

LARIMER COUNTY



2021 BUDGET OVERVIEW

OCTOBER 21, 2020



AGENDA

1. 2020 Key Initiatives
2. 2021 Budget Summary
 - I. Expenditures
 - II. Revenues
 - III. General Fund Projection
3. Capital Budget Highlights
4. Service Proposal Highlights
5. Balancing Act Feedback
6. 2021 Budget Review Calendar

2020 INITIATIVES

- Implementing Strategic Plan

- Data Sharing & Analysis
- Housing & Childcare Study
- Inclusionary Job Coaching
- Community Health Resilience Mapping



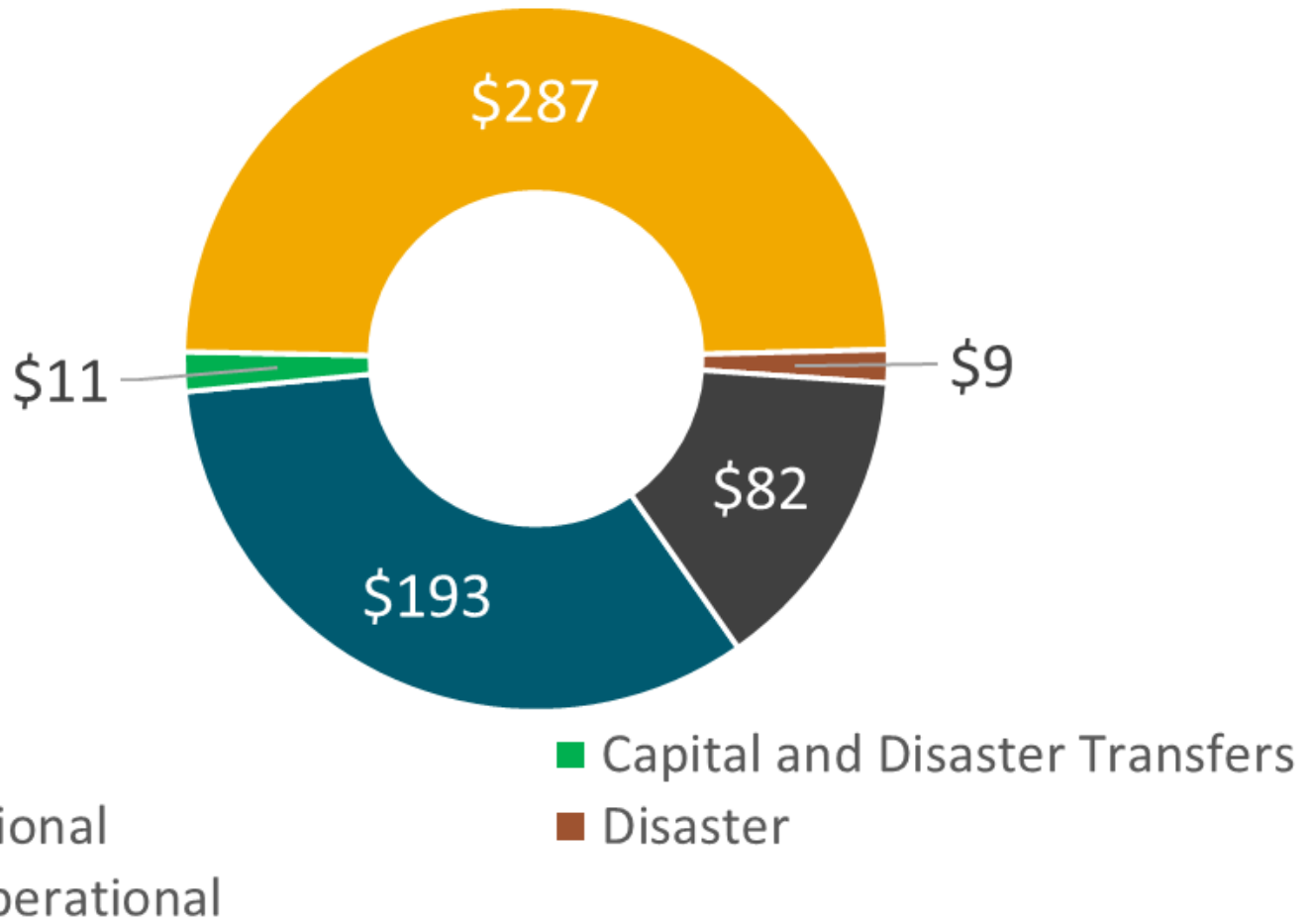
- New Solid Waste Facilities
- Behavioral Health Facility Construction
- Implementing Ranch Master Plan

