The Arapahoe County Board of County Commissioners typically holds weekly Study Sessions on Monday and Tuesday. Study Sessions (except for Executive Sessions) are open to the public and items for discussion are included on this agenda. Agendas (except for Executive Sessions agendas) are available through the Commissioners’ Office or through the County’s web site at www.arapahoegov.com. Please note that the Board may discuss any topic relevant to County business, whether or not the topic has been specifically noticed on this agenda. In particular, the Board typically schedules time each Monday under “Committee Updates” to discuss a wide range of topics. In addition, the Board may alter the times of the meetings throughout the day, or cancel or reschedule noticed meetings. Questions about this agenda? Contact the Commissioners’ Office at 303-795-4630 or by e-mail at commissioners@arapahoegov.com

**Study Session**  
**January 7, 2019**

**Study Session Topics**

**9:00 A.M.** Calendar Updates (WHR)  
_BoCC Administration Manager_

**9:45 A.M.** BOCC Updates (WHR)  
_Board of County Commissioners_

**11:00 A.M.** *Long Range Budget Committee - Fiscal Realities (WHR)*  
Discussion of the current financial status of the County’s major operating and capital funds, as well as projections of future collections and spending using current trends in revenues and expenditures

_Request: Information/Direction_

_Todd Weaver, Budget Manager, Finance_  
_Janet Kennedy, Director, Finance_  
_John Christofferson, Deputy County Attorney_

Documents:

- BSR - LRBC_FISCAL_REALITIES.PDF  
- LRBC_FISCALREALITIES_JAN2_BSR_PRINTABLE.PDF

_Break_
3:00 P.M.  *Drop In (WHR)
Board of County Commissioners

1. A-E Agricultural Estate Lot Width Requirements
   Discussion of a request for direction on whether staff should change the minimum lot width requirement in the A-E Agricultural Estate zone district, which currently requires a minimum lot width of 1,320 feet (1/4 mile), to 600 feet, which would bring Arapahoe County's requirements closer to what other counties require.

   Request: Information/Direction

   Jason Reynolds, Current Planning Program Manager
   Jan Yeckes, Planning Division Manager, Public Works and Development
   Bryan Weimer, Director, Public Works and Development
   Todd Weaver, Budget Manager, Finance
   Robert Hill, Senior Assistant County Attorney

   Documents:
   BSR - AE LOT WIDTH DROP IN.PDF

2. Fixed Asset Request · Night Vision Scope
   Discussion of a request to authorize the Chair of the Board of County Commissioners to approve the assignment of a fixed asset number for the purchase of a night vision scope.

   Request: Information/Direction

   Olga Fujaros, Sheriff Finance Manager
   David C. Walcher, Sheriff
   Todd Weaver, Budget Manager
   Tiffanie Bleau, Senior Assistant County Attorney

   Documents:
   DROP IN BSR· NIGHT VISION.DOCX

3. PWD Neighborhood Outreach Code Change
   Discussion of a request on direction as to whether the Land Development Code should be changed to require public outreach in certain circumstances.

   Request: Information/Direction

   Jason Reynolds, Current Planning Program Manager
   Jan Yeckes, Planning Division Manager, Public Works and Development
   Bryan Weimer, Director, Public Works and Development
   Todd Weaver, Budget Manager, Finance
   Robert Hill, Senior Assistant County Attorney

   Documents:
   BSR - NEIGHBORHOOD OUTREACH DROP IN.PDF

3:20 P.M.  *Executive Session (WHR)
Executive Study Session and County Attorney Administrative Meeting [Section 24-6-402 (4)(C.R.S.)](As required by law, specific agenda topics will be announced in open meeting prior to the commencement of the closed and confidential portion of this session) (WHR)
Arapahoe County is committed to making its public meetings accessible to persons with disabilities. Assisted listening devices are available. Ask any staff member and we will provide one for you. If you need special accommodations, contact the Commissioners' Office at 303-795-4630 or Relay Colorado 711.

Please contact our office at least 3 days in advance to make arrangements.
Board Summary Report

Date: December 28, 2018
To: Board of County Commissioners
From: Todd Weaver, Budget Manager
Subject: Long Range Budget Committee - Presentation of County Fiscal Realities

Request and Recommendation

The purpose of this study session is to examine and review the current financial status of the County’s major operating and capital funds as well as project future collections and spending using current trends in revenues and expenditures. The study session is informational and the goal will be to answer the question of, what do the County’s finances look like if we do not take any action different than we have in the past?

Background

Over the past two years, the Long Range Budget Committee has reported on anticipated needs of the County for increased spending on capital improvements for the Justice Center and Detention Center, improvements to County road infrastructure, working to eliminate a backlog of deferred maintenance for roads and facilities, as well as an increasing need for expenditures in the operating budget. These needs were discussed at the Leadership Workshop in 2017 and followed up with a discussion on desired service levels at the 2018 workshop.

With the assistance of the Ehlers group, work during 2018 has focused on understanding the community’s awareness of the County and its issues as well as refining the analysis and research on the needs identified in the early work of the Long Range Budget Committee. This study session is the first in a series of sessions to update the Board of County Commissioners on the current fiscal status and projections for major funds, transportation needs, the Justice Center master plan, and financing options that could be available to provide funding for any of the items discussed.

The purpose of this study session is to update the Board on the fiscal realities of the County current financial condition and projections. The session will review where the County is at, how we got here, and where we may be headed financially if no changes are made to the current path.

The information presented during this study session will show that the County has a fiscal issue before considering funding for any of the needs identified by the LRBC. The County balances its budget each year as required by law, but it is becoming increasingly difficult to adequately fund capital improvements, road maintenance, and other activities with the current revenue and service levels. As discussed during last year’s workshop, the limited amount of resources that flow into the County are divided up among the various funds and programs. Property tax is the largest and most important example of this principle. It’s
growth is limited by statutory and Constitutional provisions and re-allocating it among the General, Social Services, Road & Bridge, and Capital Expenditure Funds may fix a problem in one location and create difficulties in another.

