



2017 Proposed Budget Overview

October 11, 2016



BOARD PRIORITIES

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

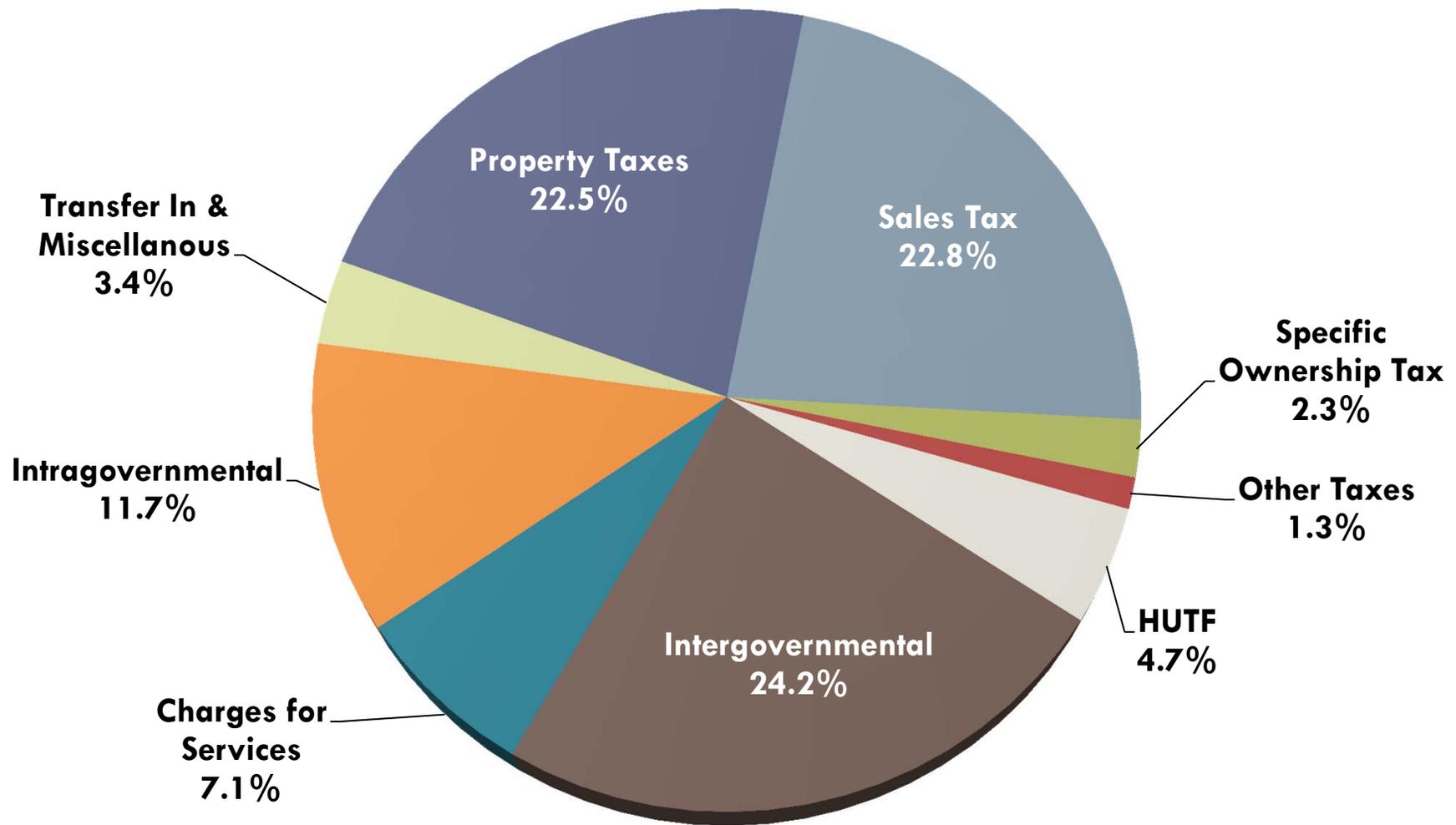
COUNTYWIDE REVENUES

Anticipated Revenues \$69,137,185

 13.6%

Revenues by Source	2016 Budget	2017 Budget	Inc/(Dec)	Percent
<i>General Revenues:</i>				
Property Taxes	18,977,089	15,559,300	(3,417,789)	-18.0%
Sales Tax	15,477,793	15,787,349	309,556	2.0%
Specific Ownership Tax	1,585,706	1,586,882	1,176	0.1%
Severance Tax	1,332,527	400,000	(932,527)	-70.0%
HUTF	2,915,234	3,274,162	358,928	12.3%
Other Taxes	289,000	477,339	188,339	65.2%
Miscellaneous	1,078,356	1,936,323	857,967	79.6%
Subtotal	41,655,705	39,021,355	(2,634,350)	-6.3%
<i>Program & Other Revenues:</i>				
Charges for Services	4,304,585	4,894,202	589,617	13.7%
Intragovernmental	7,938,656	8,077,836	139,180	1.8%
Intergovernmental	10,516,264	9,707,353	(808,911)	-7.7%
Subtotal	22,759,505	22,679,391	(80,114)	-0.4%
Total General & Program Revenues	64,415,210	61,700,746	(2,714,464)	-4.2%
<i>One Time Revenues:</i>				
Capital Grants	5,209,000	7,017,436	1,808,436	34.7%
Capital Transfer In	10,352,850	419,003	(9,933,847)	-96.0%
Subtotal	15,561,850	7,436,439	(8,125,411)	-52.2%
Total Operating & One Time Revenues	79,977,060	69,137,185	(10,839,875)	-13.6%

