

February 12th Financial Strategy for New Facilities


County Manager Staab stated that the Board looked at the facilities for public safety, Health and Human Services, and law enforcement.

Mr. Staab stated that he would like to discuss the possible funding strategy for County infrastructure improvements. He will update the Board on the budget. He will show the estimated cost of the facilities if the facilities were to be built new. He will also discuss the priorities for County infrastructure funding.

The County's revenue projection:

2019 5 yr budget no Constr	2019	2020	2021	2022	2023	
Revenues						
Taxes						
Property Taxes	10,052,595	11,057,855	11,057,855	11,610,747	11,610,747	reassess values 10% '20, 5%,22
Sales Taxes	6,588,648	6,918,080	7,263,984	7,627,184	8,008,543	5% /yr
Additional Sales OR Property taxes for Facilities						.5% initial then 5% increase /yr
Other Taxes	2,036,800	2,138,640	2,245,572	2,357,851	2,475,743	5% /yr
Charges for Services						
Self Insurance	4,095,959	4,382,676	4,689,463	5,017,726	5,368,967	7%/yr
EMS	3,665,500	3,848,775	4,041,214	4,243,274	4,455,438	5% /yr
Other	2,193,439	2,303,111	2,418,266	2,539,180	2,666,139	1.5% inflation
Intergovernmental						
Federal Tax Sharing	5,707,000	5,992,350	6,291,968	6,606,566	6,936,894	1.5% inflation
Treasurer Fees	1,500,000	1,609,080	1,665,109	1,753,288	1,815,743	5.25% of taxes & charges
Grants & Other	3,380,355	3,549,373	3,726,841	3,913,183	4,108,843	1.5% inflation
Licenses & Permits	1,199,590	1,259,570	1,322,548	1,388,675	1,458,109	5% /yr
Bond Proceeds						
Other	2,560,548	2,688,575	2,823,004	2,964,154	3,112,362	5% /yr
Total Revenues	42,980,434	45,748,084	47,545,824	50,021,829	52,017,528	

The County's expense projection:



Expenses						
Personnel						
FTE	255.28	260.28	265.28	270.28	275.28	+5 FTE/yr
Wages per FTE	56,017.58	56,017.58	56,017.59	56,017.59	56,017.60	
Benefits per FTE	18,059.35	18,059.35	18,059.35	18,059.36	18,059.36	
Other per FTE	7,263.21	7,263.21	7,263.21	7,263.22	7,263.22	
Wages	14,300,168	14,580,257	14,860,346	15,140,435	15,420,524	+ 5 FTE/yr and 2.125% increase/yr
Benefits	4,610,190	4,700,488	4,790,786	4,881,083	4,971,381	+ 5 FTE/yr and 7% increase/yr
Employ Taxes & other	1,854,151	1,890,468	1,926,785	1,963,102	1,999,419	+ 5 FTE/yr and 2.125% increase/yr
Total Personnel	20,764,509	21,171,213	21,577,917	21,984,621	22,391,324	
Operating						
Self Insurance	4,095,959	4,382,676	4,689,463	5,017,726	5,368,967	7%/yr
Fuel	1,136,634	1,193,466	1,253,139	1,315,796	1,381,586	1.5% inflation
Treasurer Fees	713,730	766,228	792,909	834,899	864,639	2.50% of taxes & charges
Other	13,303,538	13,968,715	14,667,151	15,400,508	16,170,534	1.5% inflation
Total Operating	19,249,861	20,311,085	21,402,662	22,568,929	23,785,725	
Debt service on Facilities COPs	-	-	-	-	-	
Capital						
Infrastructure-Strategic Plan-Plans	-	-	-	-	-	
Infrastructure-Strategic Plan-Construction Costs	-	-	-	-	-	
R&B asphalt plan,	1,848,510	1,835,376	1,141,759	1,093,993	930,342	planned
R&B equip lease	-	323,280	445,140	548,196	672,144	planned
R&B equip purchases	-	295,000	418,000	268,000	263,000	planned
R&B Vehicle purchases	-	106,000	70,000	110,000	71,000	planned
Sheriff-vehicles	-	288,000	294,000	300,000	310,000	planned
Sheriff-kennels	-	-	-	-	-	planned
Sheriff-equip	60,000	50,000	50,000	50,000	50,000	planned
Sheriff-furniture	10,000	-	-	-	-	planned
Jail	-	-	50,000	-	50,000	planned
Dispatch	50,000	-	-	-	-	planned
EMS / OEM	88,000	195,620	414,620	358,620	232,288	planned
IT tech capital	184,100	76,100	94,100	153,000	223,000	planned
CM Airports	333,333	256,000	-	16,600	33,300	planned
CM Motor Pool	-	-	-	75,000	-	planned
CM Fairgrounds	111,500	329,000	355,000	-	-	planned
CM Building Maint	47,000	-	-	-	-	planned
CM P&A equip	-	-	-	-	-	planned
C&R	34,905	34,905	34,905	34,905	34,905	planned
Accounting	50,000	-	-	-	-	planned
DHS	20,000	-	-	-	-	planned
Total Capital	2,837,348	3,789,281	3,367,524	3,008,314	2,869,979	
Total Expenses	42,851,718	45,271,579	46,348,103	47,561,864	49,047,029	

