



# 2018 ORIGINAL ADOPTED BUDGET BoCC DIRECTION

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# Presentation Overview

- Additional Discussion Items
  - *Subsequent Revenue Review*
    - Sales and Use Tax
  - *Reserve Strategy*
    - One-Time Underspending
    - Unanticipated Revenue
  - *Investment in Human Capital (Compensation Adjustments)*
    - Adjustment to Mid Point
    - 2% Across the Board



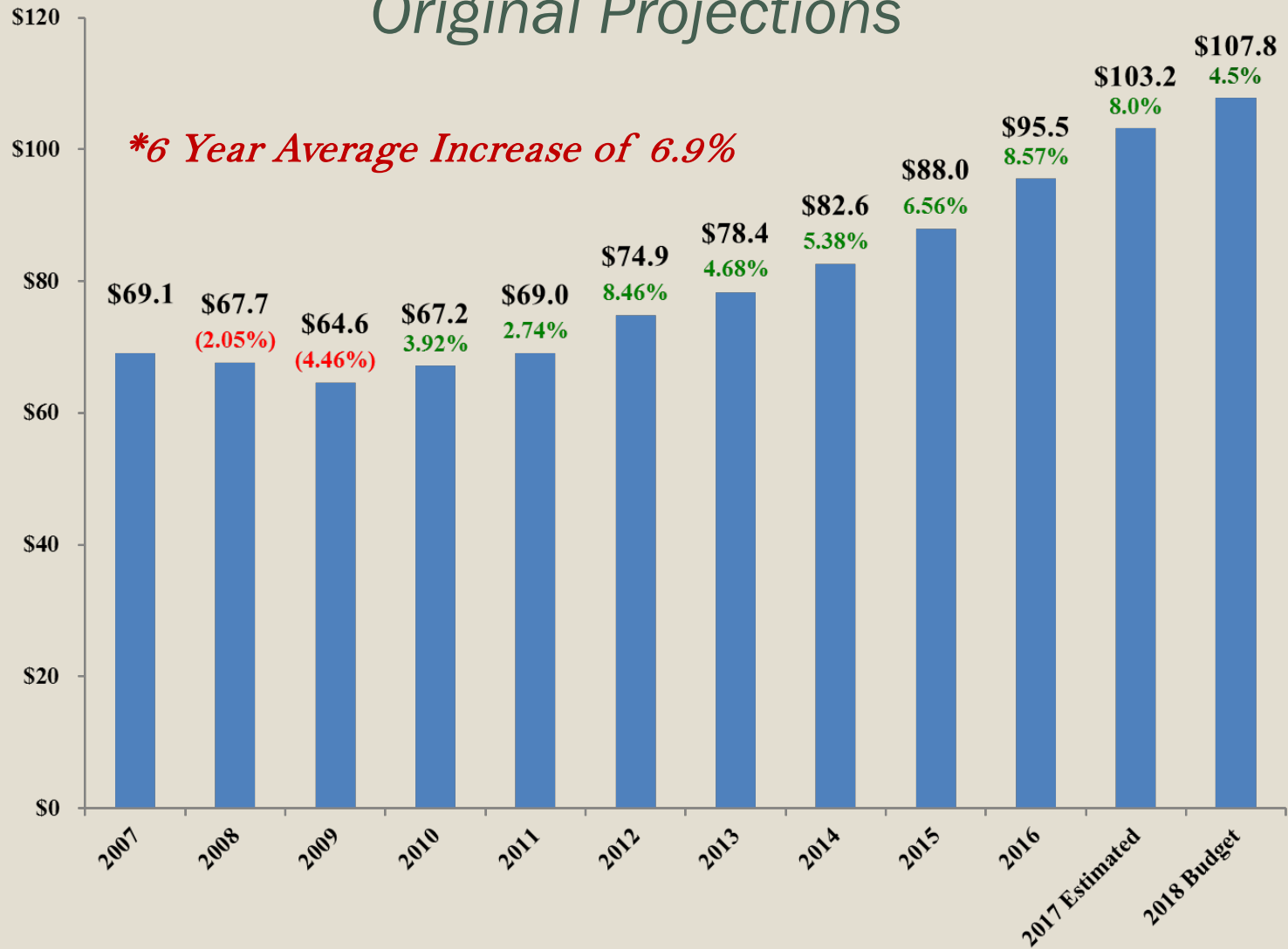