2020 INITIATIVES (continued)

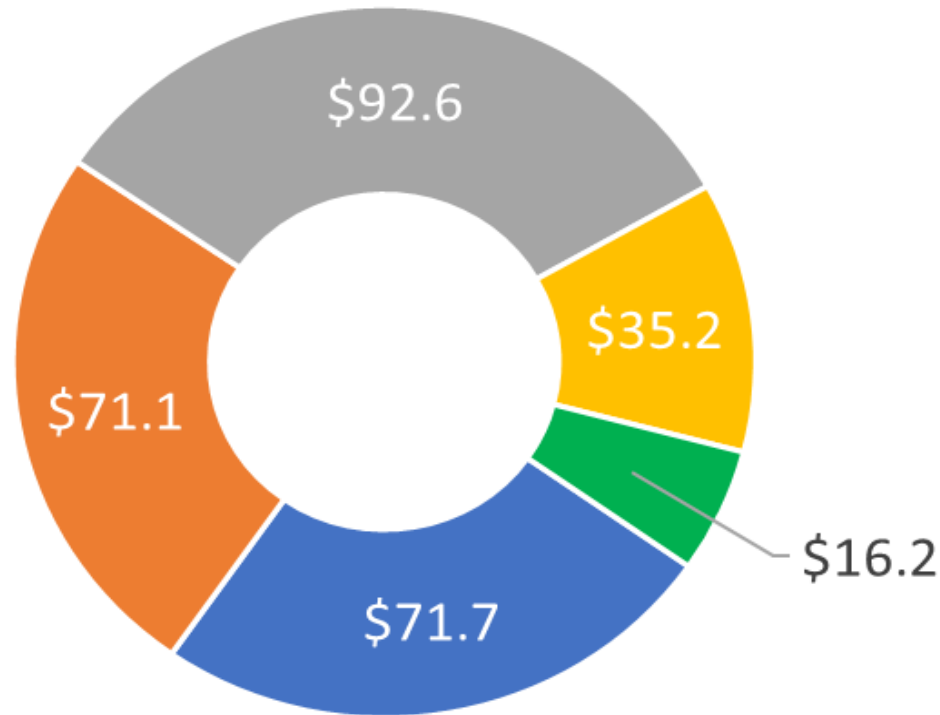
- Responding to COVID-19
 - \$15.3 million in Coronavirus Relief Fund (CVRF) funding
 - Applied for \$4 million in CVRF Reserve Allocation
 - \$2.45 million in community support
 - \$1 million in business support
- Cameron Peak Fire
 - 2020/2021 impact to be determined



BUDGET SUMMARY – EXPENDITURES



BUDGET SUMMARY – EXPENDITURES BY SERVICE CATEGORY



- Comm Planning, Infra & Resources
- Human & Economic Health
- Public Safety
- Support Services
- Public Records & Information

BUDGET SUMMARY – EXPENDITURE HIGHLIGHTS

Key Storyline:

Central Theme of 2021 Budget is...

...continuing to invest in the future,
maintaining service levels, and preparing for
uncertain fiscal future

BUDGET SUMMARY – EXPENDITURE HIGHLIGHTS

Key Highlights:

- **Personnel Costs** decline from 2020 Revised Budget by \$5.5 million
 - One-time reduction in Health Insurance costs of nearly \$8 million
 - Salary & Wage costs increase slightly
 - New positions held to minimum due to 2022 concerns (Gallagher Amendment)
- **Operational Budget** declines by \$2.8 million, or 1% from 2020
 - Health Insurance savings
 - Preparing for Gallagher:
 - Vacancy savings
 - Operating Budget reductions
 - Election cycle

BUDGET SUMMARY – EXPENDITURE HIGHLIGHTS (CONTINUED)

- **Capital Outlay** \$151.4 million; several projects moving ahead:
 - Jail Improvement Project
 - Criminal Justice Services Expansion Project
 - Fleet Services Campus
 - Behavioral Health Facility
 - Ranch Master Plan Implementation
 - Solid Waste Master Plan Implementation
- **COVID-19 & Cameron Peak Fire:**
 - Cameron Peak Fire initial cost estimate of \$4-15 million not included in 2020 Revised or 2021 Proposed Budgets
 - Approximately \$2 million in CVRF funding set aside for 2021+ needs
 - Seeking additional and expanded funding sources

BUDGET SUMMARY – REVENUE HIGHLIGHTS

Property Tax Revenues

- Assumed 1.5% increase in assessed values
- Assessor initial certification estimated assessed values declined by 1%
- Impact of \$3.4 million in revenue in 2021 – General Fund