Grand County 5 Year Budget

	2019	2020	2021	2022	2023
Taxes	18.7	20.1	20.6	21.6	22.1
Charge for Service	10.0	10.5	11.1	11.8	12.5
Inter-governmental	10.6	12.3	12.8	13.4	14.0
Other	3.7	3.9	4.0	4.2	4.4
Total Revenue	43.0	45.8	47.5	50.0	52.0

	2019	2020	2021	2022	2023
Personnel	20.8	21.2	21.6	22.0	22.4
Operations	19.2	20.3	21.5	22.5	23.9
Capital	2.9	3.8	3.2	3.0	2.7

Total					
Expenditures	42.9	45.3	46.3	47.5	49.0

	2019	2020	2021	2022	2023
Revenues	43.0	45.8	47.5	50.0	52.0
Expenditures	42.9	45.3	46.3	47.5	49.0
Surplus/ (Deficit)	.1	.5	1.2	2.5	3.0
Projected Fund Balance	24.1	24.6	25.8	28.3	31.3

Surplus/Deficit without construction

YEAR	2019	2020	2021	2022	2023
Surplus/(Deficit)	128,716	476,505	1,197,722	2,459,965	2,970,499

Facility Costs: EMS

	Projected Sq-Ft	Cost @\$500/ft
Granby	23,900	\$11,950,000
Fraser	6,400	3,200,000
Totals	30,300	\$15,150,000

EMS Funding Strategy:

Building plans @ 8% of cost to be paid from Fund Balance

Issue Certificates of Participation (COP's) for construction

Debt payments to be budgeted from current resources

Facility Design 2019

18 month construction period starting in 2020

Public Safety Facility

	Projected (ft.sq)	Cost/ft.sq.
Sheriff Office	19,600	\$ 9,800,000
Jail	20,000	10,000,000
Sheriff Garage	4,400	2,200,000
Parking, tunnel, demo		10,750,000
Totals	44,000	\$32,750,000

Public Safety Facility funding strategy:

2020 Ballot issue to raise revenue from sales or property taxes

Building plans @ 8% of cost to be paid from Fund Balance

Issue Certificates of Participation (COP's) for construction

Debt payments to be budgeted from new resources

Facility Design in 2020

18 month construction period starting in 2021

Facility Costs: Health and Human Services (HHS)

	Projected (ft.sq)	Cost @\$500/sq-ft
Social Services	7,000	\$3,500,000
Public Health	6,500	\$3,250,000
Totals	13,500	\$6,750,000

HHS funding strategy:

2020 Ballot issue to raise revenue from sales or property taxes

Building plans @8% of cost to be paid from Fund Balance

Issue Certificates of Participation (COP's) for construction

Debt payments to be budgeted from new resources

Facility Design 2021

18 month construction period starting in 2022

Mr. Staab stated that 3 mills for a \$300,000 house in Grand County would raise a taxpayers taxes \$62.40 per year.

New facility funding effects added:

	2019	2020	2021	2022	2023
Std Revenue	43.0	45.8	47.7	50.2	52.2
New Revenue			2.8	2.9	3.1
Bond Proceeds		13.9	30.1	6.2	
Total Revenue	43.0	59.7	80.6	59.3	55.3

	2019	2020	2021	2022	2023
Personnel	20.8	21.2	21.6	22.0	22.4
Operations	19.2	20.3	21.5	22.6	23.9
Std Capital	2.8	3.8	3.4	3.0	2.9
Facility Plans	1.2	2.6	.5		
Facility Construction		7.0	22.0	18.2	3.1
Debt Service		1.0	3.1	3.5	3.5
Total Expenditures	44.0	55.9	72.1	69.3	55.8

	2019	2020	2021	2022	2023
Revenues	43.0	59.7	80.6	59.3	55.3
Expenditures	44.1	55.8	72.1	69.3	55.7
Surplus/ (Deficit)	(1.1)	3.8	8.5	(10.0)	(.5)
Projected Fund Balance	22.9	26.7	35.2	25.2	24.7

James Mann, Sr. of Ehlers, Inc. came to discuss financial planning.

Mr. Mann encouraged the Board to look at the ongoing maintenance of the any facilities.

Mr. Mann stated that the County will need to be rated. The County needs to maintain its rating as best as it can so that it will not hurt future debt issuance.

Mr. Mann stated that the cost of creating the financial plan is approximately \$25,000. Typically to update the plan is \$5,000 annually.

John Britz of Britz Company is a political consultant. The firm does polling, petition drives, campaign management, planning, budget, message delivery preparation, speaker bureau preparation, etc.

The Board needs to look at

1. Financial Planning
2. Talking and marketing initiative
3. Issuance of the financing

There are seven ingredients to a successful issue campaign:

The County needs a message plan. It needs to be needs and fact based.

Nate Eckloff of RBC Capital Markets stated that collaboration is important. RBC Capital Markets is an underwriting company.

Underwriter fees are a negotiated fee at the time the securities are sold.