# Subsequent Revenue Review

# Subsequent Revenue Review

## Sales and Use Tax History

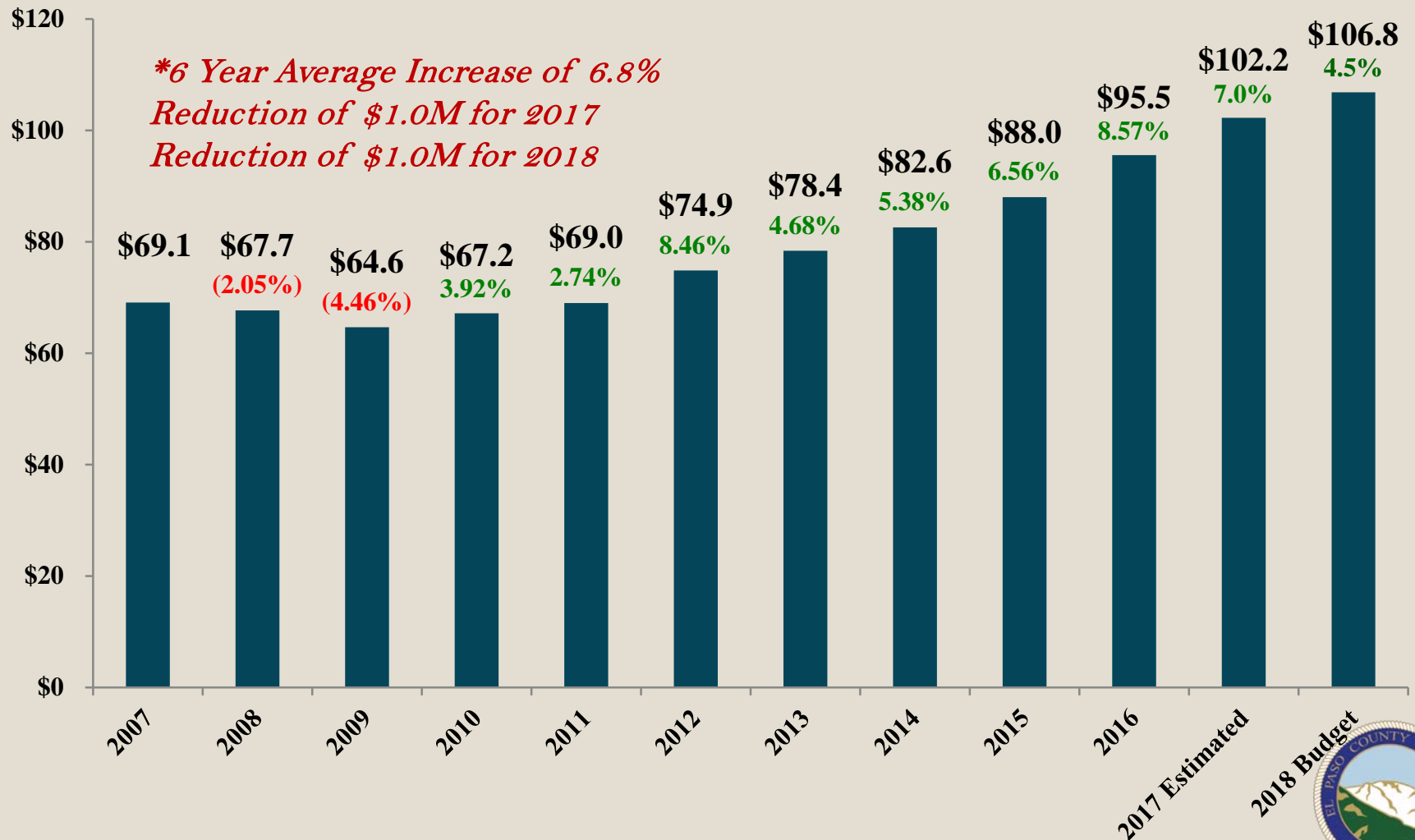
### Original Projections



# Subsequent Revenue Review

## Sales and Use Tax History

### Revised Projections



# Subsequent Revenue Review Sales and Use Tax

*Retail Sales - Represents 54.6% of Total Sales and Use Tax*

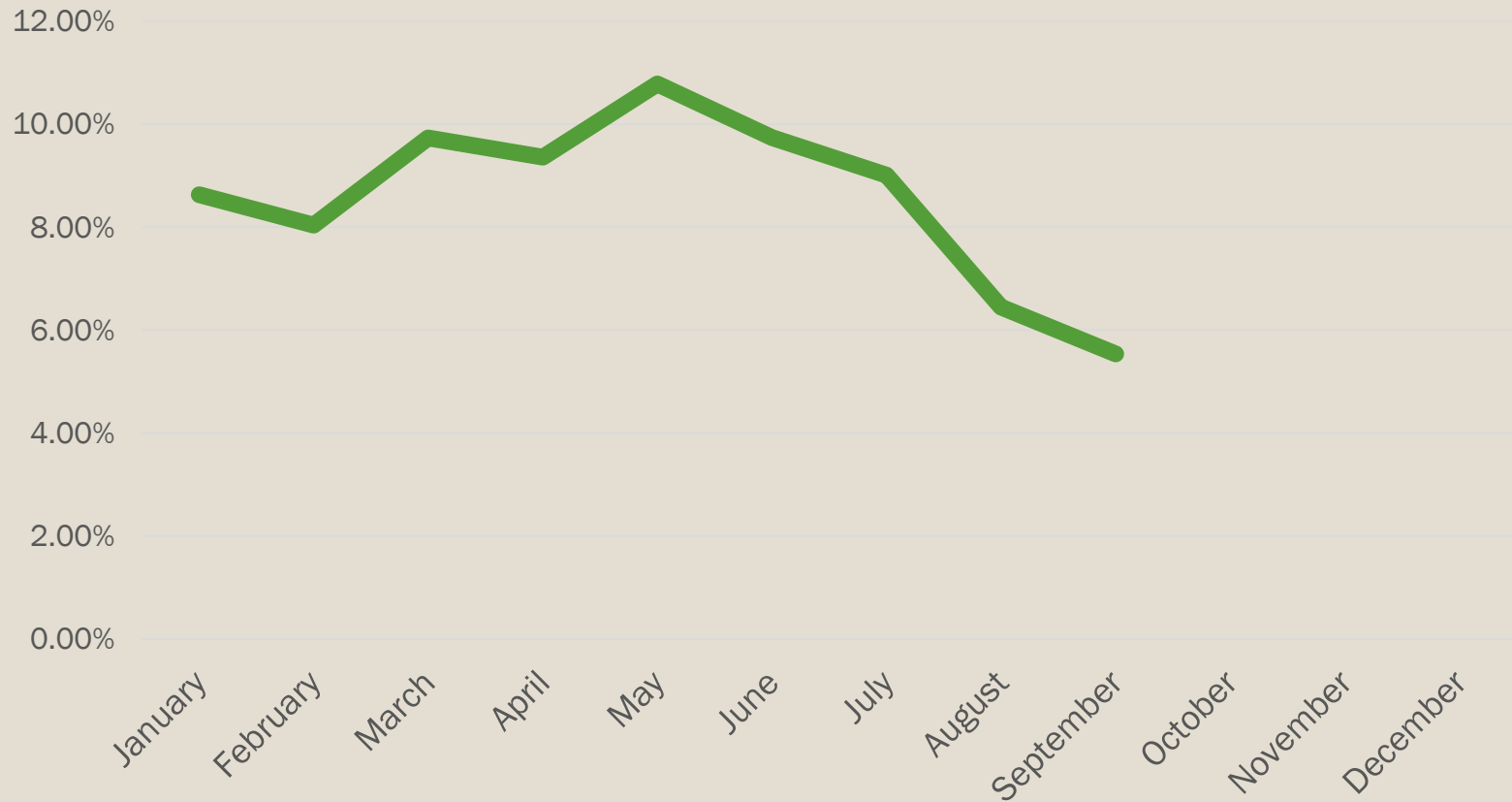
Monthly % Change from 2016



# Subsequent Revenue Review Sales and Use Tax

*Retail Sales - Represents 54.6% of Total Sales and Use Tax*

Cumulative Change from 2016



# Subsequent Revenue Review 2018 Sales and Use Tax Options

- 2018 – Projected Increase of 4.50% equals an increase of \$4.6M

<u>2018 – Percentage Projections</u>	<u>Increase Over 4.50%</u>
4.75%	\$ 255,566
5.00%	\$ 511,133
5.25%	\$ 766,699
5.50%	\$1,022,266
5.75%	\$1,277,832
6.00%	\$1,533,398