The study session will review the historical trends in each of the major operating funds (General, Social Services, Road and Bridge, and Law Enforcement Authority Funds) project what the next 10 years will look like if the trends of the past hold true. The historical data used encompasses the most Great Recession as well as the current economic expansion/recovery so it considers the full range of the economic cycle. The information will also look at some of the factors that have impacted finances in the past and will likely impact in the future, such as population growth, development, inflation, and property value growth. Many of these factors are beyond the control of the County but still play an important role in service levels and funding.

It is anticipated that this study session will lay the foundation for the study sessions that follow and illustrate that, even without a decision to move forward on identified needs, the County will likely still have financial issues to work through in the future.

**Links to Align Arapahoe**

Reviewing fiscal trends and developing projections to assist decision makers is in line with the County’s goal of Fiscal Responsibility.

**Discussion**

Any further discussion or questions regarding the information and conclusions will be determined by the BOCC during the study session.

**Alternatives**

This study session is informational and, as such, there is no decision for which an alternative is needed.

**Fiscal Impact**

There is no direct fiscal impact associated with this informational presentation.

**Approved By:**

Janet Kennedy, Finance Director
John Christofferson, Deputy County Attorney
FISCAL REALITIES

Arapahoe County

BOCC Study Session – January 7, 2019
Overview of Topics

- Purpose of this session
- Trends – Economic & Demographic
- Projection Assumptions
- Projections:
  - General Fund
  - Capital Expenditure Fund – Project Plan
  - Social Services Fund
  - Road & Bridge Fund
  - Arapahoe Law Enforcement Authority Fund
- Interrelated Resource Allocation
- Conclusions
Purpose

- Continuing work from LRBC report and Leadership Workshops
  - 2017: Identified needs
  - 2018: Set the desired levels of service
  - 2019: Strategy development

- What is the cost of doing nothing? In terms of:
  - ability to maintain desired level of services,
  - increasing deferred maintenance, and the
  - declining fund balance.

- Illustrate that there is still a fiscal challenge even without addressing any of the anticipated future needs
Demographic Trends

Total County Population (2006-2017)

- Municipalities
- Unincorporated County

2006: 330,000
2007: 350,000
2008: 370,000
2009: 390,000
2010: 410,000
2011: 430,000
2012: 450,000
2013: 470,000
2014: 490,000
2015: 510,000
2016: 530,000
2017: 550,000

2006: 461,994
2007: 474,057
2008: 481,994
2009: 489,994
2010: 497,994
2011: 505,994
2012: 513,994
2013: 521,994
2014: 529,994
2015: 537,994
2016: 545,994
2017: 553,994
Demographic Trends

![Graph showing registered voters over time]

Source: Colorado Secretary of State
Demographic Trends

Motor Vehicle Registrations

Source: Colorado Department of Revenue
Growth
Growth
Economic Trends

Inflation Rate Change

Consumer Price Index - Denver Metro
## Increased Equipment and Vehicle Costs

<table>
<thead>
<tr>
<th>Vehicle/Equipment</th>
<th>Price 2006-08</th>
<th>Price 2016-17</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motorgrader</td>
<td>$187,883</td>
<td>$344,031</td>
<td>83.1%</td>
</tr>
<tr>
<td>Large Loader</td>
<td>$206,290</td>
<td>$328,000</td>
<td>59.0%</td>
</tr>
<tr>
<td>Small Paver</td>
<td>$44,710</td>
<td>$134,943</td>
<td>201.8%</td>
</tr>
<tr>
<td>3/4 Ton Pickup Truck</td>
<td>$18,000</td>
<td>$33,409</td>
<td>85.6%</td>
</tr>
<tr>
<td>Patrol Sedan</td>
<td>$36,500</td>
<td>$44,783</td>
<td>22.7%</td>
</tr>
</tbody>
</table>
Economic Trends

Actual and Assessed Value - County

Actual Value of New Construction

1/7/2019 LRBC - Fiscal Realities 11
Economic Trends

Actual and Assessed Value - ALEA/Unincorporated

Actual Value of New Construction - ALEA/Unincorporated
Economic Trends

Example of Impact of Gallagher Amendment and TABOR

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Value</th>
<th>RAR</th>
<th>Assessed Value</th>
<th>Mill Levy</th>
<th>County Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>$213,300</td>
<td>10.36%</td>
<td>$22,098</td>
<td>16.973</td>
<td>$375.07</td>
</tr>
<tr>
<td>2006</td>
<td>$321,900</td>
<td>7.96%</td>
<td>$25,623</td>
<td>14.421</td>
<td>$369.51</td>
</tr>
<tr>
<td>2016</td>
<td>$397,300</td>
<td>7.96%</td>
<td>$31,625</td>
<td>13.856</td>
<td>$438.20</td>
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<tr>
<td>2018</td>
<td>$437,000</td>
<td>7.20%</td>
<td>$31,464</td>
<td>12.817</td>
<td>$403.27</td>
</tr>
</tbody>
</table>

Change '96-'18 104.9%  42.4%  7.5%
Projection Methodology

• Projections built off County’s revenue and expenditure history since 2006

• Revenue and expenditure forecasts reflect the trends in collections and spending over the prior 5-, 10-, and 12-year periods and extrapolates them through 2029

• Reliance on historical data differs from Quarterly Budget Reviews that only look at the current year and apply assumptions and estimates based on the most recent budget or actuals

• Historical trends also factor in vacancy savings, unspent budget, and one-time and ongoing collections/spending together
### General Fund Historical Trends