Valuation Changes:

Oil & Gas ↓ 66%

Vacant ↓ 7%

Natural Resources ↓ 7%

Industrial ↓ 3%

Commercial ↑ 1%

Residential ↑ 2%

Agricultural ↑ 4%

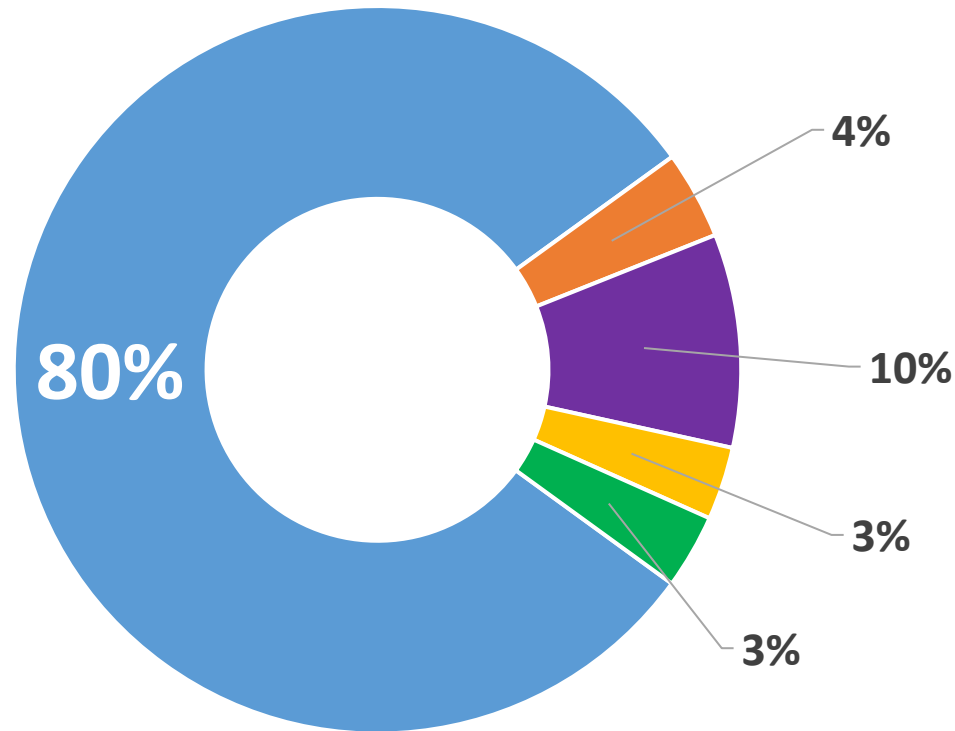
State Assessed ↑ 5%

Tax Increment Finance: ↑ 3%

BUDGET SUMMARY – REVENUE HIGHLIGHTS

- Sales & Use Tax, Special Ownership Taxes – flat
- Intergovernmental Revenue – down \$25.4 million
- Licenses & Permits – Up 10%
- External Service Charges – up 1%
- Internal Service Charges – down \$9.7 million
- Interest Earnings – down 35%