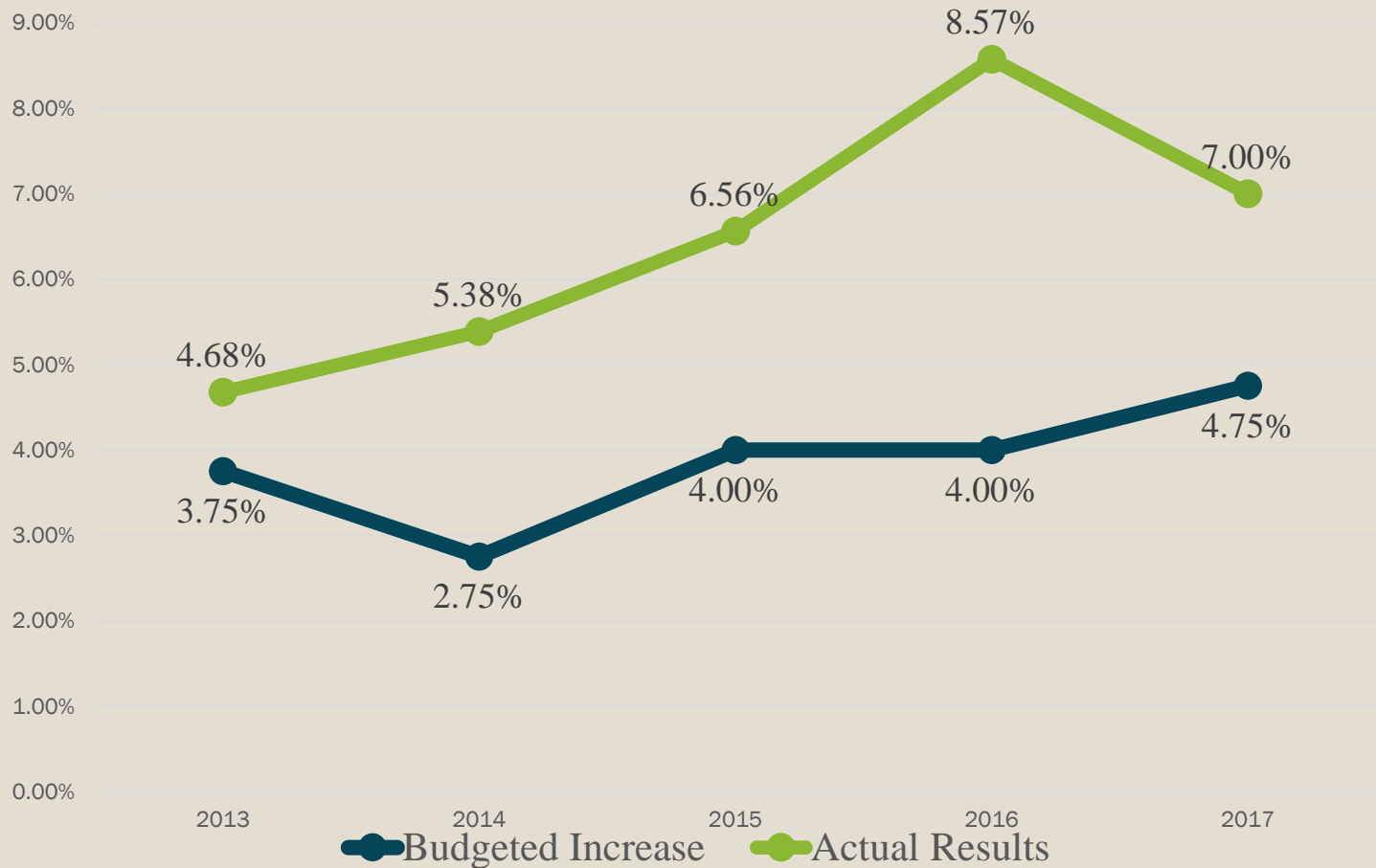




# Additional Revenue Review

## Sales and Use Tax

*Budget Percentage Versus Actual Collections*  
*Intentional Reserve Strategy*



# Subsequent Revenue Review

## 2018 Updated Revenue Projections

### *Impacts to Financial Roadmap*

■ Reduction in Sales Tax	(\$1.0M)
■ Reduction in Property Tax (Allowance)	(\$0.3M)
■ Increase in Specific Ownership Tax	\$1.0M
■ Increase in Interest Earnings	\$0.2M
■ Increase in Clerk and Recorder Fees	\$0.4M
■ Increase in Intergovernmental Revenue	<u>\$0.3M</u>
	<b>Net Increase</b>
	<b>\$0.6M</b>
■ <i>Plus: Reallocation of Specific Ownership</i>	
<i>Tax for Road and Bridge Personnel</i>	<u><i>\$0.4M</i></u>
	<b><i>TOTAL INCREASE</i></b>
	<b><i>\$1.0M</i></b>

