



COMMISSIONERS:
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FINANCIAL SERVICES DEPARTMENT
BUDGET, FINANCE, & ECONOMIC AND COMMUNITY DEVELOPMENT DIVISIONS
NICOLA J. SAPP
DIRECTOR

SALLIE CLARK
WAYNE WILLIAMS
AMY LATHEN

Citizen Budget Oversight Committee ("CBOC") Meeting
Friday, May 16, 2008 at 12:30p.m.

Pikes Peak Regional Building, 2nd floor Hearing Room

Voting Members Present: Vicki Taylor, Patrick Carter, Jan Doran, Scott Turner, Michael League, John Taylor, Terry Harris, Richard Williams, Teri Goodall, Katherine Oakey, Ken Kile, Stephen Meyer, Steven Schneider, Leslie Cook, Bob Shirilla, Victor Andrews, Nancy Lewis.

Non-Voting (Ex-Officio, Liaisons) Members Present: Steve Immel, Dr. John Burrington, Ed Browne, Thomas Rosazza, Jeff Eckhart, Curtis Lorash, Steve Sery, Jeff Greene, Nicola Sapp, Jane Fredman

Absent: Jeremy Milliman

I. CALL TO ORDER AND APPROVAL OF LAST WEEK'S MINUTES

The meeting was called to order at 12:30pm. A motion was duly made and seconded and approved by a majority of the members present to approve the minutes from last week's minutes as written.

II. 2009 BUDGET – DISCRETIONARY FUNDS/TOTAL NEEDS

Budget Officer, Nicola Sapp discussed the discretionary funds for 2008 and 2009 and the process that will be used to determine the most critical programs to fund. For the 2008 mid-year proposal, the elected officials are identifying where cuts can be made effective June 1st through the remainder of this year, to cover the proposed \$ 8.3 million shortfall. The BoCC will hold an emergency session on Tuesday, May 27th to hear recommendations and reps from the CBOC committee will be needed.

Throughout this process, this committee will hear presentations from the Directors of each department regarding their services, programs, and associated costs needed to meet minimum services. They will then discuss and deliberate as to which are the most critical programs to fund.

Question: Are any of the numbers that have been presented thus far speculative in nature? At this point the only items that are speculative are the revenue estimates that have been given.

Nicola then discussed the 2008 Discretionary Funds that remain after the following are accounted for: the County Portion of Retirement, the Employee Benefits and Liability Insurance that must legally be funded; the COP; and the costs of the Public Trustee, who is an appointed official and



can set their own budget with any additional fees returned to the General Fund. Also discussed were the changes from 2008 to 2009.

Question: The question was raised as to the re-instatement of the vendor discount. The elimination of the vendor discount was approved in December of 2007 for the preliminary 2008 budget as a temporary change and it should be re-instated for 2009.

III. CLERK & RECORDER PRESENTATION

Clerk and Recorder, Bob Balink, provided an overview of the Clerk and Recorder's Office and the missions and responsibilities of each of their departments: Recording, Motor Vehicle, Clerk to the Board, Election Department, Information Systems, and Accounting.

Some of the discussions centered around the increased efficiency by moving one of the DMV offices from Widefield to Powers, the increase in the trend of E-Recording, the concern over turnover due to low pay and its impacts on training costs, and the additional expense of the automated voting machines.

IV. DEPARTMENT OF TRANSPORTATION PRESENTATION

John McCarty, the Director of DOT presented an overview of the Department of Transportation. The primary budget revenue components of DOT are the Road & Bridge Mill Levy, the Highway Users Tax Fund, and the Specific Ownership Tax. Other revenue components include State/Federal Aid, Grants, Fees, and funding through the PPRTA. The Department Programs were discussed and slides showing the costs of each program were shown for a total of \$ 15,721,000.

Of the revenue components of the budget, the only source for capital projects and maintenance prior to 2004 was the fund balance, of which approximately \$1 million per year was spent on maintenance. Since November of 2004, with the funding from the PPRTA, \$6 million is now spent on maintenance and \$8-9 million is spent on capital projects each year. It was stated that the highways drive the organization and costs have been increasing by approximately \$50,000 each year for materials including fuel. Additionally, equipment spending has gone down from \$1.5 million to \$750,000.