BUDGET SUMMARY – COMPOSITION OF GENERAL FUND REVENUES



■ Property Tax

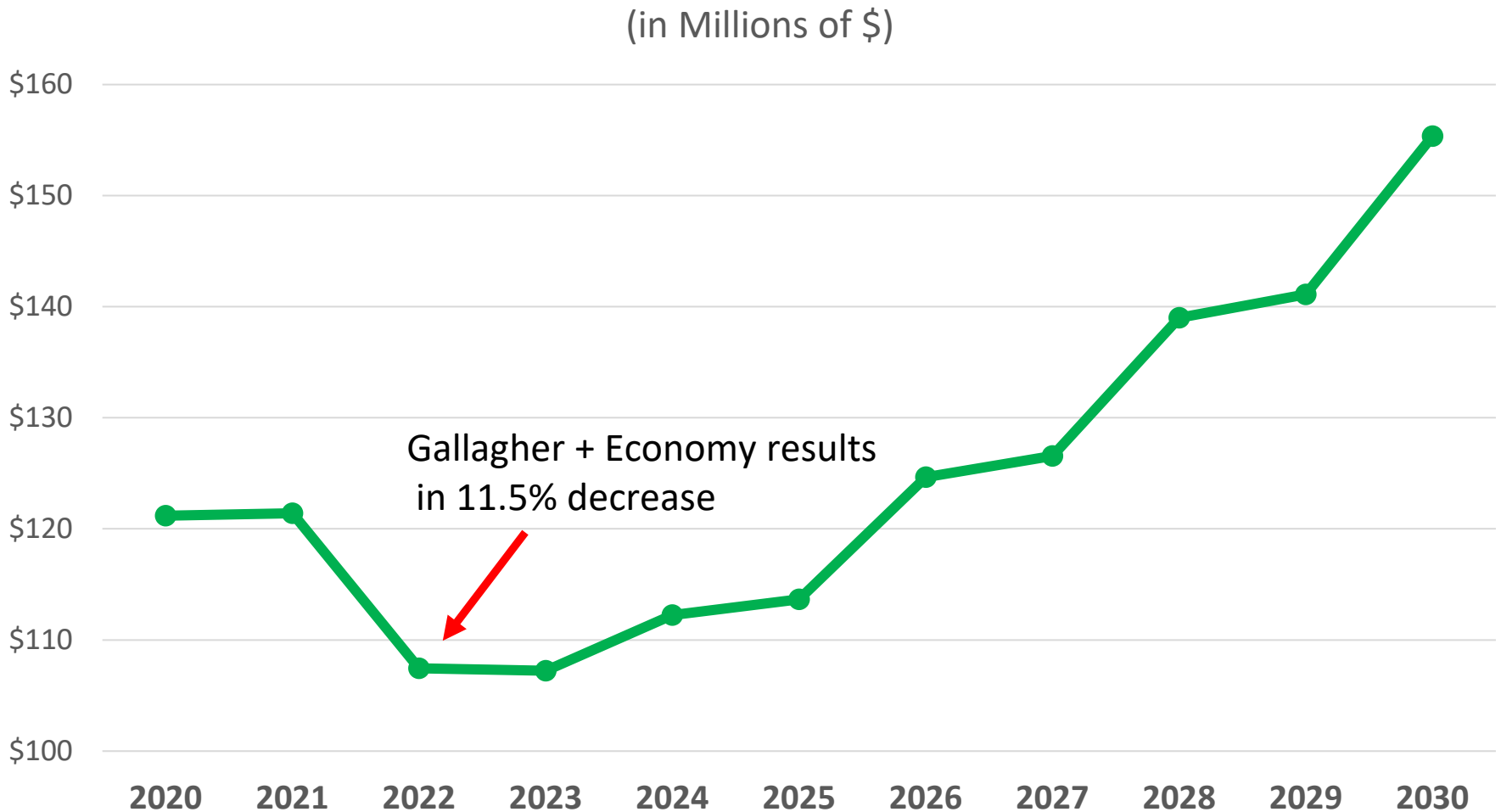
■ Intergovernmental

■ External Charges

■ Others

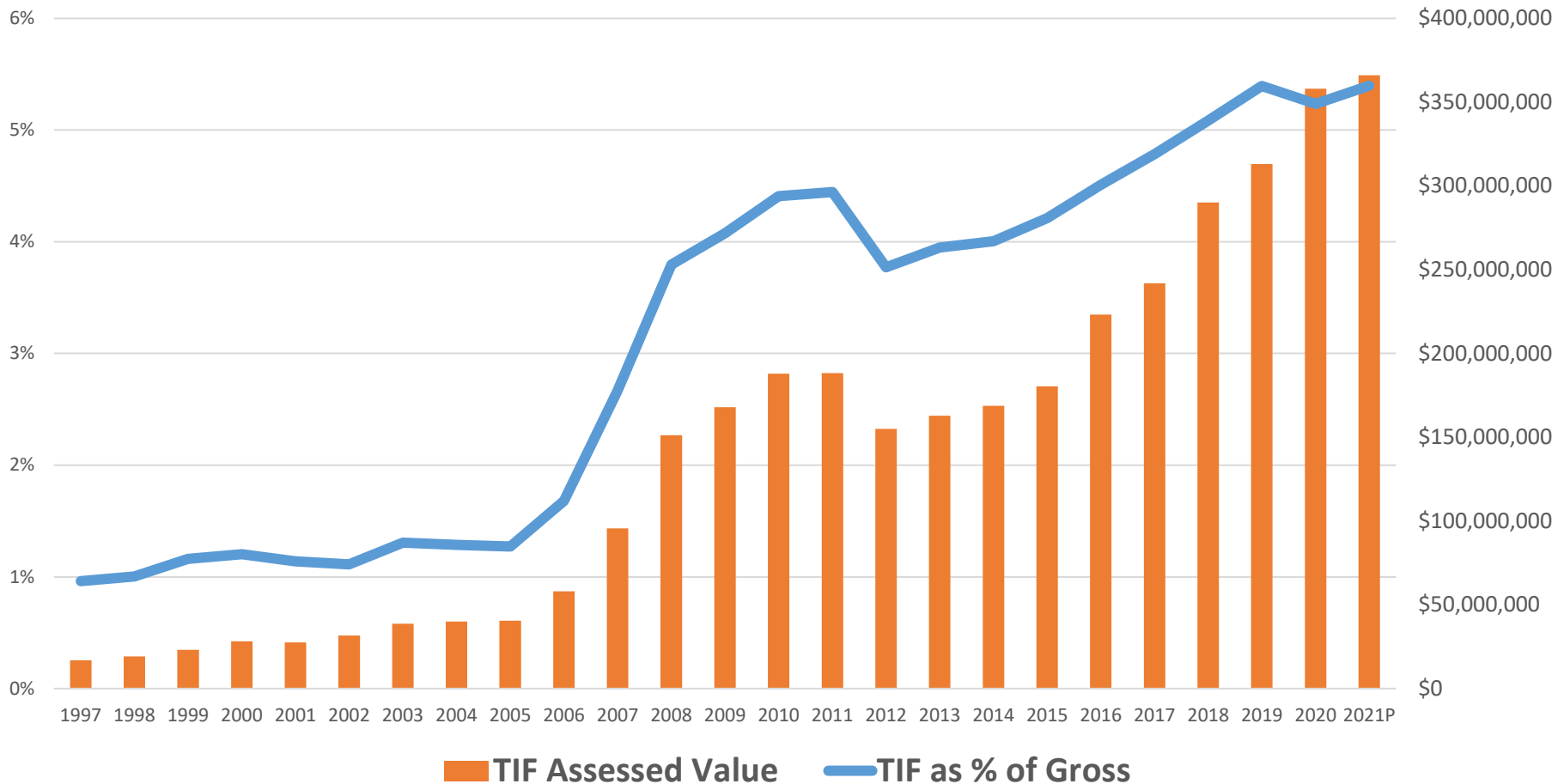
■ Cost Alloc Plan

BUDGET SUMMARY – GENERAL FUND PROPERTY TAX PROJECTION

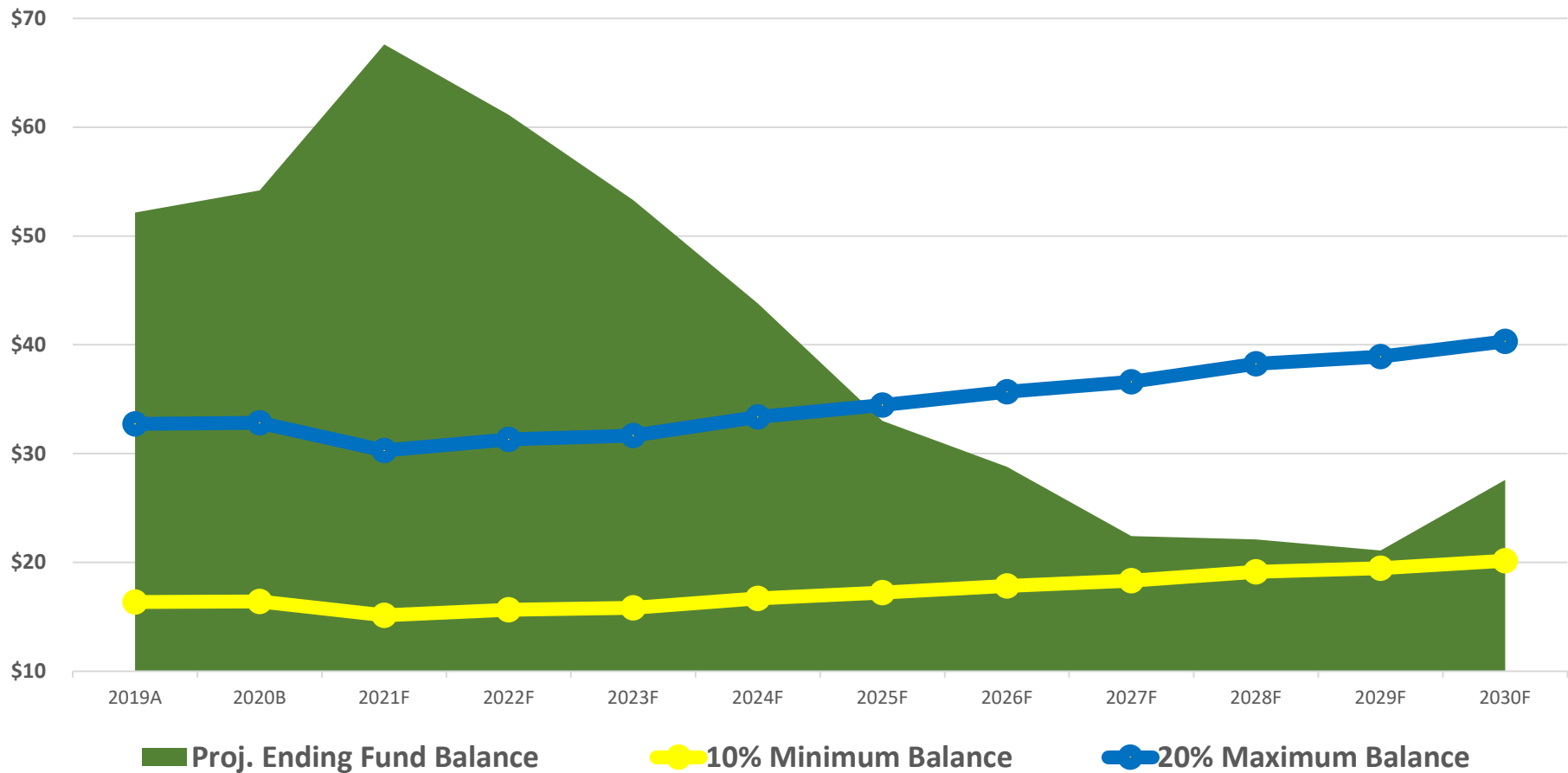


BUDGET SUMMARY – TIF AS % OF GROSS ASSESSED VALUE

Tax Incrementment Value & % of Gross Value Since 1997



BUDGET SUMMARY – GENERAL FUND BALANCE PROJECTION



BUDGET SUMMARY – GENERAL FUND BALANCE PROJECTION

What this still assumes:

- Gallagher Amendment + Economy = 11.5% reduction in assessed values
 - Property values drop 0.5% in '23, then rise significantly