#### General Fund Revenue Growth Rates

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Property Tax</td>
<td>1.8%</td>
<td>1.9%</td>
<td>2.3%</td>
<td>31.3%</td>
<td>58.4%</td>
</tr>
<tr>
<td>Other Taxes</td>
<td>6.0%</td>
<td>3.0%</td>
<td>2.1%</td>
<td>28.7%</td>
<td>5.0%</td>
</tr>
<tr>
<td>Fees &amp; Permits</td>
<td>1.4%</td>
<td>2.8%</td>
<td>3.9%</td>
<td>58.1%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>2.6%</td>
<td>0.5%</td>
<td>-0.7%</td>
<td>-8.4%</td>
<td>14.6%</td>
</tr>
<tr>
<td>Charges for Services</td>
<td>4.0%</td>
<td>3.7%</td>
<td>2.1%</td>
<td>28.4%</td>
<td>13.2%</td>
</tr>
<tr>
<td>Investment Earnings</td>
<td>56.2%</td>
<td>-15.2%</td>
<td>-10.2%</td>
<td>-72.3%</td>
<td>1.2%</td>
</tr>
<tr>
<td>Total Non-Property Tax</td>
<td>4.1%</td>
<td>1.0%</td>
<td>0.1%</td>
<td>1.7%</td>
<td>41.6%</td>
</tr>
</tbody>
</table>

- Overall, revenue has increased just under 18% since 2006, or about 1.4% per year
- Revenue has grown from $151.5 million to $177.5 million
- Property tax from the County mill levy is the biggest driver within fund – has grown about 31% since 2006 or about 2.3% annually
- Intergovernmental revenue and Charges for Services are other large revenue streams for General Fund – make up 28% of revenue and growing about 3-4% over past 5 years
- Licenses and Permits only make up 3.4% of revenue
- Investment earnings biggest growth over past 5 years at 56% higher but is 72% lower than 2006 due to recession
- Transfers is fluctuates greatly from year to year based upon Social Services fund balance
General Fund Historical Trends
General Fund Historical Trends

General Fund Expenditure Growth Rates

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<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Benefits</td>
<td>2.4%</td>
<td>1.7%</td>
<td>2.1%</td>
<td>28.7%</td>
<td>61.2%</td>
</tr>
<tr>
<td>Supplies</td>
<td>-1.8%</td>
<td>-3.6%</td>
<td>-1.9%</td>
<td>-20.3%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Services and Other</td>
<td>3.6%</td>
<td>1.8%</td>
<td>1.7%</td>
<td>21.8%</td>
<td>25.3%</td>
</tr>
<tr>
<td>Central Services</td>
<td>5.5%</td>
<td>-1.5%</td>
<td>0.1%</td>
<td>1.1%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Total Non-Personnel</td>
<td>3.2%</td>
<td>1.0%</td>
<td>1.1%</td>
<td>14.5%</td>
<td>30.4%</td>
</tr>
</tbody>
</table>

- Expenditures have grown from $129.2 million in 2006 to $159.7 million at year-end 2017.
- Trend in growth over 12 year period is 1.8% per year of 24% over the entire period.
- Salaries and benefits make up over 61% of the current budget and have grown 2.1% per year since 2006 and 2.4% over the past 5 years.
- Growth rate for salaries and benefits is actual spending and factors in vacancy savings.
- Cost growth has impacted the Services and Other category and has grown 3.6% since 2013.
- While the County is seeing growth in the cost of supplies, this category accounts for only a small part of overall budget.
- Transfers to other funds for equipment and capital projects fluctuate year-to-year more than transfers for debt service and other operating items.
General Fund Historical Trends

![General Fund - Total Expenditures](chart)

- Total Expenditures
- Tot. Expend. - Excl. Transfers
Temporary surplus as debt on CentrePoint is paid off during 2021.
General Fund Projections

• When extrapolating current trends in revenue and expenditures, the forecast shows modest deficits through 2022
• Final payment of CentrePoint debt service in 2021 provides a temporary surplus from 2022-2024
• Deficits return in 2026 as savings is absorbed by cost growth and the shortfall accelerates through 2029 as expenditures continue to grow faster than revenues
• When considering the funding required from the General Fund to achieve a $15 million per year capital plan, the deficit grows dramatically
• Annual transfers of fund balance of about $10 million to fund capital projects are required
• Since the projections use trends in actual collections and spending, a fair amount of variation as well as unspent budget and vacancy savings are already accounted for
• Result is a drop in the fund balance below $50 million during 2020 requiring either a significant reduction in the capital plan or to operating expenses in the General Fund
Capital Improvement Project Gap

- Capital project funding is considered differently for these projections in that any gap in funding is to be filled by transfers from the General Fund.
- In the Quarterly Budget Review projections, we consider the amount of CIP funding and transfers from the General Fund as discretionary and one-time expenses.
- In most years, the CIP funding relies on transfers from the General Fund balance in order to complete budgeted projects.
- The “gap” is the difference between the expected CIP funding needed and the amount of recurring revenue allocated to the Capital Expenditure Fund.
Capital Improvement Project Gap

Capital Expenditure Fund - Revenues

Average is $13.4 million

Capital Expenditure Fund - Expenditures

Average is $13.8 million
Capital Improvement Project Gap

• Projected needs of $15.1 million for CIP funding for 2023-2029 based upon the average amount of funding over the expected 5-year plan
  • Historical spending from 2013-2017 averaged $14.9 million/year
  • Estimated spending required in 2018-2022 CIP plan averages $15.4 million/year

• This amount includes funding for road construction, facilities, technology, and public safety projects that are similar to the prior 5 years.

• The amount also includes an amount that would cover the amount needed for capital facility maintenance and repair per the most recent facility condition study
Capital Improvement Project Gap

- The gap in annual capital improvement funding is $10.6 million.
- If we assume transfers from other funds (predominantly the General Fund) that average the same amount as those between 2006-2017 ($7.8 million/year)...  
- ...the Capital Improvement Project gap averages about $2.8 million/year... IF, the General Fund is able to provide $7.8 million per year in transfers.
Capital Improvement Project Gap

Capital Expenditure Fund - Projected Spending

Average is $15.1 million for 2023-2029

$ in Millions

2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029
Est. Bud.
$20.0 $18.0 $16.0 $14.0 $12.0 $10.0 $8.0 $6.0 $4.0 $2.0 $0

Projected Spending
Capital Improvement Project Gap

Based on historical and anticipated CIP spending, we would need to fund to this line.

