



INTRODUCTION



MESA COUNTY, COLORADO
COUNTY ADMINISTRATOR

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Mesa County Board of Commissioners:

I am pleased to present the 2006 Budget for Mesa County, Colorado. The 2006 budget supports Mesa County's strategic plan, which is a guide for allocating resources and prioritizing services to ensure the best outcomes for citizens from the investment of limited tax dollars. In addition to supporting full implementation of the County's strategic plan, the 2006 Budget: ensures adequate fund balances in all funds for cash management and contingencies; ensures the recruitment and retention of a qualified workforce by maintaining average wages near the 50th percentile for like public and private sector positions; and has been prepared in accordance with all applicable State Laws and County Budget and Financial Policies.

This document is the primary tool to communicate the County's financial plan to citizens and staff. Subsequent sections of this document describe the operations, policies and financial status of the County in a clear and simple format for all readers. As in previous years, this document will be presented for review by the Government Finance Officers Association (GFOA). Mesa County has received the Distinguished Budget Presentation Award from the GFOA since the mid 1990's and we believe this document will continue to meet all program criteria for another award.

On December 12, 2005, the budget for the fiscal year beginning January 1, 2006 was adopted in the amount of \$121,520,869 (net appropriations). Please see the respective sections of this document for descriptions concerning budget changes, department summaries, sizable capital projects undertaken, revenue streams, and fund balance projections which further describe the details of this adopted budget.

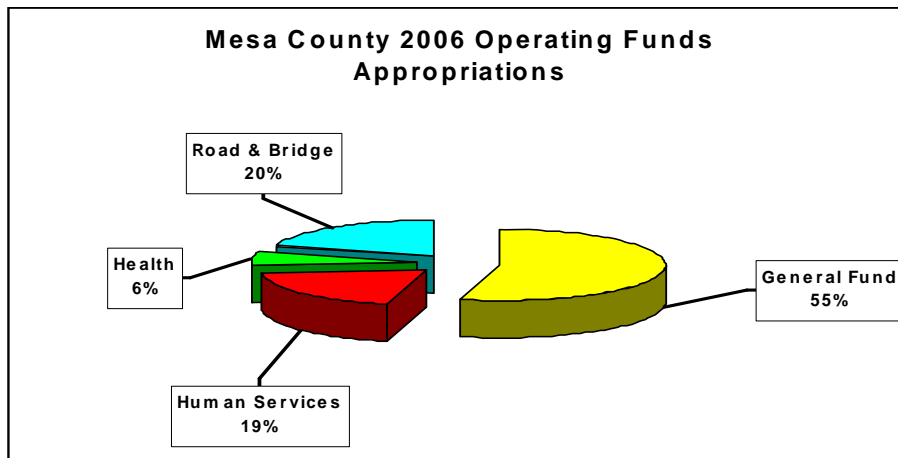
My special thanks to the Budget Review Team and all departments for their hard work and conscientious efforts in preparing this budget.

Sincerely,

Jon Peacock
County Administrator

OVERVIEW

The approved budget for 2006 includes appropriations of \$121,520,868, which is an 11.6% increase over the 2005 adopted budget. The operating funds (General Fund, Human Services, Road & Bridge Operations and Health) increased 4.0% with the largest increase taking place in the General Fund at 7.9% due to the increase in the area of Public Safety which recorded an 8.4% increase due to the addition of 31.75 new FTEs. The Capital Projects are budgeted to increase 26.4%, mainly due to the first phase of the construction of a new residential facility and Methamphetamine Treatment/Work-ender program.



The Adopted 2006 Budget balances the needs of a fast growing county with funding reductions and cost shifting from the State especially in the areas of Human Services, Health and Law Enforcement. Some of the needs resulting from growth are an overcrowded jail population and additional infrastructure. The 2006 budget will allow Mesa County to deliver quality services to citizens, and implement major components of the County's Strategic Plan. Specifically, the attached 2006 budget addresses the critical issues outlined in the Strategic Plan whereby in partnership with citizens, Mesa County government will maintain and enhance the quality of life by providing effective community services that ensure public health, safety and wellbeing. It will create a community of opportunities for all residents with a focus on the future. The areas addressed by the Strategic Plan can be summarized into six components.