- \$1.5 million in service proposals 2025+
- \$1.5 million Strategic Plan costs 2025+
- Jail Improvement Staffing postponed until 2024
- Declining or flat charges for services, licenses & permits, sales tax through 2022
- Wages & Health Insurance rise 2% annually through 2024, then higher
- No additional capital, disaster, or other significant 1-time items in 2021 or later

CAPITAL BUDGET HIGHLIGHTS

Five-Year Capital Improvement Plan

- Five categories of projects
 - Capital Renewal
 - Capital Expansion
 - Land & Real Asset Acquisition
 - Capital Studies
 - Disaster-Related Projects
- **\$533** million in proposed expenditures 2021-2024

Category	2021 Exp. \$	% of Total
Capital Renewal	\$26.5	14%
Capital Expansion	\$148.8	80%
Disaster	\$8.9	5%
Land & Real Asset Acquisition	\$1.7	1%
Capital Studies	\$0.0	0%

2021 CAPITAL BUDGET HIGHLIGHTS

Capital Budget Highlights :

- Ranch Master Plan: \$32.4 million
- Jail Improvement: \$29.3 million
- Behavioral Health Facility: \$22.6 million
- Criminal Justice Services \$20.0 million
- Solid Waste: \$19.8 million
- Road & Bridge: \$17.2 million
- Replacement Plans: \$14.2 million

SERVICE PROPOSAL HIGHLIGHTS

Operating Budget Service Proposals

Service Proposal Type	\$ General Fund Support in Proposed Budget
Capacity Expansion	(\$60,665)
Strategic Plan Goals	\$150,000
Service Expansion	\$139,600
TOTAL	\$228,935