If we transfer our historic average of $7.8 million from General Fund, we get to here.

Represents annual revenue of $4.9 million from property and specific ownership taxes.
Gap between expenditures and revenues grows over time.
### Fiscal Reality of the Fund Balance

#### General Fund Projections plus CIP Gap (2019-2029)

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</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td>$179.53</td>
<td>$184.91</td>
<td>$189.68</td>
<td>$193.76</td>
<td>$197.96</td>
<td>$202.26</td>
<td>$206.65</td>
<td>$211.16</td>
<td>$215.77</td>
<td>$220.48</td>
<td>$225.31</td>
<td>$230.25</td>
<td>$235.31</td>
</tr>
<tr>
<td>Total Expenditure</td>
<td>174.28</td>
<td>184.38</td>
<td>196.19</td>
<td>194.85</td>
<td>199.28</td>
<td>200.17</td>
<td>205.55</td>
<td>211.08</td>
<td>216.77</td>
<td>222.63</td>
<td>228.66</td>
<td>234.85</td>
<td>241.23</td>
</tr>
<tr>
<td>Net Surplus (Deficit)</td>
<td>5.25</td>
<td>0.53</td>
<td>(6.51)</td>
<td>(1.09)</td>
<td>(1.33)</td>
<td>2.09</td>
<td>1.11</td>
<td>0.08</td>
<td>(1.01)</td>
<td>(2.15)</td>
<td>(3.35)</td>
<td>(4.60)</td>
<td>(5.92)</td>
</tr>
<tr>
<td>Add'l Operating</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Begin. Fund Balance</td>
<td>50.85</td>
<td>56.09</td>
<td>56.63</td>
<td>50.12</td>
<td>35.00</td>
<td>22.52</td>
<td>15.37</td>
<td>6.25</td>
<td>(3.89)</td>
<td>(15.12)</td>
<td>(27.49)</td>
<td>(41.06)</td>
<td>(55.88)</td>
</tr>
<tr>
<td>Ending Fund Balance</td>
<td>56.09</td>
<td>56.63</td>
<td>50.12</td>
<td>35.00</td>
<td>22.52</td>
<td>15.37</td>
<td>6.25</td>
<td>(3.89)</td>
<td>(15.12)</td>
<td>(27.49)</td>
<td>(41.06)</td>
<td>(55.88)</td>
<td>(72.01)</td>
</tr>
</tbody>
</table>

**Notes:**
- Balance drops below $50 million in 2020.
- Balance drops below policy reserve limit.
Fund Balance Discussion

• Without considering capital projects/funding, operating budget is roughly balanced during first-half of the forecast period

• Relief provided by decrease in debt service beginning in 2022 but deficits return and grow during second-half of the forecast

• After adding capital project funding gap, fund balance drops below $50M as deferred projects from 2019 and estimated future needs total almost $19M in ’20

• Funding the anticipated capital plan reduces General Fund balance below policy reserve by 2022 and could exhaust balance by 2024

• Does not include funding of any of the needs identified by the LRBC (e.g. Justice Center, Detention Center, Transportation Infrastructure)
Social Services Fund Historical Trends

### Social Services Fund Revenue Growth Rates

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax</td>
<td>1.5%</td>
<td>1.4%</td>
<td>1.7%</td>
<td>14.7%</td>
<td>21.6%</td>
</tr>
<tr>
<td>Other Taxes</td>
<td>5.9%</td>
<td>2.6%</td>
<td>1.5%</td>
<td>29.6%</td>
<td>1.9%</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>4.8%</td>
<td>3.5%</td>
<td>4.7%</td>
<td>40.6%</td>
<td>74.5%</td>
</tr>
<tr>
<td>Total Non-Property Tax</td>
<td>5.1%</td>
<td>3.6%</td>
<td>4.6%</td>
<td>41.9%</td>
<td>78.4%</td>
</tr>
</tbody>
</table>

### Social Services Fund Expenditure Growth Rates

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Benefits</td>
<td>4.4%</td>
<td>3.5%</td>
<td>6.4%</td>
<td>40.8%</td>
<td>64.8%</td>
</tr>
<tr>
<td>Supplies</td>
<td>-6.4%</td>
<td>-4.9%</td>
<td>3.4%</td>
<td>-39.4%</td>
<td>0.7%</td>
</tr>
<tr>
<td>Services and Other</td>
<td>7.0%</td>
<td>4.7%</td>
<td>10.5%</td>
<td>58.3%</td>
<td>5.9%</td>
</tr>
<tr>
<td>Community Programs</td>
<td>0.7%</td>
<td>1.5%</td>
<td>-0.5%</td>
<td>15.5%</td>
<td>22.3%</td>
</tr>
<tr>
<td>Total Non-Personnel</td>
<td>1.4%</td>
<td>2.7%</td>
<td>1.9%</td>
<td>30.8%</td>
<td>31.7%</td>
</tr>
</tbody>
</table>
Social Services Fund Historical Trends

Social Services Fund - Revenue vs. Expenditures (excluding transfers)

- Total Revenue
- Tot. Expenditures


Millions: 25.00, 30.00, 35.00, 40.00, 45.00, 50.00, 55.00, 60.00, 65.00
Social Services Fund Projections