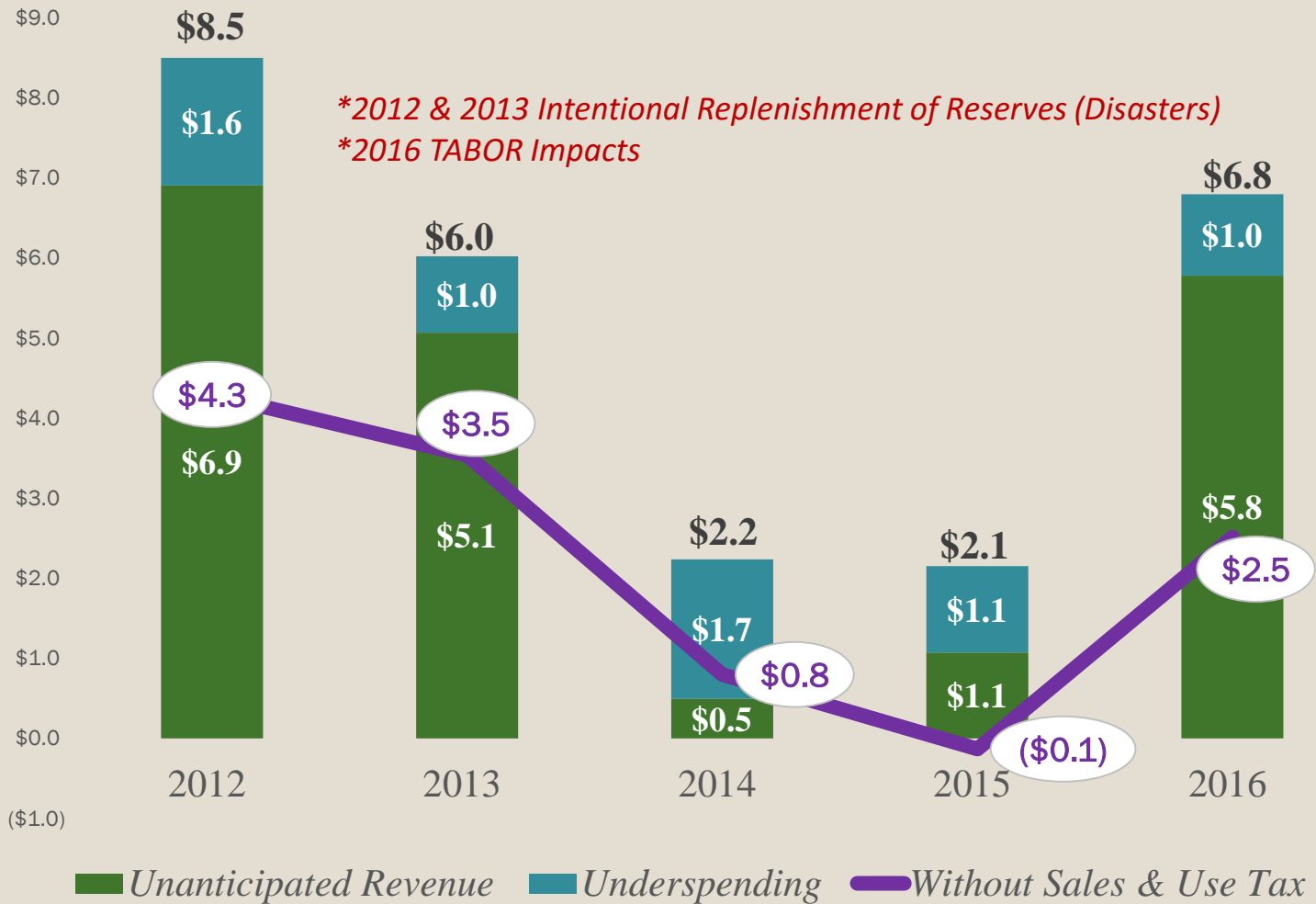




# Reserve Strategy

# Unrestricted General Fund Reserve Strategy

*Historical Underspending and Unanticipated Revenue (in Millions)*



# Unrestricted General Fund Reserve Strategy

## *Historical Underspending and Unanticipated Revenue*

- 2017 Underspending
  - *Anticipate \$2.0M to go into Reserve*
- 2017 Unanticipated Revenue
  - *As of October 31, 2017, we have \$7.3M*
  - *Budget Projections are based on \$8.5M*
    - We have projected to transfer \$3.3M to Self Insurance Fund for Increased Medical Claims and IBNR\*
    - Remaining \$5.2M is the starting balance in Financial Roadmap

*\*Incurred But Not Reported Claims*



# Unrestricted General Fund Reserve Strategy

*Projections Based on Historical Underspending  
and Unanticipated Revenue*

<b>RESERVE STRATEGY</b>					
	<b>2018 Budget</b> <i>(Excess from 2017)</i>	<b>2019 Budget</b> <i>(Excess from 2018)</i>	<b>2020 Budget</b> <i>(Excess from 2019)</i>	<b>2021 Budget</b> <i>(Excess from 2020)</i>	<b>2022 Budget</b> <i>(Excess from 2021)</i>
<i>Rolling Balance</i>		<i>2,000,000</i>	<i>4,500,000</i>	<i>7,000,000</i>	<i>9,500,000</i>
General Fund Underspending	2,000,000	1,250,000	1,250,000	1,250,000	1,250,000
General Fund Unanticipated Revenue	0	1,250,000	1,250,000	1,250,000	1,250,000
