



ARAPAHOE COUNTY
COLORADO'S FIRST

Board Summary Report

Date: April 26th, 2019
To: Board of County Commissioners
From: Todd Weaver, Budget Manager
Subject: 2019 First Quarter Budget Review

Purpose and Recommendation

The purpose of this study session is to update the Board of County Commissioners (BOCC) on the status of the 2019 County Budget, review the fiscal status of Arapahoe County, and identify issues that may arise in the near future. Various supplemental appropriation requests will be reviewed by the Executive Budget Committee and recommended for approval by the Board. The Board will be asked to review these proposals and decide which should go forward to a public hearing on May 21st.

Background

Attached to this report is background information on the economy, major fund projections, and the list of requested supplemental appropriations as of the end of the 1st Quarter, 2019. The first section of the supplemental request materials identifies supplemental appropriation requests that would have a net impact on the 2019 budget that require a Board discussion and decision to move forward. The second section shows supplemental appropriation requests that have a neutral impact on the 2019 budget from an expenditure standpoint and generally involve grant funds or additional revenue.

The 2019 budget was balanced and adopted on December 11, 2018. Since that date, supplemental appropriations, transfers and reappropriations have been added to the original adopted 2019 budget. This amended budget is the basis for department and elected office projections and supplemental appropriation requests. During the first quarter of 2019, some departments and offices have identified areas or issues requiring modifications to their budgets and have submitted these needs as supplemental appropriation requests. For the 1st Quarter of 2019, there are a number of supplemental requests for the 2019 budget that require a discussion and decision by the BOCC as well as a number that are budget neutral and have corresponding revenues to offset expenditures. A full list of all supplemental appropriation requests is included in the attached documentation.

The Executive Budget Committee (EBC) will meet to discuss these requests prior to the May 7^h study session. The Finance Department will present the Committee's recommendations to the Board for their review and approval at the study session. Before making decisions on these amendments, the Board of County Commissioners may wish to consider the attached background information on the status of the economy and the current financial status of the County.

Departments and elected offices were asked to provide revenue and expenditure projections based on what they have seen through the end of the 1st Quarter of the 2019 budget year. These projections help to provide a look at where the County may be financially by the end of fiscal year 2019, and in future budget years based on certain assumptions. From this information, we have projected the fiscal status and have identified potential revenue and expenditure issues for five major County funds: the General Fund, Social Services Fund, Arapahoe Law Enforcement Authority Fund, Road and Bridge Fund, and the Capital Expenditure Fund.

Link to Align Arapahoe

Fiscal Responsibility related to maximizing the County's financial sustainability and the responsible use of taxpayer funds: The review of the County's fiscal status and financial projections for the future including adopting a structurally balanced General Fund operating budget are in keeping with the County's objective.

Discussion

The sections below detail the economic, financial, and budget amendment information for the 1st Quarter of 2019. It is important to note that, at this early stage, forecasting year-end financial information as well as projecting future budget years can be difficult with only 3 months of data to use. As conditions change, the forecasts will change.

Economic Outlook

The overall economic outlook for Colorado and the nation is positive with growth continuing through 2021, although this growth will be a lower rate than we have experienced over the last few years. The growth in the economy is moderating as economists are projecting slower GDP growth, slower growth in personal income, slower growth in real estate prices, lower inflation, and slightly higher unemployment rates over the next 2 years. Despite slower growth in these areas, the job market remains strong as the economy continues to add jobs both nationally and in Colorado. The slight increase in unemployment rates is more reflective of more people entering the job market than the softening economy. Real estate price appreciation is easing, both nationally and in Colorado. Construction activity is hampered by a lack of skilled workers and, in Colorado, residential permit growth is expected to slow and nonresidential construction value is projected to drop in the coming years. More information on the economic outlook and how it impacts the County budget will be provided during the study session with the BOCC.

| Economic Indicator | Area | 2017 | 2018 | Forecast | | |
|--------------------------------|----------|-------|-------|----------|-------|-------|
| | | | | 2019 | 2020 | 2021 |
| Real GDP Growth | National | 2.2% | 2.9% | 2.3% | 1.1% | 0.9% |
| Unemployment Rate | National | 4.4% | 3.9% | 3.7% | 4.0% | 4.4% |
| | Colorado | 2.7% | 3.3% | 3.6% | 3.9% | 4.2% |
| Personal Income Growth | National | 4.4% | 4.5% | 4.5% | 4.1% | 3.7% |
| | Colorado | 5.8% | 5.4% | 5.3% | 5.1% | 4.5% |
| Wage and Salary Growth | National | 4.6% | 4.5% | 4.8% | 4.3% | 3.8% |
| | Colorado | 6.2% | 5.5% | 6.0% | 5.1% | 4.5% |
| Inflation | National | 2.1% | 2.4% | 1.9% | 1.9% | 1.8% |
| | Colorado | 3.4% | 2.7% | 2.3% | 2.2% | 2.2% |
| Housing Permit Growth | Colorado | 10.9% | 13.7% | 4.7% | 3.2% | 1.9% |
| Nonresidential Building Growth | Colorado | 3.0% | 23.4% | -8.3% | -5.1% | -3.1% |

Source: Colorado Legislative Council March 2019 Economic & Revenue Forecast

General Fund

The General Fund is the main operating fund of the County and contains the largest concentration of revenues and expenditures for funding all or most of the programs, services, and staff of the elected offices and departments. Significant tax, charges for services, and intergovernmental payments drive the revenue side of the budget while salaries and benefits are the largest driver of costs on the expenditures side. The General Fund provides the home and funding for over 1,300 of the County's approximately 2,200 FTE positions.

Revenue

The General Fund contains dozens of revenue line items across a number of departments and elected offices. The largest of these revenue line items is property tax collections from the County mill levy. The General Fund receives the largest allocation of property tax revenue from the mill levy and it represents about 60% of the total revenue collected in the fund. The amount of property tax received is dependent upon real estate values within the County as well as the local growth calculation under the Taxpayer's Bill of Rights (TABOR). TABOR states that property tax revenue can only grow by the combination of the Denver metro area inflation rate and the percentage growth in the actual value of new construction. The County is able to remain within its TABOR limit during times of economic expansion by applying a temporary tax credit to the mill levy that can be unwound during economic contractions. For 2020, the County will refund nearly \$750,000 in over collections due to a drop in the inflation rate from the September 2018 economic forecast to the actual rate in March. The decline was due to a drop in energy prices and slowdowns in the increase in interest rates and home price appreciation.

For 2019, the budget is projecting 4.8% more in property tax revenue than in 2018, or just under \$113 million. Property tax revenue has been steadily increasing since 2015 during the economic expansion following several years of flat revenue collections during the recession. Changes in the residential assessment rate have caused downward adjustments in the temporary tax credit on the County mill levy but only a minor adjustment to this residential assessment rate is projected for the 2019 assessment cycle for 2020 tax collections. Looking ahead, if the economy remains on its current track, annual increases of around \$4-\$5 million could be expected with property tax collections in the General Fund growing to just under \$138 million by 2024.

Other significant sources of revenue include the payments from the intergovernmental agreement for law enforcement services with the City of Centennial, fees and charges from the Clerk & Recorder's Office, development and permitting fees from Public Works & Development, and tax collection fees and investment earnings from the Treasurer's Office. The revenues from the intergovernmental agreement for law enforcement services has been steadily increasing over the years as the cost of providing the service, primarily salaries and benefits, continue to increase. In 2019, there is a significant increase as City and the Sheriff's Office agreed on funding a number of new positions in patrol, investigations, and communications. As property values rise, property tax revenue usually rises at the same time and the Treasurer's Office fee to collect and distribute these taxes increases. From 2013 through 2018, tax collection fee revenue increased \$1.6 million up to \$7.4 million. The budget for 2019 shows \$7.4 million in tax collection fee revenue but early projections indicate that it will come in at about \$7.9 million. Interest earnings are rising as the economy recovers and interest rates rise. Interest earnings came in above budget during 2018 and is expected to bring in \$3.4 million during 2019.

Construction activity within Arapahoe County has increased significantly since the end of the recession as new projects are making their way through the development review pipeline from Planning to Engineering to the Building Division. Public Works & Development revenue related to development activity has increased from just over \$3.1 million in revenue in 2014 to \$5.9 million at the end of 2018. Preliminary revenue forecasts for 2019 show a drop off in 2019 down to \$4.8 million with decreases from last year's peak in building permits and plan reviews. Activity is still at a much higher level than during the recession. For the Clerk & Recorder's Office, the recovery from the recession also resulted in higher revenues from an increase level of real estate and motor vehicle activity. As activity in those areas has slowed a bit from the peak a year or two ago, the revenue collections have plateaued. For 2019, forecasted revenue for recording and motor vehicle activities are projected at just under \$12.7 million, or about \$100,000 less than budgeted. The Clerk & Recorder's Office has experienced issues since the implementation of the

new State DRIVES system which has impacted some of the motor vehicle related revenue but it is expected that these issues should be resolved soon and not impact the overall revenue collections for 2019.

Expenditures

Salary and benefit expenses account for over 61% of the total current General Fund expenditure budget. The spending pattern for these line items has a large impact on the expenditure trends. The County extracts budget from each of the departments and elected offices to account for a historical amount of salary and benefit budget amounts that is not spent due to vacancies. These vacancy savings reductions enable the County to use the funds elsewhere in the budget for other funding priorities. In looking at budget to actual data for salary and benefit line items over the past few years, the trend is towards higher amounts of vacancy savings above the amount reduced from department and elected office budgets. In 2018, \$4.2 million of the nearly \$106 million salary and benefit budget remained unspent. This is due to a very robust job market in Colorado with historically low unemployment that makes finding and retaining staff more difficult. At this early stage of the 2019 fiscal year, we are projecting that there will be about \$2 million in salary and benefit budget that will be unspent by year-end.

The next largest expenditure category is the Services and Other category that includes accounts for such line items as professional services, utilities, contracted services, maintenance and repair, training and education, printing, and distributions to outside entities such as the Tri-County Health Department and the District Attorney's Office. As inflation impacts the cost of these services the spending in this category has increased from about \$37 million in 2013 to nearly \$48 million in 2018. For 2019, the current budget for this category of expenditures after reappropriations is \$50.9 million and current projections show spending of \$49.2 million for a surplus of \$1.7 million. If this projection holds true, it should be noted that some of this surplus will be requested in the next year's reappropriation process to complete those budgeted activities.

