



# Summit County Recommended 2019 Budget

Oct. 9, 2018





# Kudos

- **Marty Ferris**
- **Finance Staff**
- **Thad, Bentley and Sarah**
- **Elected Officials**
- **Department Directors**
- **BOCC**





# Summit County Mission Statement

**To support a strong, safe, healthy and vibrant community by providing high-quality public services to the residents and visitors of Summit County, and to provide such services in a progressive, professional and efficient manner.**





# Budget Guidelines

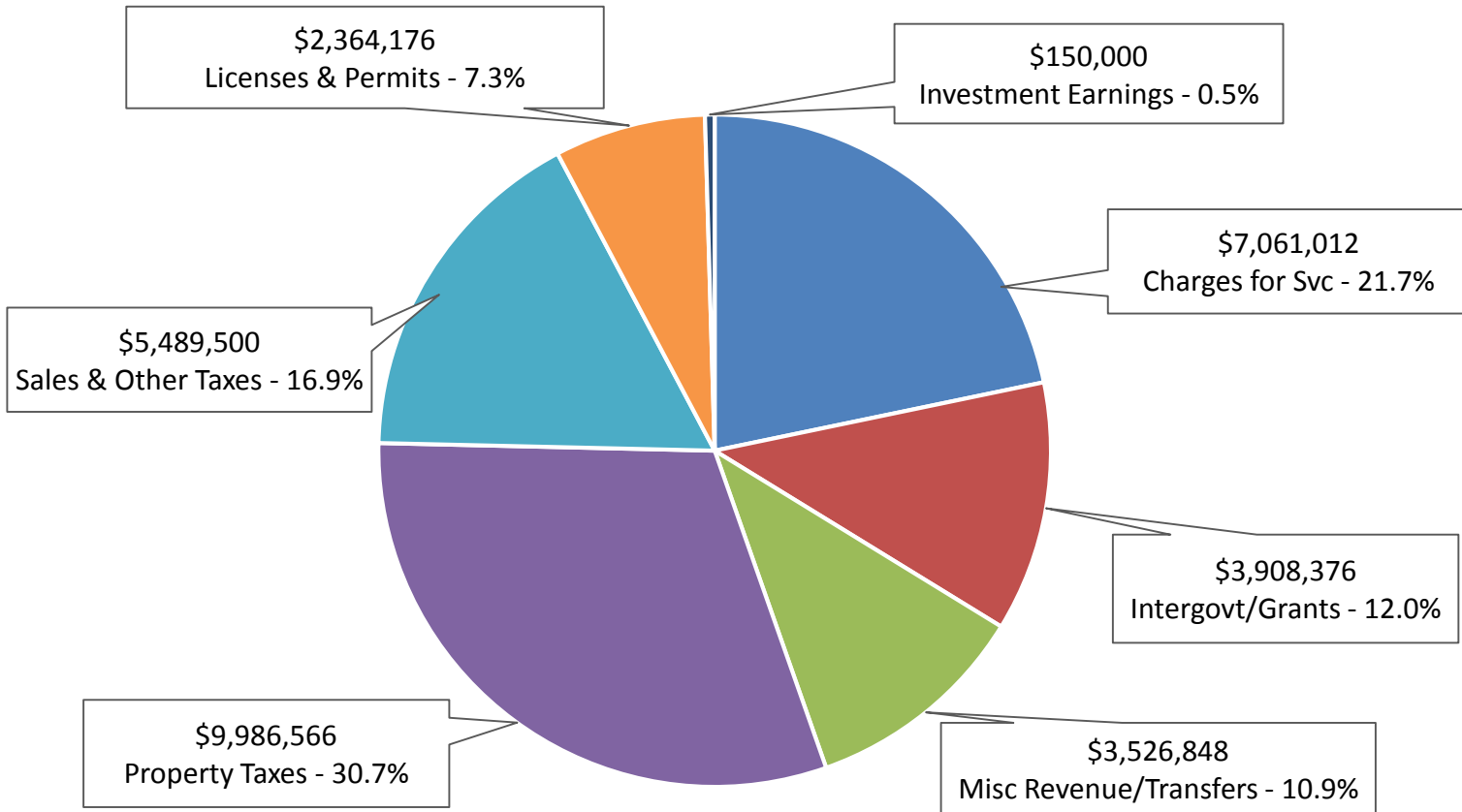
- **Use 2018 original budget as base for 2019**
- **Conservative revenue estimates**
  - 2% increase in sales tax
  - 1% increase in fees
  - 1.4% increase in property tax (new construction)
- **Directed to maintain 2018 expense levels**
- **Staff increases and program expansions should bring offsetting revenue**
- **Review line item spending**





