



2017 Proposed Budget



Budget Development

- Revenue forecast for 2017 – significant decrease in property tax revenues of \$17m
- Direction from BOCC:
 - Operating budget must be balanced
 - Maintain operating budget and service levels
 - Look for efficiencies and savings to absorb increases
 - Include a pay increase for employees
 - Any requested increases need full and detailed justification
 - Some capital projects – need to be prioritized
 - Maintain headcount but examine longstanding vacancies
 - Following significant investment since 2012, Road and Bridge expenditures need to be reduced

2017 Proposed Budget Overview

Proposed Revenues

- Total **\$94,342,408**
- Net of interfund transfers - \$87,954,408 (used in analysis)
- Decrease of \$14.4m, -14% less than 2016 amended budget

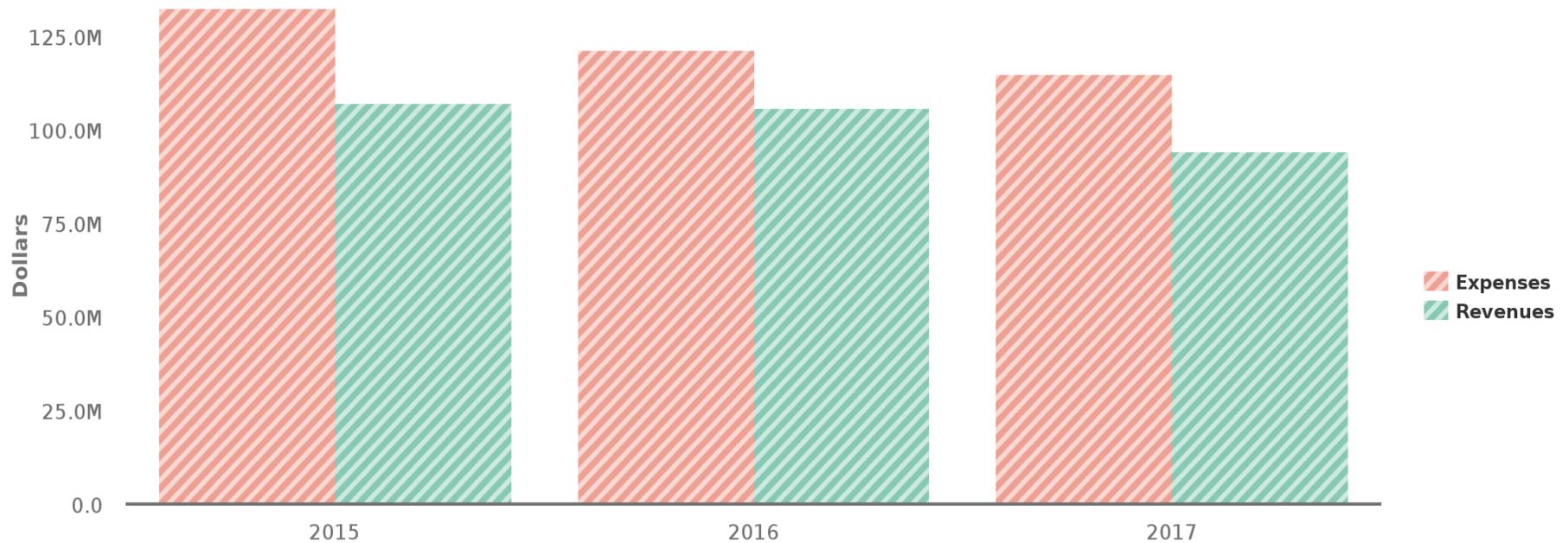
Proposed Expenditures

- Total **\$114,898,199**
- Net of interfund transfers - \$108,510,199
- Decrease of \$9.4m, -8% from 2016 amended budget

Net

- Total **(\$20,555,791)**
- Includes operating, capital and discretionary expenditures

2017 Proposed Budget Comparison



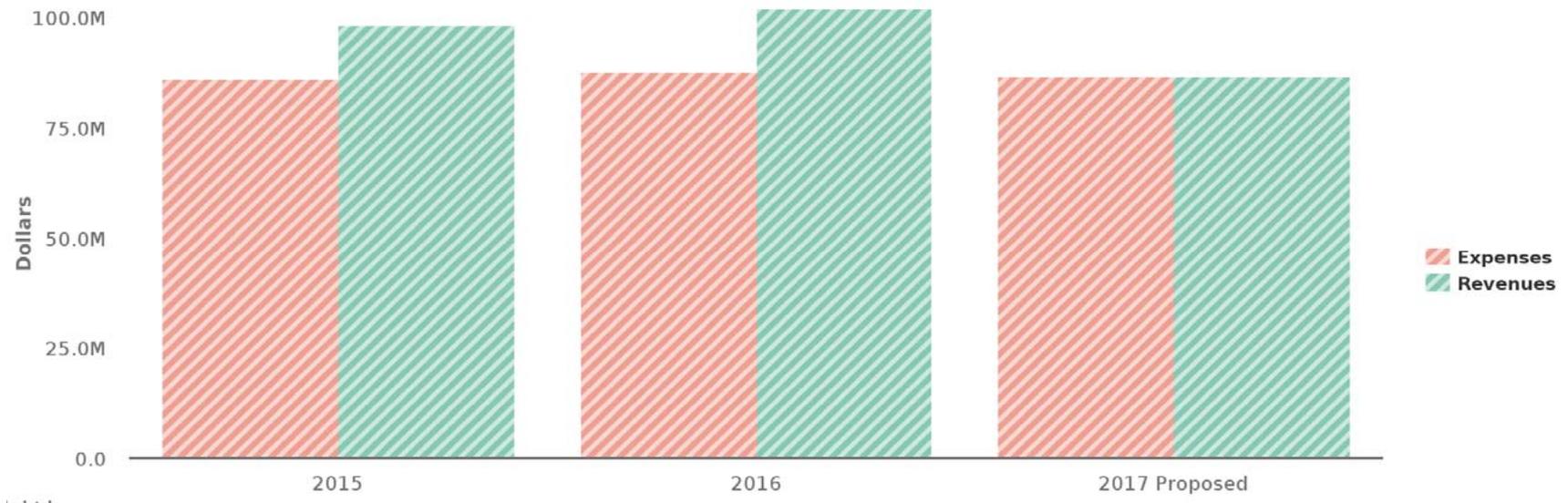
	2015 Amended Budget	2016 Amended Budget	2017 Proposed Budget
Revenues	107,190,857	105,763,775	94,342,408
Expenses	132,128,845	121,251,743	114,898,199
Revenues Less Expenses	-24,937,988	-15,487,968	-20,555,791

► 2017 Proposed Budget



Operating Budget

Cost of ongoing day-to-day operations of all County government, including maintenance of facilities, roads and bridges, etc. Does not include capital expenditures, large paving projects or discretionary items such as grants

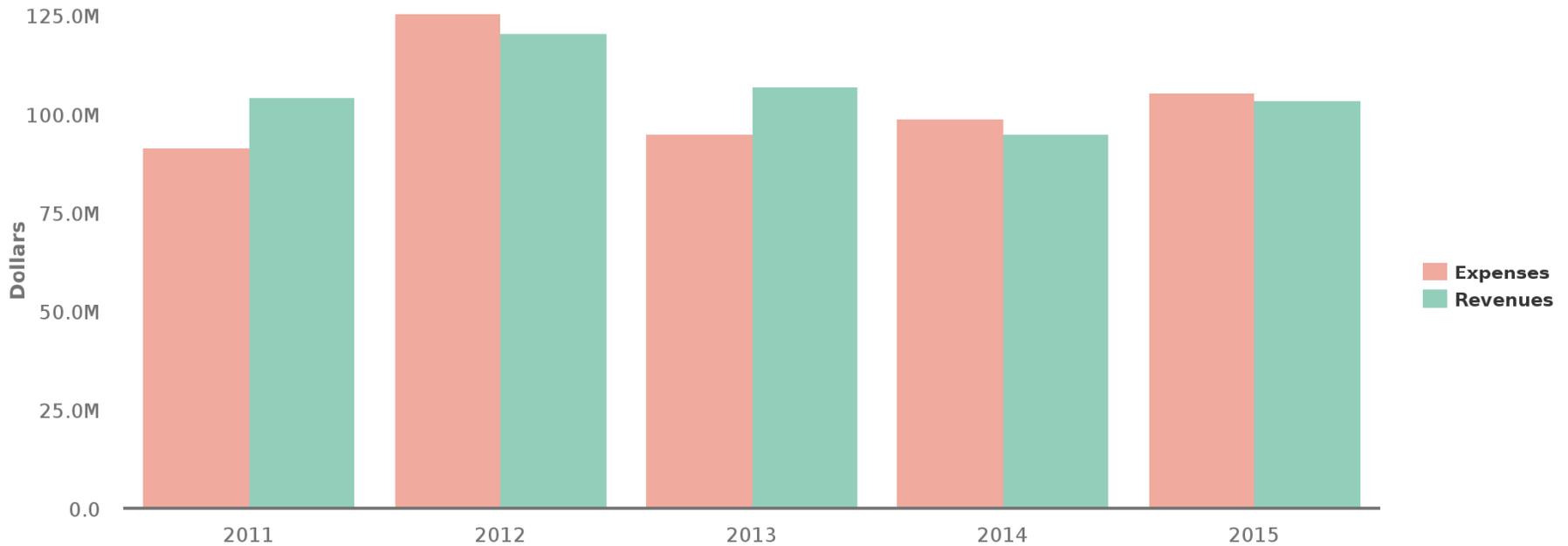


	2015 Amended Budget	2016 Amended Budget	2017 Proposed Budget
Revenues	98,346,993	101,527,275	86,607,908
Expenses	85,819,590	87,711,849	86,607,049
Revenues Less Expenses	12,527,403	13,815,426	859

► 2017 Proposed Budget



Actual Revenues and Expenditures



	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual
Revenues	104,481,898	120,612,738	107,016,410	95,204,935	103,705,724
Expenses	91,525,040	125,152,746	95,011,289	98,863,091	105,410,825
Revenues Less Expenses	12,956,858	-4,540,008	12,005,121	-3,658,156	-1,705,101