In other categories of expenditures, the Supplies category has a current budget of \$7.4 million and projections show \$6.8 million being spent by year end. The amount spent for supplies has fluctuated over the years but spending has generally remained between \$5.5 million and \$6.5 million over the past 5 years. Due to increases in other categories, the percentage of the budget attributable to supplies has decreased over time. Central Services Fund charges accounts for another large expenditure in the General Fund. These charges are related to the purchase and future replacement of capital assets such as vehicles, equipment, and high value technology hardware and software. The timing of the purchase weighs heavily on how much will be spent by year-end and for 2019, the projections indicate a small surplus in this account may occur.

Finally, the transfer of monies from the General Fund to other funds are another significant expenditure for the General Fund. There are transfers for administrative expenses in grant and internal service related funds as well as transfers to the Self-Insurance Liability Fund. Another large transfer of \$2.1 million is to the Building Maintenance Fund for ongoing maintenance activities on County buildings and properties. The largest transfers are for debt service and funding capital improvement projects. The transfer to the Capital Expenditure Fund is currently budgeted at \$6.1 million but could increase if funding is needed for projects during the year. For debt service, the largest amount paid is \$4.4 million for the remaining payments on the CentrePoint Plaza building. The payments continue through 2021 before the funds could be made available for other uses. The other debt service payment made from the General Fund is for the Lima Plaza complex purchase at about \$745,000 per year.

Outlook for 2019

| Revenue Category | 2019 Budget | 2019 YTD Actuals | % of Budget |
|---------------------------|-----------------|------------------|--------------|
| Taxes | \$ 121.5 | \$ 49.3 | 40.6% |
| Licenses & Permits | 6.8 | 0.6 | 0.0% |
| Intergovernmental | 32.0 | 4.6 | 14.4% |
| Charges for Services | 22.2 | 5.4 | 24.3% |
| Fines & Forfeits | 0.8 | 0.1 | 11.7% |
| Investment Earnings | 3.4 | 0.5 | 13.8% |
| Interfund Revenues | 4.3 | 0.9 | 20.6% |
| Transfers In | 0.0 | - | 0.0% |
| Miscellaneous | 3.1 | 0.5 | 16.6% |
| Total Revenue | \$ 194.0 | \$ 61.9 | 31.9% |
| Expenditure Category | | | |
| Salaries | \$ 97.0 | \$ 21.8 | 22.5% |
| Employee Benefits | 28.1 | 6.8 | 24.2% |
| Supplies | 7.4 | 1.3 | 17.4% |
| Services & Other | 50.9 | 12.8 | 25.1% |
| Community Programs | 0.4 | 0.1 | 25.0% |
| Capital Outlay | 0.1 | 0.0 | 13.6% |
| Central Services | 2.7 | 0.6 | 21.6% |
| Transfers Out | 15.4 | 14.9 | 96.4% |
| Total Expenditures | \$ 202.0 | \$ 58.2 | 28.8% |

The projections for the General Fund at this early stage of the fiscal year show revenue collections slightly higher than budget and expenditures projections below the budgeted amounts in a number of categories. For revenues, current projections show slightly lower revenues in categories related to licenses and permits, fines and forfeits, and specific ownership tax offset by increased collections in intergovernmental revenues, charges for services, and miscellaneous revenue associated with the Sheriff's RISE program. Total projected revenues total \$194.5 million against the amended budget of \$194.0 million. On the expenditure side, savings in salaries and benefits, supplies, and services result in total projected expenditures of \$197.5 million versus an amended budget of \$202.0 million.

The result of these projections, after factoring in the proposed supplemental appropriation requests, show a \$3.4 million use of fund balance in the General Fund for 2019. This would reduce the fund balance from the \$57.8 million to begin the fiscal year to \$54.3 million at the end of the fiscal year. This compares favorably to the projected use of \$6.5 million in fund balance in the adopted budget or \$8.0 million in the current amended budget. It is important to note that the Board's policy reserve is equivalent to 11% of the annual operating budget, or \$20.6 million for 2019. This means that there is only \$33.7 million available for other needs in the General Fund balance.

Budget Amendments for 2019

There are a total of seven budget/amendment supplemental appropriation requests in the General Fund for the 1st Quarter. These budget amendment requests have a net expenditure increase on the 2019 General Fund of \$362,000 and an additional 7.0 FTE. The complete summary of these budget amendment requests can be found later in this Board Summary Report but a few of the more significant requests are highlighted here. Additional workload in the Coroner's Office has strained the current staff and they are requesting an additional medical investigator position at a cost of nearly \$53,000 for the remainder of the year, or \$85,600 annually. A similar situation regarding workloads in Public Work & Development and in Community Resources also generated additional position requests. A plan examiner position in Public Works and Development will assist with increased development activity and a Grants Fiscal Specialist position will assist in the Administrative Division of Community Resources and be offset with allocation revenue. There is also a budget amendment request asking for 4 additional Sheriff's Human Resources positions based on the current staffing level of the Sheriff's Office and their workload. The total cost for these 4 positions would be nearly \$242,000 for 2019, and about \$373,000 annually.

Projections

The 5-year projections for the General Fund show that the revenues and expenditures are roughly balanced with small deficits for 2020 and 2021 and that a surplus occurs in 2022 when the debt service payment for CentrePoint Plaza is no longer required. From 2022 through 2024, this surplus shrinks as growth in expenditures outpace revenues. The continued growth in property tax revenues is key to offsetting expenditures in the General Fund but a recession or economic downturn during the forecast period could impact these projections significantly. It should be noted that the expenditure projections only assume continued spending at the current level of service and it does not assume and budget packages or ongoing increases to the budget. With that assumption, the fund balance of the General Fund will experience a decline in 2019 but remain steady and even increase through the 5-year forecast.

Another important factor in this projection is the absence of an estimate of the transfer to the Capital Expenditure Fund to complete the current Capital Improvement Program (CIP) plan. The gap between the revenue allocated to the Capital Expenditure Fund and the amount of projects requires a transfer from the General Fund to fund the projects. It is estimated that between \$9 and \$13 million annually will be required to adequately fund the project plan. If these transfer are required, then the fund balance of the General Fund would be impacted significantly and surpluses in 2022-2024 would turn into deficits. More on the gap between revenues and required project funding is located in the section on the Capital Expenditure Fund below.

| (Dollars in Millions) | Actual | Adopt. | Amend. | Proj. | Forecast | | | | |
|---------------------------------|--------|--------|--------|-------|----------|-------|-------|-------|-------|
| | 2018 | 2019 | 2019 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| Total Revenue | 187.8 | 189.7 | 194.0 | 194.5 | 196.9 | 202.6 | 208.7 | 215.5 | 222.1 |
| Expenditures | 186.8 | 196.2 | 202.0 | 197.5 | 197.5 | 203.3 | 205.7 | 212.7 | 219.4 |
| Other Adjustments | - | - | - | 0.4 | 0.7 | - | - | - | - |
| Total Expenditures | 186.8 | 196.2 | 202.0 | 198.0 | 198.3 | 203.3 | 205.7 | 212.7 | 219.4 |
| Net | 1.0 | (6.5) | (8.0) | (3.4) | (1.4) | (0.8) | 3.0 | 2.8 | 2.7 |
| Beginning Fund Balance | 56.7 | 57.8 | 57.8 | 57.8 | 54.3 | 53.0 | 52.2 | 55.2 | 58.0 |
| Change in Fund Balance | 1.0 | (6.5) | (8.0) | (3.4) | (1.4) | (0.8) | 3.0 | 2.8 | 2.7 |
| Ending Fund Balance | 57.8 | 51.2 | 49.8 | 54.3 | 53.0 | 52.2 | 55.2 | 58.0 | 60.6 |
| Board Designated Reserve | 18.7 | 20.6 | 20.6 | 20.6 | 21.7 | 22.4 | 22.6 | 23.4 | 24.1 |

Capital Expenditure Fund

The Capital Expenditure Fund accounts for larger projects that are for the construction or improvement of County facilities, significant software purchases or upgrades, and other significant projects that have a useful life of 10 years or more. The projects funded in the Capital Expenditure Fund are included the 5-year Capital Improvement Program (CIP) that are recommended by the CIP Committee and approved by the Board in the annual budget.

Revenue

There are three main sources of revenue for the Capital Expenditure Fund and include property tax, specific ownership tax, and transfers from other funds within the county. The amount of property tax revenue allocated to the Capital Expenditure Fund has remained steady for a number of years as the limited growth in this revenue source flows to operating budgets of the General and Social Services Fund. As assessed value has increased or decreased, the amount of mill levy allocated to the Capital Expenditure Fund has been adjusted to produce a consistent amount of revenue, about \$4.5 million.

Specific ownership tax is also allocated to the Capital Expenditure Fund proportional to the amount of property tax in the fund. In the 2019 budget, specific ownership tax is budgeted at \$350,000 and, based on the stability of the property tax revenue in this fund, collections are projected to meet this budget. Collections have averaged just under \$360,000 for the past 4 years.

The final source of revenue for the Capital Expenditure Fund is transfers of funding from other county funds, especially the General Fund. When the budget is adopted each year, the gap between the projects recommended to be funded and the amount of funding from property and specific ownership tax is made up for by transferring fund balance from the General Fund. In 2019, this transfer is budgeted at \$6.1 million. In prior years, this transfer has fluctuated from no transfer at all to over \$10 million. The transfer for 2019 was aided by the use of accumulated fund balance to defray some of the costs of the 2019 CIP projects. Looking ahead, the amount of the transfer will be determined by the amount of funding desired for capital improvement projects.

| Revenue Category | 2019 Budget | 2019 YTD Actuals | % of Budget |
|---------------------------|----------------|------------------|--------------|
| Taxes | \$ 4.9 | \$ 2.0 | 40.5% |
| Intergovernmental | - | - | 0.0% |
| Transfers In | 6.1 | 6.1 | 100.0% |
| Miscellaneous | - | - | 0.0% |
| Total Revenue | \$ 11.0 | \$ 8.1 | 73.6% |
| Expenditure Category | 2019 Budget | 2019 YTD Actuals | % of Budget |
| Services & Other | \$ 1.2 | \$ 0.1 | 9.3% |
| Capital Outlay | 13.4 | 3.5 | 26.3% |
| Transfers Out | 5.0 | 5.0 | 100.0% |
| Total Expenditures | \$ 19.6 | \$ 8.6 | 43.9% |

Expenditures

The expenditures within the Capital Expenditure Fund are limited to funding capital projects or the accounting for the tax collection fee assessed by the Treasurer’s Office on property tax collections. The tax collection fee for this fund is a relatively small amount of about \$68,000. The largest expenditures are in the capital outlay category and for the transfer to the Infrastructure Fund for roadway infrastructure capital projects. Capital outlay expenditures have averaged over \$9.3 million for the past 5 years while the transfer to the Infrastructure Fund has averaged just under \$4 million. The amount of the Infrastructure Fund transfer has trended upwards over the past few years growing from about \$3.0 million to \$5.7 in 2018. The Infrastructure Fund transfer for 2019 is \$5.0 million.

