



**MINUTES OF THE ARAPAHOE COUNTY  
BOARD OF COUNTY COMMISSIONERS  
TUESDAY, OCTOBER 27, 2009**

At a public hearing of the Board of County Commissioners for Arapahoe County, State of Colorado, held at 5334 South Prince Street, Littleton, Colorado 80166 there were:

<b>Susan Beckman, Chair</b>	<b>Present</b>
<b>Jim Dyer, Chair Pro Tem</b>	<b>Present</b>
<b>Rod Bockenfeld</b>	<b>Present</b>
<b>Frank Weddig</b>	<b>Present</b>
<b>Pat Noonan</b>	<b>Present</b>
<b>Kathryn Schroeder, County Attorney</b>	<b>Present</b>
<b>John E. Bush, Jr., Deputy County Attorney</b>	<b>Present</b>
<b>Nancy A. Doty, Clerk to the Board</b>	<b>Absent &amp; Excused</b>
<b>Terri Maulik, Assistant Clerk to the Board</b>	<b>Present</b>

when the following proceedings, among others, were had and done, to wit:

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**ADOPTION OF THE AGENDA**

The motion was made by Commissioner Dyer and duly seconded by Commissioner Weddig to adopt the Agenda as presented.

The motion passed 5-0.

**ADOPTION OF THE MINUTES**

The motion was made by Commissioner Dyer and duly seconded by Commissioner Noonan to adopt the minutes of the September 22, 2009 Public Hearing as presented.

The motion passed 5-0.

The motion was made by Commissioner Dyer and duly seconded by Commissioner Noonan to adopt the minutes of the September 29, 2009 Public Hearing as presented.

**The motion passed 5-0.**

**The motion was made by Commissioner Dyer and duly seconded by Commissioner Noonan to adopt the minutes of the October 6, 2009 Public Hearing as presented.**

**The motion passed 5-0.**

### **CEREMONIES**

There were no ceremonies on this date.

### **CITIZEN COMMENTS**

There were no citizen comments on this date.

### **CONSENT AGENDA**

**The motion was made by Commissioner Dyer and duly seconded by Commissioner Weddig to approve the Consent Agenda as presented.**

**The motion passed 5-0.**

### **GENERAL BUSINESS AGENDA**

**Item A – Resolution No. 090820 - Consideration of the 2010 Recommended Budget for Arapahoe County, the Arapahoe Law Enforcement Authority, the Arapahoe County Recreation District, and the Arapahoe County Water and Wastewater Public Improvement District.**

Deputy County Attorney Jack Bush reported that this public hearing is required per Colorado Revised Statutes and the purpose of the hearing is to provide all interested persons and citizens an opportunity to be heard concerning the 2010 Recommended Budget for Arapahoe County, the Arapahoe County Law Enforcement Authority, the Arapahoe County Recreation District, and the Arapahoe County Water and Wastewater Public Improvement District. He stated the 2010 Recommended Budget contains projected revenues and expenditures for fiscal year 2010 and is in conformance with Colorado law, including the Taxpayer's Bill of Rights (TABOR) and other legal revenue and spending restrictions. Mr. Bush reported that the Budget was presented previously to the Board, as required, on October 13, 2009. He said that notice of this hearing was published in The Villager and that the Board has jurisdiction to proceed with the hearing on these four proposed Budgets.

Todd Weaver reported that today's presentation, of the 2010 Recommended Budget, includes some modifications to the presentation made to the Board during the October 13, 2009 meeting. A copy of the PowerPoint presentation was retained for the record.

Commissioner Beckman directed Mr. Weaver to focus on the changes to the Budget since last discussed.