- Historic trends show revenue keeping pace with expenditures
- Mainly due to the reimbursement based funding for many of Human Services’ programs
- Property tax growth is tied to that of the County mill levy and the General Fund (e.g. 3% growth in the General Fund translates into 3% growth for this fund)
- State allocations/revenue biggest revenue factor
- Personnel expenses biggest cost driver
- Forecast shows expenditures only slightly outpacing revenue based upon the historical trends
Road & Bridge Fund Historical Trends

Road & Bridge Fund Revenue Growth Rates

<table>
<thead>
<tr>
<th>Metric</th>
<th>5-Year (2013-17)</th>
<th>10-Year (2008-17)</th>
<th>12-Year (2006-17)</th>
<th>Total (2008-17)</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax</td>
<td>0.1%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>-0.3%</td>
<td>36.7%</td>
</tr>
<tr>
<td>Other Taxes</td>
<td>4.5%</td>
<td>1.2%</td>
<td>1.0%</td>
<td>12.6%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>1.5%</td>
<td>0.7%</td>
<td>0.6%</td>
<td>7.5%</td>
<td>57.4%</td>
</tr>
<tr>
<td>Total Non-Property Tax</td>
<td>1.7%</td>
<td>0.8%</td>
<td>0.7%</td>
<td>8.6%</td>
<td>63.3%</td>
</tr>
</tbody>
</table>

Road & Bridge Fund Expenditure Growth Rates

<table>
<thead>
<tr>
<th>Metric</th>
<th>5-Year (2013-17)</th>
<th>10-Year (2008-17)</th>
<th>12-Year (2006-17)</th>
<th>Total (2008-17)</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Benefits</td>
<td>0.4%</td>
<td>-0.7%</td>
<td>-0.7%</td>
<td>-6.6%</td>
<td>25.2%</td>
</tr>
<tr>
<td>Supplies</td>
<td>4.4%</td>
<td>-0.2%</td>
<td>-3.0%</td>
<td>-2.2%</td>
<td>16.2%</td>
</tr>
<tr>
<td>Services and Other</td>
<td>2.1%</td>
<td>-0.8%</td>
<td>-0.3%</td>
<td>-7.9%</td>
<td>39.8%</td>
</tr>
<tr>
<td>Central Services</td>
<td>3.1%</td>
<td>1.0%</td>
<td>1.0%</td>
<td>10.4%</td>
<td>15.4%</td>
</tr>
<tr>
<td>Total Non-Personnel</td>
<td>2.8%</td>
<td>-0.3%</td>
<td>-0.7%</td>
<td>-3.2%</td>
<td>71.5%</td>
</tr>
</tbody>
</table>
The 2016 budget included use of nearly $2 million from fund balance for pavement maintenance.

Dip in revenue and expenditure due to the termination of the IGA with Centennial.
Road & Bridge Deferred Maintenance

- Current network includes 1,162 lane miles of paved roadway
- Network projected to grow at 1%/year
- Cost per lane mile to increase from $5,200/mile in 2019 to nearly $7,000/mile in 2029, or 3% growth
- Current budget of about $4.6 million combined with growing costs per mile result in an expanding gap
- In 2019, only 95 lane mile gap between network and lane miles years treated – 622 mile years untreated by 2029
- Deferred road maintenance will grow from about $500,000 in 2019 to $4.35 million per year by 2029
- Due to inflation in costs, flat budget, and growing road network
Road & Bridge Fund Projections

Road & Bridge Projections - Current Trends

Road & Bridge Projections - Plus Deferred Maint.
Road & Bridge Fund Projections

- Currently, the fund already has a deficit between ongoing revenue and expense as the revenue sources are relatively flat while expenses for personnel and materials are not.

- Looking ahead, more resources will be needed to be allocated to keep pace with expenses even if deferred maintenance is not addressed.

- To continue to keep the roads at the current condition, additional funding will be required for pavement maintenance and increases from $1.2 million in 2020 to $4.3 million in 2029.

- Options for allocating more revenue to the Road & Bridge Fund are limited by the statutory requirement that any mill levy allocated must be shared back with municipalities.
# ALEA Fund Historical Trends

## ALEA Fund Revenue Growth Rates

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax</td>
<td>4.8%</td>
<td>1.9%</td>
<td>1.6%</td>
<td>34.4%</td>
<td>82.7%</td>
</tr>
<tr>
<td>Other Taxes</td>
<td>9.2%</td>
<td>3.0%</td>
<td>2.5%</td>
<td>30.5%</td>
<td>7.1%</td>
</tr>
<tr>
<td>Fines &amp; Forfeits</td>
<td>-12.4%</td>
<td>-2.9%</td>
<td>-2.4%</td>
<td>40.2%</td>
<td>6.2%</td>
</tr>
<tr>
<td>Total Non-Property Tax</td>
<td>-4.6%</td>
<td>0.3%</td>
<td>0.2%</td>
<td>34.5%</td>
<td>17.3%</td>
</tr>
</tbody>
</table>

## ALEA Fund Expenditure Growth Rates

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Benefits</td>
<td>1.7%</td>
<td>2.2%</td>
<td>2.2%</td>
<td>52.8%</td>
<td>78.6%</td>
</tr>
<tr>
<td>Supplies</td>
<td>-7.6%</td>
<td>-3.4%</td>
<td>-2.8%</td>
<td>-4.8%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Services and Other</td>
<td>0.5%</td>
<td>-3.8%</td>
<td>-3.2%</td>
<td>34.9%</td>
<td>4.7%</td>
</tr>
<tr>
<td>Central Services</td>
<td>-1.6%</td>
<td>-0.3%</td>
<td>-0.3%</td>
<td>7.2%</td>
<td>7.3%</td>
</tr>
<tr>
<td>Total Non-Personnel</td>
<td>-2.4%</td>
<td>-2.2%</td>
<td>-2.2%</td>
<td>11.6%</td>
<td>14.9%</td>
</tr>
</tbody>
</table>
ALEA Fund Historical Trends