For non-transportation infrastructure related projects, the adopted budget for 2019 included \$7.9 million in funding for facilities and technology projects. The funding in the adopted budget is supplemented by funds from prior year projects that were not complete at the end of the prior fiscal year and from budget amendments approved earlier in this fiscal year. When adding these amounts to the adopted budget, the amended budget reflects \$14.5 million in funding for completing capital projects for a total Capital Expenditure Fund budget of \$19.6 million.

Outlook for 2019

Expenditures for the Capital Expenditure Fund are projected at \$18.1 million by year-end based on trends through the end of the 1st Quarter. For revenues, the very stable property and specific ownership tax as well as the transfer from the General Fund should total just under \$11 million. The year-end projections would reduce the fund balance from \$9.1 million to begin the fiscal year to \$2.1 million. The \$7.1 million use of fund balance will be absorbed by the amount of funds unspent in prior years and reappropriated in 2019 as well as prior-year unallocated fund balance that was used to fund the 2019 capital projects included in the adopted budget. The table below depicts the budget of significant projects in the Capital Expenditure Fund and the spending through the end of the 1st Quarter.

| Fundcenter | Budget | YTD Actuals | Encumbrance | Avail Funds | Year-end Projection |
|--|----------------------|---------------------|---------------------|---------------------|----------------------------|
| Transfer to Infrastructure Fund | 4,970,000 | 4,970,000 | - | - | 4,970,000 |
| Detention Facility Door Control & Intercom | 3,129,075 | 2,387,444 | 394,636 | 346,995 | 3,129,075 |
| Detention Center Infrastructure Improvements | 1,311,553 | - | 267,247 | 1,044,306 | 267,247 |
| Peoria Salt Dome Replacement | 1,271,946 | 4,800 | 95,470 | 1,171,676 | 1,271,946 |
| Intake Center Planning | 1,044,465 | 43,550 | - | 1,000,915 | 1,044,465 |
| SAP Enterprise Reporting | 800,000 | - | - | 800,000 | 800,000 |
| Precinct 5 Substation | 620,103 | 429,089 | 48,581 | 142,434 | 620,103 |
| Arapahoe Plaza Parking Deck Repairs | 585,856 | 182,121 | 345,436 | 58,300 | 585,856 |
| Sheriff's Office Computer Aided Dispatch/Records Mgmt. | 503,054 | 316,173 | 39,574 | 147,307 | 503,054 |
| Byers County Facility | 550,000 | 32,900 | 4,240 | 512,860 | 550,000 |
| Other Capital Expenditure Fund Projects | 4,842,662 | 227,492 | 1,137,452 | 3,477,718 | 4,328,674 |
| Total | \$ 19,628,714 | \$ 8,593,569 | \$ 2,332,635 | \$ 8,702,511 | \$ 18,070,420 |

Budget Amendments for 2019

There is one budget amendment requested for the Capital Expenditure Fund related to moving funds between capital projects for Information Technology. The project to purchase software for Human Resources process improvement compensation module requires \$75,000 in additional funds after conclusion of the RFP process. The project to replace the jail/records management system for the Sheriff’s Office is nearly complete and Information Technology has identified funds within this project to fund the shortfall in the Human Resources project.

Projections

The projections for the Capital Expenditure Fund reflect the current fiscal situation of flat revenues that are greatly exceeded by forecast capital improvement project funding needs. If the current ongoing tax revenue amount of \$4.9 million continues, the current 5-year Capital Improvement Program outlook would require transfers of about \$10-11 million annually from the General Fund. In the projections for the Capital Expenditure Fund, this is referred to as the ‘capital funding gap’. The projections for the Capital Expenditure Fund show that without the infusion of these funds, whether from transfers from the General Fund or other sources, the County would not be able to fund

it's 5-Year Capital Improvement Program plan. On the projections below as well as the detailed schedule later in this document, this capital funding gap is depicted and can be understood to either represent the amount of additional funding that is needed to fund the needs of the Capital Improvement Program for that particular year or the amount of projects that would have to be deferred from the current CIP to avoid transferring funds from the General Fund. Regardless, whatever projects are to be funded in the Capital Expenditure Fund will have to be supported by an equivalent amount of revenue.

| (Dollars in Millions) | Actual | Adopt. | Amend. | Proj. | Forecast | | | | |
|---------------------------------|-------------|--------------|--------------|--------------|--------------|------------|------------|------------|------------|
| | 2018 | 2019 | 2019 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| Total Revenue | 15.3 | 11.0 | 11.0 | 11.0 | 4.9 | 4.9 | 4.9 | 4.9 | 5.0 |
| Expenditures | 12.7 | 12.9 | 19.6 | 18.1 | 19.0 | 16.1 | 14.2 | 15.2 | 15.2 |
| Other Adjustments | - | - | - | - | (13.0) | (11.2) | (9.3) | (10.3) | (10.2) |
| Total Expenditures | 12.7 | 12.9 | 19.6 | 18.1 | 6.0 | 4.9 | 4.9 | 4.9 | 5.0 |
| Net | 2.6 | (1.9) | (8.6) | (7.1) | (1.1) | - | - | - | - |
| Beginning Fund Balance | 6.5 | 9.1 | 9.1 | 9.1 | 2.1 | 1.0 | 1.0 | 1.0 | 1.0 |
| Change in Fund Balance | 2.6 | (1.9) | (8.6) | (7.1) | (1.1) | - | - | - | - |
| Ending Fund Balance | 9.1 | 7.2 | 0.5 | 2.1 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Restrict/Commit/Assigned | - | - | - | - | - | - | - | - | - |
| Funds Avail. for Approp. | 9.1 | 7.2 | 0.5 | 2.1 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |

Social Services Fund

The Social Services Fund is the location of where the accounting for the allocations from the State and Federal government is located as well as then the funding for the Human Services Department staffing and the many social service programs that they provide to County citizens.

Revenue

The primary driver of revenue growth in the Social Services Fund are the allocations of State and Federal funds that the County receives each year. These allocations are distributed on a State fiscal year that begins each year in July while the County budget operates on a calendar fiscal year beginning in January. Therefore, revenue trends and projections contained in quarterly budget reviews attempt to merge the two fiscal years and produce an estimate of what will be collected and spent by year end without knowing what future allocations for the second half of the year will be. For many of the programs within Human Services, the State will reimburse 80% of the expenditures made by the county and for some programs the reimbursement rate is 90% or 100%. The trend in these allocations have increased over the past few years as the Human Services Department has increased staffing based on a statewide workload study as well as growth in the allocations for services. Another important consideration for revenue is the elimination of the Managed Care savings. Arapahoe County was the only recipient of this

| Revenue Category | 2019 Budget | 2019 YTD Actuals | % of Budget |
|---------------------------|----------------|------------------|--------------|
| Taxes | \$ 14.7 | \$ 6.1 | 41.4% |
| Licenses & Permits | - | - | 0.0% |
| Intergovernmental | 46.0 | 7.4 | 16.0% |
| Charges for Services | 0.0 | 0.0 | 15.6% |
| Miscellaneous | 0.7 | 0.1 | 19.7% |
| Total Revenue | \$ 61.5 | \$ 13.6 | 22.1% |
| Expenditure Category | | | |
| Salaries | \$ 33.8 | \$ 7.9 | 23.5% |
| Employee Benefits | 10.2 | 2.3 | 22.9% |
| Supplies | 0.3 | 0.1 | 19.9% |
| Services & Other | 3.5 | 0.5 | 15.6% |
| Community Programs | 12.5 | 2.2 | 17.9% |
| Capital Outlay | 0.2 | 0.0 | 25.0% |
| Central Services | 1.5 | 0.3 | 22.9% |
| Transfers Out | 0.0 | - | 0.0% |
| Total Expenditures | \$ 62.1 | \$ 13.5 | 21.8% |

incentive due to its efficient provision of services but subsequent decisions by the State have eliminated this incentive and the funds that came with it.

Another significant source of revenue to the Social Services Fund is property tax. The allocation of property tax to the fund is for funding the County share of the Human Services Department programs. The trend in property tax revenues for the Social Services Fund mirrors that of the General Fund unlike the Capital Expenditure and Road & Bridge Fund where the amount of revenue remains relatively flat. Looking ahead in the forecast period, property tax revenue, and the corresponding specific ownership tax, should increase from a total of \$14.7 million in 2019 to about \$18.0 million in 2024, or about 22% of the total revenue for the fund.

Expenditures

The Social Services Fund expenditure budget provides funding for Human Services Department staff across five divisions: Finance, Operations, Legal, Child and Adult Protective Services, Community and Child Support Services. The majority of the budget expenditures, or about 70% of the total, go towards the salary and benefits of the 590 FTE in these Human Services divisions. The upward trend in salaries and benefits are similar to those in the General Fund but have accelerated with the addition of 84 new positions since 2015. A large number of new positions have been added in the Child and Adult Protective Services division as a result of the statewide workload study that indicated that additional staff was needed based on the current caseload.

The next largest source of expenditures is in the Community Programs category which covers the spending on direct benefits and services to Human Services clients. The amount expended in this category is dependent on the allocations from the State for social service programs but has been steadily increasing. The categories for supplies and services have remained relatively constant over the last few fiscal years and not much growth is projected in those line items. Expenditures for the Central Services category relates to the allocation of the cost for the CentrePoint Plaza facility as the General Fund makes the debt service payment on the building.

Outlook for 2019

The current projections for the Social Services Fund show about a \$700,000 use of fund balance by year-end. The adopted budget indicated a \$300,000 use of fund balance and the current amended budget of \$61.6 million in revenues and \$62.1 million in expenditures would result in a \$500,000 use of fund balance. The current projections show \$63.0 million in revenue and include additional reimbursements for the anticipated new staff and the reduction in the Managed Care savings. This projected revenue total is offset by \$63.6 million in projected expenditures that also includes the funding for the proposed new staff. As with prior projections, the difference between the County fiscal year and the State fiscal year can account for some variation in reimbursements and expenditures. In 2018, the Social Services Fund only experienced a \$100,000 reduction in fund balance.

Budget Amendments for 2019

The Human Services Department submitted two budget amendments for the 1st Quarter Budget Review including a request for additional staffing as well as a request for an additional TANF contract allocation. The staffing request is a further request related to the Colorado Workload Study that was completed in 2014 and has provided funding for positions in Human Services each year since then. For 2019, Human Services is requesting 15.5 FTE be added to the Child and Adult Protective Services Division for a total cost of just below \$604,000. The State will provide the majority of the funding for these positions but the County has a 10% match requirement. The second budget amendment request is for the recognition of \$483,000 in revenue and the appropriation of the same for the Family Tree GOALS contract using the current year TANF allocations. The Family Tree House of Hope will provide services to those receiving TANF funds or in need of transitional housing.