<i>Rolling Reserve Balance</i>	<i>2,000,000</i>	<i>4,500,000</i>	<i>7,000,000</i>	<i>9,500,000</i>	<i>12,000,000</i>





# Investment in Human Capital

# Investment in Human Capital

## 2018 Adjust from Minimum to Midpoint

	# of Employees	2018 Midpoint Adjustment (No less than 86%)	# of Employees	2018 2% COLA	2018 Total
Administration and Financial Services	30	50,017	114	76,559	<b>126,576</b>
Assessor	2	4,469	53	73,421	<b>77,890</b>
Clerk & Recorder	71	138,384	145	121,842	<b>260,226</b>
Community Services Department	24	59,179	63	57,680	<b>116,859</b>
Coroner	9	34,614	25	45,457	<b>80,071</b>
County Attorney - General Fund	1	4,863	13	22,239	<b>27,102</b>
Department of Public Works-General Fund	56	121,021	143	122,165	<b>243,186</b>
Department of Public Works-Road & Bridge	110	189,834	191	226,684	<b>416,518</b>
District Attorney	118	407,544	213	276,859	<b>684,403</b>
Human Resources & Risk	8	21,904	21	22,575	<b>44,479</b>
Human Services - County Portion	95	33,856	571	152,867	<b>186,723</b>
Information Technology Department	13	27,959	73	111,870	<b>139,829</b>
Planning and Community Development	6	15,798	29	43,335	<b>59,133</b>
Sheriff - General Fund	257	310,406	609	878,473	<b>1,188,879</b>
Treasurer	1	345	19	19,805	<b>20,150</b>
<b>Investment in Human Capital</b>	<b>801</b>	<b>\$1,420,193</b>	<b>2,282</b>	<b>\$2,251,831</b>	<b>\$3,672,024</b>





