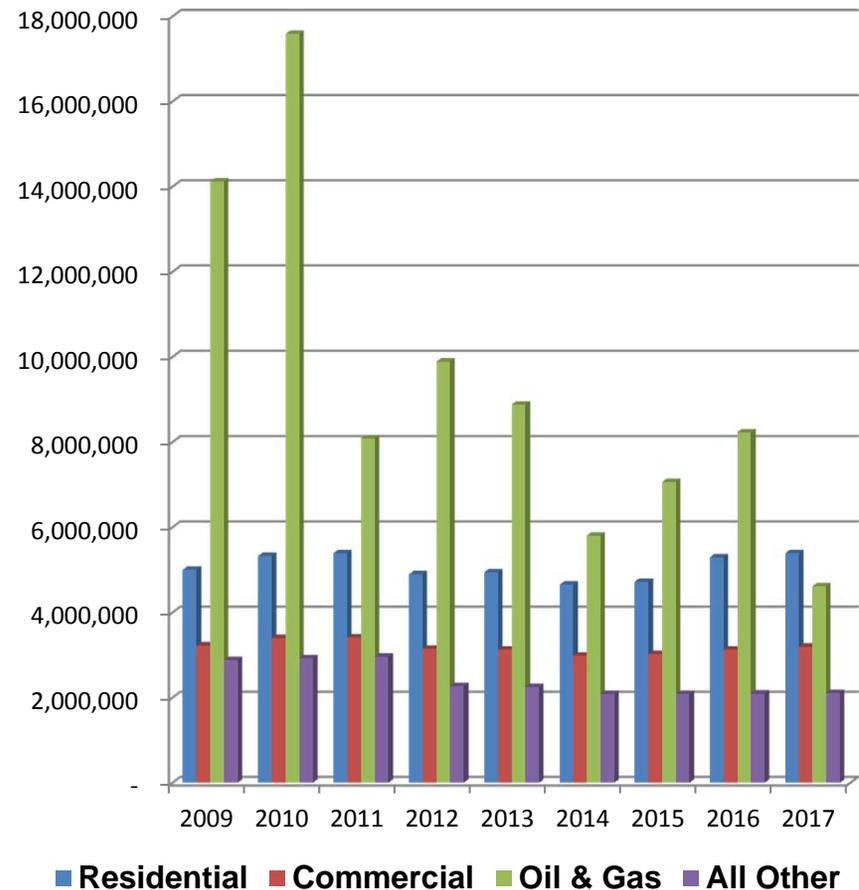
2017 Board Priorities

- Promote public and environmental health through improved water quality/quantity, air quality and prevention/mitigation
- Develop options for the long-term financial sustainability of La Plata County
- Develop and improve water quality and availability throughout the County
- Improve land use code and Comprehensive Plan
- Improving operational efficiency and effectiveness
- Promote intergovernmental coordination and collaboration at federal, tribal, state and local levels
- Address barking dog nuisance issue

2017 Budget Assumptions

- Property tax revenues will decrease \$3.4 million or 18.2% from 2016.
- Oil and gas revenues from property tax are **less than** revenues from residential property for the first time in at least 16 years.
- **Total** property tax revenues in 2017 are estimated to be **less than** property tax revenues in 2014 (our lowest point in more than 12 years).
- It is too early to project any other revenues (e.g., sales tax, severance tax, etc.).
- We expect some reduction in severance tax direct distributions as well as energy impact grants that severance tax funds.

**Property Tax Revenue Comparison
2009 - 2017 by Property Class**



Challenges Ahead

- Minimizing increases in operating and health care costs
- Maintaining County's physical assets and infrastructure
- Addressing long-term Road & Bridge operations and capital project plans
- Identifying efficiencies and budget savings (through our Lean Initiatives)
- Decreasing property tax revenues due to decline in natural gas price and production
- Providing a sustainable level of funding for county operations due to growth related service demands
- Aging work force

Thank you for your time and involvement

Questions and Input

*Joe Kerby
County Manager*

*Diane Sorensen
Finance Director*