COUNTYWIDE REVENUES BY SOURCE

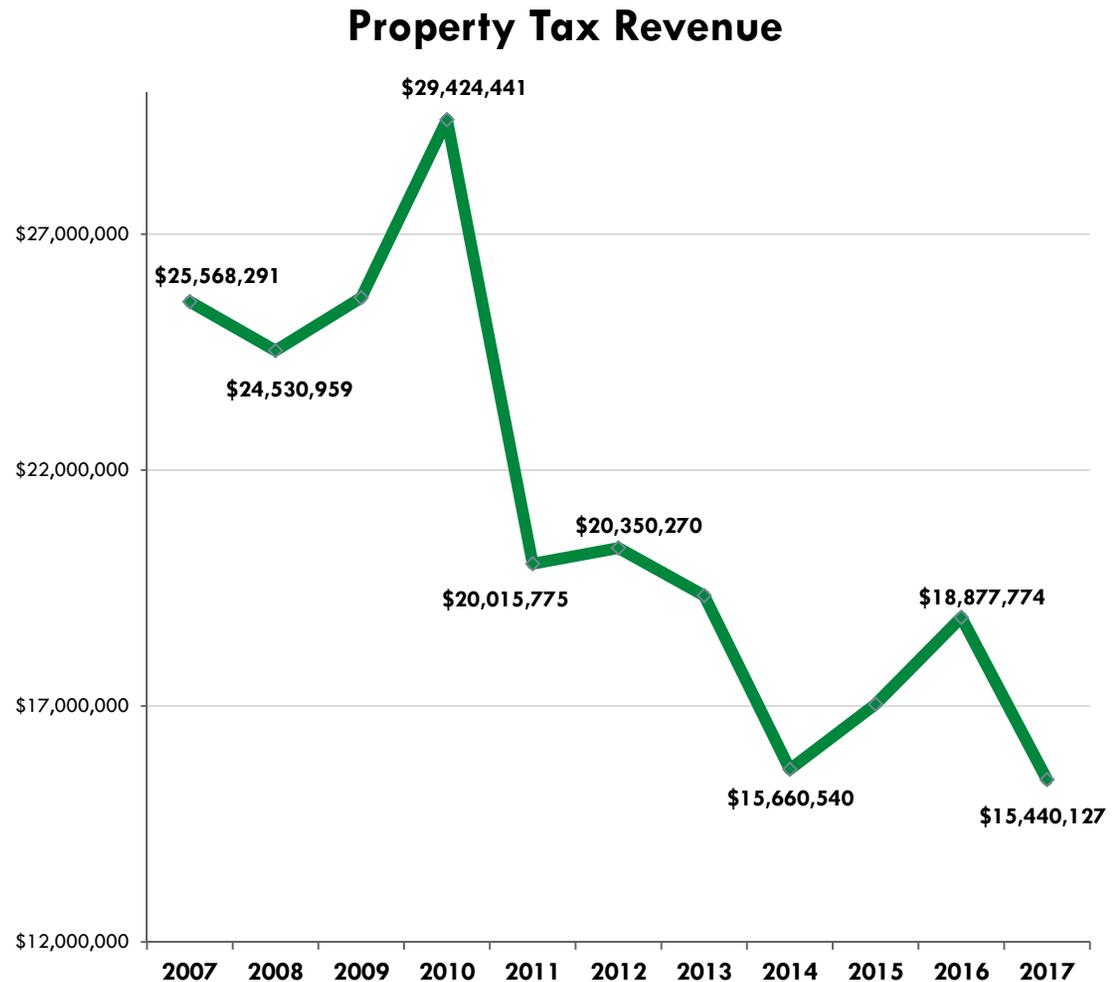


PROPERTY TAX REVENUES

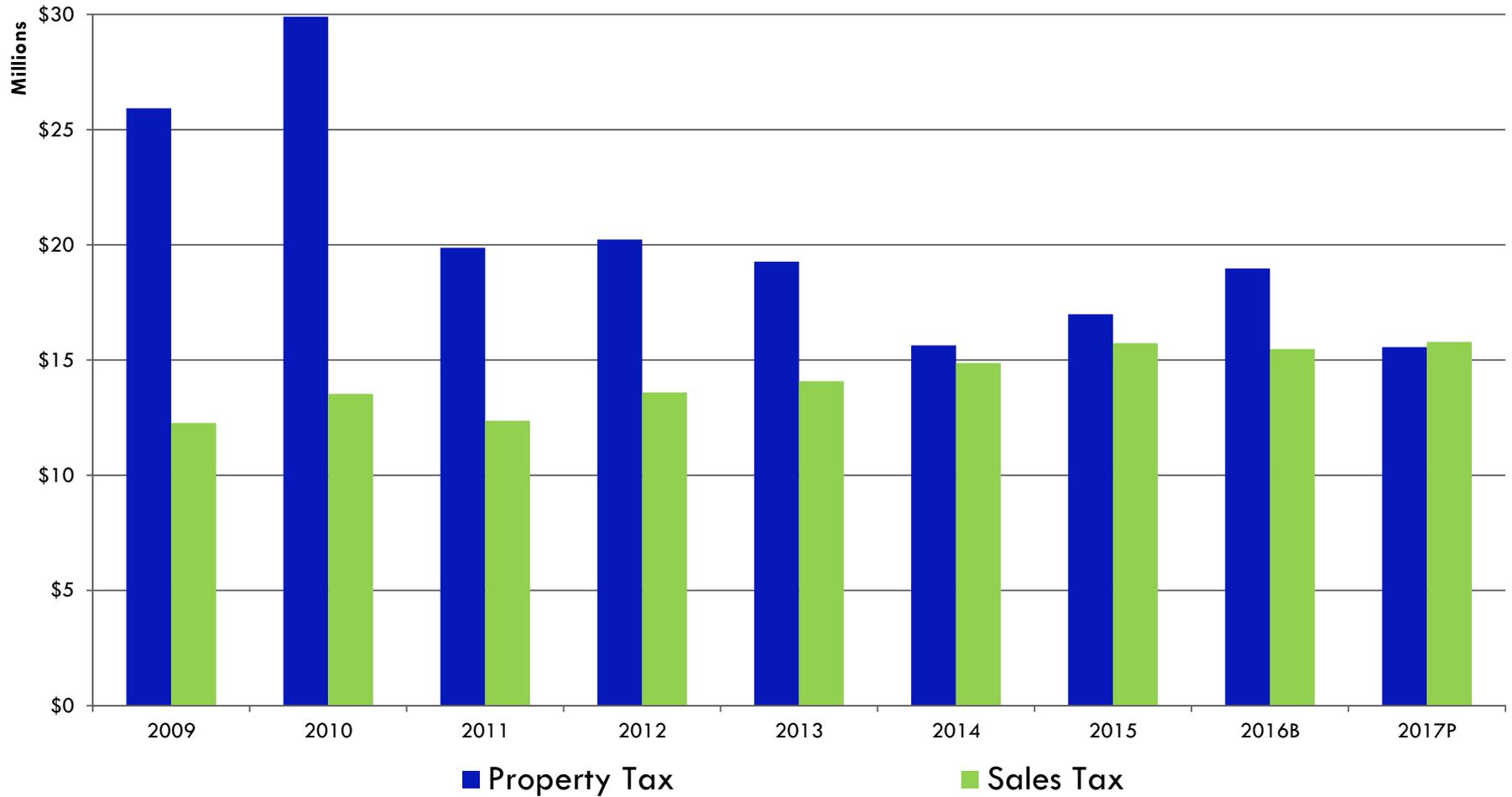
Natural gas prices have fluctuated wildly over the last few years, leading to trailing swings in property tax revenue.