Projections

The long term projections for the Social Services Fund are very difficult to develop as a majority of the revenues and the corresponding expenditures are dependent upon decisions at the State and Federal level regarding social service programs. That said, the projections that are displayed take into consideration the prior trends in spending, property tax collections, and reimbursements from the State. The 5-year projections for the Social Services Fund show that following 2019, the trend in expenditures should be covered by the allocation of property tax and by reimbursements

from the State allocations for Human Services programs. If there are any deviations in the funding trend, deficits would be created resulting in the spend down of fund balance or the need to reduce expenditures.

| (Dollars in Millions) | Actual | Adopt. | Amend. | Proj. | Forecast | | | | |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|-------------|-------------|
| | 2018 | 2019 | 2019 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| Total Revenue | 63.9 | 61.4 | 61.5 | 63.0 | 61.4 | 68.5 | 71.5 | 75.0 | 78.0 |
| Expenditures | 64.0 | 61.8 | 62.1 | 63.6 | 61.8 | 68.6 | 71.4 | 74.4 | 77.6 |
| Other Adjustments | - | - | - | - | - | - | - | - | - |
| Total Expenditures | 64.0 | 61.8 | 62.1 | 63.6 | 61.8 | 68.6 | 71.4 | 74.4 | 77.6 |
| Net | (0.1) | (0.3) | (0.5) | (0.7) | (0.3) | (0.1) | 0.1 | 0.6 | 0.4 |
| Beginning Fund Balance | 9.9 | 9.9 | 9.9 | 9.9 | 9.2 | 9.0 | 8.9 | 9.0 | 9.6 |
| Change in Fund Balance | (0.1) | (0.3) | (0.5) | (0.7) | (0.3) | (0.1) | 0.1 | 0.6 | 0.4 |
| Ending Fund Balance | 9.9 | 9.5 | 9.3 | 9.2 | 8.9 | 8.9 | 9.0 | 9.6 | 10.0 |
| Restrict/Commit/Assigned | (2.1) | (2.1) | (2.1) | (2.1) | (2.1) | (2.3) | (2.4) | (2.5) | (2.6) |
| Funds Avail. for Approp. | 7.7 | 7.5 | 7.3 | 7.1 | 6.8 | 6.6 | 6.6 | 7.1 | 7.4 |

Arapahoe Law Enforcement Authority Fund

The Arapahoe Law Enforcement Authority Fund (ALEA) provides law enforcement services to the unincorporated portions of the County and is funded by a mill levy of 4.982 that was approved specifically for this purpose. The majority of the funds that are generated by the mill levy, specific ownership tax and other miscellaneous fees and traffic fines go to fund personnel and operations of the Sheriff's Office.

Revenue

Property tax revenue will grow in 2019 due to the increased taxable value in the unincorporated areas of the county. The 2019 projected property tax is \$6.85 million which is an increase of about \$150,000 over the 2018 collections. Property tax collections are heavily dependent on growth in property values as well as adjustments in the residential assessment rate. The property tax revenue collected in 2018 decreased from the year before due to the drop in the residential assessment rate from 7.96% to 7.2% in the 2017 assessment cycle. The residential assessment rate is anticipated to drop slightly during the 2019 assessment cycle but should be mitigated by continuing growth in property values.

Other significant revenues in the ALEA Fund include specific ownership tax, traffic fines, and revenue received for contract patrol services for specific areas. Specific ownership tax has steadily increased along with the growth in the economy following the recession. The growth trend in this revenue is expected to continue through the forecast period based on the current economic situation and its distribution relative to property tax collections. Traffic fines at one time were a significant source of revenue but has declined steadily over the past few years. The reason for the decline is due to increased Sheriff's Office calls for service in the unincorporated areas that reduce the amount of time dedicated to traffic enforcement. The fine revenue fell short of budget in 2018 with collections of \$322,000 and collection trends indicate revenues of \$325,000 versus a budget of \$410,000 in 2019. Contracted law enforcement services revenue is

| Revenue Category | 2019 YTD | | % of Budget |
|---------------------------|---------------|---------------|--------------|
| | 2019 | Actuals | |
| Taxes | \$ 7.3 | \$ 2.8 | 38.9% |
| Intergovernmental | 0.0 | 0.0 | 0.0% |
| Charges for Services | 0.2 | 0.2 | 95.7% |
| Fines & Forfeits | 0.5 | 0.1 | 12.5% |
| Miscellaneous | - | - | 0.0% |
| Total Revenue | \$ 8.0 | \$ 3.1 | 38.4% |
| Expenditure Category | | | |
| Salaries | \$ 5.5 | \$ 1.3 | 23.5% |
| Employee Benefits | 1.7 | 0.5 | 31.5% |
| Supplies | 0.3 | 0.0 | 14.6% |
| Services & Other | 0.5 | 0.0 | 8.9% |
| Central Services | 0.6 | 0.2 | 27.3% |
| Transfers Out | 0.0 | - | 0.0% |
| Total Expenditures | \$ 8.7 | \$ 2.1 | 24.1% |

projected to come in above the budget of \$155,517 by about \$20,000 due to annual increases in the cost of providing the service included in the 2019 contracts. The contract costs is tied to an amount equivalent to the amount that would be funded by the ALEA mill levy.

Expenditures

The largest expenditures for the ALEA Fund are for salary and benefit costs for the 64 FTE that provide law enforcement services to the unincorporated area of the county. Salary and benefit expenses total \$7.2 million of the current \$8.7 million expenditure budget, or about 84%. Growth in these categories is driven by salary increases under the law enforcement step program, related market increases, and the addition of new FTE to the fund over the past 3 years. In 2019, additional deputy positions were added to the ALEA Fund while positions for the Crime Lab were moved to the General Fund. The growth trend in salaries and benefits will be the driving factor in future expenditure needs.

The ALEA Fund also has an expenditure budget of about \$785,000 for supplies and services. The largest expenses in these categories include charges for gasoline, wireless phone charges, and radio purchases and repairs. Spending in these categories have generally trended lower than budget over the past few years and are currently projected to do so in 2019 as well. Another large expenditure item for the ALEA Fund is the charges for the Central Services Fund for the purchase and replacement of equipment and vehicles. Spending in this category can vary from year to year based on the number of vehicles to be replacement and the timeframe during the year in which they are received. For 2019, we are projecting that this expenditure will be very close, if not slightly higher, to the budget.

Outlook for 2019

The current revenue and expenditure projections for 2019 indicate that the ALEA Fund would spend down about \$615,000 of the \$7.2 million fund balance. The current amended budget assumes a \$671,000 use of that fund balance. The difference in the use of fund balance stems from a total projected revenue amount of \$7.9 million offset by \$8.5 million in spending. Revenues are projected to be slightly lower than the \$8.0 million budget due to the decline in traffic fine revenue while about \$180, 000 in expenditure savings are projected in the Supplies and Services categories of the fund's \$8.7 million expenditure budget.

Ending fund balance for 2019 is projected at just over \$6.9 million before considering the \$1.44 million policy reserve. These projections leave \$5.5 million available for appropriation in the ALEA Fund.

Budget Amendments

There are no budget amendment requests for the ALEA Fund for the 1st Quarter of 2019.

Projections

The ALEA Fund has, over the past few years, adopted budgets with small ongoing deficits in revenues versus expenditures. For the most part, such deficits did not materialize by year-end due to underspending in expenditure line items, vacancy savings, and revenue collections that continued to increase. Due to adjustments in the residential assessment rate that offset taxable value increases and the addition of staffing to the expenditure side, the ALEA Fund has experienced a decline in fund balance and the current trends in revenues and expenditures forecast this deficit growing through 2024.

Fund balance for the ALEA Fund is projected to decline from \$7.2 million at the beginning of 2019 to \$2.2 million by the end of 2024. This decline can be attributed to a budget deficit that grows from about \$600,000 in 2019 to \$1.3 million by the end of the forecast period without any assumptions of additional ongoing expenses or staffing being added to the current budget. Changes in taxable value and the residential assessment rate could have a significant positive or negative impact on this fund during the forecast period and more will be known later in 2019 when preliminary assessed values for the ALEA are distributed by the Assessor's Office.

| (Dollars in Millions) | Actual | Adopt. | Amend. | Proj. | Forecast | | | | |
|---------------------------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2018 | 2019 | 2019 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| Total Sources | 7.4 | 8.0 | 8.0 | 7.9 | 8.4 | 8.5 | 8.6 | 8.7 | 8.9 |
| Uses | 7.0 | 8.7 | 8.7 | 8.5 | 9.0 | 9.1 | 9.4 | 9.8 | 10.2 |
| Other Adjustments to Uses | - | - | - | - | - | - | - | - | - |
| Total Uses | 7.0 | 8.7 | 8.7 | 8.5 | 9.0 | 9.1 | 9.4 | 9.8 | 10.2 |
| Net | 0.4 | (0.7) | (0.7) | (0.6) | (0.6) | (0.6) | (0.8) | (1.1) | (1.3) |
| Beginning Fund Balance | 9.3 | 7.5 | 7.5 | 7.5 | 6.9 | 6.3 | 5.8 | 4.9 | 3.9 |
| Change in Fund Balance | (1.8) | (0.7) | (0.7) | (0.6) | (0.6) | (0.6) | (0.8) | (1.1) | (1.3) |
| Ending Fund Balance | 7.5 | 6.9 | 6.9 | 6.9 | 6.3 | 5.8 | 4.9 | 3.9 | 2.5 |
| Restrict/Commit/Assigned | (1.2) | (1.4) | (1.4) | (1.4) | (1.5) | (1.5) | (1.6) | (1.6) | (1.7) |
| Funds Avail. for Approp. | 6.4 | 5.4 | 5.4 | 5.5 | 4.9 | 4.2 | 3.4 | 2.2 | 0.8 |

Road & Bridge Fund

The Road & Bridge Division of the Public Works & Development Department provides transportation infrastructure management, maintenance and snow removal services to the unincorporated population of Arapahoe County through funding received in the Road & Bridge Fund. The Road & Bridge Division makes up almost one-third of the total Public Works & Development Department budget.

Revenue

The largest sources of revenue for the Road & Bridge Fund are property tax and the county distribution of Highway User's Tax Fund (HUTF) monies from the State of Colorado. Combined, these two revenue sources total almost 95% of the total revenue of this fund. Similar to the Capital Expenditure Fund, the trend in property tax collections has remained steady for a number of years as the limited growth in this revenue source flows to operating budgets of the General and Social Services Fund. As assessed value has increased or decreased, the amount of mill levy allocated to the Road & Bridge Fund has been adjusted to produce a consistent amount of revenue, about \$5.8 million. Another reason for this flat property tax revenue amount is due to the statutory requirement to share one-half of the revenue collected from the incorporated areas of the county with those municipalities.