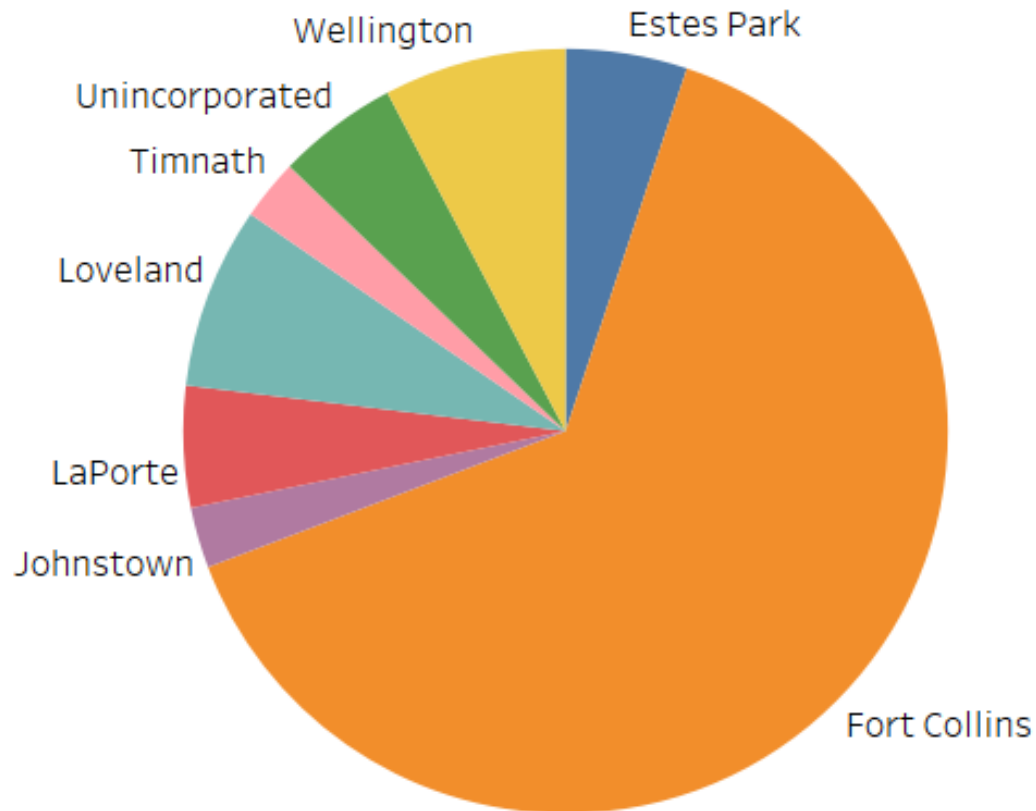
Elected Offices & Departments were very cognizant of impending fiscal reality – requests were minimal and limited to that which was necessary

SERVICE PROPOSAL HIGHLIGHTS

Type	Office/Division/Dept.	Description	General Fund Allocation
CE	Assessor	Mobile App Replacement	\$0
CE	C.J.S.	Pre-Trial Services LTE Staff	\$0
CE	Natural Resources	Noxious Weed Program	(\$60,665)
CE	Sheriff	Fire Attack Module	\$0
SP	Engineering	Boxelder Dam Flood Warning Sys.	\$150,000
SP	Ranch	Fair IT Project	\$0
SE	Human Resources	Position Transfer	\$123,600
SE	Public Affairs	Community Perception Survey	\$18,000

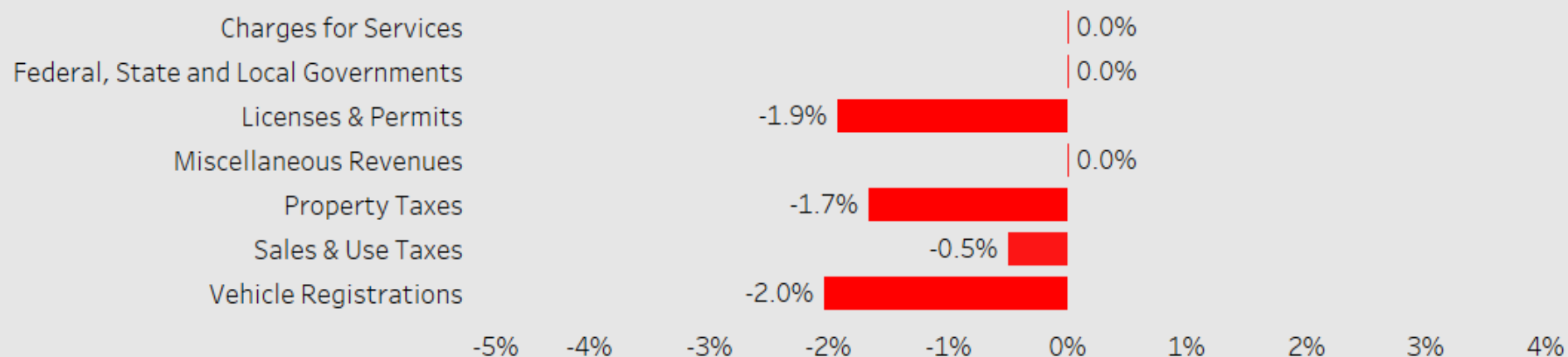
BALANCING ACT

Where do you live? (39 Responses)