# General Fund Revenues:

General Fund Revenues - \$32.5M

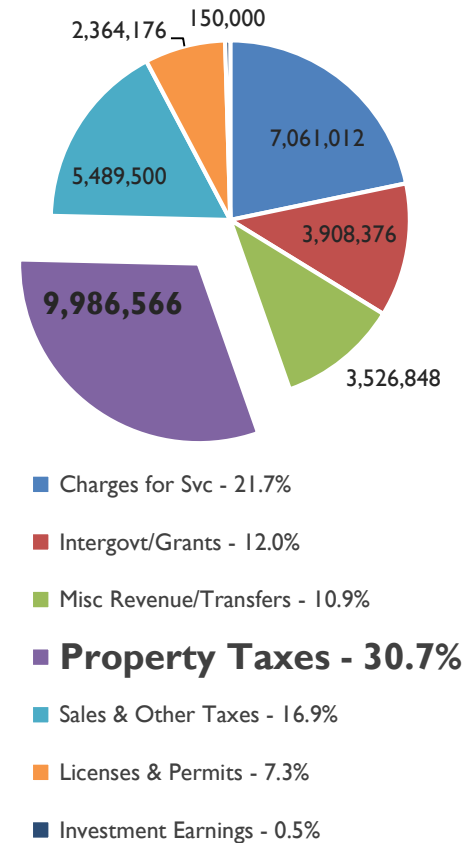


# Budget Assumptions: Revenues

- **Property Taxes**

- A property tax is an ad valorem tax on the value of a property
- 7.2% residential; 29% commercial
- Summit County assessed valuation is \$1,894,176,560
- General Fund - 5.679 mills
- 1.4% increase in valuation from last year
- General Fund increase is approx. \$257,000
- Property taxes account for 30.7% of the 2019 General Fund revenue budget – \$9.99M

General Fund Revenues - \$32.5M

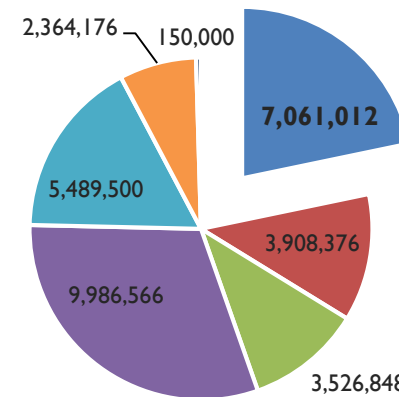


# Budget Assumptions: Revenues

- **Charges for Service**

- Includes fees for Planning, Engineering, Clerk & Recorder, Treasurer, Animal Control, Public Health, Sheriff, Jail, Community Center, Assessor, Elections, along with several internal fees (e.g., Finance, Facilities Maintenance)
- Fees are budgeted to increase 1% in the 2019 budget - \$80,000
- Charges for Service are 21.7% of the General Fund revenues - \$7.06M