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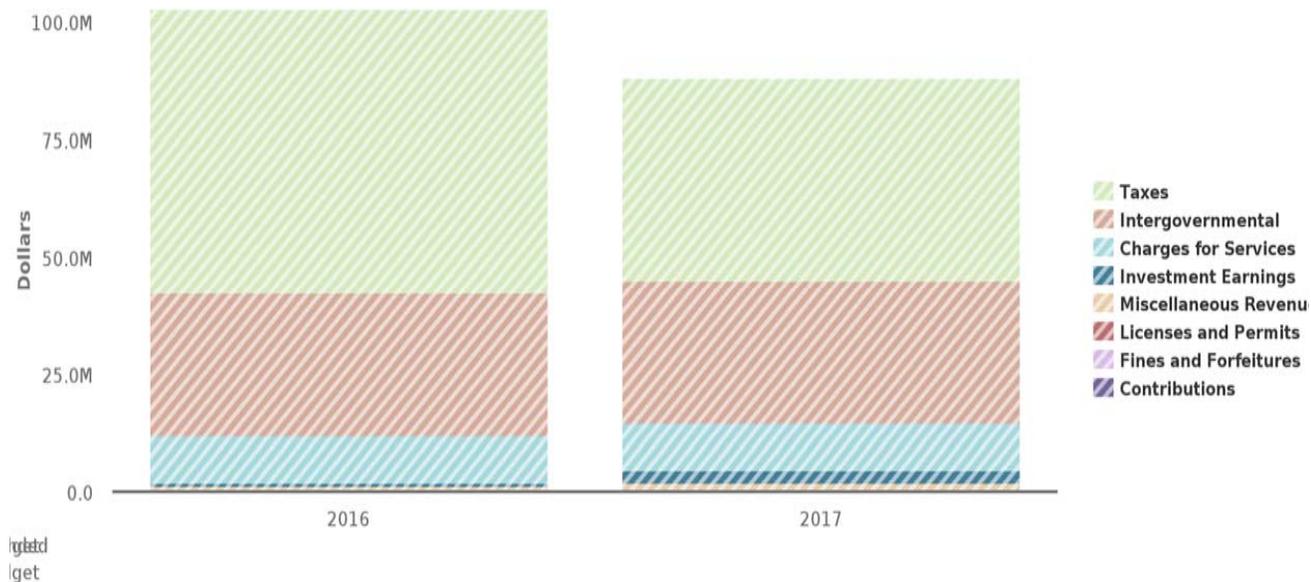


REVENUES



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2015 and 2016 Revenues by Source

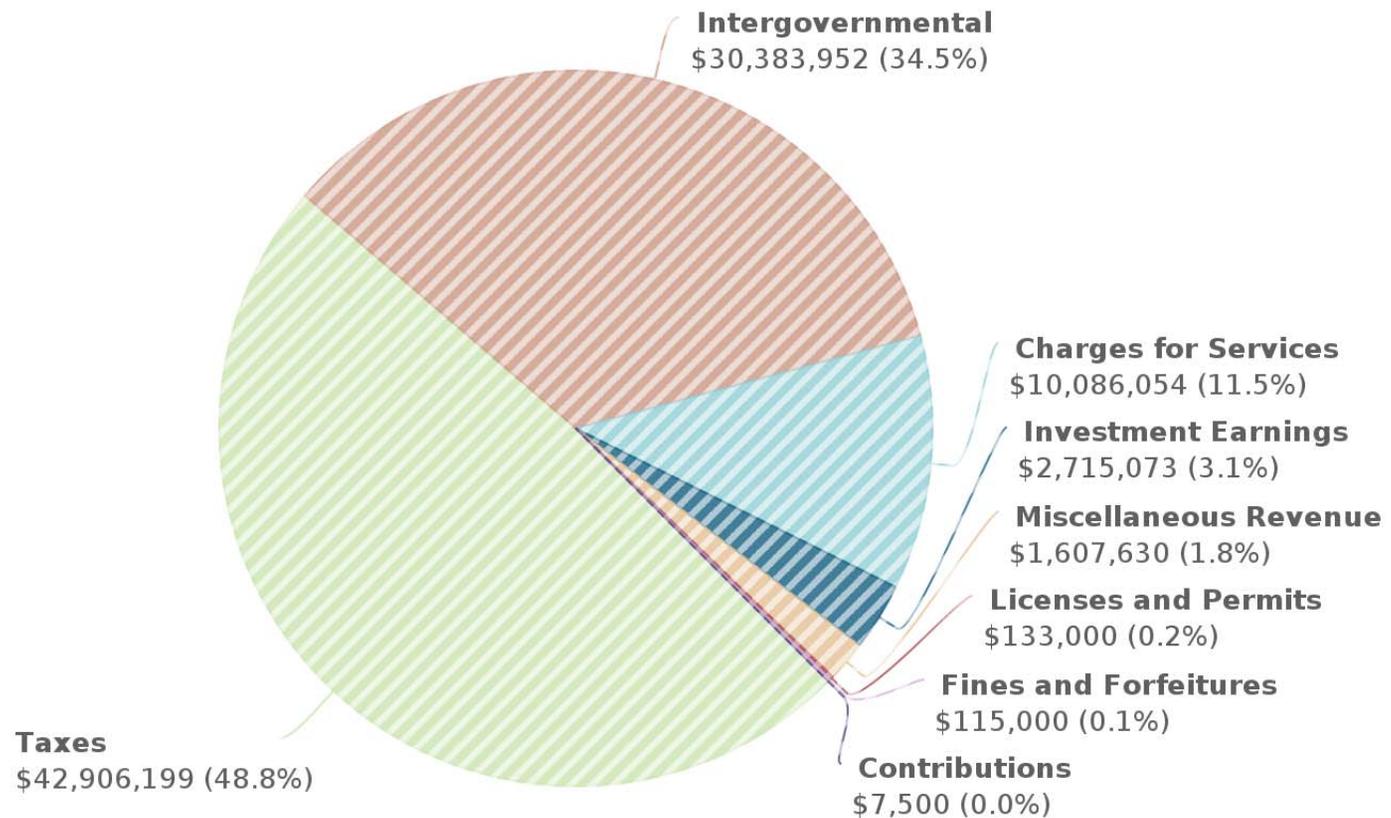


	2016 Budget	2017 Budget	Change	
Taxes	60,022,024	42,906,199	-17,115,825	-29%
Intergovernmental	30,368,164	30,383,952	15,788	0%
Charges for Services	9,882,969	10,086,054	203,085	2%
Investment Earnings	711,344	2,715,073	2,003,729	282%
Miscellaneous Revenue	1,107,774	1,607,630	499,856	45%
Licenses and Permits	165,000	133,000	-32,000	-19%
Fines and Forfeitures	111,000	115,000	4,000	4%
Contributions	7,500	7,500	0	0%
Total	102,375,775	87,954,408	-14,421,367	-14%

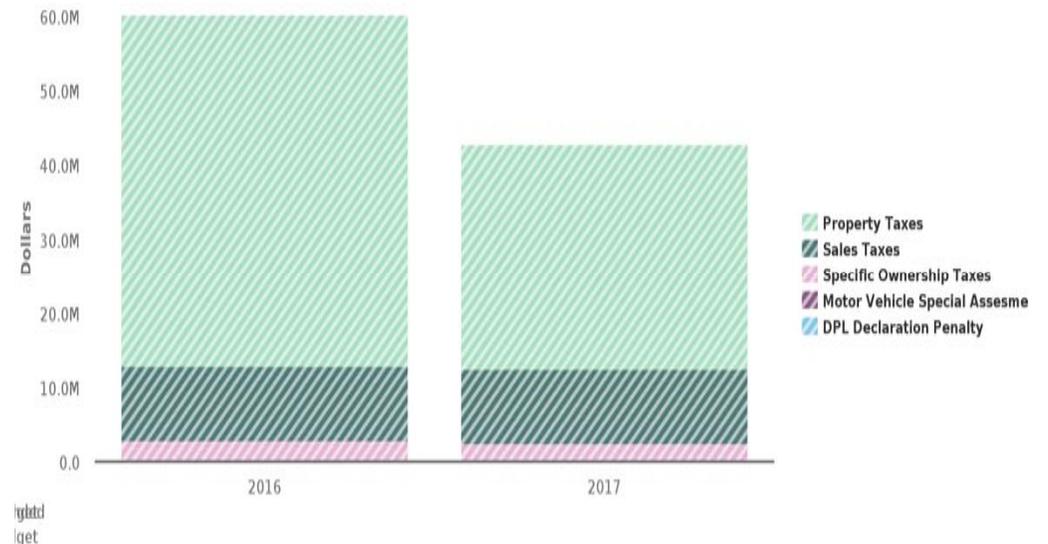
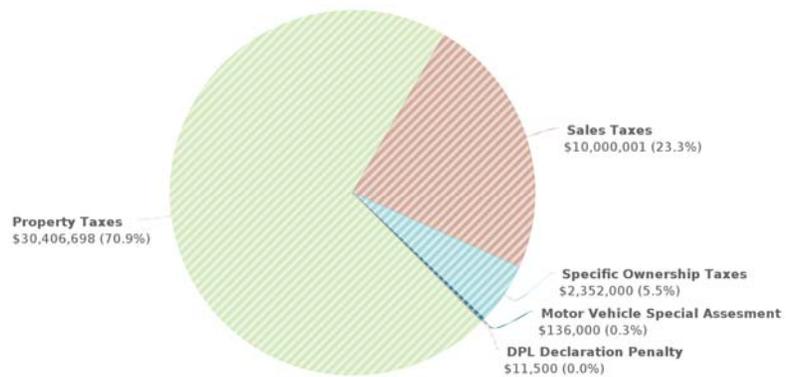
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2016 Revenues by Source



