

BUDGET MESSAGE FOR 2019 PHILLIPS COUNTY BUDGET

The 2019 Phillips County budget was formally adopted by the Board of County Commissioners on Monday, December 10, 2018. The County's mill levies were also adopted on December 10, 2018. The net mill levy is 28.28 for the budget year of 2019. The Human Services mill levy is 1.6. The County General Fund mill levy will be 21.45. The Road and Bridge mill levy will be 4.23. The Capital Expenditure Fund will be 1.0.

The General Fund budget has been increased from \$3,497,858 in 2018 to \$3,743,992 in 2019. The Road and Bridge Fund budget increased from \$2,115,221 in 2018 to \$2,161,210 in 2019.

The County's Health Insurance plan cost increased 9.5% for 2019. The County's health insurance provider, CHP, offers choices for 7 medical plans, 2 dental plans, and a vision plan. The County offers 5 of the 7 plans; B1000, B1500, B2000, HDHP2000, and HDHP2500. While each of these plans carries a deductible, e.g. B1000 has a \$1,000 deductible, the County is offering to reimburse any employee on the HDHP2500 plan their accumulated deductible. Five current employees on other plans will be grandfathered into the reimbursement program. The County contributes to the health plan at 80% for employee and 65% for dependents in 2019. The County has been paying 100% of the single health plan for elected officials because of the long period of no salary increase. Because of the scheduled 2019 significant salary increase for these officials, the commissioners have decided to revert back to paying 80% of the single plan (same as other county employees).

The County transitioned Human Services employees from the State Merit System to the Phillips County Personnel System on November 1, 1999. Part of that transition saw the implementation of a pay and compensation plan, classifying jobs and setting grades and steps. The County implemented a pay and compensation plan for all employees on January 1, 2000. The County will not make a cost-of-living adjustment to the compensation plan for 2019. Additional pay will be provided to each eligible employee (a flat \$51/month for employees paid monthly and \$.25 for employees paid hourly) in 2019.

The Human Services budget decreased from \$1,008,767 in 2018 to \$991,362 in 2019. The department closely monitored expenditures during the last several years and has rebounded from the detrimental 2010 state closeout. Its fund balance is still somewhat lower than we would like.

The Phillips County E911 Authority's annual budget is a part of the 2019 Phillips County budget. That information is included in the County's budget resolution and in the County's appropriation resolution. The information can be found in Fund 64. Those monies are also included in the County's annual audit.

The County increased in assessed value from \$92,726,290 in 2017 to \$92,976,300 in 2018. The County's tax revenue will increase \$7,070 in 2019. The accompanying materials give the revenue projections and the expenditure limits which have been adopted.

Phillips County uses a modified accrual system for its budgetary basis of accounting.

The 2019 budget provides moneys for the following services to the residents of Phillips County:

1. Road and Bridge funds are utilized to maintain the existing road transportation network in the county and add new roads as the need presents itself. The road and bridge department was previously divided into three districts and run by individual foreman. In October of 2015 the County Commissioners merged the three districts into one department and hired a Road and Bridge manager and assistant manager. The staffing is currently 16 total employees.
2. General fund moneys are used to provide:
 - a. Police protection-County Sheriff's budget
 - i. Jail facilities
 - ii. Oversight of individuals sentenced to perform community service
 - iii. Victim's Assistance services to those victimized by crimes
 - b. Communications Center - The center provides twenty-four hour emergency dispatch services utilized for our own Sheriff's Department and also by all other emergency services in the county such as city police departments, fire departments, and ambulance crews. The Communications Center Director now controls the operation of the center under an appointed Communications Center Board.
 - c. Health Care Services
 - i. Funding toward the health care services provided by Northeast Colorado Health Department
 - ii. Funding toward mental health care provided by Centennial Mental Health ceased in 2016; however, the county still has a representative on the Centennial Mental Health board
 - d. Recreation needs
 - i. Maintenance of County Fairgrounds
 - ii. Maintenance of Homesteader's Park
 - iii. The County contribution to the Haxtun Corn Festival
 - e. Cultural needs
 - i. Funding toward operation of Regional Bookmobile
 - ii. Funding toward operation of the Phillips County Museum
 - f. Educational opportunities
 - i. Funding for the Golden Plains Extension Service for 2019