- Continue to promote and protect public safety
- Create well planned and developed communities
- Continue to promote and protect public health
- Promote citizen satisfaction, trust and confidence in County Government
- Promote economic vitality in Mesa County
- Promote the success of families and youth in Mesa County

Continue to promote and protect public safety

The budget calls for **\$6.4 million** in the capital plan for 2006 and 2007 to construct a new community corrections facility, and remodel an existing building to house meth treatment and Work-ENDER programs. This will allow the County to avoid building a jail pod in 2007 at an estimated cost of \$9.5 million.

\$505,019 in Criminal Justice Services to begin a residential meth treatment program, and expand community corrections and work release beds (2006 includes five months of operating—\$1,027,461 represents a full year operating cost). The Sheriff's Office will increase booking, records, and bond fees to offset costs of meth treatment (estimated \$200,000 in 2006). Inmate fees for expanded community corrections beds are projected to generate \$385,398 in revenues.)

\$107,000 in Detention to pilot a Work-ENDER program, and prove effectiveness in managing jail population before construction and full implementation in 2007 (includes seven months of operating, \$183,428 is the full year operating costs).

\$128,000 to support expansion of e911 service capacity

\$102,193 for new staff in the Sheriff's office including a property crimes investigator, booking, and records technicians.

\$45,000 for safety equipment replacement and a new SWAT van for the Sheriff's Office.

\$24,683 in Animal Services to support additional officer and kennel staff coverage, and to pilot the use of after hours drop-off kennels.

Create well planned and developed communities.

\$105,000 to complete urban plan for the Clifton Area (\$95,000) and a community plan for Whitewater (\$10,000). Additionally, the six year capital investment plan includes recommended appropriations of \$4.5 million to implement the Clifton area plan between 2007 and 2011 and \$975,000 to implement the Whitewater community plan between 2007-2011.

\$18,140,490 to build and maintain road capacity. The 2006-2011 Capital plan proposes total appropriations of \$130,132,624 to build and maintain adequate road and bridge capacity.

\$1.2 million capital expenditures from the Rural Services Fund to build phase one of a waste water plant in Whitewater upon approval of a Public Improvement District in that area.

A decrease in Traffic operations of \$13,546 by developing an in-house Pavement Marking Program. Traffic will purchase a "Long Line Paint Applicator Truck" and hire two additional technicians to stripe the roads. Vehicle Maintenance will purchase and refurbish a used applicator truck (\$60,000-\$80,000) and will absorb this purchase in the existing equipment replacement program budget in 2006. Addition of two technicians will increase service levels and capacity in the Traffic division, and will help the county improve rural road safety with little or no long-term budget increase.

Continue to promote and protect public health

\$44,694 in the Health Department for a new vector control FTE. This position is budgeted at 9 months of operating. The full year cost is \$59,592.

\$50,000 for Medical Management software

Promote citizen satisfaction, trust and confidence in County Government

\$1,159,820 in capital, and **\$38,103** in operating costs to implement vote centers. This includes 20 vote centers and no additional early voting equipment.

\$250,000 in capital for implementation of an e-recording system that will allow customers of the Clerk and Recorder's office to submit documents electronically for recording.

\$100,000 in capital to replace 17 year old software in the Treasurer's Office to improve integration with Assessor, Clerk and Recorder, and Finance systems and allow for more web-based transaction for citizens.

\$48,000 to support Channel 12 operations and improve it's usefulness as a source of reliable information about County Government and other community interests.

Promote economic vitality in Mesa County

The 2006 budget includes a new Economic Development Fund. Initial support for the fund will come from \$349,000 in severance tax funds transferred from the General Fund. Proposed uses of the Fund are:

- \$100,000 to support Mesa State's campus expansion plans. The county has committed \$100,000 for the next ten years.
- \$100,000 to support job creation. Support for recruitment, retention and existing business expansion.
- \$29,999 for administration of the Enterprise Zone program
- \$25,000 for continued support of the Listening to Business Program
- \$15,000 for support of the Small Business Development Center
- \$19,000 for support of the Business Incubator program
- \$15,000 to support the Business Incubator Building campaign

- \$46,000 to support unforeseen economic development opportunities.