In 2017 La Plata County's total property tax revenue is anticipated to be \$15 million as compared to \$29.4 million in 2010, a decline of 47.5%.

Preliminary estimates indicate property tax revenue will decline an additional \$1.4 million in 2018. The additional decline is due to the drop in oil & gas values of 41.8% and an overall increase in real estate of 5%



PROPERTY TAX COMPARED TO SALES TAX



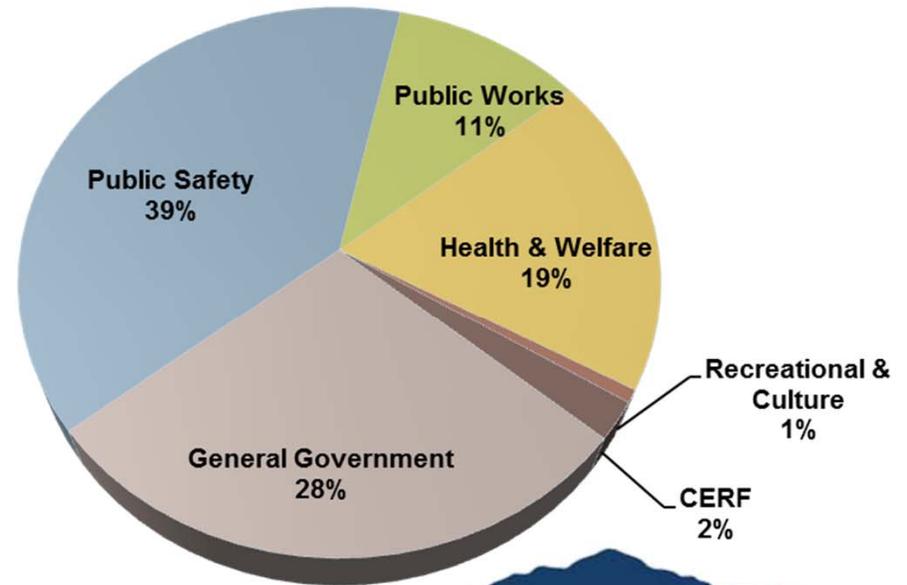
EXPENDITURES BY CATEGORY

Expenditures by Object	2016 Budget	2017 Budget	Inc/(Dec)	Percent
Salaries & Wages	24,120,980	23,416,895	(704,085)	-2.9%
Benefits	8,458,901	8,361,909	(96,992)	-1.1%
Personnel	32,579,880	31,778,804	(801,076)	-2.5%
Operating Expenditures	20,269,925	19,652,451	(617,474)	-3.0%
Intragovernmental	7,938,656	8,077,836	139,180	1.8%
Transfers Out Operating	413,353	419,327	5,974	1.4%
Debt Service	16,888	16,888	-	0.0%
Operations	28,638,823	28,166,502	(472,321)	-1.6%
Total Operations	61,218,703	59,945,307	(1,273,397)	-2.1%
Contingencies	8,460,000	4,620,000	(3,840,000)	-45.4%
Capital & One Time Expenditures	25,025,267	13,753,610	(11,271,657)	-45.0%
Transfers Out Capital	10,000,000	-	(10,000,000)	100.0%
Other Uses	43,485,267	18,373,610	(25,111,657)	-57.7%
Total Expenditures	104,703,970	78,318,916	(26,385,054)	-25.2%