Funds received from the Highway User's Tax Fund have increased steadily over the past 5 years from about \$8.1 million in 2013 to just over \$9.5 million in 2018. The amount that the county receives is based on a multi-tiered formula where, in addition to a base amount, the County receives funding based on its proportion in the number of vehicle registrations, lane miles of road, and amount of bridge decking with a factor applied for mountainous roadways. In 2018, the Road & Bridge Fund shared an additional allocation of HUTF of \$1.3 million with the Infrastructure Fund stemming from Senate Bill 18-001. This additional \$650,000 in funding will be used for road maintenance activities. Another disbursement from this bill will occur for the 2020 budget, but at a lesser amount. The amount of revenue from HUTF allocations is expected to steadily increase about 2% per year in the future as more fuel efficient vehicles reducing excise tax collections offset the gains in population and registration growth.

| Revenue Category | 2019 Budget | 2019 YTD Actuals | % of Budget |
|---------------------------|----------------|------------------|--------------|
| Taxes | \$ 6.2 | \$ 2.5 | 40.8% |
| Licenses & Permits | 0.3 | 0.0 | 0.0% |
| Intergovernmental | 9.5 | 1.6 | 16.5% |
| Charges for Services | - | - | 0.0% |
| Miscellaneous | 0.1 | - | 0.0% |
| Total Revenue | \$ 16.0 | \$ 4.1 | 25.5% |
| Expenditure Category | | | |
| Salaries | \$ 3.3 | \$ 0.7 | 21.9% |
| Employee Benefits | 1.1 | 0.3 | 25.7% |
| Supplies | 3.3 | 0.2 | 6.3% |
| Services & Other | 6.4 | 0.4 | 6.3% |
| Central Services | 2.7 | 0.6 | 22.9% |
| Transfers Out | 0.5 | - | 0.0% |
| Total Expenditures | \$ 17.3 | \$ 2.2 | 13.0% |

Expenditures

Significant expenditures for the Road & Bridge Fund fall into four main areas: personnel expenses for County staff, materials, contract labor, and intergovernmental rents for construction equipment and vehicles. It should also be noted that the statutory Road & Bridge Fund share back with municipalities is also a major expense at \$2.5 million in 2019 but none of this funding can be used for County road maintenance activities. Salary and benefit costs make up about \$4.5 million of the current budget of \$17.3 million, or about 25%. While not experiencing any significant growth in the number of positions in the past few years, the growth in personnel expenses has trended at a growth of about 3.4% per year. The Road & Bridge Fund staffing authorization is current at 58 FTE. As personnel expenses grow at a faster rate than the revenues, the budget for other line items and services have been reduced.

The cost of materials, such as asphalt and concrete, as well as contracted labor for road construction and repairs has steadily increased and the buying power of the current budget is lower than it was 5 or 10 years ago. The current budget contains \$2.7 million for materials and \$2.5 million for contracted labor. The spending in these accounts vary based on the winter weather as well as the level of maintenance activity in the summer paving season. Another significant area of expenditures is intergovernmental rental charges. These are the charges for the replacement of capital assets, or specifically in the case of the Road & Bridge Fund, construction equipment and vehicles. In the 2019 budget, nearly \$1.8 million is budgeted for intergovernmental rent charges for replacement and new equipment. This is an increase over the prior year as expenditures in this account has averaged around \$1.5 million over the past two years. Looking back further, the spending in this account was about \$1.1 million but as equipment has increased in cost, so has the budget and spending in this account.

Outlook for 2019

The trends in Road & Bridge revenue as of the end of the 1st Quarter indicate that, by year-end, the total collected should meet or slightly exceed the budget of \$16.0 million. For expenditures, it is projected that about \$16.5 million of the amended budget of \$17.3 million would be spent. Savings are projected to occur in salary and benefit line items as well as in materials. The Road & Bridge Fund was projected to spend about \$900,000 of the fund balance in the adopted budget. After adding funding from reappropriated items from 2018, that fund balance use grew to \$1.3 million. The current projections show only \$400,000 of fund balance being used by the end of this year bringing the total fund balance from \$4.2 million to \$3.8 million. The policy reserve for the Road & Bridge Fund is one-sixth of the operating budget, or \$2.9 million in 2019. This would leave about \$900,000 remaining for future appropriations in the Road & Bridge Fund.

Budget Amendments for 2019

Public Works & Development has a single budget amendment requested for the 1st Quarter Budget Review. There is a request to recognize \$401,295 in revenue and appropriate the same amount for the services to be performed under an intergovernmental agreement with the Inverness Metropolitan Improvement District.

Projections

The Road & Bridge Fund has a structural deficit of approximately \$500,000 per year due to the growth in expenditures and the relatively stagnant revenue growth. In 2020, this structural deficit increases due to the spending of the second part of the SB18-001 funds that will be received in mid-2019. The 2020 projection shows a \$1.0 million use of fund balance and, if it occurs, it may go below the estimated policy reserve amount. Therefore, adjustments must be made to the spending or the revenue during the 2020 budget process and going forward to avoid the use of fund balance resulting in an ending balance below the policy reserve amount.

| (Dollars in Millions) | Actual | Adopt. | Amend. | Proj. | Forecast | | | | |
|---------------------------------|--------|--------|--------|-------|----------|-------|-------|-------|-------|
| | 2018 | 2019 | 2019 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| Total Revenue | 16.8 | 16.0 | 16.0 | 16.1 | 16.1 | 16.2 | 16.4 | 16.5 | 16.7 |
| Expenditures | 16.3 | 16.9 | 17.3 | 16.5 | 17.1 | 16.7 | 16.9 | 17.1 | 17.3 |
| Other Adjustments | - | - | - | - | - | - | - | - | - |
| Total Expenditures | 16.3 | 16.9 | 17.3 | 16.5 | 17.1 | 16.7 | 16.9 | 17.1 | 17.3 |
| Net | 0.5 | (0.9) | (1.3) | (0.4) | (1.0) | (0.5) | (0.5) | (0.5) | (0.6) |
| Beginning Fund Balance | 3.7 | 4.2 | 4.2 | 4.2 | 3.8 | 2.7 | 2.3 | 1.8 | 1.3 |
| Change in Fund Balance | 0.5 | (0.9) | (1.3) | (0.4) | (1.0) | (0.5) | (0.5) | (0.5) | (0.6) |
| Ending Fund Balance | 4.2 | 3.3 | 2.9 | 3.8 | 2.7 | 2.3 | 1.8 | 1.3 | 0.7 |
| Restrict/Commit/Assigned | (2.7) | (2.8) | (2.9) | (2.9) | (2.9) | (2.8) | (2.8) | (2.8) | (2.9) |
| Funds Avail. for Approp. | 1.5 | 0.5 | 0.0 | 0.9 | (0.1) | (0.5) | (1.0) | (1.6) | (2.2) |

Summary of Budget Amendments

The following section contains a detailed list of the budget amendments submitted for the 1st Quarter Budget Review. There are two main budget amendment request sections. One section details the budget amendment requests that have a net impact on the financial condition of the fund in which they are requested and likely require a BOCC discussion to move forward to adoption. The second section details budget amendment requests that do not have a net impact and often reflect the receipt of new revenue to offset expenditures or are budget clean-up items. The letter preceding each budget amendment request corresponds to the financial information in the detailed schedule later in the BSR.

| Fund | Revenue Amount | Expense Amount | FTEs |
|---|----------------------|----------------------|--------------|
| 2019 | | | |
| DISCUSSION NEEDED | | | |
| General Fund | \$ 54,345 | \$ 416,520 | 7.00 |
| Capital Improvement Fund | - | (21,000) | - |
| Central Services Fund | 124,385 | 87,502 | - |
| Open Spaces Sales Tax Fund | - | - | 1.00 |
| Self-Insurance Liability Fund | - | - | - |
| Social Services Fund | 543,471 | 603,855 | 15.50 |
| TOTAL Discussion Needed | \$ 722,201 | \$ 1,086,877 | 23.50 |
| NEW REVENUE/BUDGET CLEANUP | | | |
| General Fund | 2,544 | 2,544 | - |
| Grant Fund | 353,451 | 353,451 | - |
| Homeland Security Fund | 2,385,772 | 2,385,772 | - |
| Infrastructure Fund | 21,264,660 | 22,104,616 | - |
| Open Spaces Sales Tax Fund | 90,909 | 90,909 | - |
| Road & Bridge Fund | 401,295 | 401,295 | - |
| Social Services Fund | 483,000 | 483,000 | - |
| TOTAL New Revenue/Budget Cleanup | \$ 24,981,631 | \$ 25,821,587 | - |