Tax Revenues by Source

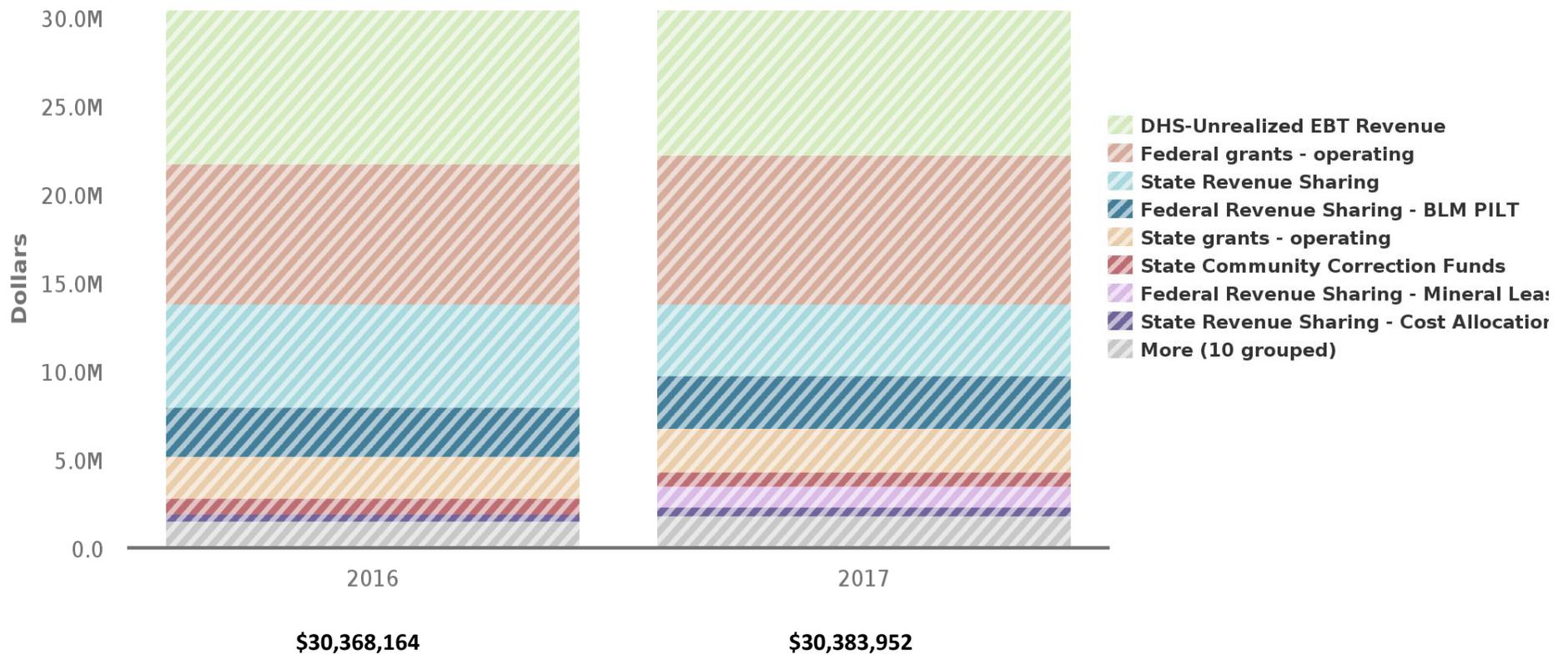


	2016 Budget	2017 Budget	Change	
Property Taxes	47,172,523	30,406,698	-16,765,825	-36%
Sales Taxes	10,000,001	10,000,001	0	0%
Specific Ownership Taxes	2,702,000	2,352,000	-350,000	-13%
Motor Vehicle Special Assessment	136,000	136,000	0	0%
DPL Declaration Penalty	11,500	11,500	0	0%
Total	60,022,024	42,906,199	-17,115,825	-29%

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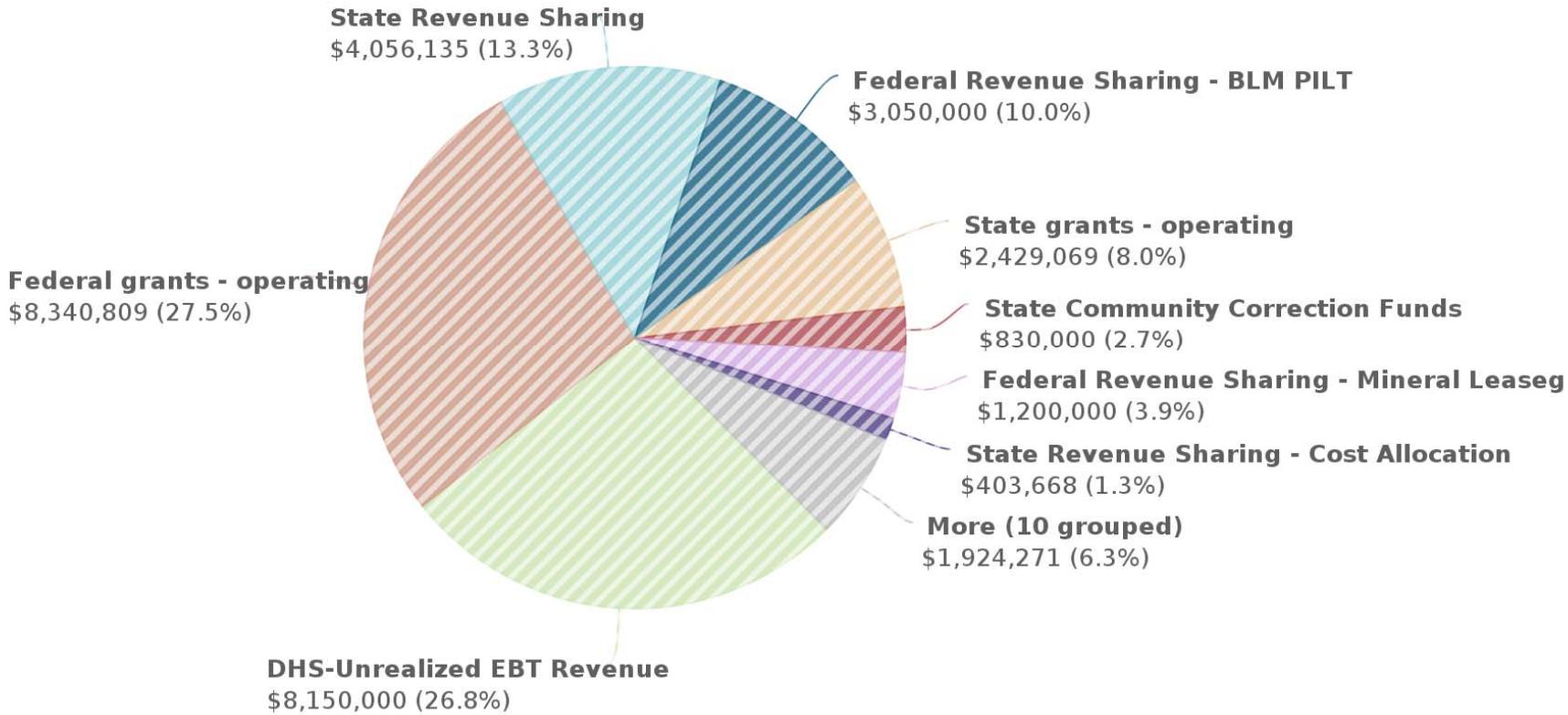
Intergovernmental Revenues by Source



► 2017 Proposed Budget



2017 Intergovernmental Revenues by Source



EXPENDITURES



► 2017 Proposed Budget

2016 v 2017 Expenditures Budget by Use

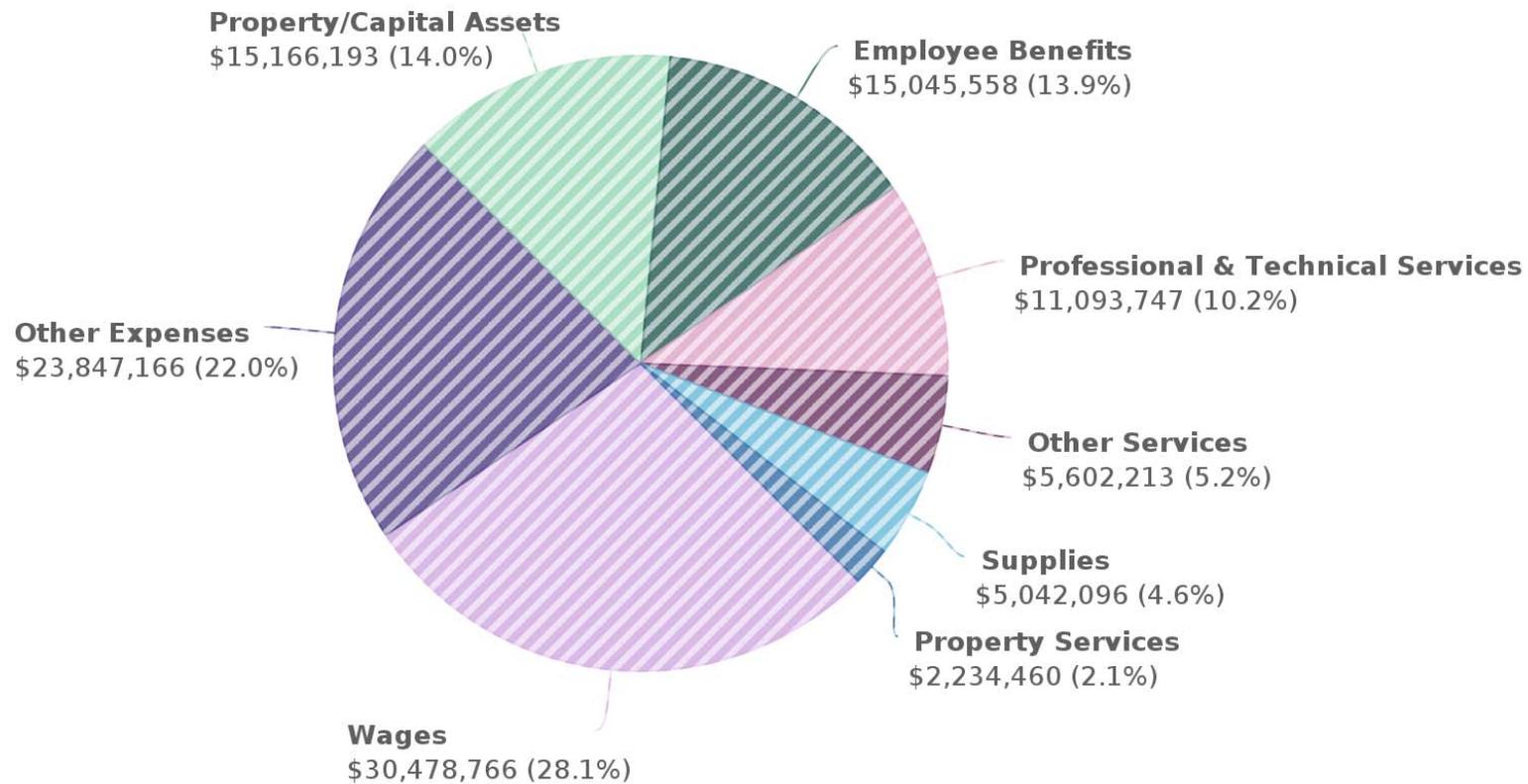


	2016 Amended Budget	2017 Proposed Budget
Wages	29,571,608	30,478,766
Other Expenses	26,061,511	23,847,166
Property/Capital Assets	21,439,440	15,166,193
Employee Benefits	14,463,538	15,045,558
Professional & Technical Services	13,288,441	11,093,747
Other Services	5,558,228	5,602,213
Supplies	5,345,893	5,042,096
Property Services	2,135,084	2,234,460
Total	117,863,743	108,510,199