General Fund Revenues - \$32.5M



- **Charges for Svc - 21.7%**

- Intergovt/Grants - 12.0%

- Misc Revenue/Transfers - 10.9%

- Property Taxes - 30.7%

- Sales & Other Taxes - 16.9%

- Licenses & Permits - 7.3%

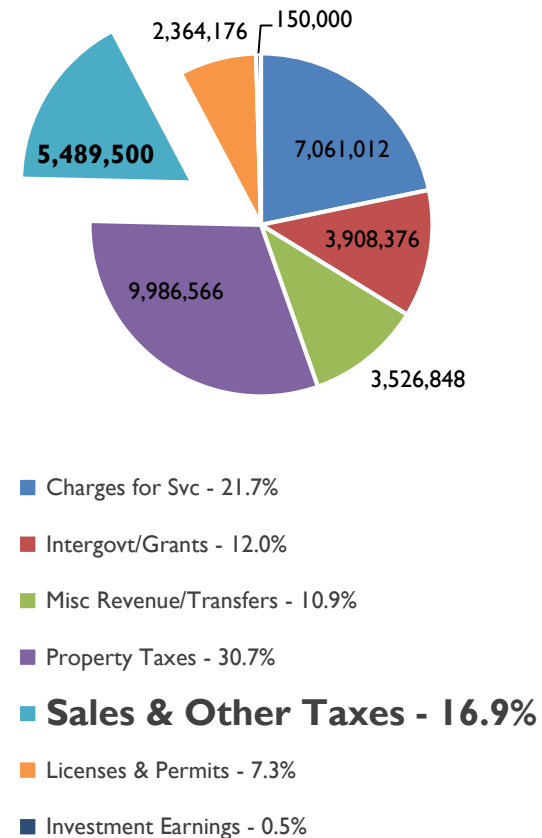
- Investment Earnings - 0.5%

# Budget Assumptions: Revenues

- **Sales Taxes**

- 2% countywide, retained by Summit County in unincorporated areas
- Estimating 2% growth in sales tax over the 2018 projection - \$107,000
- 2018 sales taxes are projected to be up 9% from 2018 original budget - \$460,000
- Sales tax accounts for 16.9% of the General Fund revenue – \$5.5M

General Fund Revenues - \$32.5M



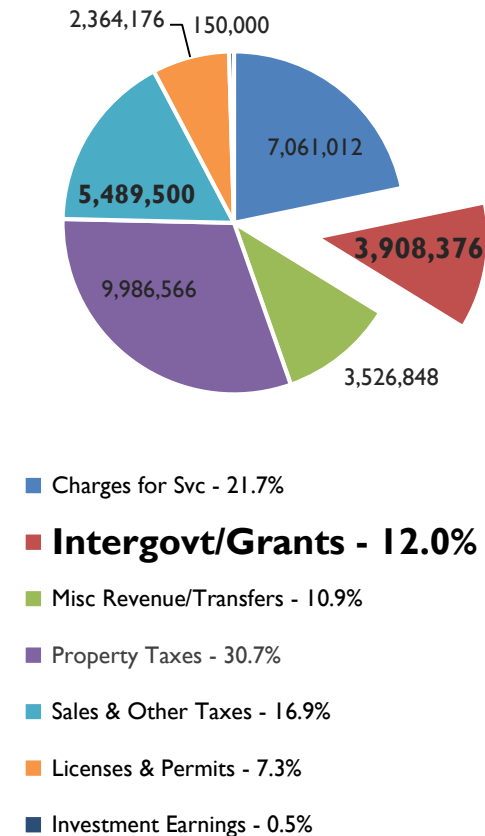


# Budget Assumptions: Revenues

- **Intergovernmental revenue**

- This category encompasses all our operating grants
- Relatively flat 2018 to 2019
- Decreases in Youth & Family and Public Health and increase in Nurse Home Visitor and Emergency Management grants
- Includes only grants for which we have been funded, not any potential grants
- Grants are 12.0% of the General Fund revenue budget - \$3.9M

General Fund Revenues - \$32.5M



# Budget Assumptions: Revenues

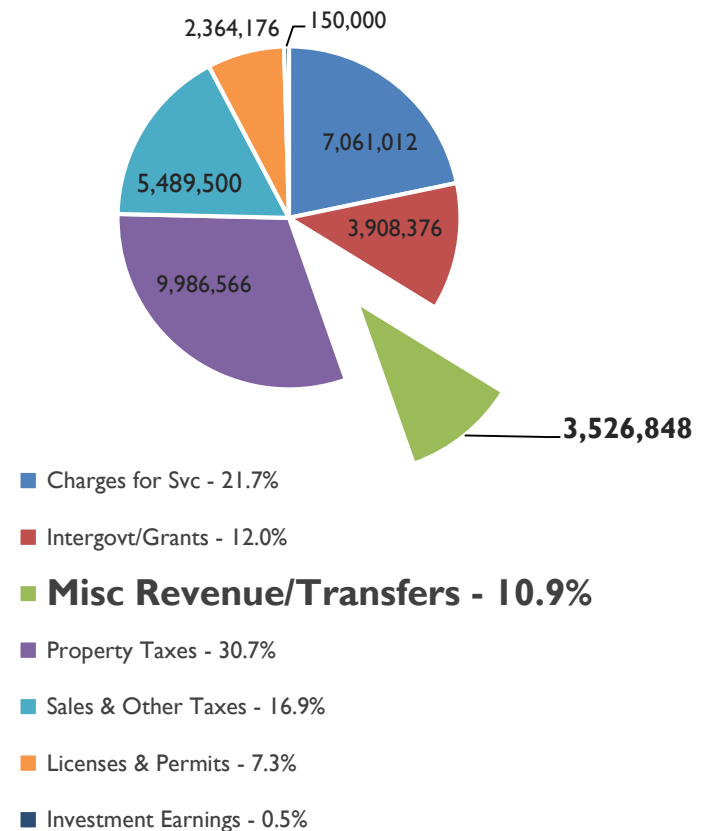
- **Miscellaneous revenue**

- This includes administrative fees to enterprise funds, rental income, sales of assets, interfund transfers and donations
- There is an increase budgeted for admin fees
- \$700,000 is a transfer in from the Group Ins/Employee Benefit Fund
- Miscellaneous revenue accounts for 10.9% of the General Fund budgeted revenues - \$3.5M