Budget Amendments: Discussion Needed

- A. Reduce the transfer from the General Fund, Administration Services Department to the Capital Expenditure Fund by \$21,000 for a tractor that was included in the Precinct 5 Substation CIP project and transfer \$21,000 from the General Fund, Facilities & Fleet Management Department to the Central Services Fund, Facilities & Fleet Management Department for the purchase of the tractor. Also, appropriate \$2,100 in the General Fund, Facilities & Fleet Management Department for the associated intergovernmental rents.
- B. Increase FTE count in General Fund, Community Resources Department by 1.00 for a Grants Fiscal Specialist – lead position in the Administrative Services Division and recognize and appropriate \$54,344 in salary and benefit costs for the remainder of the year and the offsetting revenue from the benefiting divisions, primarily A/D Works!. This position would aid the current Grant Fiscal Specialist positions that are stretched thin and provide financial oversight to ensure the department stays in compliance with all grantor regulations.
- C. Increase FTE count in the General Fund, Coroner’s Office by 1.00 for a Medical Investigator and appropriate \$52,692 in salary and benefit costs for the remainder of the year. This position would assist with the increasing caseload and alleviate staffing and shift issues when any of the current Medicolegal Death Investigators are out of the office.
- D. Decrease the staffing level in the General Fund, County Attorney by 1.00 FTE and reduce the appropriation by \$69,882. Conversely, increase the FTE count in the General Fund, Public Works & Development Department by 1.00 and appropriate \$69,882 to transfer the recently vacant Environmental Manager position and associated salary and benefits for the remainder of the year to Public Works & Development.
- E. Increase the staffing level in the General Fund, Public Works & Development Department by 1.00 FTE and appropriate \$65,713 in salary and benefit costs for the remainder of the year for a Plans Examiner/Building Inspector in the Building Division. This position would address workload needs in the plans review and building inspection areas and was discussed at a study Session with the BOCC scheduled on April 30th.
- F. Increase the staffing level in the General Fund, Sheriff’s Office by 4.00 in the HR section for an HR Business Partner, Recruiter (sworn), Background Investigator and HR Coordinator and appropriate \$241,671 in salary and benefit costs for the remainder of the year as well as other one-time and ongoing costs associated with the positions. These position requests are based on recommended staffing levels and current workload.
- G. Transfer \$75,000 from the SO New World project to the HR Process Improvement project within the Capital Improvement Fund. Information Technology has identified anticipated unspent balance of the computer aided dispatch (CAD) and records management project to use for the SAP HR Process Improvement Compensation module. After going out for an RFP, it was discovered that the appropriated budget amount was not enough.
- H. Transfer \$92,789 from the Self-Insurance Liability Fund, County Attorney and recognize the same amount in the Central Services Fund, Administrative Services Department for 5 totaled vehicles in the Sheriff’s Office and 1 totaled vehicle from the Assessor’s Office to offset a portion of the replacement costs.
- I. Recognize \$8,496 in the Central Services Fund, Information Technology Department for a transfer that was adopted in the 2019 budget where this portion of the transfer was inadvertently omitted.
- J. Appropriate \$39,402 in the Central Services Fund, Public Works & Development Department to replace a truck for Road & Bridge that was totaled in an accident and authorize a fixed asset number.
- K. Appropriate \$27,100 in the Central Services Fund, Sheriff’s Office for the portion of funds that will be covered by insurance to replace a truck for Telecom that was totaled in an accident. A fixed asset number was already authorized at a prior drop-in session.
- L. Increase staffing level in the Open Spaces Sales Tax Fund, Open Spaces & Intergovernmental Relations Department by 1.00 FTE for a Planner in the Open Spaces Planning Division. The cost for salary and benefits for the remainder of the year is \$59,609. This position would assist with keeping up with the planning, development and construction project management workload demands.
- M. Increase FTE count in Social Services, Human Services Department by 15.50 for child welfare positions including 9 Caseworker A, 4.50 Caseworker B, and 2 Caseworker C positions. Recognize \$543,471 and appropriate \$603,855 in salary and benefit costs for the remainder of the year to include \$80,000 in one-time operating costs. All of the positions require either a 10% or 20% County match. These positions have been approved by the state based on the Colorado Workload Study from 2014 and presented at a study session with BOCC on April 29th.

Budget Amendments: New Revenue/Budget Cleanup

- N. Recognize and appropriate \$2,544 in the General Fund, Coroner’s Office for a grant received from the state for a pill counter to deal with the opioid crisis.
- O. Recognize and appropriate \$353,451 in the Grant Fund, Sheriff’s Office for remaining funds from prior year grants.
- P. Recognize and appropriate \$2,385,772 in the Homeland Security Fund, Sheriff’s Office for remaining funds from prior year grants.
- Q. Recognize and appropriate \$21,264,660 in Infrastructure Fund, Public Works & Development Department for federal funds commitments for Iliff Ave Corridor project (\$16,372,660) and Quincy Gun Club project (\$4,892,000) that were not received during the prior fiscal year.
- R. Appropriate \$839,956 in the Infrastructure Fund, Public Works & Development Department for unspent funds from prior year for various projects.
- S. Recognize and appropriate \$90,909 in the Open Spaces Sales Tax Fund, Open Spaces and Intergovernmental Relations Department for grant revenue expected in 2019 as an interim payment from the State Historical Fund for a grant award for the 17-mile house barn stabilization and preservation project.
- T. Recognize and appropriate \$401,295 in the Road & Bridge Fund, Public Works & Development Department for IGA with Inverness Metro Improvement District for the 2019 Pavement Maintenance Plan.
- U. Recognize and appropriate \$483,000 in the Social Services Fund, Human Services Department for Family Tree Goals contract that is paid with TANF.

Detailed Financial Schedules

- 1. Summary of Budget Amendment Requests
- 2. General Fund Projection
- 3. Capital Expenditure Fund Projection
- 4. Social Services Fund Projection
- 5. Arapahoe Law Enforcement Authority Fund Projection
- 6. Road & Bridge Fund Projection

Schedule 1 Summary of Budget Amendment Requests

| Code | Department | Revenue Amount | Expense Amount | FTEs | Description |
|--------------------------------------|---|-------------------|---------------------|--------------|--|
| 2019 | | | | | |
| DISCUSSION NEEDED | | | | | |
| General Fund | | | | | |
| A | Administrative Services | \$ - | \$ - | - | Reduce transfer from General Fund to Capital Expenditure Fund by \$21,000 for tractor that was included in Precinct 5 substation CIP |
| B | Community Resources | 54,345 | 54,344 | 1.00 | Request 1.00 FTE for a Grants Fiscal Specialist - lead position in the Administrative Services Division of Community Resources that will be offset by revenue by the benefiting Divisions in the |
| C | Coroner's Office | - | 52,692 | 1.00 | Request 1.00 FTE for an additional medical investigator and associated funding for remainder of 2019. |
| D | County Attorney | | (69,882) | (1.00) | Transfer Environmental Manager position from Risk Management with the County Attorney to the Public Works & Development |
| A | Facilities & Fleet Management | - | 2,100 | - | Transfer \$21,000 to Central Services Fund for tractor that was included in Precinct 5 substation CIP project and associated IG |
| D | Public Works & Development | | 69,882 | 1.00 | Transfer Environmental Manager position from Risk Management with the County Attorney to the Public Works & Development |
| E | Public Works & Development | - | 65,713 | 1.00 | Request 1.00 FTE for a Plans Examiner II in the Building division. |
| F | Sheriff's Office | - | 241,671 | 4.00 | Request 4.00 FTEs for the HR section including an HR business partner, recruiter (sworn), background investigator and HR |
| | <i>SUBTOTAL General Fund</i> | \$ 54,345 | \$ 416,520 | 7.00 | |
| Capital Improvement Fund | | | | | |
| G | Information Technology | \$ - | \$ - | - | Transfer \$75,000 from SO New World project to HR Process |
| A | Facilities & Fleet Management | - | (21,000) | - | Reduce funding for Precinct 5 substation project to purchase tractor out of Central Services Fund. |
| | <i>SUBTOTAL Capital Improvement Fund</i> | \$ - | \$ (21,000) | - | |
| Central Services Fund | | | | | |
| H | Administration Services | \$ 92,789 | \$ - | - | Transfer from Self-Insurance Liability Fund for 5 totaled vehicles from the Sheriff's Office and 1 from the Assessor's Office. |
| A | Facilities & Fleet Management | 23,100 | 21,000 | - | Recognize transfer for tractor for Precinct 5 substation snow removal that was originally included in CIP project along with |
| I | Information Technology | 8,496 | - | - | Recognize transfer that was adopted in 2019 budget. |
| J | Public Works & Development | - | 39,402 | - | Appropriate fund to replace truck for Road & Bridge that was totaled in an accident. |
| K | Sheriff's Office | - | 27,100 | - | Appropriate funds that will be covered by insurance to replace totaled telecom vehicle. |
| | <i>SUBTOTAL Central Services Fund</i> | \$ 124,385 | \$ 87,502 | - | |
| Open Spaces Sales Tax Fund | | | | | |
| L | Open Spaces & Intergovernmental Relations | \$ - | \$ - | 1.00 | Request 1.00 FTE for a Planner in the Administration cost center of Open Spaces to keep up with the planning, development and construction project management workload demands. The cost for |
| | <i>SUBTOTAL Open Spaces Sales Tax Fund</i> | \$ - | \$ - | 1.00 | |
| Self-Insurance Liability Fund | | | | | |
| H | County Attorney | \$ - | \$ - | - | Transfer \$92,789 to Central Services Fund for 5 totaled vehicles from the Sheriff's Office and 1 from the Assessor's Office. |
| | <i>SUBTOTAL Self-Insurance Liability Fund</i> | \$ - | \$ - | - | |
| Social Services Fund | | | | | |
| M | Human Services | \$ 543,471 | \$ 603,855 | 15.50 | Requesting 15.50 additional child welfare FTE to include salary, benefits and operating supplies. |
| | <i>SUBTOTAL Social Services Fund</i> | \$ 543,471 | \$ 603,855 | 15.50 | |
| | TOTAL Discussion Needed | \$ 722,201 | \$ 1,086,877 | 23.50 | |

| Code | Department | Revenue Amount | Expense Amount | FTEs | Description |
|-----------------------------------|--|----------------------|----------------------|----------|--|
| 2019 | | | | | |
| NEW REVENUE/BUDGET CLEANUP | | | | | |
| General Fund | | | | | |
| N | Coroner's Office | \$ 2,544 | \$ 2,544 | - | Recognize and appropriate funding from the state for pill counter to deal with the opioid crisis. |
| | <i>SUBTOTAL General Fund</i> | \$ 2,544 | \$ 2,544 | - | |
| Grant Fund | | | | | |
| O | Sheriff's Office | \$ 353,451 | \$ 353,451 | - | Recognize and appropriate budget from prior years. |
| | <i>SUBTOTAL Grant Fund</i> | \$ 353,451 | \$ 353,451 | - | |
| Homeland Security Fund | | | | | |
| P | Sheriff's Office | \$ 2,385,772 | \$ 2,385,772 | - | Recognize and appropriate budget from prior year grants. |
| | <i>SUBTOTAL Homeland Security Fund</i> | \$ 2,385,772 | \$ 2,385,772 | - | |
| Infrastructure Fund | | | | | |
| Q | Public Works & Development | \$ 21,264,660 | \$ 21,264,660 | - | Recognize and appropriate \$16,372,660 for Illiff Ave Corridor and \$4,892,000 for Quincy Gun Club to account for federal funds commitments to the respective projects. |
| R | Public Works & Development | - | 839,956 | - | Appropriate unspent funds from prior year for various projects. |
| | <i>SUBTOTAL Infrastructure Fund</i> | \$ 21,264,660 | \$ 22,104,616 | - | |
| Open Spaces Sales Tax Fund | | | | | |
| S | Open Spaces & Intergovernmental Relations | \$ 90,909 | \$ 90,909 | - | Recognize and appropriate grant revenue expected in 2019 as partial interim payment from the State Historical Fund for a grant award for the 17-mile house barn stabilization and preservation |
| | <i>SUBTOTAL Open Spaces Sales Tax Fund</i> | \$ 90,909 | \$ 90,909 | - | |
| Road & Bridge Fund | | | | | |
| T | Public Works & Development | \$ 401,295 | \$ 401,295 | - | Recognize and appropriate IGA with Inverness Metro Improvement District for the 2019 Pavement Maintenance Plan. |
| | <i>SUBTOTAL Road & Bridge Fund</i> | \$ 401,295 | \$ 401,295 | - | |
| Social Services Fund | | | | | |
| U | Human Services | \$ 483,000 | \$ 483,000 | - | Family Tree Goals contract paid with TANF. |
| | <i>SUBTOTAL Social Services Fund</i> | \$ 483,000 | \$ 483,000 | - | |
| | TOTAL New Revenue/Budget Cleanup | \$ 24,981,631 | \$ 25,821,587 | - | |