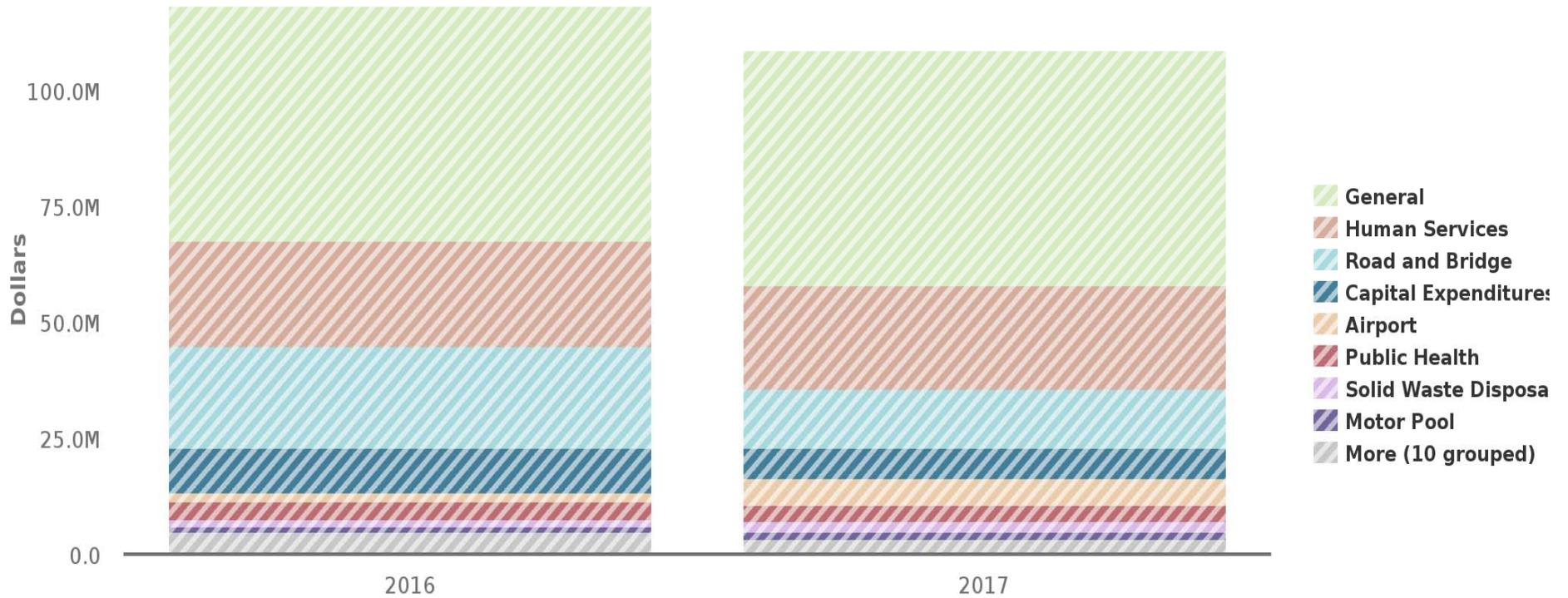
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2017 Expenditures by Use



2016 v. 2017 Expenditures by Fund

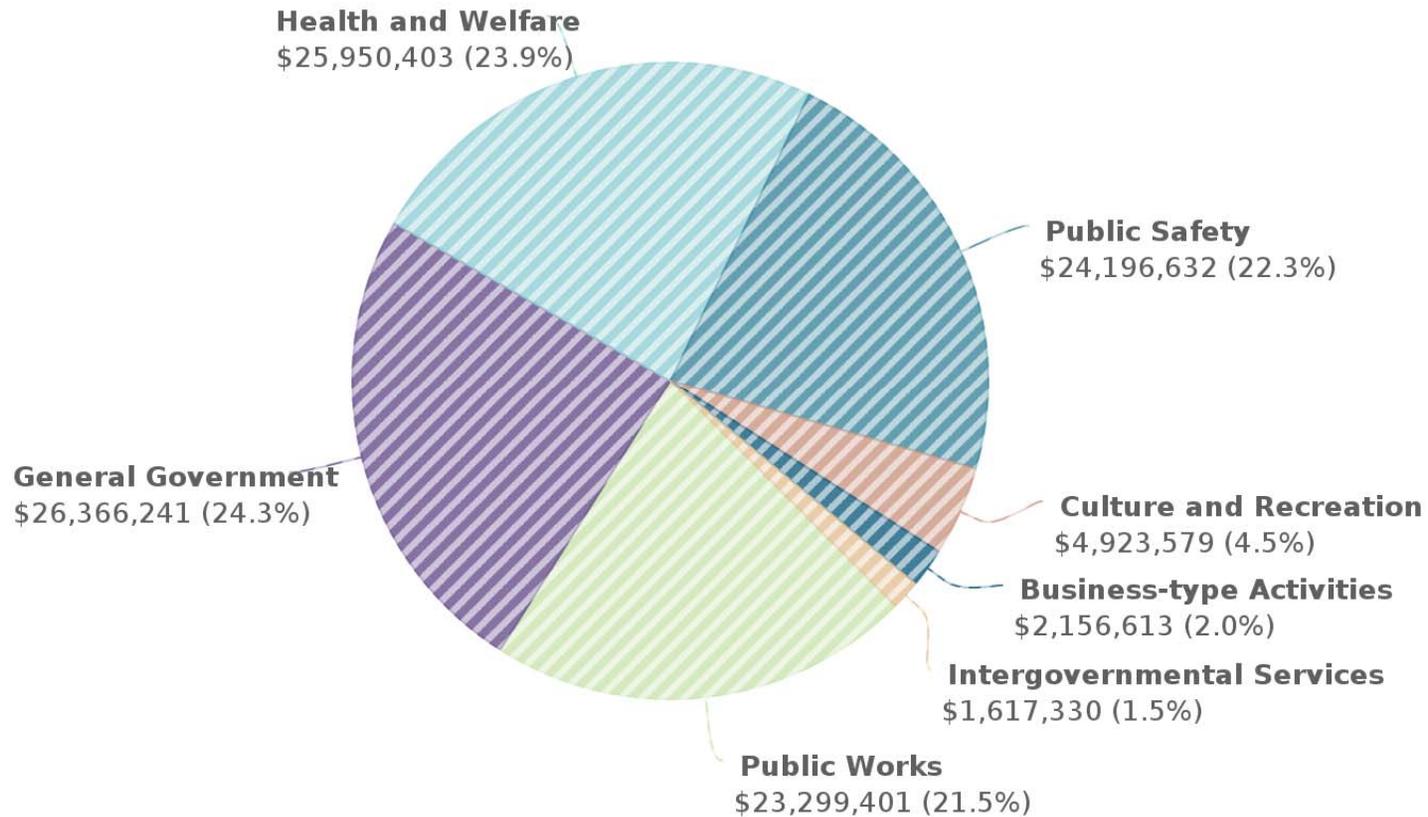


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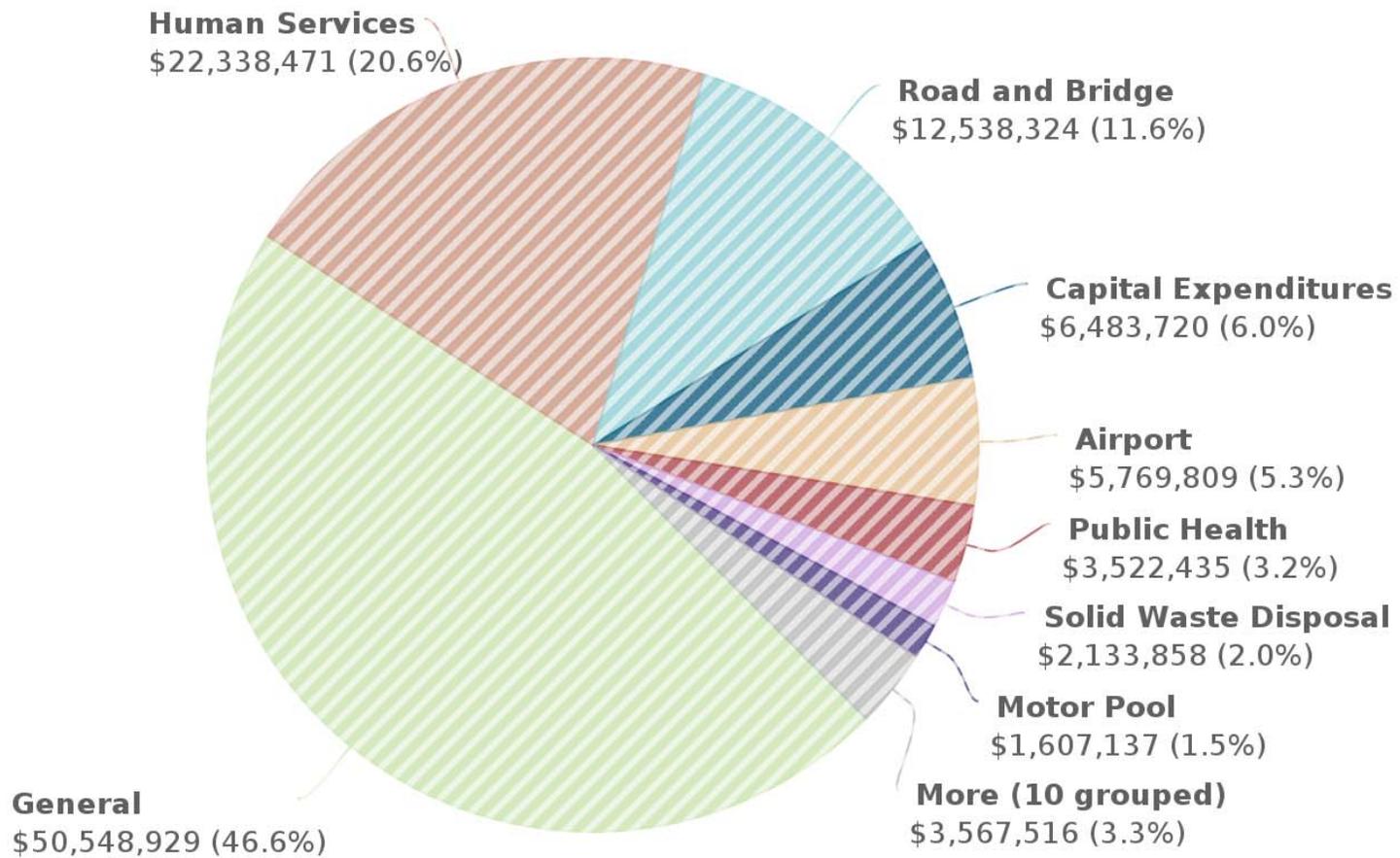
2016 v. 2017 Expenditures by Fund