# Investment in Human Capital

## *Adjust from Minimum to Midpoint*

	Midpoint Adjustments			
	2018 (no less than 86%)	2019 (no less than 91.2%)	2020 (no less than 95.6%)	2021 (no less than 99.5%)
Administration and Financial Services	50,017	58,885	58,475	58,146
Assessor	4,469	5,364	10,259	12,737
Clerk & Recorder	138,384	102,191	92,774	93,723
Community Services Department	59,179	43,900	40,306	41,351
Coroner	34,614	19,066	18,147	17,010
County Attorney - General Fund	4,863	21,362	24,655	27,148
Department of Public Works - General Fund	121,021	91,546	86,783	79,300
Department of Public Works - Road & Bridge	189,834	167,347	156,391	153,405
District Attorney	407,544	223,988	213,573	207,408
Human Resources & Risk	21,904	16,162	19,091	17,564
Human Services - County Portion	33,856	25,364	47,901	53,442
Information Technology Department	27,959	25,547	25,603	29,663
Planning and Community Development	15,798	10,169	9,035	11,411
Sheriff - General Fund	310,406	628,663	701,221	656,417
Treasurer	345	3,211	4,103	4,370
<b>Investment in Human Capital</b>	<b>\$1,420,193</b>	<b>\$1,442,765</b>	<b>\$1,508,317</b>	<b>\$1,463,095</b>



# Investment in Human Capital

## *2% Pay for Performance / Cost of Living*

	2018	2019	2020	2021
	2% COLA	2% COLA	2% COLA	2% COLA
Administration and Financial Services	76,559	79,091	81,851	84,658
Assessor	73,421	74,979	76,586	78,323
Clerk & Recorder	121,842	127,047	131,632	136,120
Community Services Department	57,680	60,017	62,095	64,143
Coroner	45,457	47,058	48,380	49,711
County Attorney - General Fund	22,239	22,781	23,664	24,630
Department of Public Works - General Fund	122,165	127,029	131,401	135,765
Department of Public Works - Road & Bridge	226,684	235,014	243,061	251,050
District Attorney	276,859	290,547	300,838	311,126
Human Resources & Risk	22,575	23,465	24,258	25,125
Human Services - County Portion	152,867	156,602	160,241	164,404
Information Technology Department	111,870	114,667	117,471	120,332
Planning and Community Development	43,335	44,518	45,612	46,705
Sheriff - General Fund	878,473	902,251	932,869	965,551
Treasurer	19,805	20,208	20,676	21,172
	<b>\$2,251,831</b>	<b>\$2,325,274</b>	<b>\$2,400,635</b>	<b>\$2,478,815</b>



# Investment in Human Capital

## *Annual Totals*

	2018 Total	2019 Total	2020 Total	2021 Total
Administration and Financial Services	126,576	137,976	140,326	142,804
Assessor	77,890	80,343	86,845	91,060
Clerk & Recorder	260,226	229,238	224,406	229,843
Community Services Department	116,859	103,917	102,401	105,494
Coroner	80,071	66,124	66,527	66,721
County Attorney - General Fund	27,102	44,143	48,319	51,778
Department of Public Works - General Fund	243,186	218,575	218,184	215,065
Department of Public Works - Road & Bridge	416,518	402,361	399,452	404,455
District Attorney	684,403	514,535	514,411	518,534
Human Resources & Risk	44,479	39,627	43,349	42,689
Human Services - County Portion	186,723	181,966	208,142	217,846
Information Technology Department	139,829	140,214	143,074	149,995
Planning and Community Development	59,133	54,687	54,647	58,116
Sheriff - General Fund	1,188,879	1,530,914	1,634,090	1,621,968
Treasurer	20,150	23,419	24,779	25,542
	<b>\$3,672,024</b>	<b>\$3,768,039</b>	<b>\$3,908,952</b>	<b>\$3,941,910</b>