- g. Waste disposal services - Operation of the Phillips County landfill is utilized by both major towns and all other residents of the county. There are minor changes to the fee schedule for use of the landfill for 2019. The County put in a new municipal waste-baler in 2005 and has converted to land filling with compacted bales. The County implemented of a roll-off service in 2013.
- h. Court facilities
 - i. Maintenance of a court facility where civil and criminal proceedings can take place. Issues over court room security will continue to be at the forefront in 2019.
 - ii. Partial funding of a regional district attorney's office responsible for prosecuting crimes on behalf of the public
- i. Other normal county functions
 - i. County Clerk
 - 1. Recording documents
 - 2. Licensing and titling vehicles
 - 3. Elections
 - 4. Driver's license office
 - ii. County Assessor
 - 1. Setting equalized values of all county properties
 - 2. Updating all transfers of property
 - iii. County Treasurer
 - 1. Collecting tax dollars for all taxing entities within the county
 - 2. Investing tax dollars to earn additional income
 - 3. Duties of the Public Trustee
 - iv. County Commissioner's office
 - 1. Administrative oversight of all county operations
 - 2. Budgetary and overall financial responsibility for funding county government
 - 3. Monies are budgeted for legal counsel (County Attorney)
 - v. Planning and Zoning - Aid in orderly development within the County
- j. Maintenance of Buildings and Grounds for all county property
- k. Computerization of various county offices
- l. County Coroner services for unattended deaths

- m. Emergency Management coordination if natural disasters or other emergencies occur
 - i. The county moved from part-time to full-time emergency management services in 2018
 - n. Weed and pest control for noxious weeds and pests threatening crop destruction
 - o. Veteran's service officer who provides information on benefits available to qualified veterans
 - p. Participation in a regional transportation service and with the NE Colorado Association of Local Governments which sponsors programs such as Meet and Eat, Weatherization, and contributions toward Eastern Colorado Services for the Developmentally Disabled
3. Human Services are provided to the County for Colorado Works, Child Care, Child Support Collection, Child Welfare, Old Age Pension, Employment First, Medicaid Transportation, LEAP and General Assistance.

Other funds controlled by Phillips County are:

- 4. Contingency Fund - This fund is used to meet the 3% reserve fund required under TABOR. Its funds are restricted to being spent for an "emergency" situation as previously defined in statute and as covered under TABOR.
- 5. Ambulance Replacement Fund - The County has joined into an intergovernmental agreement with the two hospital districts to set aside funds on a yearly basis for future ambulance purchases. In 2019, our annual contribution will be \$8,000.
- 6. Conservation Trust - The County receives state lottery monies which can only be spent for recreational purposes. These funds are often saved until enough money is available for a specific project. The 2019 budget anticipates spending up to \$8,500 on recreation projects.
- 7. Capital Expenditure Fund - This fund is maintained to help the County with larger capital purchases and building projects.
 - a. The County received a grant for \$17,350 from History Colorado to assist in repairing items on the courthouse roof and the concrete roofs over the coal bin
 - i. This project will be completed in 2019
 - b. The County completed a three-year project to paint the interior of the Courthouse in 2018
 - c. The County installed new carpeting in three offices in the courthouse in 2018
- 8. The County built a multi-purpose Fairground's facility called the Phillips County Pavilion and Education Center. The County established a separate fund for this project. Fund raising began in 2016. The cost was originally \$1.6 million. We are now estimating the cost to be \$2.5 million. The County currently has raised \$2.05 million.

- a. The County received an Energy Impact Fund grant of \$550,000 toward the project.
9. Economic Development Fund - This is a fund created to allow moneys to be collected and spent for economic development efforts in the County. The Phillips County Economic Development Corporation (PCEDC) has been revitalized and hired a part-time economic development director in 2001. The County is continuing to provide funding as the director moved to 40 full time hours per week in 2006. The County has agreed to run the PCEDC Director salary through its payroll system. This allows PCEDC to provide director benefits. PCEDC reimburses the County for all expenses, but the County budget was increased to cover the increase in inflow and reimbursement.
10. Fair Fund - In previous years, the fair has been a department within the county general fund. In 1995 a separate fair fund was re-established. The County General Fund will make a \$25,300 contribution to the fair fund for 2019. The County fair board has other fund raising activities to generate moneys for putting on the County fair. They will also be able to utilize the fair fund 2018 year-end balance to operate the 2019 fair. The fair board and County will need to closely monitor expenditures in 2019. The County Commissioners signed a contract with B&B Investments, dba Phillips County Raceway, to operate the stock car races in 2019. The County will receive \$1,000 of revenue per race.

LEASE PURCHASE PLAN

The County entered into one lease-purchase agreement in 2018 – a four-year agreement with the Bank of Colorado totaling \$500,000. Monthly payments began in August. The balance due at the end of 2018 will be \$473,798.



Randy Schaffer, Administrator



Date