Fund	2016 Amended Budget	2017 Proposed Budget	Change	%
General	50,232,370	50,548,929	316,559	1%
Human Services	22,774,627	22,338,471	-436,156	-2%
Road and Bridge	21,830,165	12,538,324	-9,291,841	-43%
Capital Expenditures	9,495,630	6,483,720	-3,011,910	-32%
Airport	1,962,191	5,769,809	3,807,618	194%
Public Health	3,774,182	3,522,435	-251,747	-7%
Solid Waste Disposal	1,506,383	2,133,858	627,475	42%
Motor Pool	1,462,856	1,607,137	144,281	10%
Retirement	1,364,947	1,275,930	-89,017	-7%
Oil & Gas Mitigation	1,522,438	1,000,000	-522,438	-34%
Community Events	605,782	701,146	95,364	16%
Livestock Auction	453,000	453,000	0	0%
Conservation Trust	508,699	0	-508,699	-100%
Commissary	120,000	100,000	-20,000	-17%
Garfield County Grant	200,000	0	-200,000	-100%
Traveler's Highland PID	32,440	27,440	-5,000	-15%
Clerk & Recorder EFTF	17,100	10,000	-7,100	-42%
Traffic Impact	933	0	-933	-100%
Total	117,863,743	108,510,199	-9,353,544	-8%

2017 Expenditures by Function



2017 Expenditures by Fund



► 2017 Proposed Budget

General Fund Expenditures

	2015 Actual	2016 Amended Budget	2016 Estimated	2017 Proposed Budget	2017 v. 2016 Budget	% Change
100 General						
00 General	6,302,116	3,329,305	3,299,581	6,348,531	3,019,226	91%
01 BOCC	5,457,189	5,046,706	5,044,430	5,108,588	61,882	1%
02 Assessor	1,771,501	2,024,514	1,661,702	1,967,696	(56,818)	-3%
03 Clerk & Recorder	1,515,836	1,868,246	1,601,607	1,762,323	(105,923)	-6%
04 Treasurer	709,792	799,507	738,350	800,353	846	0%
05 Sheriff	16,707,816	18,986,695	16,940,061	19,586,684	599,989	3%
06 Coroner	345,829	490,120	379,748	438,545	(51,575)	-11%
07 Surveyor	46,994	50,928	50,902	52,400	1,472	3%
08 County Attorney	1,062,678	1,595,667	1,325,425	1,583,924	(11,743)	-1%
09 County Manager	627,993	846,700	683,286	1,221,664	374,964	44%
10 Finance	897,041	982,628	938,517	1,026,625	43,997	4%
11 Human Resources	531,181	603,964	580,238	683,946	79,982	13%
12 Information Technology	1,452,800	1,678,231	1,552,933	1,732,795	54,564	3%
13 Procurement	412,367	535,060	420,731	536,713	1,653	0%
14 Oil and Gas	240,651	342,667	238,615	282,508	(60,159)	-18%
15 Facilities and Fairgrounds	3,547,177	4,028,380	3,855,198	2,686,071	(1,342,309)	-33%
16 Criminal Justice Services	2,069,907	2,486,638	2,314,197	2,456,463	(30,175)	-1%
17 Community Development	1,390,339	1,401,821	1,384,799	1,411,347	9,526	1%
18 Construction Management	190	0	0	297,310	297,310	0%
31 Communications	367,597	477,816	465,200	448,725	(29,091)	-6%
40 Public Trustee	0	33,803	21,037	31,647	(2,156)	-6%
93 Vegetation Management	0	0	0	666,501	666,501	0%
95 Fund Administration	5,234,447	5,860,974	5,860,974	5,655,570	(205,404)	-4%
Grand Total	50,691,440	53,470,370	49,357,531	56,786,929	3,316,559	6%

*Does include interfund transfers

▶ 2017 Proposed Budget



Personnel Budget



► 2017 Proposed Budget

Personnel Budget Summary

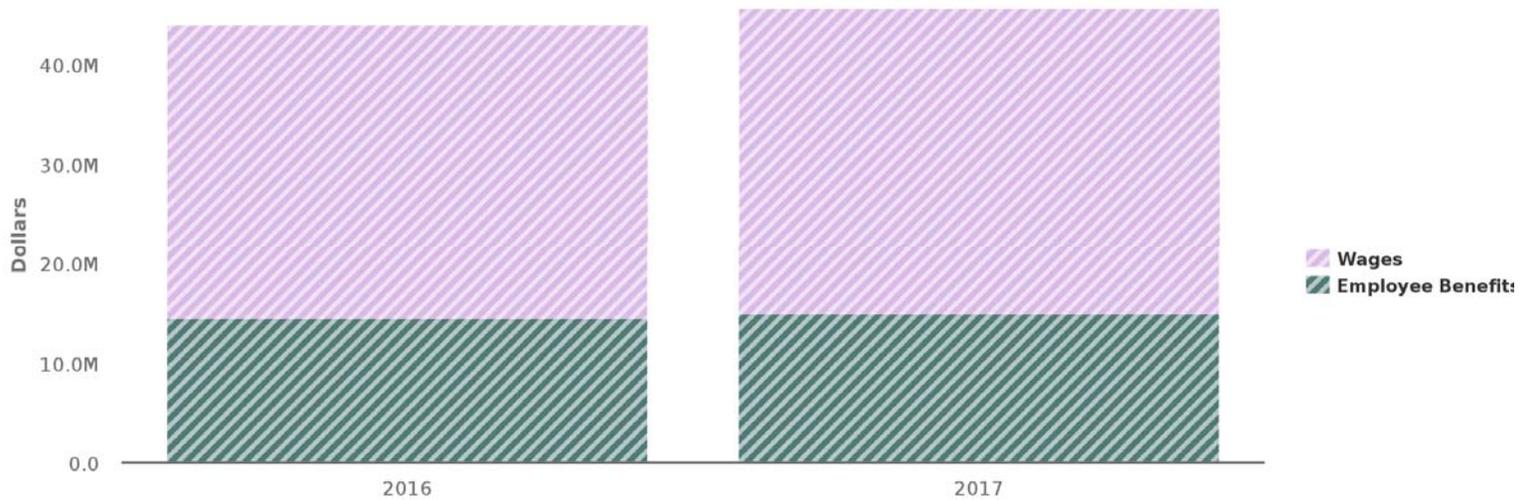
2017 Personnel budget is **\$45,524,324**

- increase of 3% over 2016 amended budget
- 53% of operating expenditures

Includes:

- 2.5% annual pay increase (budgeted for full year)
- 6% annual increase in health insurance (budgeted for full year)
- 0.5% equity adjustment budgeted in 100.00 General
- \$45k for Wellness Program (new)
- No new positions from the 2016 amended budget
- Headcount remains at 517

Personnel Budget

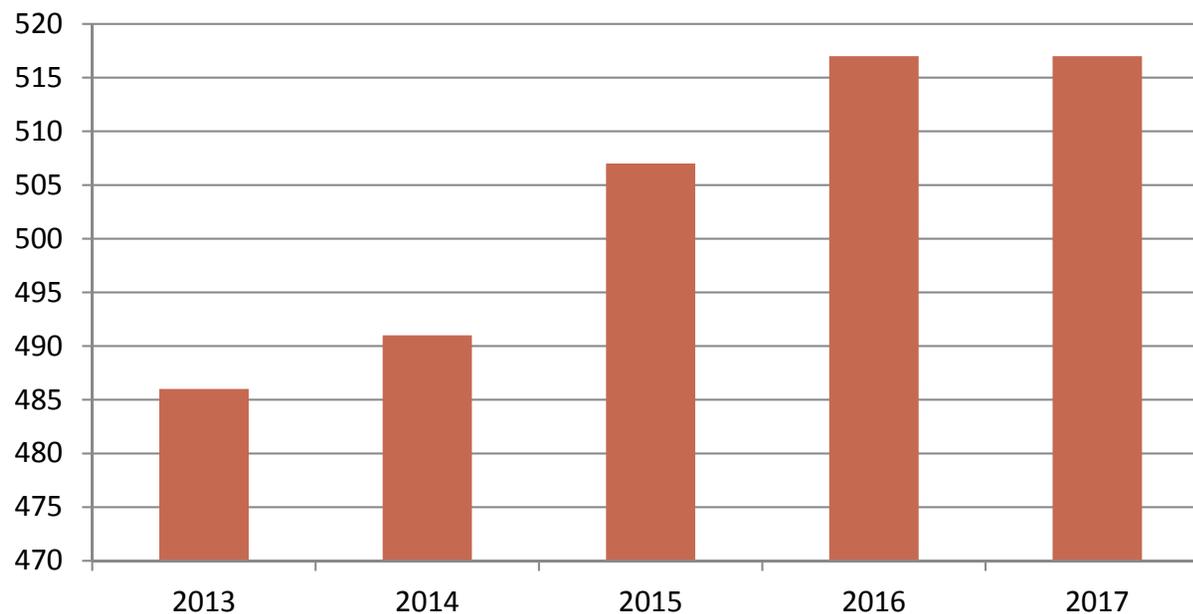


	2016 Amended Budget	2017 Proposed Budget	Change	
Wages	29,571,608	30,478,766	907,158	3%
Health insurance package	9,770,767	10,224,239	453,472	5%
Social security contributions	1,830,127	1,888,909	58,782	3%
Retirement contributions	1,470,218	1,533,084	62,866	4%
Workers' compensation	764,407	758,608	-5,799	-1%
Medicare taxes	428,638	442,340	13,702	3%
Disability	122,244	127,132	4,888	4%
Other employee benefits	77,137	71,246	-5,891	-8%
Total	44,035,146	45,524,324	1,489,178	3%