- **Interest income**

- Flat 2018 to 2019 - \$150,000

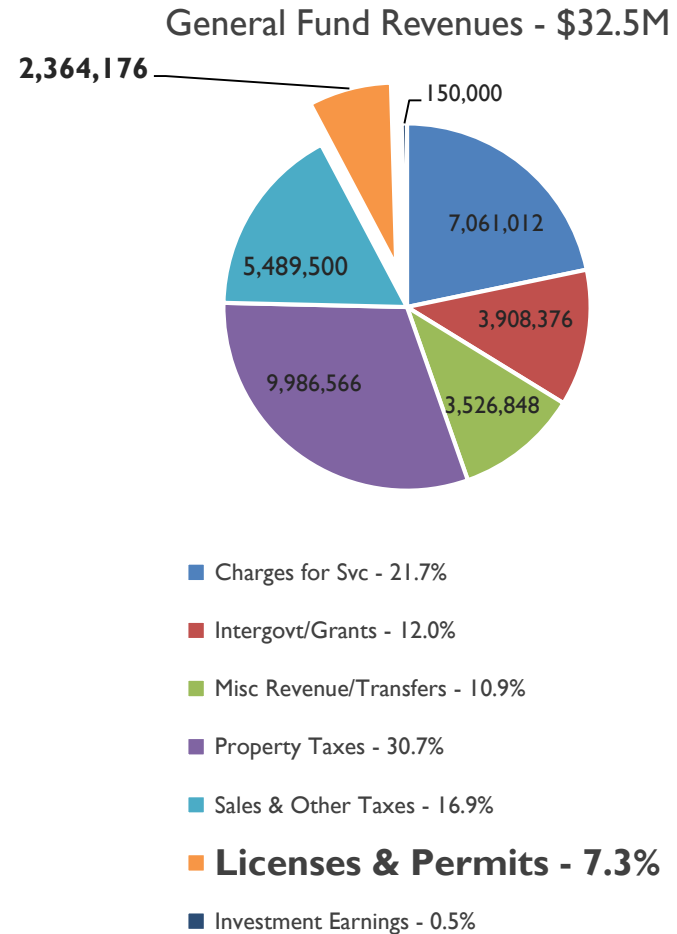
General Fund Revenues - \$32.5M



# Budget Assumptions: Revenues

- **Licenses & Permits**

- Licenses and permits includes all Building Inspection revenues and Animal Control licenses
- Building Inspection permits for 2018 are projected to be 36% higher than the 2017 actual - \$717,000
- We are projecting 2019 to be 24% lower than 2018 projections, essentially on par with 2017 actuals
- Licenses & Permits are 7.3% of the General Fund revenue budget - \$2.4M





# Operating Expenses

- **Direction to maintain 2018 expense levels**
  - 2.5% overall increase - \$197,000
- **Notable Increases:**
  - Finance: STR software contract
  - District Attorney: 10.8% increase in operations and staffing expenses
  - Jail: increase hours for inmate medical contract, maintenance of camera system, prisoner meals and mental health expense
  - Emergency Management: hazard mitigation plan update





# Salary/Employee Benefits:

- **Salary**

- 3% base merit
- 1% lump sum bonus
- 2.25 new FT positions recommended – All funds
  - Finance, Planning and .25 Env Health - STR program activities

- **Health Insurance/Employee Benefits**

- Health plan performance remains strong
  - 2018 projected to be \$800,000 under budget
  - No claims cost increase for 2019;
  - No premium increase recommended
  - Transfer to General Fund for employee housing program
  - 2019 projected fund balance \$4.5 M



# Transfers to Other Funds

- **Communications Operations**

- \$362,456
- 911 dispatching services



- **Housing**

- \$140,000
- Employee down payment assistance loans



- **Capital Expenditures**

- \$750,000
- Commons road work, sand/salt storage building, JC projects, additional countywide road & bridge projects