Mr. Weaver said that some of the key challenges for the 2010 Budget were due to the economic impact on Arapahoe County's revenue during the last year. He said there is a current environment of stagnant revenue growth. He further stated the impact creates a strain on the County in trying to maintain or improve the retirement plan, employee benefits, citizens, services, retention of quality staff, and implementation of new programs/services above the current level. He stated that the main goals of the Budget Committee was to: 1) protect the Core of County programs, services, and staff; 2) structurally balancing the General Fund Operating Budget; preparing for the future and uncertain economic conditions; and honoring commitment to citizens to provide quality services and be fiscally responsible. Mr. Weaver stated that effort was made to maintain County programs and services without widespread cuts to staffing or funding levels and that there were no Executive Budget Committee (EBC) requests for reductions for 2010 to balance the Budget that would impact services to citizens. He further stated that there is an increase in contribution of 0.5% to maintain the employee retirement fund. He said this will require the County's contribution to increase by \$527,000 and an equivalent contribution from employees. Mr. Weaver reported that the Budget includes setting aside funds for a potential one-time salary increase, subject to specific conditions. There would be a one-time expenditure of \$933,000 County-wide. The Budget also accounts for the continuation of the Law Enforcement Step Program for 2010 which results in a \$283,000 expenditure County-wide. He reported that the introduction of a lower premium, higher deductible insurance option for employees will result in a \$423,000 cost savings in 2010. Mr. Weaver explained that there were reductions in several line items in department and office Budgets which resulted in a reduction of \$830,000 in the General Fund. He further stated that due to the cooperation of departments and offices there were less requested packages and position requests which helped offset revenue for funding. Mr. Weaver reported that of the \$6.7 million requested in the General Fund, \$5.8 million was recommended, and only \$1.9 million categorized as ongoing expenditures. He further reported that the EBC recommended continuing vacancy savings of 1.0% for smaller departments/offices and 2.05% for larger ones. Mr. Weaver reported that the mill levy allocation was adjusted to shift \$250,000 from the Road & Bridge Fund to the General Fund. He reported that due to the property tax assessment cycle, revenues may continue to be stagnant or decline over the next few years but the true impact is unknown at this point. He said they will continue to balance the operating Budget by spending only what is collected from current revenues. He stated the County will also continue the policy of using fund balance for one-time needs, such as capital projects and purchasing assets. There will be an allocation of existing funding from existing sources to continue with the Align Arapahoe Strategic Management Performance Management process. Mr. Weaver said that the bottom line for County Budget and preparing for the future is that we need to have fiscal restraint and efficient operations for the next few years. He reported that as a quick review there will be allocations of one-time fund balance uses in the 2010 Budget. The General Fund includes nearly \$4.0 million in one-time uses and of that amount \$1.85 million will be used for the primary and general elections. \$1.35 million will be transferred to the Capital Expenditures Fund. He said there is a potential one-time salary increase in 2010 of \$561,000. He stated the Capital Expenditure Fund has budgeted \$6.2 million for projects in 2010. The CIP recommendation to the Executive Budget Committee (EBC) was a 5-year plan funded at approximately \$8.5 million per year which will help with planning into the future. He reported that infrastructure funding was reduced for 2010-2011 based on a prior Budget request during 2009 to move forward \$4.2

million in funding for the Parker/Arapahoe Road Interchange project. Mr. Weaver continued to report that the Executive Budget Committee (EBC) made revisions to the Capital Improvement Proposal (CIP). The EBC requested that substation 7 be delayed until 2011. He said the EBC requested that additional funding for the Jail Expansion be delayed until a plan for current funding is reviewed. He stated the EBC is reducing the amount of add-on projects for Administration I. Mr. Weaver said that the EBC reduced the overall request from \$8.5 million to \$6.2 million. He provided a list of EBC Recommended Capital Projects for 2010, the largest being the continued assessment and taxation system replacement. He reported that in addition to several road projects there is an additional \$415,800 for the roof replacement in the Administration I building. There is a reduced amount of funding for road projects. The total for Capital Projects is approximately \$6.2 million. Mr. Weaver reported that Tri-County Health Department is moving forward with an increase due to population but there is no increase per capita rate. He further stated there is a reduction in rent of \$71,795 for 2010. The District Attorney's Office has requested additional dollars for salaries and benefits; however, the EBC does not recommend additional funding for these items. Further, if there is a need for additional funding, the District Attorney should approach the 18<sup>th</sup> District since a portion of the Budget was turned back in 2008. Mr. Weaver reviewed the significant Budget packages as follows:

#### Fast Facts:

- Total Revenues: \$380 million – General Fund: \$154.1 million, 0.7% increase;
- Total Expenditures: \$323.9 million – General Fund: \$157.7 million, 3.8% decrease or General Fund without one-time uses: \$157.7 million, 0.7% increase;
- Total Staffing: 1,965.75 FTE, up 4.00 FTE – General Fund: 1,233.00 FTE, up 3.00 FTE
- 2010 Ending General Fund Balance: \$22.4 million
- Total County Assessed Value: \$7.887 billion – Up 2.0% from 2009
- Total County Mill Levy: 14.653 – 2009 Levy: 14.609
- Capital Expenditure Fund Budget: \$6.3 million

#### General Fund Overview:

- The Net Surplus/(Deficit) for 2010 is just under \$1 million. As of today, the recommendation to balance the Budget is \$261 surplus.
- Significant additions to the Budget include \$1.8 million for the 2010 primary/general elections, \$1.35 million transfer to the Capital Expenditure Fund, \$353,964 increase of .5% for retirement contribution, \$242,875 in routine replacement of computer network hardware, and \$149,851 for additional food expenses for the Sheriff's detention facility.
- Significant reductions to the Budget include \$1 million in investment earnings and interest income and approximately \$100,000 for a 1.0% vacancy savings.

#### Staffing Changes:

- There are 4 new positions in 2010. In the General Fund there is a reduction of 2.0 FTE in the Assessor's Office due to restructuring. There will be 2.0 FTE added to the Clerk and Recorder's Office which will be fully funded by driver's license fees and charges. The same holds for the 3.0 FTE that will be added to the Sheriff's Office which will be paid for by the Intergovernmental Agreement with the City of Sheridan to provide dispatch services. There will also be additional traffic fine revenue to offset any costs associated to the additional hires.

#### Major Fund Budgets:

- Social Services Fund is looking at a small surplus of \$200,000 with revenues at \$47.7 million and expenses at \$47.5 million, Law Enforcement Authority sees a similar surplus with \$6.5 million in revenue and \$6.2 million in expenses, the Road and Bridge Fund shows a small deficit of \$200,000 with \$14.9 million in expenses, and the Capital Expenditure Fund is balanced.

#### Mill Levy Allocation Summary:

- For 2010 the mill levy for the General Fund, Social Services Fund, Road and Bridge Fund, and Capital Expenditure Fund is 14.653. There is a shift in the Road and Bridge Fund levy from 2009 at 0.789 to 0.739 proposed for 2010. There is a corresponding change in revenue of about \$250,000. The Developmental Disability, ALEA Fund, Recreation District and ACWWA PID will stay the same in 2010 but will generate slightly more revenue based on an increase in assessed value. The Recreation District levy, due to the growth in their assessed value has actually declined from 0.846 to 0.794 per the TABOR calculation that limits the amount of revenue that fund may collect. The 2009 ACWWA PID Fund is at 16.7 mills and was projected to go down to 14.850 mills for 2010. However, there is current discussion about the issuance of additional debt which may change the mill levy.

#### Upcoming Budget Changes:

There are several adjustments and revisions which are necessary prior to the adoption of the 2010 Budget on December 15, 2009.

- Re-calculation of property tax revenue
- Re-calculation of County payroll costs
- Review all County fund Budgets for errors
- Review and entry of required amount to maintain 11% policy reserve (one-time cost)
- Re-balance of the General Fund, if needed

Mr. Weaver reported that on November 24, 2009 the final changes to the Budget will be reviewed and December 15, 2009 is the public hearing to adopt the 2010 Budget and certify mill levies. He thanked the Board on behalf of all who participated in the Budget process and reported that the full 2010 Recommended Budget was available on the County's website.

Commissioner Weddig confirmed that the mill levy is changing from 14.609 in 2009 to 14.653 in 2010. He asked Mr. Weaver what the maximum allowable mill levy is.