Headcount

- 517 total employees (includes 14 part time and seasonal)
- 2 positions were added, 2 positions were eliminated compared to 2016 budget

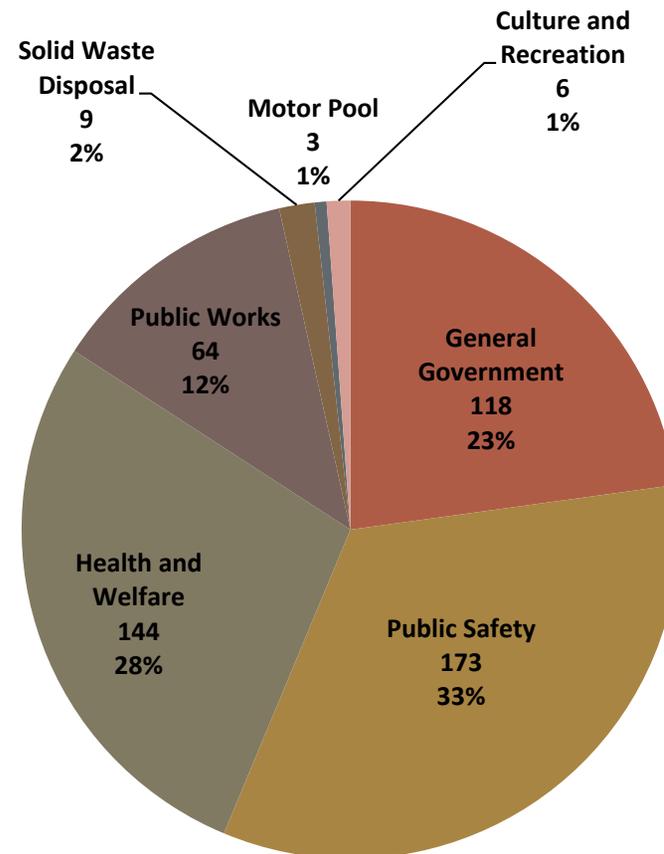
Headcount – Five Year Trend



► 2017 Proposed Budget

Headcount by Function

	Full Time	Part Time	Total
General Government			
BOCC	3		3
Assessor	19.33		19.33
Clerk & Recorder	22.33	1	23.33
Treasurer	7.33		7.33
Surveyor	1		1
County Attorney	10	1	11
County Manager	5		5
Finance	8	1	9
Human Resources	5		5
Information Technology	10		10
Procurement	5		5
Oil & Gas	2		2
Communications	4		4
Community Development	13		13
Total General Government	115	3	118
Public Safety			
Sheriff	145		145
Coroner	2	4	6
Criminal Justice	22		22
Total Public Safety	169	4	173
Health and Welfare			
Public Health	30	2	32
Human Services	111	1	112
Total Health and Welfare	141	3	144
Public Works			
Facilities Management	6	0	6
Construction Management	2	0	2
Road and Bridge	45	2	47
Vegetation Management	2	2	4
Airport	5		5
Total Public Works	60	4	64
Total Motor Pool	3	0	3
Total Solid Waste Disposal	9	0	9
Culture and Recreation			
Fairgrounds	4	0	4
Community Events	2	0	2
Total Culture and Recreation	6	0	6
TOTAL ALL FUNDS	503	14	517

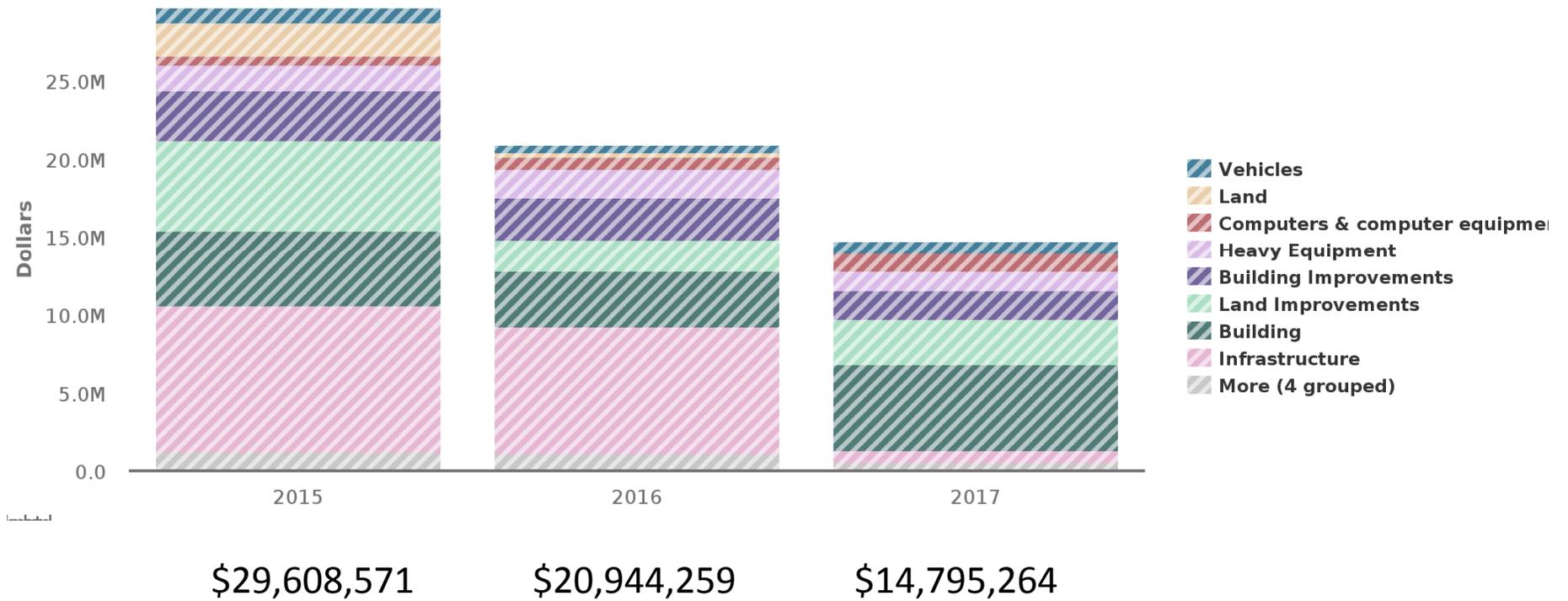


Capital Budget



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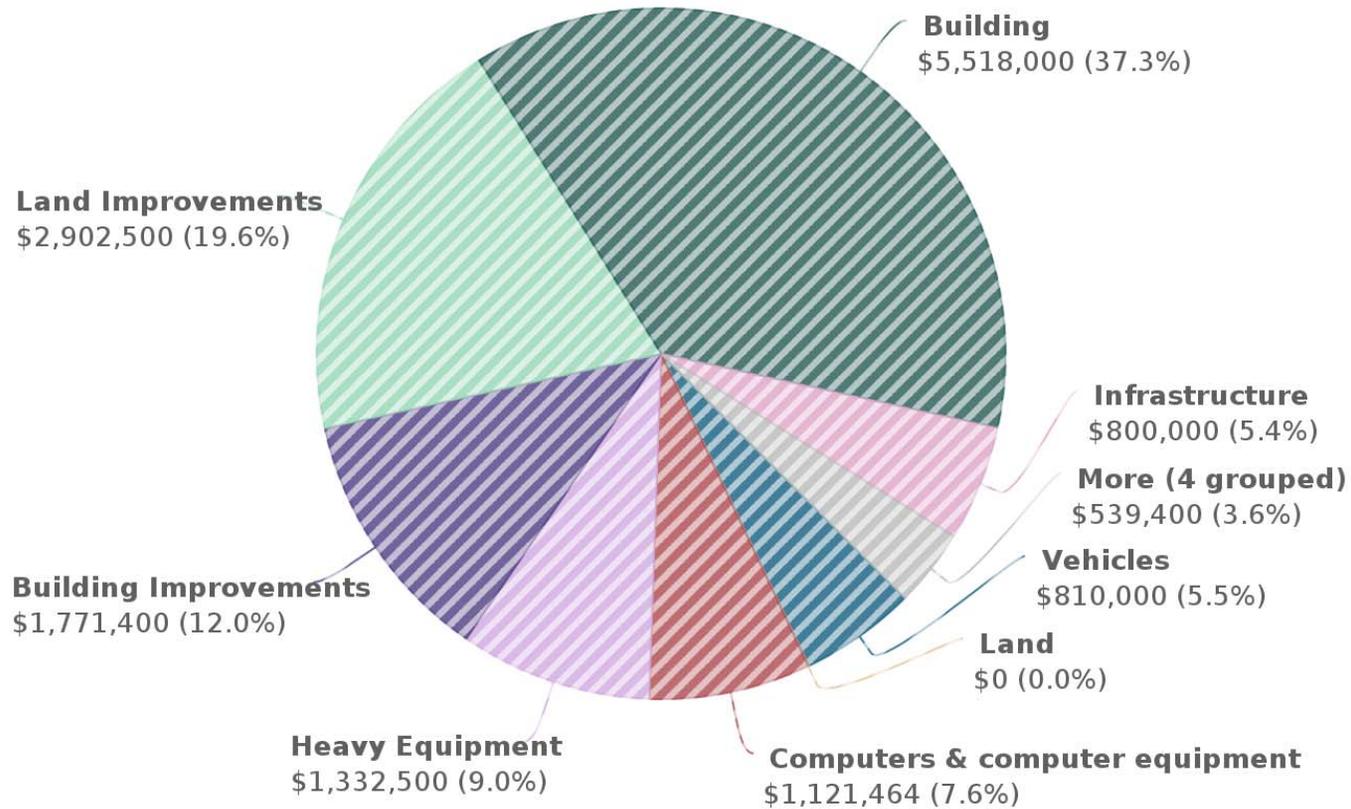
Capital Expenditures Summary