# Revised Financial Roadmap

<b>OPERATIONAL STRATEGY</b>						
<b>Dept/Office</b>	<b>Critical Needs</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Beginning Operational Savings</b>		5,207,020	1,587,839	1,548,050	702,899	257,491
<b>Net Change</b>		16,575,843	17,456,212	21,329,802	30,491,454	39,733,744
Invest in Parks Capital	TABOR Retention	(1,500,000)				
Invest in Fire/Flood Recovery	TABOR Retention	(1,048,000)				
Invest in High Impact Road Infrastructure	TABOR Retention - I-25 Gap	(6,000,000)				
Invest in High Impact Road Infrastructure	TABOR Retention - Road Projects	(6,000,000)				
Invest in High Impact Road Infrastructure	Additional On-Going (2016 Increase of \$2.3)	(1,000,000)	(8,000,000)	(8,500,000)	(12,500,000)	(13,700,000)
<b>Emergency Reserve Contribution</b>		0	0	0	0	0
County Wide - Invest in Human Capital	Adjustment to Midpoint - 2 of 5 (86%)	(1,420,193)	(1,420,193)	(1,420,193)	(1,420,193)	(1,420,193)
County Wide - Invest in Human Capital	Pay for Performance/COLA (2%)	(2,251,831)	(2,251,831)	(2,251,831)	(2,251,831)	(2,251,831)
County Wide - Invest in Human Capital	Adjustment to Midpoint - 3 of 5 (91.2%)		(1,442,765)	(1,442,765)	(1,442,765)	(1,442,765)
County Wide - Invest in Human Capital	Pay for Performance/COLA (2%)		(2,325,274)	(2,325,274)	(2,325,274)	(2,325,274)
County Wide - Invest in Human Capital	Adjustment to Midpoint - 4 of 5 (95.6%)			(1,508,317)	(1,508,317)	(1,508,317)
County Wide - Invest in Human Capital	Pay for Performance/COLA (2%)			(2,400,635)	(2,400,635)	(2,400,635)
County Wide - Invest in Human Capital	Adjustment to Midpoint - 5 of 5 (99.5%)				(1,463,095)	(1,500,000)
County Wide - Invest in Human Capital	Pay for Performance/COLA (2%)				(2,478,815)	(2,478,815)
Board of County Commissioners	Statutory Pay Increase		(56,387)	(56,387)	(56,387)	(56,387)
County-Wide Elected Officials	Statutory Pay Increase		(114,551)	(114,551)	(114,551)	(114,551)
Community Services - Parks	Dedicated Forest Management Funds		(100,000)	(150,000)	(150,000)	(150,000)
Community Services - Parks	Major Maintenance Funds		(100,000)	(150,000)	(150,000)	(150,000)
Community Services - Parks	Park Maintenance Positions (4)		(100,000)	(150,000)	(150,000)	(150,000)
Information Technology	Software/Hardware		(350,000)	(350,000)	(350,000)	(350,000)
Public Services - Facilities	Facilities Major Maintenance Plan	(750,000)	(750,000)	(750,000)	(820,000)	(820,000)
Public Works - Facilities	Maintenance Techs (3)		(135,000)	(135,000)	(135,000)	(135,000)
Community Services - Parks	Parks Capital Improvements				(750,000)	(750,000)
Community Services	Criminal Justice Planner	(70,000)	(70,000)	(70,000)	(70,000)	(70,000)
Community Services	Pretrial Services Program	(155,000)	(280,000)	(400,000)	(400,000)	(400,000)
<b>Ending Operational Savings</b>		1,587,839	1,548,050	702,899	257,491	7,817,466





To The Spreadsheet.....