Mr. Weaver replied that the maximum mill levy is 15.821. The mill levy is calculated by starting at the maximum allowable levy of 15.821 mills, determine how much revenue can be collected, and then assess the mill levy.

Commissioner Weddig asked what the worse-case/best-case scenario projections are for 2010 with the assessed value changing.

Mr. Weaver reported that it is hard to determine what the assessed value may do without having the preliminary numbers. He said those numbers will not be available until early 2011; however, he believes that the mill levy should stay below 15.821 over the next four or five years based on some simple assumptions of growth and new construction.

Commissioner Beckman opened the public hearing. She further thanked the Citizen Budget Committee for their help with the 2010 Budget. She said the Board often takes recommendations from the Citizen Budget Committee and implement them into the County Budget. She said Arapahoe County is a disciplined organization. Commissioner Beckman further stated that Arapahoe County is weathering the economy better than a lot of the entities surrounding us and that is due, in part, to the guidance of the Citizen Budget Committee.

Commissioner Weddig asked if someone from the Citizen Budget Committee would like to address the Board.

Sue Hall, 4313 S Ashton Cir, Aurora, CO 80015, reported that she had the honor of chairing the Budget committee this year. She said that the committee put a great deal of time into looking into the Open Space Program, including the amounts of money being spent on maintenance, and then focused on all of the other issues the committee traditionally looks at, i.e. Roads and Bridges, Human Services, Libraries. Ms. Hall said it has been an interesting year and the Citizen Budget Committee believes the County is physically sound. The committee is pleased with the direction the County is going in. She said that there will be a full report for the Board on November 9, 2009.

Commissioner Beckman said they were looking forward to the Citizen Budget Committee's report and recommendations.

The public hearing was closed.

Commissioner Beckman asked for attorney guidance with regards to the motions before them.

Mr. Bush proposed approval in one single motion. He suggested the Board consider adoption of a resolution which will accept the 2010 Budgets for Arapahoe County, the Arapahoe Law Enforcement Authority, Arapahoe County Recreation District, and the Arapahoe County Water and Wastewater Public Improvement District, subject to the Board's right to review, revise, alter, and increase or decrease any items on any of the Budgets, that are necessary, prior to the formal adoption, that the Board also include in this resolution to continue the public hearing on the four Budgets until December 15, 2009 at 9:30 a.m. at which time the Commissioners will adopt the Budgets and take further action as required by law.

**The motion was made by Commissioner Dyer and duly seconded by Commissioner Bockenfeld that with regard to General Business Agenda Item A, to adopt a resolution to accept the 2010 Budgets for Arapahoe County, the Arapahoe Law Enforcement Authority, the Arapahoe County Recreation District, and the Arapahoe County Water and Wastewater Public Improvement District, subject to the Board of County Commissioner's right to review, revise, alter, and increase or decrease any items on any of the Budgets that are necessary prior to the formal adoption, that the Board shall continue the public hearing on these four Budgets until December 15, 2009 at 9:30 a.m. at which time the Commissioners will adopt the Budgets and take further action as required by law.**

Commissioner Weddig inquired about Budget changes prior to the final adoption in December.

Mr. Weaver said that the study session is scheduled for November 24, 2009. He said he hopes to have final numbers by this meeting. He further stated that the Board will have the ability to make changes after this date, and prior to December 15, 2009.

Mr. Bush stated that the Assessor may be coming in with final numbers after November 24, 2009 but before December 15, 2009, which may have some slight modifications to assessed valuation that may have to be addressed on minor issues.

**The motion passed 5-0.**

Commissioner Beckman thanked the Finance Staff for making everything easy and understandable.

**COMMISSIONER COMMENTS**

There were no Commissioner Comments on this date.

**There being no other business before the Board, the Chair adjourned the public hearing at 9:55 a.m.**

**ARAPAHOE COUNTY BOARD OF COUNTY COMMISSIONERS**

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**NANCY A. DOTY, CLERK TO THE BOARD**  
**BY TERRI MAULIK, ASSISTANT CLERK TO THE BOARD**