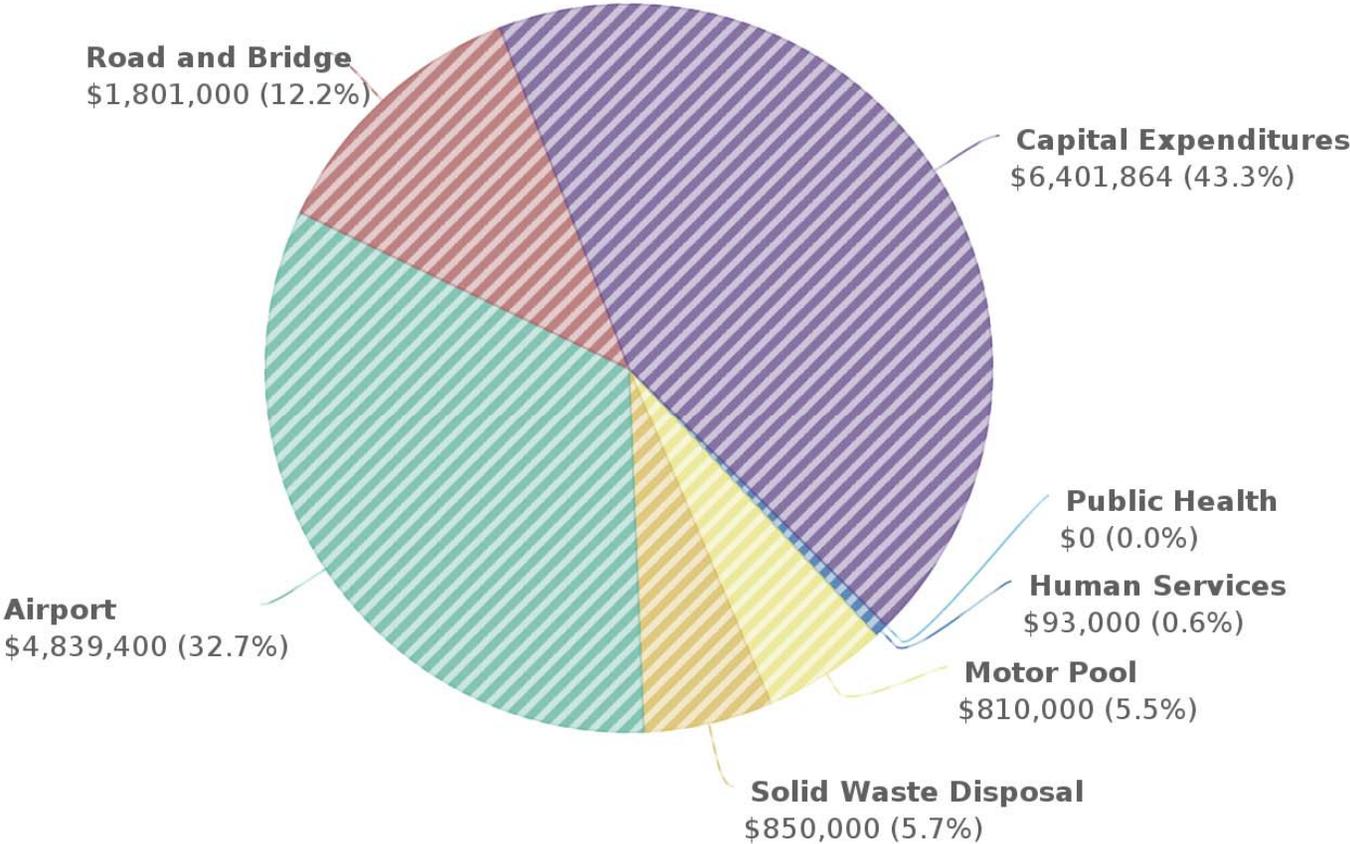
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2017 Capital Expenditures by Type



Capital Expenditures by Fund



Capital Expenditure Highlights

Project	Amount
Various communication tower replacements	\$1,154,000
Airport snow removal equipment facility	\$4,543,000
Various Road and Bridge heavy equipment	\$941,000
Various Motor pool vehicle replacements	\$810,000
Purchase of Coroner's building	\$375,000
Various fairgrounds improvements	\$3,275,000
Landfill building and moving scale house	\$450,000
Jail floor replacement	\$325,000
Road and Bridge infrastructure projects	\$800,000
IT – software and computer equipment	\$301,400

Fund Balances



► 2017 Proposed Budget

Fund Balances

- A fund is a separate accounting entity with a self balancing set of accounts
- Fund balance is a fund's equity (assets less liabilities) or reserve
- FB is restricted (by law), committed (by resolution), assigned (by appropriation) or unassigned. 34% of FB is unassigned
- Need to ensure sufficient balance for each exists so that smooth operations can occur given budgeted expenditures
- Determined by the amount of projected revenues and expenditures – and needed adjustments
- Each fund is examined individually, and the group as a whole, to determine adjustments
- Adjustments can be made by interfund transfer or property tax mill levy allocation

Fund Balances Estimates 2016

Fund		Fund Balance at 1/1/2016	Estimated Revenues	Estimated Expenditures	Estimated Fund Balance 12/31/2016
100	GENERAL FUND	36,579,217	54,451,733	49,357,531	41,673,419
119	PUBLIC HEALTH FUND	2,765,480	3,482,046	3,331,195	2,916,331
120	ROAD & BRIDGE FUND	33,153,452	12,909,188	17,132,477	28,930,163
121	HUMAN SERVICES FUND	15,810,631	21,571,037	19,883,329	17,498,339
123	COMMUNITY EVENTS FUND	729,204	791,698	609,211	911,691
124	CONSERVATION TRUST FUND	435,015	215,180	508,699	141,496
125	EMERGENCY RESERVE FUND	3,018,434	-	-	3,018,434
126	AIRPORT FUND	1,528,423	1,692,384	1,895,437	1,325,370
127	CLERK & RECORDER EFTF FUND	31,754	14,015	9,000	36,769
128	TRAFFIC STUDY FUND	32,202	-	-	32,202
129	LIVESTOCK AUCTION FUND	41,304	590,358	590,501	41,161
130	COMMISSARY FUND	45,348	125,000	118,000	52,348
133	RETIREMENT FUND	2,693,972	1,638,012	1,199,475	3,132,509
135	OIL & GAS MITIGATION FUND	15,344,653	-	1,422,427	13,922,226
136	GARFIELD COUNTY GRANT FUND	99,925	200,000	200,000	99,925
150	CAPITAL EXPENDITURES FUND	7,113,473	2,986,851	7,386,625	2,713,699
187	TRAVELER'S HIGHLAND PID	40,716	-	-	40,716
200	SOLID WASTE DISPOSAL FUND	5,057,734	1,906,000	1,142,024	5,821,710
210	MOTOR POOL FUND	4,080,782	1,731,103	1,294,076	4,517,809
FUND TOTALS		128,601,719	104,304,605	106,080,007	126,826,317
Interfund Transfers			3,388,000	3,388,000	
Net			100,916,605	102,692,007	

Fund Balance Considerations in 2017

- Property tax, our largest source of general fund revenue, dropped \$17m
- Operating expenditures have not declined, so property tax must be allocated to sustain operations in key functions of government – public safety, human services, public health, general government, and so on
- In some funds, high balances were carried forward from 2014 and 2015. In particular the Road and Bridge Fund where projects came in significantly beneath budget (e.g. Cattle Creek/82 and bridge scour protection project) or did not take place as was originally budgeted due to lack of need (e.g. Una Bridge). Consequently the R&B fund balance is at approximately \$30m at the beginning of 2016, 2.5 times greater than expenditures (250%). Recommended minimum fund balance is 30%

Fund Balance Considerations in 2017

- In 2017 the proposed budgeted expenditures of the Road and Bridge Fund are \$12.5m (including capital construction and asphalt projects). 50% of these expenditures are covered by revenue sources restricted to R&B fund use (e.g. HUTF, vehicle licensing fees, sales tax, road use permits, traffic impact fees)
- In 2017 the General Fund's expenditures are proposed at \$56m, Human Services \$22m, Public Health \$3.5m, Retirement \$3.5m. On average the fund balance, as a percentage of expenditures, of these funds is around 60%. These funds rely on property tax as their primary source of county revenue.
- It is therefore recommended the mill levy for property tax be allocated to these funds only and the Road and Bridge fund draw down on its reserve to cover expenditures
- Even with this allocation of property tax towards the General Fund its projected fund balance will drop by \$12.6m (30%) in 2017, as compared to R&B which will drop by \$5.5m (19%)

Proposed Interfund Transfers

In order to ensure adequate fund balances for the operation of each fund the following transfers are included in the proposed budget:

Fund	Revenue	Expenses	Net
100 General Fund	150,000	6,238,000	(6,088,000)
119 Public Health Fund	1,500,000		1,500,000
123 Community Events Fund	500,000		500,000
126 Airport Fund	4,000,000		4,000,000
129 Livestock Auction Fund	150,000	150,000	0
200 Solid Waste Disposal Fund	88,000		88,000
Net	6,388,000	6,388,000	0

Proposed Property Tax Allocations

In order to provide adequate revenue for each fund's proposed expenditures, allocations for property tax in 2017 are proposed as follows:

FUND	2016 APPROVED MILL LEVY			2017 RECOMMENDED MILL LEVY			g/l acct #
	\$ AMOUNT	%	MILL	\$ AMOUNT	%	MILL	
GENERAL FUND	\$ 28,820,086	61.92	8.455	\$ 22,466,019	74.37	10.1550	100.95.195.3110
ROAD & BRIDGE FUND	\$ 11,930,254	25.63	3.500	\$ -	-	-	120.20.001.3110
HUMAN SERVICES FUND	\$ 4,260,805	9.15	1.250	\$ 2,212,311	7.32	1.0000	121.95.195.3110
CAPITAL FUND	\$ -	0.00	0.000	\$ 4,092,775	13.55	1.8500	150.95.195.3110
RETIREMENT FUND	\$ 1,533,890	3.30	0.450	\$ 1,438,002	4.76	0.6500	133.95.195.3110
TOTAL	\$ 46,545,035	100.00	13.655	\$ 30,209,107	100.00	13.6550	<i>mill must be 13.655</i>