![Graph showing ALEA Fund revenue vs. expenditures (excluding transfers) from 2006 to 2017. The graph illustrates the trends of total revenue and total expenditures over the years.]
ALEA Fund Projections

- Distinct taxing authority with own mill levy (4.982 mills) separate from County
- Nearly 80% of expenditures for salary and benefit costs for officers
- Historic revenue growth has been able to keep pace with expenditures until just recently
- Impact of Gallagher amendment and RAR changes are significant to revenue growth
- Manageable deficits projected to grow
- 2019 budget is first time that unincorporated patrol officers will be funded by General Fund
- Structural deficit persists through forecast

Gap widens due to the impact of the change in the Residential Assessment Rate in '19.
Resource Allocation

• The primary revenue source of the County is the property taxes derived from the County mill levy

• This resource is allocated among the General, Social Services, Capital Expenditure, and Road & Bridge Funds

• The limited amount of property tax has been allocated so that the growth flows to the General and Social Services Funds while the Road & Bridge Fund (shareback) and Capital Expenditure Fund (more discretionary) have remained constant

• Shifting this growth-limited resource from one fund to another to solve one problem would generally lead to a reduction in services or another problem somewhere else
Resource Allocation

County Mill Levy Revenue

Capital Improvement Projects
- High
- Medium
- Low

General Fund Operations
- High
- Medium
- Low

Road & Bridge Maintenance
- High
- Medium
- Low

Human Services Programs
- High
- Medium
- Low

Fund Balance

Excess Fund Balance

1/7/2019 LRBC - Fiscal Realities
Conclusions

• Staying the current course is not sustainable
  • Insufficient revenue to maintain current levels of service, let alone improve
  • Funds rely on shared property tax revenue (depicted on prior slide)
  • Deferred maintenance and capital project gap continues to grow and could reduce levels of service and solutions will increase in cost
  • Economic and demographic factors outside our power to control

• Even before considering additional capital and operational needs, the fiscal situation will require use of fund balance or reduction in levels of service
BOARD SUMMARY REPORT

Date: December 31, 2018

To: Board of County Commissioners

Through: Jan Yeckes, Planning Division Manager

From: Jason Reynolds, Current Planning Program Manager

Subject: Agricultural Estate Zoning – Lot Width Requirements

Direction/Information
Staff is seeking direction from the BOCC on whether staff should change the minimum lot width requirement in the A-E Agricultural Estate zone district, which currently requires a minimum lot width of 1,320 feet (1/4 mile).

Request and Recommendation
Staff recommends reducing the A-E lot width requirement from 1,320 feet to 600 feet, which would bring Arapahoe County’s requirements closer to what other counties require. It would also better align with lot widths for many existing parcels in the county. Staff requests BOCC direction to proceed with a code amendment to reduce A-E minimum lot width.

Background
The Arapahoe County Land Development Code requires a 1,320 foot minimum lot width for parcels in the A-E Agricultural Estate zoning district. Prior to 1987, the A-E zoning district required a minimum lot area of 160 acres (one quarter of a section/square mile). The 1987 Arapahoe County code reduced the minimum lot area to 35 acres but it kept the minimum lot width the same as it was when the minimum lot area was more than four times larger. The Arapahoe County Board of Adjustment cited this anomaly in 1997 when it approved a lot width variance for 17 parcels. The Board of Adjustment resolution indicated that the zoning administrator was seeking a change to the A-E zone district to reduce required lot width (see attached Big Valley Estates site plan and Board of Adjustment resolution).

If a 35+ acre parcel does not meet the lot width requirement of 1,320 feet, that parcel is not eligible for building permits. Many existing and recently created 35+ acre parcels fail to meet the 1,320 foot lot width requirement.

Links to Align Arapahoe
Quality of Life
If the A-E lot width minimum is kept the same, many property owners will have to seek relief from the Board of Adjustment for variances to lot width.
**Discussion**

Arapahoe County’s lot width requirement for 35+ acre zoning is more than twice the lot width requirements of 11 other counties:

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Zone District</th>
<th>Minimum Lot Area (acres)</th>
<th>Minimum Lot Width</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arapahoe County</td>
<td>A-E</td>
<td>35</td>
<td>1,320</td>
</tr>
<tr>
<td></td>
<td>A-1</td>
<td>19</td>
<td>330</td>
</tr>
<tr>
<td>Jefferson County</td>
<td>RR-10</td>
<td>10</td>
<td>none</td>
</tr>
<tr>
<td>Adams County</td>
<td>A-2</td>
<td>10</td>
<td>425</td>
</tr>
<tr>
<td></td>
<td>A-3</td>
<td>35</td>
<td>600</td>
</tr>
<tr>
<td>El Paso County</td>
<td>A-35</td>
<td>35</td>
<td>500</td>
</tr>
<tr>
<td>Pueblo County</td>
<td>A-1</td>
<td>35</td>
<td>600</td>
</tr>
<tr>
<td>Weld County</td>
<td>A</td>
<td>80</td>
<td>none</td>
</tr>
<tr>
<td></td>
<td>A-1</td>
<td>160</td>
<td>none</td>
</tr>
<tr>
<td>Larimer County</td>
<td>FO-1</td>
<td>10</td>
<td>none</td>
</tr>
<tr>
<td>Elbert County</td>
<td>A</td>
<td>35</td>
<td>500</td>
</tr>
<tr>
<td></td>
<td>A-2</td>
<td>20</td>
<td>450</td>
</tr>
<tr>
<td></td>
<td>AR</td>
<td>10</td>
<td>250</td>
</tr>
<tr>
<td>Archuleta County</td>
<td>AR</td>
<td>35</td>
<td>200</td>
</tr>
<tr>
<td>Fremont County</td>
<td>AF</td>
<td>35</td>
<td>500</td>
</tr>
<tr>
<td></td>
<td>AF &amp; R</td>
<td>20</td>
<td>500</td>
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<tr>
<td>Mesa County</td>
<td>AF-35</td>
<td>35</td>
<td>500</td>
</tr>
<tr>
<td>Douglas County</td>
<td>A-1</td>
<td>35</td>
<td>none</td>
</tr>
</tbody>
</table>

The original Arapahoe County A-E Agricultural Estate zone district required much larger parcels than the current version of that zone district. When Arapahoe County significantly reduced the parcel area requirement, it would have been appropriate to reduce lot width requirements as well. Furthermore, Arapahoe County is an outlier among its peers. Of all the counties with a minimum lot width for 35+ acre zone districts, none mandate a lot width of more than 600 feet.