# Bottom Line: General Fund

- **Revenues**

- \$30,233,402 budgeted for 2018
- \$32,486,478 budgeted for 2019
- Increase of approximately \$2.25M
- Revenue Increases
  - \$567,000 sales taxes
  - \$350,000 building permits
  - \$110,000 charges for service/fees
  - \$258,000 property taxes
  - \$184,000 grants, miscellaneous and interest
  - \$700,000 transfer for employee housing program

- **Expenses**

- \$31,147,323 budgeted for 2018
- \$32,977,491 budgeted for 2019
- Increase of approximately \$1.8M
  - 2.25 new General Fund positions
  - Personnel cost increases
  - Expanded jail medical contractor services/hours
  - Employee housing program payment





# Fund Balance: General Fund

- **2018 ending fund balance projection - \$22,965,475**
- **2019 ending fund balance projection - \$22,474,462**
  - (-491K) under 2018
- **Fund Balance includes:**
  - \$5M for Fire/Disaster Response and Recovery
  - Minimum 3 months operating funds
- **Continuing to transfer funding to capital and increase R&B construction funding**
- **Longer term projections indicate fund balance will decrease to target fund balance within 3-4 years due to increased operational expenses**





# Special Revenue Funds

- **Includes Road & Bridge, Library, Social Services, Transit, Open Space, Communications, Early Childhood and several other smaller funds**
- **Road & Bridge Fund: \$2.6M for capital road projects**
  - 5-year average budget for road construction has been \$2.3M
  - Summit Cove, Boreas Pass, Swan Mountain Road, Fairview Blvd.
- **Open Space/Public Use Funds:**
  - \$2.2 million for repath projects
    - Fremont Pass, Swan Mtn at Breck San and Summit Cove
  - Requires a \$1.3M transfer from Open Space
  - Applied for several grants to assist with this





# Special Revenue Funds

- **Affordable Housing Fund and 2010 Fund housing projects**
  - Lake Hill impact analysis w/TOF, geotechnical, early infrastructure and development analysis
  - Dillon Valley design and development
  - Wintergreen – West Hills phase II work
  - Summit Cove property – design
  - Land acquisitions





# Enterprise Funds

- **Ambulance Fund: \$603,500 in capital outlay**
  - 2 replacement 4WD ambulance
  - Completion of joint admin building
  - Grants may offset some capital expense
  - Revamped AED Program - \$100,000
- **Snake River Sewer Fund:**
  - \$1,250,000 in capital for headworks screen replacement
- **Solid Waste Fund: \$6,215,780**
  - Water truck, loader, track hoe, compactor, GPS
  - Live bottom van trailer and stairs for drop off sites
  - New cell construction
  - Buyback/sale of three pieces of equipment





# Capital Expenditures

- **IT hardware and software: \$505,000 (Requested: \$700,000)**
  - No funding for Project Thor, pending State grant decision
- **Vehicle replacements: \$478,000**
- **Sheriff/Jail/AC equipment: \$120,000**
- **Facilities projects: \$858,000**
  - LDP roof - \$65,000 – Right Start funding?





# Capital Continued

- **Road and Bridge capital: \$450,000**

- Loader
- F350 Utility Pickup
- Sign Truck w/equipment



- **R&B road construction work: \$2,600,000**

- Summit Cove Loop
- Boreas Pass
- Swan Mountain Road
- Fairview Boulevard (with TOB)

- **Transit capital: \$5,135,000**

- Frisco Transfer Center construction
- 6 new cutaway buses – 80% grant funded
- Paratransit vehicle
- Design work on Transit Ops Center





# Certificates of Participation (COP)

## Financing Investigation

- COPs may be appropriate mechanism for a number of larger County capital projects (up to \$70 million ID'd)
  - Lake Hill and other housing projects
  - Road construction projects
  - County Commons Master Plan projects
  - Transit projects
  - Child care capacity building
- Financing interest rates vary between 3-5%
- COP fees approximately 3.5% of total amount financed





# Overall County Budget

- ▶ **2019 total County budget: \$108,974,208**  
(vs. 2018 total original County budget: \$95,709,036)

<b>Fund Type</b>	<b>2019</b>	<b>2018</b>
General	\$31.7M	\$30.6M
Special Revenue	\$42.1M	\$37.2M
Enterprise	\$19.4M	\$14.0M
Capital	\$5.2M	\$3.7M
Internal Service	\$10.6M	\$10.2M