PERSONNEL INFORMATION

Function	SALARIES & WAGES				BENEFITS			
	2016 Budget	2017 Budget	Increase	% Chg	2016 Budget	2017 Budget	Increase	% Chg
General Government	\$ 6,355,268	\$ 6,576,661	\$ 221,393	3.5%	\$ 2,047,097	\$ 2,176,746	\$ 129,649	6.3%
Public Safety	10,330,666	9,841,347	(489,319)	-4.7%	3,820,805	3,616,221	(204,584)	-5.4%
Public Works	2,530,269	2,482,647	(47,622)	-1.9%	897,117	916,954	19,837	2.2%
Health & Welfare	4,062,422	3,908,657	(153,765)	-3.8%	1,359,596	1,398,495	38,900	2.9%
Recreational & Culture	360,907	140,444	(220,463)	-61.1%	135,356	54,881	(80,474)	-59.5%
CERF	481,448	467,139	(14,309)	-3.0%	198,931	198,611	(319)	-0.2%
TOTAL	\$ 24,120,980	\$ 23,416,895	\$ (704,085)	-2.9%	\$ 8,458,901	\$ 8,361,909	\$ (96,992)	-1.1%

Percentage of FTEs by Function



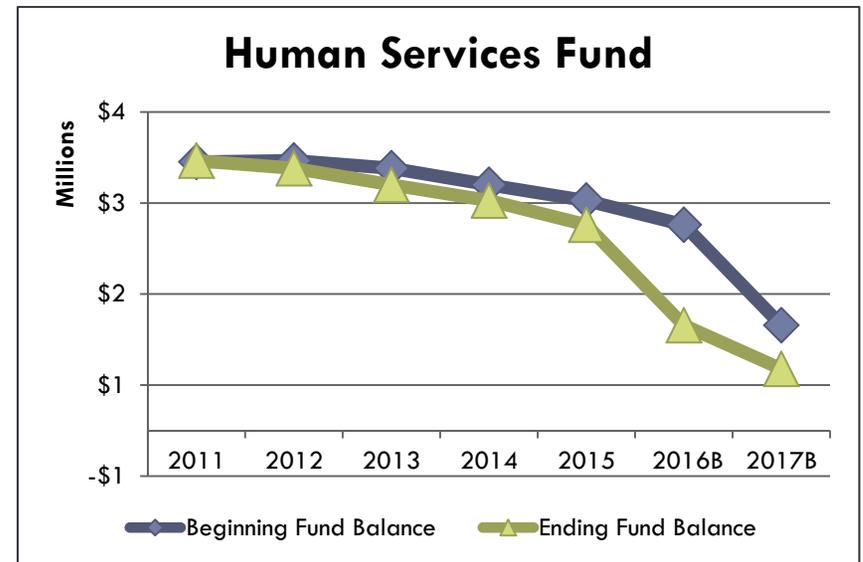
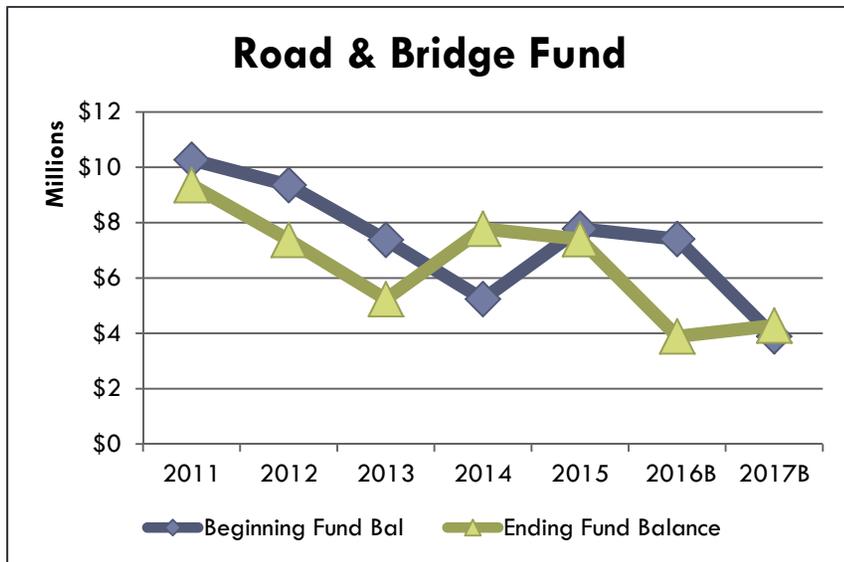
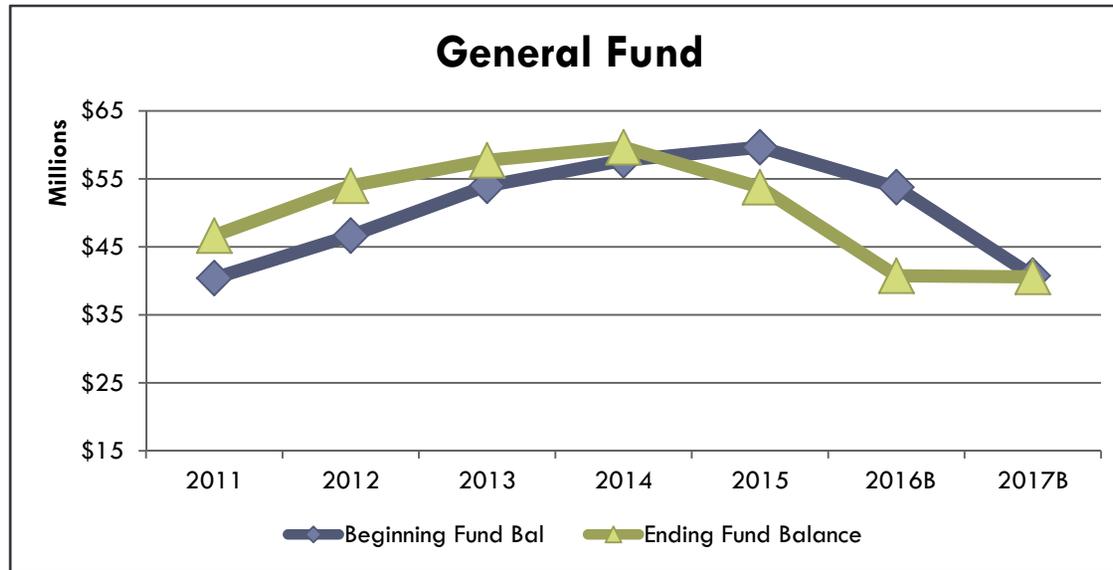
The proposed budget recommends:

- No new positions
- No merit raises
- No wage plan changes
- No reclassifications
- No promotions
- Reduced HSA contributions by 50%