**Alternatives**

1. Staff recommends preparing a code change to reduce the A-E Agricultural Estate lot width requirement to 600 feet. Since we have pending building permit applications, staff recommends preparing the change without further study sessions.
2. Ask staff to schedule a study session for further discussion.
3. Leave the lot width requirement alone.
Reviewed By

Jason Reynolds, Current Planning Program Manager
Jan Yeckes, Division Manager
Bryan Weimer, Department Director
Todd Weaver, Finance Department
Robert Hill, County Attorney
SITE PLAN
BIG VALLEY ESTATES
PART OF SECTION 25, T 4 S, R 60 W, 6TH P.M.
COUNTY OF ARAPAHOE, STATE OF COLORADO

PARCEL 17
PARCEL 16
PARCEL 15
PARCEL 14
PARCEL 13
PARCEL 12
PARCEL 11
PARCEL 10
PARCEL 9
PARCEL 8
PARCEL 7
PARCEL 6
PARCEL 5
PARCEL 4
PARCEL 3
PARCEL 2
PARCEL 1

S. COUNTY RD. # 18
E. COUNTY RD. # 18
S. QUAIL HOLLOW RD.
N. QUAIL HOLLOW RD.

628.95 ACRES ±
ARAPAHOE COUNTY BOARD OF ADJUSTMENT
SEPTEMBER 18, 1997 MEETING
2:00 EAST HEARING ROOM

THOSE PRESENT WERE:

BOB FRANCOIS, CHAIRPERSON
BARBARA FRUITMAN
SUSAN NIX
THAD HODACK

BOB CLOUGHEN, ZONING ADMINISTR.
TAMMY KING, ZONING INSPECTOR
ROBIN COCHRAN, COUNTY ATTORNEY
MARY ZAITZ, RECORDING SECRETARY

RESOLUTION NUMBER BA 97-9-13

It was moved by Barbara Fruitman and duly seconded by Susan Nix to adopt the following resolution:

WHEREAS, Big Valley Estates, at SEC25 T4S R61W, has heretofore applied to the Board of Adjustment of Arapahoe County, Colorado, by application dated August 11, 1997, requesting a variance in to or from the requirements set forth under the (A-E) Zone district category of the Arapahoe County, Colorado, Zoning Regulations & Map, for the purpose to be allowed to build on 17 parcels which do not meet the required 1320' lot width requirement; and,

WHEREAS, on the 18th day of September, 1997, a Public Hearing was duly held at which a representative of the applicant and a representative of the Zoning Division were present; and,

WHEREAS, a Certificate of Posting was presented and found to be in order and in accordance with the Zoning Regulations. Upon testimony of the applicant and presentation of photographs, it was determined the posting was correct and jurisdiction could be established; and,

WHEREAS, Bob Cloughen, Zoning Administrator, reported that Big Valley Estates was before the board to request a variance for 17 parcels in the A-E Zone district. The minimum lot width requirement is 1320'. The lots range from 563.37' to 698.74'. This represents a variances from the minimum requirement of 756.63' to 621.26'. The county has recently experienced a significant amount of these 35 acre+splits due to the current economy, which is conducive for large landowners to sell off their property without having to go through an expensive Zoning or Subdivision process. The Board of Adjustment has recently entertained many of these variance applications which is necessary to enable the property owners to obtain building permits. The county changed the minimum lot area of an A-E zoned lot approximately 10 to 15 years ago, however inadvertently did not change the minimum lot width requirement at the same time. I am currently awaiting a requested change to the Zoning Regulations reducing this requirement. We have not received any phone calls either for or against this case.

WHEREAS, Rick Wallace, representing Big Valley Estates, was in attendance and reported that he has an area of land that is in a flood plain and needs to build up on the hill. The Bijou Creek runs through the property.
FINDINGS

The Board of Adjustment of Arapahoe County, Colorado, finds as follows;

1. All requirements, if any, necessary, to accord to jurisdiction upon the Board of Adjustment of Arapahoe County, Colorado, to hear the aforesaid application of Big Valley Estates, have been met and the Board of Adjustment of Arapahoe County, Colorado, has jurisdiction over the subject matter of the said application.

DECISION

NOW, THEREFORE, BE IT RESOLVED by the Board of Adjustment of Arapahoe County, Colorado, that the application of Big Valley Estates, at SEC25 T4S R61W, be allowed to build on the 17 lots that do not meet the required 1320' lot width requirement, be granted.

Upon roll call, the vote was Barbara Fruitman, yes; Thad Hodack, yes; Bob Francois, yes; Susan Nix, yes. The chairman declared the motion carried and the variance granted.

Dated this day of September 18, 1997.

ARAPAHOE COUNTY BOARD OF ADJUSTMENT

By Bob Francois, Chairman

By Mary Zaitz, Recording Secretary
Board Summary Report

Date: January 7, 2018

To: Board of County Commissioners

Through: David C. Walcher, Sheriff

From: Olga Fujaros, Sheriff’s Finance Manager

Subject: Night Vision Scope - Fixed Asset Request

Request and Recommendation
Request the Board of County Commissioners to authorize the Chair of the Board of County Commissioners to approve the assignment of a fixed asset number for the purchase of night vision scope.