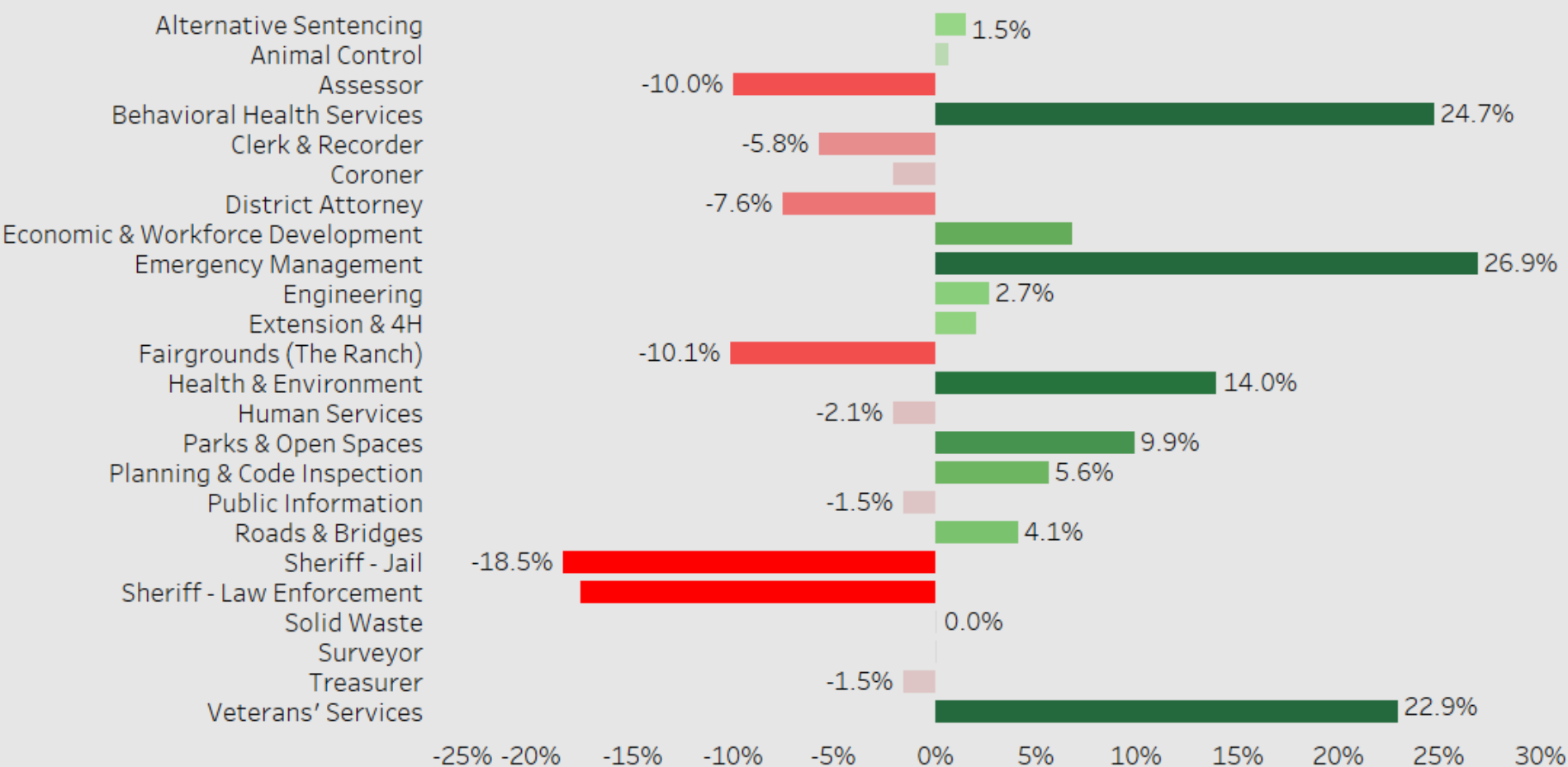
BALANCING ACT

Average Change in Revenues



BALANCING ACT

Average Change in Expenses



2021 BUDGET REVIEW CALENDAR

- **October 29, 6:30 PM:** Public Hearing – VIRTUAL
- **November 4, 1:30 PM:** Work Session on Budget Alternatives
- **November 19, 8:30 AM:** Budget Direction Retreat
- **December 8, 9:00 AM (Admin Matters):** Review Final Budget Changes
- **December 18, 10:00 AM:** 2021 Budget Adoption
Commissioners' Hearing Room, Courthouse Offices

QUESTIONS?

Thank you!

Josh Fudge, Budget Director
(970) 498-7017
jfudge@larimer.org

Linda Hoffmann, County Manager
(970) 498-7004
lhoffmann@larimer.org