Schedule 2

| General Fund Projection | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| (Dollars in Millions) | Actual | Adopted | Amend. | Project. | Forecast | | | | |
| | 2018 | 2019 | 2019 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| Revenue | | | | | | | | | |
| Taxes | 115.2 | 121.5 | 121.5 | 120.8 | 125.6 | 130.6 | 135.6 | 141.2 | 146.6 |
| Licenses & Permits | 7.3 | 6.8 | 6.8 | 6.3 | 6.9 | 7.0 | 7.1 | 7.2 | 7.4 |
| Intergovernmental | 28.3 | 27.7 | 32.0 | 32.1 | 30.3 | 30.8 | 31.4 | 32.0 | 32.5 |
| Charges for Services | 24.1 | 22.2 | 22.2 | 23.6 | 22.6 | 22.6 | 23.0 | 23.5 | 23.9 |
| Fines & Forfeits | 0.4 | 0.8 | 0.8 | 0.4 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 |
| Investment Earnings & Contrib. | 3.5 | 3.4 | 3.4 | 3.4 | 3.4 | 3.4 | 3.4 | 3.4 | 3.4 |
| Interfund Revenues & Rent | 4.1 | 4.3 | 4.3 | 4.1 | 4.3 | 4.3 | 4.3 | 4.4 | 4.4 |
| Transfers In | 1.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other Financing Sources | 3.3 | 3.1 | 3.1 | 3.7 | 3.1 | 3.1 | 3.1 | 3.1 | 3.1 |
| Total Revenue | 187.8 | 189.7 | 194.0 | 194.5 | 196.9 | 202.6 | 208.7 | 215.5 | 222.1 |
| Expenditures | | | | | | | | | |
| Salaries | 87.2 | 95.6 | 97.0 | 96.5 | 100.6 | 104.6 | 108.8 | 113.1 | 117.5 |
| Employee Benefits | 24.2 | 27.6 | 28.1 | 26.6 | 30.0 | 32.1 | 34.1 | 36.2 | 38.5 |
| Supplies | 6.1 | 6.4 | 7.4 | 6.8 | 6.3 | 6.4 | 6.4 | 6.4 | 6.4 |
| Services & Other | 47.9 | 48.7 | 50.9 | 49.2 | 48.6 | 48.3 | 48.9 | 49.3 | 49.2 |
| Community Programs | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 |
| Capital Outlay | 0.2 | 0.0 | 0.1 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Central Services | 2.3 | 2.7 | 2.7 | 2.6 | 2.8 | 2.8 | 2.9 | 2.9 | 3.0 |
| Transfers Out | 18.4 | 14.9 | 15.4 | 15.4 | 8.8 | 8.8 | 4.4 | 4.4 | 4.4 |
| Other Uses/Miscellaneous | - | - | - | - | - | - | - | - | - |
| Total Expenditures | 186.8 | 196.2 | 202.0 | 197.5 | 197.5 | 203.3 | 205.7 | 212.7 | 219.4 |
| Net of Revenue/Expenditures | 1.0 | (6.5) | (8.0) | (3.0) | (0.6) | (0.8) | 3.0 | 2.8 | 2.7 |
| Adjustments to Revenue | - | - | - | 0.1 | - | - | - | - | - |
| Adjustments to Expenditures | | | | | | | | | |
| Budget Packages/Supplementals | - | - | - | 0.4 | - | - | - | - | - |
| Reappropriations | - | - | - | - | - | - | - | - | - |
| TABOR Refund | - | - | - | - | 0.7 | - | - | - | - |
| Other Adjustments | - | - | - | - | - | - | - | - | - |
| Total Adjustments to Expenditures | - | - | - | 0.4 | 0.7 | - | - | - | - |
| Total Net Revenue/Expenditures | 1.0 | (6.5) | (8.0) | (3.4) | (1.4) | (0.8) | 3.0 | 2.8 | 2.7 |
| Cumulative Balance | | | | | | | | | |
| Beginning Funds Available | 56.7 | 57.8 | 57.8 | 57.8 | 54.3 | 53.0 | 52.2 | 55.2 | 58.0 |
| Change in Fund Balance | 1.0 | (6.5) | (8.0) | (3.4) | (1.4) | (0.8) | 3.0 | 2.8 | 2.7 |
| Ending Funds Available | 57.8 | 51.2 | 49.8 | 54.3 | 53.0 | 52.2 | 55.2 | 58.0 | 60.6 |
| Board Designated Reserve | 18.7 | 20.6 | 20.6 | 20.6 | 21.7 | 22.4 | 22.6 | 23.4 | 24.1 |

Schedule 3

| Capital Expenditure Fund Projection | | | | | | | | | |
|--|-------------|--------------|--------------|--------------|---------------|---------------|--------------|---------------|---------------|
| (Dollars in Millions) | Actual | Adopted | Amend. | Project. | Forecast | | | | |
| | 2018 | 2019 | 2019 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| Revenue | | | | | | | | | |
| Taxes | 4.9 | 4.9 | 4.9 | 4.9 | 4.9 | 4.9 | 4.9 | 4.9 | 5.0 |
| Licenses & Permits | - | - | - | - | - | - | - | - | - |
| Intergovernmental | 0.0 | - | - | - | - | - | - | - | - |
| Charges for Services | - | - | - | - | - | - | - | - | - |
| Fines & Forfeits | - | - | - | - | - | - | - | - | - |
| Investment Earnings & Contrib. | - | - | - | - | - | - | - | - | - |
| Interfund Revenues & Rent | - | - | - | - | - | - | - | - | - |
| Transfers In | 10.4 | 6.1 | 6.1 | 6.1 | - | - | - | - | - |
| Other Financing Sources | 0.0 | - | - | - | - | - | - | - | - |
| Total Revenue | 15.3 | 11.0 | 11.0 | 11.0 | 4.9 | 4.9 | 4.9 | 4.9 | 5.0 |
| Expenditures | | | | | | | | | |
| Salaries | - | - | - | - | - | - | - | - | - |
| Employee Benefits | - | - | - | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - | - | - | - |
| Services & Other | 0.4 | 0.1 | 1.2 | 1.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Community Programs | - | - | - | - | - | - | - | - | - |
| Capital Outlay | 6.6 | 7.9 | 13.4 | 12.0 | 12.7 | 10.3 | 8.4 | 9.6 | 9.6 |
| Central Services | - | - | - | - | - | - | - | - | - |
| Transfers Out | 5.7 | 5.0 | 5.0 | 5.0 | 6.2 | 5.8 | 5.8 | 5.5 | 5.5 |
| Other Uses/Miscellaneous | - | - | - | - | - | - | - | - | - |
| Total Expenditures | 12.7 | 12.9 | 19.6 | 18.1 | 19.0 | 16.1 | 14.2 | 15.2 | 15.2 |
| Net of Revenue/Expenditures | 2.6 | (1.9) | (8.6) | (7.1) | (14.1) | (11.2) | (9.3) | (10.3) | (10.2) |
| Adjustments to Revenue | - | - | - | - | - | - | - | - | - |
| Adjustments to Expenditures | | | | | | | | | |
| Budget Packages/Supplementals | - | - | - | - | - | - | - | - | - |
| Reappropriations | - | - | - | - | 1.1 | - | - | - | - |
| Capital Funding Gap | - | - | - | - | (14.1) | (11.2) | (9.3) | (10.3) | (10.2) |
| Total Adjustments to Expenditures | - | - | - | - | (13.0) | (11.2) | (9.3) | (10.3) | (10.2) |
| Total Net Revenue/Expenditures | 2.6 | (1.9) | (8.6) | (7.1) | (1.1) | - | - | - | - |
| Cumulative Balance | | | | | | | | | |
| Beginning Funds Available | 6.5 | 9.1 | 9.1 | 9.1 | 2.1 | 1.0 | 1.0 | 1.0 | 1.0 |
| Change in Fund Balance | 2.6 | (1.9) | (8.6) | (7.1) | (1.1) | - | - | - | - |
| Ending Funds Available | 9.1 | 7.2 | 0.5 | 2.1 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Restrict/Commit/Assigned | - | - | - | - | - | - | - | - | - |
| Funds Available for Appropriation | 9.1 | 7.2 | 0.5 | 2.1 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |