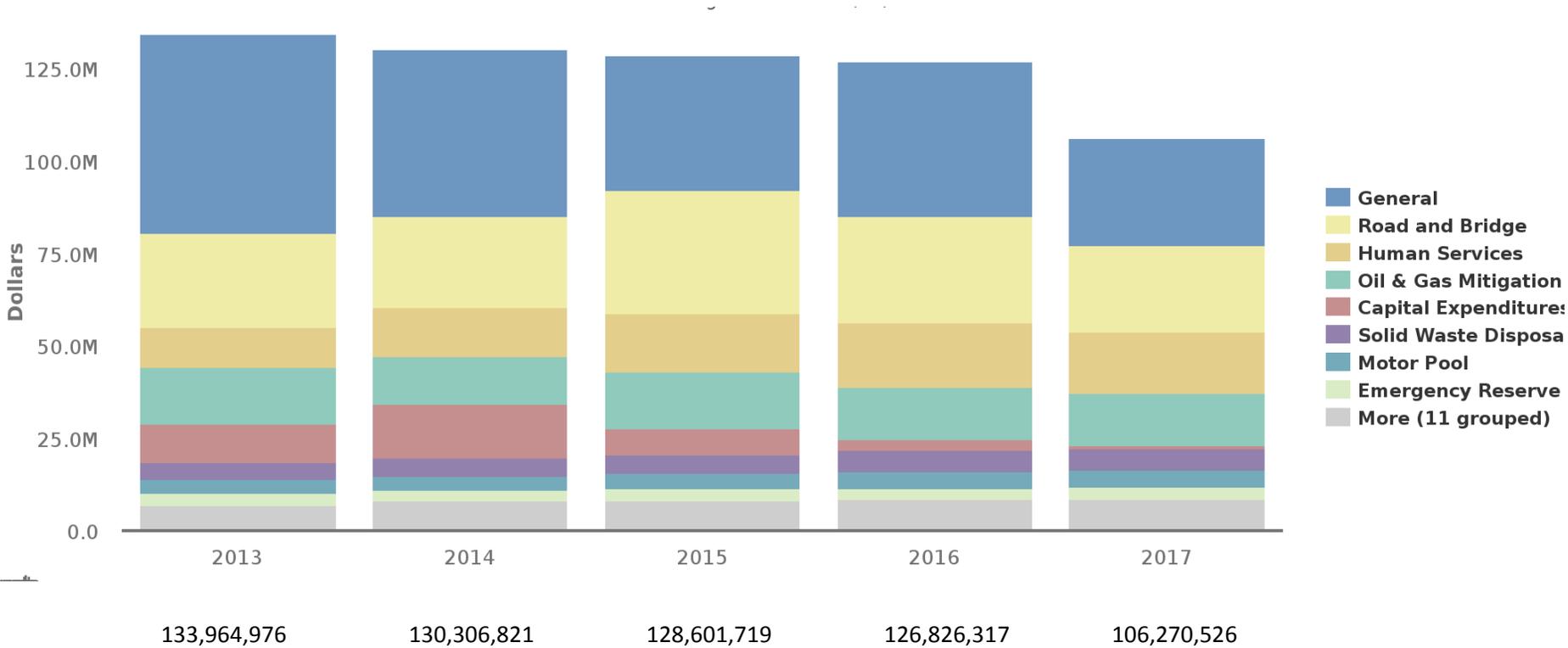
TOTAL NET ASSESSED VALUE: \$ 3,408,644,070

\$ 2,212,311,060

Fund Balance Projections 2017

Fund		Estimated Fund Balance 12/31/2016	Proposed Budget 2017 Revenues	Proposed Budget 2017 Expenditures	Budgeted Fund Balance 12/31/2017	Change 2017 to 2016	
100	GENERAL FUND	41,673,419	44,181,268	56,786,929	29,067,758	(12,605,661)	-30%
119	PUBLIC HEALTH FUND	2,916,331	3,373,854	3,522,435	2,767,750	(148,581)	-5%
120	ROAD & BRIDGE FUND	28,930,163	6,965,650	12,538,324	23,357,489	(5,572,674)	-19%
121	HUMAN SERVICES FUND	17,498,339	21,495,419	22,338,471	16,655,287	(843,052)	-5%
123	COMMUNITY EVENTS FUND	911,691	787,110	701,146	997,655	85,964	9%
124	CONSERVATION TRUST FUND	141,496	190,090	-	331,586	190,090	134%
125	EMERGENCY RESERVE FUND	3,018,434	-	-	3,018,434	-	0%
126	AIRPORT FUND	1,325,370	5,366,426	5,769,809	921,987	(403,383)	-30%
127	CLERK & RECORDER EFTF FUND	36,769	14,015	10,000	40,784	4,015	11%
128	TRAFFIC STUDY FUND	32,202	8,010	-	40,212	8,010	25%
129	LIVESTOCK AUCTION FUND	41,161	603,000	603,000	41,161	-	0%
130	COMMISSARY FUND	52,348	100,000	100,000	52,348	-	0%
133	RETIREMENT FUND	3,132,509	1,603,002	1,275,930	3,459,581	327,072	10%
135	OIL & GAS MITIGATION FUND	13,922,226	1,200,000	1,000,000	14,122,226	200,000	1%
136	GARFIELD COUNTY GRANT FUND	99,925	-	-	99,925	-	0%
150	CAPITAL EXPENDITURES FUND	2,713,699	4,637,775	6,483,720	867,754	(1,845,945)	-68%
187	TRAVELER'S HIGHLAND PID	40,716	29,591	27,440	42,867	2,151	5%
200	SOLID WASTE DISPOSAL FUND	5,821,710	1,951,000	2,133,858	5,638,852	(182,858)	-3%
210	MOTOR POOL FUND	4,517,809	1,836,198	1,607,137	4,746,870	229,061	5%
FUND TOTALS		126,826,317	94,342,408	114,898,199	106,270,526	(20,555,791)	-16%
Interfund Transfers			6,388,000	6,388,000			
Net			87,954,408	108,510,199			

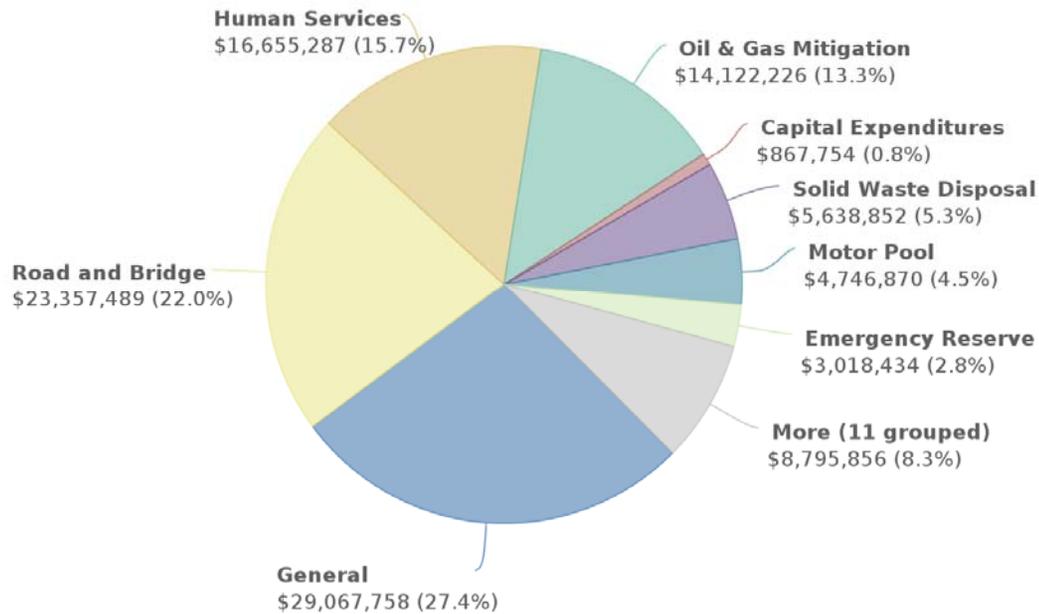
Fund Balance 5 Year Trend



► 2017 Proposed Budget



Projected Fund Balances by Fund YE 2017



	Fund Balance at YE 2017	% Expend. of FB	Classification
GENERAL	29,067,758	51%	Unassigned
PUBLIC HEALTH	2,767,750	79%	Restricted
ROAD & BRIDGE	23,357,489	186%	Restricted
HUMAN SERVICES	16,655,287	75%	Restricted
COMMUNITY EVENTS	997,655	142%	Committed
CONSERVATION TRUST	331,586	-	Restricted
EMERGENCY RESERVE	3,018,434	-	Restricted
AIRPORT	921,987	16%	Committed
C&R EFTF	40,784	408%	Committed
TRAFFIC IMPACT	40,212	-	Committed
LIVESTOCK AUCTION	41,161	7%	Committed
COMMISSARY	52,348	52%	Committed
RETIREMENT	3,459,581	271%	Committed
OIL & GAS MIT	14,122,226	1412%	Committed
GARCO GRANT	99,925	-	Restricted
CAPITAL EXP	867,754	13%	Restricted
TRAVELER'S HIGHLAND	42,867	156%	Committed
SOLID WASTE DISPOSAL	5,638,852	264%	Committed
MOTOR POOL	4,746,870	295%	Committed
TOTAL	106,270,526	92%	

Summary



Summary

- Total revenues decrease \$14.4m, -14% less than 2016 amended budget
- Total expenditures decrease \$9.4m, -8% less than 2016 amended budget
- Personnel costs increase 3% (pay and health insurance increases) however headcount remains the same at 517
- The operating budget is balanced
- Proposed capital and discretionary items will draw down on fund balance by \$20.5m
- At 2017 year end, projected fund balances total \$106m

Next Steps

- Public Hearings
 - October 18, 8 a.m. to 5 p.m. – operating budget reviews
 - November 1, 8 a.m. to Noon – operating budget reviews
 - November 1, Noon to close - capital budget reviews

- Adopt Budget November 14, 8 a.m.

- Budget lead – Bob Prendergast x4138

The End