Questions were asked on topics as follows:

- Can portions of a program be recommended to be cut? This committee is to recommend how to cut and which programs or portions of programs should be cut. However, some programs are mandated. A list of mandated vs. non-mandated budget items had been provided to Finance/Budget.

- Bridge repair was discussed as being funded by state grants and work must be done within a specific time-frame.

- In 2002, the Fleet Department was created and funded through Specific Ownership Tax, and has been found to be much more efficient. Currently Fleet maintains all vehicles except for the Sheriff's Patrol Unit.

- Currently the percentage of equipment needing replacement ranges from 38 – 56% and should ideally be less than 10% past replacement. The question was raised "At what point will it reach 100%?" If we continue the same trend of funding, it will reach 100% in 10 – 15 years.

V. PARKS & LEISURE SERVICES/CSU EXTENSION PRESENTATION

The Director of Parks & Leisure Services, Tim Wolken, presented information on the Parks Department. An overview was given of the Department and its mission statement, the various Parks, the Nature Center, the Fairgrounds, and Open Space areas. The operational budget was presented and it was noted that there was a decline in the percentage of County Taxes from 2.59% in 2003 to .91% in 2008 for Parks. The Operational Revenue and the Conservation Trust Funds (Lottery), however, have been growing. There was discussion as to whether or not the Conservation Trust Fund growth was sustainable and it was determined that it is not. Also, if revenue had to be generated without the current tax support it would not be enough to sustain the current operations.

A comparison of the City Parks and the County Parks was presented, as well as, a Capital Funding Overview for Urban Parks, Regional Parks, and Conservation Trust Funds. The social and economic benefits of a County Park System were also presented along with the annual performance measurements for the department. There was discussion about the current projects and it was stated that the department is trying to not build new if it cannot be maintained in the future. It was stated that the \$2 million in Area 2 is mandated for development purposes only and not maintenance. There was also a request for more information on the various projects/objectives as to the revenues/expenditures of each, the estimated value of the properties for sale, and the social and economic costs/benefits of each project.

An overview of the CSU Extension department was presented and the three areas were discussed: Agriculture & Natural Resources, Family & Consumer Sciences, and 4-H Youth Development. The funding sources for CSU Extension are El Paso County and Colorado State University.

Questions that were discussed include:

- Does CSU service all citizens? Yes, it services all, incorporated and unincorporated, and the City does not provide funding.

Are there restrictions as to which school districts can participate in the 4-H program? No, there are no restrictions.

It was also discussed that EPC reduced their funding from 2007 to 2008 and if it was reduced to \$0 that CSU would pull out altogether.

VI. DEPARTMENT OF JUSTICE SERVICES PRESENTATION

The Director of the Department of Justice Services, Dr. Henry Sontheimer, provided an overview of Justice Services, including the department structure, the public safety functions, court services, jail alternatives, community corrections, and planning. It was noted that the 2007 PR Bond program spending was under budget and the cost savings to the County was \$273,500. Additionally, funding was provided to the Sheriff's Office to aid in funding some of their projects.

At the deepest level, Justice Services can recommend that if necessary, they could cut their General Fund Support in half, down \$280,000. This could be accomplished using retirements, 2-3 layoffs, and by downsizing the PR Bond Program.

VII. DEPARTMENT OF VETERAN SERVICES PRESENTATION

An overview of the Department of Veteran Services was provided by their Director, Bud Sailer. An organizational chart was provided and the duties, training and development, funding, and workloads were presented. Several comparisons were shown between EPC Veteran Services and the offices in other counties and states indicating that more is being done with less employees. The department goals of sustainability, public trust and confidence, and economic vitality were discussed. They plan to expand the Outreach Program and to be part of a State pilot program. The question was asked, "Why is this department here – why is it a County function?" The County is required to have a Veterans Services Office, it is mandated by the Federal Government in order to be funded.

VIII. The meeting adjourned at 5:55p.m.