Background
Over 20 years ago, the SWAT Team and the Sheriff’s Office chain of command identified the need for night vision devices for SWAT snipers. In June of 2015, the SWAT Team snipers hosted a demonstration of current generation 3+ night vision technology that could be added to our current sniper rifles.

Links to Align Arapahoe
Installing night vision on the 5th SWAT Sniper rifle provides better overall quality of service by ensuring all SWAT snipers are fully operational and proficient in night time operations.

Discussion
The addition of rifle integrated night vision equipment enhances our capabilities in several ways:

Target identification in low light and/or darkness. Snipers are legally required to be sure of their intended target before firing, which can be problematic in low light or darkness. An error in target identification prior to a shot being fired would be a tragedy, as well as incur a significant liability for the agency and the county. The other likely consequence of uncertainty in target identification is hesitation or the decision not to take a necessary shot, placing the lives of other team members, other deputies/officer and perhaps even citizens in danger.

Better intelligence gathering for subsequent operations. Currently, snipers deploy first on any operation to act as observers before the rest of the team deploys. The ability to see clearly in the dark will ensure more accurate information and descriptions, which can be critical in the subsequent operation.

Tried and true technology. The current night vision available for military and law enforcement is known as “Gen 3+” and has been available for almost 20 years. This is not new technology that is likely to fail or...
not work as intended. It is also commonly used and affordable, which would lead to likely questions about the failure to purchase and utilize this technology in the event of an error or even a controversial decision to shoot.

Integrated with current rifle and scope systems. Current hand held FLIP and/or night vision tools are not integrated with the rifle scopes, which means a spotter would have to relay information to the sniper that the sniper cannot actually see. Integrated night vision solves that problem, giving the sniper greater confidence in his options.

While this technology is relatively expensive, I would point out that it pales in comparison to the likely liability costs if a sniper were to fire a shot after improper target identification or if the failure to take a necessary shot due to uncertainty was the proximate cause of another deputy/officer or citizen being subsequently injured or killed by the suspect. I recommend the purchase of night vision equipment for SWAT snipers, as soon as possible.

**Alternatives**
The alternative to this proposal is to take no action. If this request is not approved and we are unable to outfit the 5th and final rifle with night vision capability.

**Fiscal Impact**
The $8,549.00 cost of the night vision scope will be funded through money within current budget.

**Concurrence**
The Administrative Staff of the Arapahoe County Sheriff’s Office is in concurrence with this decision.

**Attorney Comments**

**Reviewed By:**
Olga Fajaros, Sheriff’s Finance Manager
Glenn Thompson, Public Safety Bureau Chief
Louie Perea, Undersheriff
David C. Walcher, Sheriff

Finance Department
County Attorney
BOARD SUMMARY REPORT

Date: December 31, 2018
To: Board of County Commissioners
Through: Jan Yeckes, Planning Division Manager
From: Jason Reynolds, Current Planning Program Manager
Subject: PWD Neighborhood Outreach Potential Code Change

Direction/Information
Staff is seeking direction from the BOCC on whether we should change the Land Development Code to require public outreach in certain circumstances.

Request and Recommendation
Based on recent controversial land use cases that may have benefitted from neighborhood outreach, staff recommends developing regulations to require neighborhood meetings. If directed to proceed, staff will prepare alternatives for a future study session.

Background
The Arapahoe County Land Development Code does not require neighborhood meetings for most land use applications. The code only requires a neighborhood meetings for proposed Commercial Mobile Radio Service (cellular) facilities within 500 feet of residential zoning. Staff consistently recommends neighborhood meetings when we identify potential land use conflicts or neighborhood concern, however applicants are not obligated to follow staff’s advice.

Links to Align Arapahoe
Quality of Life
Requiring neighborhood meetings could identify issues early in the project and could result in design improvements for future land use projects.

Discussion
While staff often recommends neighborhood meetings, sometimes applicants opt not to perform the recommended outreach. Two recent cases highlight the importance of neighborhood outreach in successful projects: the Silver Creek Sporting Club and Waffle House. In both of those cases, staff strongly recommended reaching out to neighbors. Neither applicant followed that advice; both cases resulted in significant neighborhood opposition, lengthy public hearings, and denials. Administrative cases can sometimes benefit from neighborhood meetings: minor changes such as relocating a tennis/pickleball court or trash enclosure could have impacts on neighbors, even if those changes can be approved by staff.
In addition, late citizen opposition to a project (as a result of the lack of early opportunity for input) often results in higher project-related costs for the County as well as for the applicant. High-impact cases without early neighborhood communication often result in a major out-pouring of comments and questions at the time of the staff report and hearing notice. This high-volume response requires considerable staff time to track and convey comments to the applicant and decision-makers and may result in significantly longer and more complex public hearings.

At those hearings, applicants often complain that changing their plans to respond to citizen concern is too costly and will result in unacceptable delays given the significant investment that has already been made in preparing detailed plans and undergoing staff review and agency referrals. That they may have avoided this by heeding staff advice to offer an early meeting to the neighborhood is often overlooked by the applicant team.

Several nearby communities require neighborhood meetings in different circumstances or with staff discretion. Jefferson County requires those meetings for any change in zoning. The City of Littleton requires meetings whenever a case will result in a public hearing. The Town of Castle Rock requires neighborhood meetings for certain case types and gives staff the authority to request neighborhood outreach for others. If directed to move forward with the code amendment, staff will research additional surrounding communities for comparison and present recommendations to the Board of County Commissioners.

Alternatives

1- Staff recommends researching other communities and returning for a study session on this topic.
2- Keep neighborhood meetings optional. Staff will continue to push for neighborhood outreach when appropriate, highlighting recent denials on cases that chose not to conduct neighborhood meetings.

Reviewed By

Jason Reynolds, Current Planning Program Manager
Jan Yeckes, Division Manager
Bryan Weimer, Department Director
Todd Weaver, Finance Department
Robert Hill, County Attorney