| Schedule 4 | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|-------------|-------------|-------------|
| Social Services Fund Projection | | | | | | | | | |
| (Dollars in Millions) | Actual | Adopted | Amend. | Project. | Forecast | | | | |
| | 2018 | 2019 | 2019 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| Revenue | | | | | | | | | |
| Taxes | 14.1 | 14.7 | 14.7 | 14.7 | 15.2 | 15.9 | 16.6 | 17.3 | 18.0 |
| Licenses & Permits | - | - | - | 0.0 | - | - | - | - | - |
| Intergovernmental | 49.0 | 46.0 | 46.0 | 47.5 | 49.7 | 51.8 | 54.1 | 56.9 | 59.2 |
| Charges for Services | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Fines & Forfeits | - | - | - | - | - | - | - | - | - |
| Investment Earnings & Contrib. | - | - | - | - | - | - | - | - | - |
| Interfund Revenues & Rent | - | - | - | - | - | - | - | - | - |
| Transfers In | - | - | - | - | - | - | - | - | - |
| Other Financing Sources | 0.8 | 0.7 | 0.7 | 0.7 | 0.7 | 0.8 | 0.8 | 0.8 | 0.8 |
| Total Revenue | 63.9 | 61.4 | 61.5 | 63.0 | 65.7 | 68.5 | 71.5 | 75.0 | 78.0 |
| Expenditures | | | | | | | | | |
| Salaries | 31.7 | 33.8 | 33.8 | 34.6 | 36.2 | 37.6 | 39.1 | 40.7 | 42.3 |
| Employee Benefits | 9.2 | 10.2 | 10.2 | 10.1 | 11.5 | 12.2 | 13.0 | 13.9 | 14.9 |
| Supplies | 0.4 | 0.3 | 0.3 | 0.4 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| Services & Other | 3.7 | 3.4 | 3.5 | 3.0 | 3.4 | 3.4 | 3.4 | 3.4 | 3.4 |
| Community Programs | 13.4 | 12.5 | 12.5 | 13.9 | 13.0 | 13.5 | 14.1 | 14.6 | 15.2 |
| Capital Outlay | 2.6 | - | 0.2 | 0.2 | - | - | - | - | - |
| Central Services | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 |
| Transfers Out | 1.5 | 0.0 | 0.0 | 0.0 | - | - | - | - | - |
| Other Uses/Miscellaneous | - | - | - | - | - | - | - | - | - |
| Total Expenditures | 64.0 | 61.8 | 62.1 | 63.6 | 65.8 | 68.6 | 71.4 | 74.4 | 77.6 |
| Net of Revenue/Expenditures | (0.1) | (0.3) | (0.5) | (0.7) | (0.2) | (0.1) | 0.1 | 0.6 | 0.4 |
| Adjustments to Revenue | - | - | - | - | - | - | - | - | - |
| Adjustments to Expenditures | | | | | | | | | |
| Budget Packages/Supplementals | - | - | - | - | - | - | - | - | - |
| Reappropriations | - | - | - | - | - | - | - | - | - |
| Other Adjustments | - | - | - | - | - | - | - | - | - |
| Total Adjustments to Expenditures | - | - | - | - | - | - | - | - | - |
| Total Net Revenue/Expenditures | (0.1) | (0.3) | (0.5) | (0.7) | (0.2) | (0.1) | 0.1 | 0.6 | 0.4 |
| Cumulative Balance | | | | | | | | | |
| Beginning Funds Available | 9.9 | 9.9 | 9.9 | 9.9 | 9.2 | 9.0 | 8.9 | 9.0 | 9.6 |
| Change in Fund Balance | (0.1) | (0.3) | (0.5) | (0.7) | (0.2) | (0.1) | 0.1 | 0.6 | 0.4 |
| Ending Funds Available | 9.9 | 9.5 | 9.3 | 9.2 | 9.0 | 8.9 | 9.0 | 9.6 | 10.0 |
| Restrict/Commit/Assigned | (2.1) | (2.1) | (2.1) | (2.1) | (2.2) | (2.3) | (2.4) | (2.5) | (2.6) |
| Funds Available for Appropriation | 7.7 | 7.5 | 7.3 | 7.1 | 6.8 | 6.6 | 6.6 | 7.1 | 7.4 |

Schedule 5

| Arapahoe Law Enforcement Authority Fund | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| (Dollars in Millions) | Actual | Adopted | Amend. | Project. | Forecast | | | | |
| | 2018 | 2019 | 2019 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| Revenue | | | | | | | | | |
| Taxes | 6.6 | 7.3 | 7.3 | 7.3 | 7.7 | 7.8 | 7.9 | 8.1 | 8.2 |
| Licenses & Permits | - | - | - | - | - | - | - | - | - |
| Intergovernmental | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Charges for Services | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| Fines & Forfeits | 0.5 | 0.5 | 0.5 | 0.4 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Investment Earnings & Contrib. | 0.1 | - | - | - | - | - | - | - | - |
| Interfund Revenues & Rent | - | - | - | - | - | - | - | - | - |
| Transfers In | - | - | - | - | - | - | - | - | - |
| Other Financing Sources | 0.0 | - | - | - | - | - | - | - | - |
| Total Revenue | 7.4 | 8.0 | 8.0 | 7.9 | 8.4 | 8.5 | 8.6 | 8.7 | 8.9 |
| Expenditures | | | | | | | | | |
| Salaries | 4.5 | 5.5 | 5.5 | 5.6 | 5.7 | 5.9 | 6.2 | 6.4 | 6.7 |
| Employee Benefits | 1.3 | 1.7 | 1.7 | 1.7 | 1.8 | 1.9 | 2.0 | 2.1 | 2.3 |
| Supplies | 0.2 | 0.3 | 0.3 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| Services & Other | 0.3 | 0.5 | 0.5 | 0.4 | 0.5 | 0.4 | 0.4 | 0.4 | 0.4 |
| Community Programs | - | - | - | - | - | - | - | - | - |
| Capital Outlay | - | - | - | - | - | - | - | - | - |
| Central Services | 0.5 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 |
| Transfers Out | 0.1 | 0.0 | 0.0 | 0.0 | - | - | - | - | - |
| Other Uses/Miscellaneous | - | - | - | - | - | - | - | - | - |
| Total Expenditures | 7.0 | 8.7 | 8.7 | 8.5 | 9.0 | 9.1 | 9.4 | 9.8 | 10.2 |
| Net of Revenue/Expenditures | 0.4 | (0.7) | (0.7) | (0.6) | (0.6) | (0.6) | (0.8) | (1.1) | (1.3) |
| Adjustments to Revenues | - | - | - | - | - | - | - | - | - |
| Adjustments to Expenditures | | | | | | | | | |
| Budget Packages/Supplementals | - | - | - | - | - | - | - | - | - |
| Reappropriations | - | - | - | - | - | - | - | - | - |
| Other Adjustments | - | - | - | - | - | - | - | - | - |
| Total Adjustments to Expenditures | - | - | - | - | - | - | - | - | - |
| Total Net Revenue/Expenditures | (1.8) | (0.7) | (0.7) | (0.6) | (0.6) | (0.6) | (0.8) | (1.1) | (1.3) |
| Cumulative Balance | | | | | | | | | |
| Beginning Funds Available | 9.3 | 7.5 | 7.5 | 7.5 | 6.9 | 6.3 | 5.8 | 4.9 | 3.9 |
| Change in Fund Balance | (1.8) | (0.7) | (0.7) | (0.6) | (0.6) | (0.6) | (0.8) | (1.1) | (1.3) |
| Ending Funds Available | 7.5 | 6.9 | 6.9 | 6.9 | 6.3 | 5.8 | 4.9 | 3.9 | 2.5 |
| Policy Reserve | (1.2) | (1.4) | (1.4) | (1.4) | (1.5) | (1.5) | (1.6) | (1.6) | (1.7) |
| Funds Available for Appropriation | 6.4 | 5.4 | 5.4 | 5.5 | 4.9 | 4.2 | 3.4 | 2.2 | 0.8 |

Schedule 6

| Road & Bridge Fund | | | | | | | | | |
|--|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| (Dollars in Millions) | Actual | Adopted | Amend. | Project. | Forecast | | | | |
| | 2018 | 2019 | 2019 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| Revenue | | | | | | | | | |
| Taxes | 6.7 | 6.2 | 6.2 | 6.2 | 6.2 | 6.2 | 6.2 | 6.2 | 6.3 |
| Licenses & Permits | 0.4 | 0.3 | 0.3 | 0.4 | 0.3 | 0.4 | 0.4 | 0.4 | 0.4 |
| Intergovernmental | 9.7 | 9.5 | 9.5 | 9.5 | 9.5 | 9.6 | 9.8 | 9.9 | 10.0 |
| Charges for Services | 0.0 | - | - | - | - | - | - | - | - |
| Fines & Forfeits | - | - | - | - | - | - | - | - | - |
| Investment Earnings & Contrib. | - | - | - | - | - | - | - | - | - |
| Interfund Revenues & Rent | 0.0 | - | - | - | - | - | - | - | - |
| Transfers In | - | - | - | - | - | - | - | - | - |
| Other Financing Sources | 0.0 | 0.1 | 0.1 | 0.0 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Total Revenue | 16.8 | 16.0 | 16.0 | 16.1 | 16.1 | 16.2 | 16.4 | 16.5 | 16.7 |
| Expenditures | | | | | | | | | |
| Salaries | 2.9 | 3.3 | 3.3 | 3.1 | 3.4 | 3.5 | 3.7 | 3.8 | 3.9 |
| Employee Benefits | 1.0 | 1.1 | 1.1 | 1.0 | 1.2 | 1.3 | 1.4 | 1.5 | 1.6 |
| Supplies | 2.9 | 4.1 | 3.3 | 2.9 | 4.1 | 3.5 | 3.5 | 3.5 | 3.5 |
| Services & Other | 6.8 | 5.2 | 6.4 | 6.4 | 5.2 | 5.2 | 5.2 | 5.2 | 5.2 |
| Community Programs | - | - | - | - | - | - | - | - | - |
| Capital Outlay | - | - | - | - | - | - | - | - | - |
| Central Services | 2.6 | 2.7 | 2.7 | 2.5 | 2.7 | 2.7 | 2.7 | 2.7 | 2.7 |
| Transfers Out | 0.2 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Other Uses/Miscellaneous | - | - | - | - | - | - | - | - | - |
| Total Expenditures | 16.3 | 16.9 | 17.3 | 16.5 | 17.1 | 16.7 | 16.9 | 17.1 | 17.3 |
| Net of Revenue/Expenditures | 0.5 | (0.9) | (1.3) | (0.4) | (1.0) | (0.5) | (0.5) | (0.5) | (0.6) |
| Adjustments to Revenue | - | - | - | - | - | - | - | - | - |
| Adjustments to Expenditures | | | | | | | | | |
| Budget Packages/Supplementals | - | - | - | - | - | - | - | - | - |
| Reappropriations | - | - | - | - | - | - | - | - | - |
| Other Adjustments | - | - | - | - | - | - | - | - | - |
| Total Adjustments to Expenditures | - | - | - | - | - | - | - | - | - |
| Total Net Revenue/Expenditures | 0.5 | (0.9) | (1.3) | (0.4) | (1.0) | (0.5) | (0.5) | (0.5) | (0.6) |
| Cumulative Balance | | | | | | | | | |
| Beginning Funds Available | 3.7 | 4.2 | 4.2 | 4.2 | 3.8 | 2.7 | 2.3 | 1.8 | 1.3 |
| Change in Fund Balance | 0.5 | (0.9) | (1.3) | (0.4) | (1.0) | (0.5) | (0.5) | (0.5) | (0.6) |
| Ending Funds Available | 4.2 | 3.3 | 2.9 | 3.8 | 2.7 | 2.3 | 1.8 | 1.3 | 0.7 |
| Restrict/Commit/Assigned | (2.7) | (2.8) | (2.9) | (2.9) | (2.9) | (2.8) | (2.8) | (2.8) | (2.9) |
| Funds Available for Appropriation | 1.5 | 0.5 | 0.0 | 0.9 | (0.1) | (0.5) | (1.0) | (1.6) | (2.2) |

Alternatives

The Board of County Commissioners can give staff direction to advance the supplemental appropriation requests for formal adoption during a public hearing on May 21st, or decide to not supplement the budget at this time.

Fiscal Impact

The fiscal impact will be the net amount of supplemental requests approved during this study session to be formally adopted by resolution at a public hearing on May 21st, 2019.

Approved By:

Janet J. Kennedy, Finance Director

John Christofferson, Deputy County Attorney