



**THE STATE OF LA PLATA COUNTY**  
**January 24, 2012**

La Plata County Board of County Commissioners  
Robert A. Lieb, Jr., Chair  
Wallace L. White, Vice Chair  
Kellie C. Hotter, Commissioner

La Plata County enters 2012 with both strength and optimism - strength stemming from our solid financial position, sound stewardship and dedicated workforce, and optimism grounded in the vitality and creativity both within our organization and the community.

To be sure, La Plata County has been impacted by the ongoing national and state fiscal turmoil, but due to our preparation and pre-planning, we have been able to weather the storm well through a combination of healthy reserves, conservative budgeting, and an organizational commitment to becoming a leaner and more efficient organization. Naturally, we continue to monitor economic trends closely to be nimble in responding to both challenges and opportunities as they arise.

From an operational perspective, in 2011, we continued to "right size" the county workforce based on service needs. Following an independent workload analysis, we implemented a "reduction in force" plan that resulted in the elimination of eight positions in the Planning, Building and Geographic Information Services Departments. Three positions were also converted from full time to three-quarter time. In addition, as part of the 2011 budget process, five positions were eliminated in 2011 and six were eliminated in 2010, bringing the total reduction in force to 19 positions over the past two years. While the economic downturn resulted in a decreased workload in some departments, the Department of Human Services continues to experience an increasing caseload; consequently, in 2012, one position was added to meet both service needs and compliance requirements.

Facilities planning was a major focus in 2011 and will continue to be in 2012. An important determination will be made by the Board in early 2012 concerning the possible lease of space in the County Courthouse to the General Services Administration for the U.S District Court, U.S. Probation Dept. and the U.S. Attorney's Office. In the long term, we believe this move will improve access to the federal court system for citizens in southwestern Colorado. Ultimately the move could also favorably poise La Plata County for further expansions of federal court presence in the future, which would be a significant economic driver over time. In December, 2011, the County entered into a purchase agreement for the Vectra Bank building located at 1101 East Second Avenue. This uniquely situated parcel is a prime location for County offices and demonstrates a continued commitment to maintaining the County's presence in downtown Durango. While this acquisition will help to meet County space needs, providing adequate workspace that is efficient and convenient to the public remains a challenge. In 2012, we will proactively address this priority through the development of a master facilities plan which will assess our needs into the future, as well as our property assets, to identify both gaps and opportunities to meet those needs.

The conclusion of the comprehensive planning process was a disappointment for many in the community, including the Board of County Commissioners. We deeply appreciate those who participated, and know that the information gleaned from the research, information gathering and many well attended meetings will continue to serve as a valuable resource for this Board and others in the community. We remain committed to improving our land use code so that the land use permitting process in La Plata County will be more predictable, more understandable and more timely.

Progress continues on the Multi-Event Center Project, envisioned to be an education, recreation, equestrian and entertainment center for La Plata County. In 2010, we applied to the U.S. Bureau of Land Management to acquire 56 acres of BLM land to be coupled with 42.5 acres of County property for the overall project. An environmental assessment was initiated in 2011, and we anticipate a determination by the BLM concerning the proposed acquisition sometime 2012. If the County is successful in acquiring the property, the next step would involve master planning the site, which promises to be an exciting opportunity for our community.

In the spring of 2011, the County launched its community survey as part of our ongoing effort to improve our organizational efficiency and effectiveness. The survey was conducted to gauge the level of citizen satisfaction with delivery of services, and the results were encouraging. For example, 91% of respondents indicated that County staff are effective always or most of the time and 77% of respondents indicated that they have "ready access" to the information they need always or most of the time. The survey provided a wealth of baseline data on a variety of topics that will help us to improve service to our citizens.

With respect to County finances, property tax revenues for 2012 will be approximately \$20 million, about 2% more than in 2011. Although commercial and residential valuation decreased, the increase in property tax can be attributed to the modest recovery of natural gas valuation. By the end of 2011, sales taxes revenues were trending up over the previous year at about 4.1%, and in 2012, we are projecting sales tax revenues of \$12.5 million, a 2% increase. Overall revenues for 2012 are estimated at just over \$64 million, about \$1 million more than 2011, which is positive compared to the 10% decline in revenues we experienced from 2010 to 2011.

The 2012 budget has approximately \$74 million in proposed expenditures. The balance of funds will be drawn from the County's reserves, estimated to be more than \$72 million. Of the planned draw down from these reserves, \$5.5 million is earmarked for the Vectra purchase and federal courts project and \$900,000 for the early payoff of the certificates of participation on the Old Main Post Office.

La Plata County experienced changes in leadership in 2011. Commissioner Bobby Lieb joined the Board of County Commissioners representing District 1. The County Manager resigned in July 2011 and the Planning Director resigned in January 2012. Both positions are key to our organization, and interim assignments were made to ensure business continuity. We are currently actively recruiting for these two positions.

Our community is resilient, innovative and committed to success. So is La Plata County government. Along with the other County elected officials and our staff, we look forward to a year of achievement for our organization and prosperity for our community.