MAJOR FUNDS

2017 Budget	General Fund	Road & Bridge Fund	Social Services Fund	Capital Improv't Plan Fund	TOTAL ALL MAJOR FUNDS
Expected Beginning Fund Balance	\$ 42,904,402	\$ 7,119,549	\$ 1,418,802	\$ 5,616,079	\$ 57,058,832
On Going Revenues	34,028,945	8,021,806	5,907,019	2,000,000	49,957,770
Expenditures:					
Personnel	21,229,267	3,284,138	4,626,494	-	29,139,899
Operations	13,334,610	5,037,143	1,981,392	-	20,353,145
Total Operating Expenditures	34,563,877	8,321,281	6,607,886	-	49,493,045
Change in Fund Balance for Operations	(534,932)	(299,475)	(700,867)	2,000,000	464,726
One Time Revenues	-	5,825,000	-	1,377,351	7,202,351
One Time Expenditures:					
Capital, Projects, One Time, Transfers Out	269,000	7,644,457	-	3,965,628	11,879,085
Contingencies	1,500,000	720,000	40,000	2,000,000	4,260,000
Total One Time Expenditures	1,769,000	8,364,457	40,000	5,965,628	16,139,085
Change in Fund Balance-One Time Exp	(1,769,000)	(2,539,457)	(40,000)	(4,588,277)	(8,936,734)
TOTAL CHANGE IN FUND BALANCE	(2,303,932)	(2,838,932)	(740,867)	(2,588,277)	(8,472,008)
Expected Ending Fund Balance	40,600,470	4,280,617	677,934	3,027,803	48,586,824
Less Reserved Ending Fund Balance*	35,397,078	3,589,039	353,899	-	39,340,016
EXPECTED UNRESERVED	\$ 5,203,392	\$ 691,578	\$ 324,035	\$ 3,027,803	\$ 9,246,808
Reserved Ending Fund Balance:*					
Nonspendable	129,028	311,200	-	-	440,228
Restricted for:					
Economic Stabilization (TABOR)	1,020,868	240,654	-	-	1,261,523
Jail Site Remediation Brown Share	445,523	-	-	-	445,523
Capital & Improvements Road Impact	-	1,650,305	-	-	1,650,305
Law Enforcement Forfeiture	426,585	-	-	-	426,585
Child Welfare	-	-	353,899	-	353,899
Peg Fees	83,551	-	-	-	83,551
Committed for:					
Emergencies and Disasters	7,478,278	-	-	-	7,478,278
Operating Restricted	8,973,934	1,386,880	-	-	10,360,814
Capital Purchases and Improvements	16,089,310	-	-	-	16,089,310
Assigned for:					
Insurance Claims-CTSI Liability	750,000	-	-	-	750,000
Reserved Ending Fund Balance	35,397,078	3,589,039	353,899	-	39,340,016

Fund Balance



MEDICAL BENEFITS

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 2017 total \$13.3 million

Road & Bridge Fund

7 projects totaling \$7,769,457 with expected grants and contributions of \$5,869,457.

Main projects include:

- **CR 120 Phase II** road project total costs of \$2.5 million is expected to be funded with a \$1 million from an Energy Impact Grant and \$1.5 million contribution from GCC Energy, Inc.
- **CR 517 improvement** project to address public safety, access and reconstruct a paved road. Total cost \$2,125,000, with funding of \$1 million from DOLA, \$800,000 from SUIT, and \$275,000 from CDOT.
- **CR 302 mill and overlay** project to improve 3 miles of road. Total cost \$1,400,000 with funding of \$700,000 from DOLA.
- **Remodel R&B offices** to add 1,500 square feet to house the Engineering Department. Total cost \$1,500,000 with grant application to DOLA for 50% match.

A complete list of all capital and projects can be found in the 2017 Proposed Budget

MAJOR CAPITAL & PROJECTS

Capital Projects in 2017 total \$13.3 million

Capital Improvement Fund

12 projects total costing \$3,874,997. Main projects include:

- Complete the Courthouse remodel to provide space for the Sixth Judicial District and U.S. District Court. This project will move the La Plata County Attorney's office out of leased spaces and into the Courthouse. The County will receive lease payments from the U.S. District Courts for Courthouse space.
- Complete Courthouse basement remodel for the 6th Judicial District Attorney's office.
- Emergency power generation project will provide back up power for Emergency Shelter site for La Plata County with a total costs of \$396,685. County has applied for a 50% grant match from DOLA.

Vehicle & Equipment Replacement: \$1,356,492

A complete list of all capital and projects can be found in the 2017 Proposed Budget

NEXT STEPS

The 2017 proposed budget is available for inspection at www.co.laplata.co.us, at the County Administration Building, 1101 E. 2nd Ave., and the Clerk's Office, 98 Everett St, Suite C, Durango.

- Oct. 17-28 Board of County Commissioners will meet with elected officials and department heads.
- Oct. 18 Public Hearing for Proposed 2017 Budget, 6-8 p.m.
- Dec. 13 Proposed 2017 Budget presented for adoption

Questions?

Thank you!



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