It should also be noted that the Mesa County Department of Human Services administers the Workforce Center and provides many important services that support economic development in Mesa County. It should also be noted that the Clifton and Whitewater community plans will have a heavy emphasis on economic vitality for those areas.

Promote the success of families and youth in Mesa County

\$2,010,932 capital and **\$118,339** operating funds to continue construction and maintain Long Family Memorial Park.

\$148,050 to upgrade and develop the Fairgrounds. The Community Building remodel (\$65,550); safety improvements (\$40,000); concept plan (\$30,000); and a Pulvi-Mulcher (\$12,500).

\$10,000 to support a new Youth Commission selected by the County Commissioners to integrate youth into the inner workings of County Government

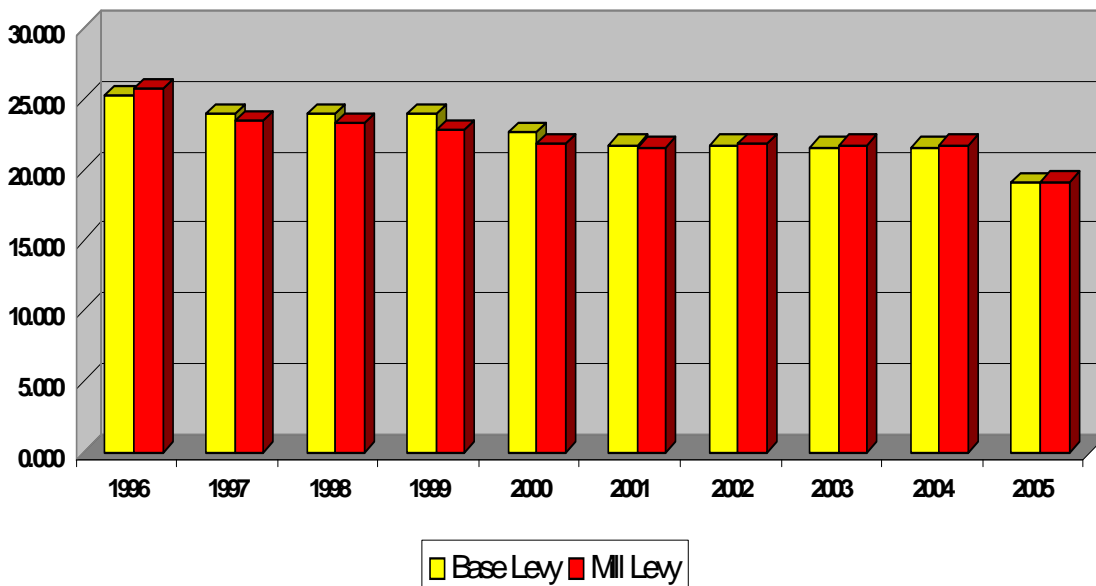
Though not new initiatives, it should be noted that the entire Human Services budget of **\$19,583,356** is dedicated to programs to promote the success of families and youth in Mesa County.

In order to meet the mandates of the Strategic Plan, it is essential to increase the staffing level currently in place within the County. The 2006 Budget calls for an increase in new FTEs in the amount of 35.75. Of these, 31.5 of the new FTEs are directly related to public safety, specifically dealing with methamphetamine and jail population management. A detailed account of each new position can be found in the Staffing section of this book.

The 2006 Budget indicates that the mill levy is projected to decrease 2.602 mills from the prior year. Overall revenues generated from the County's Property Tax are projected to increase 5.1% to \$23,626,241 due to growth and increased valuation.

Levy Year	Base Levy	Abatement Levy	Temporary Credit	Temporary Mill Levy Rate Reduction	Mill Levy
1996	25.248	0.491			25.739
1997	23.943	0.510	(1.012)		23.441
1998	23.943	0.268	(0.931)		23.280
1999	23.943	0.119		(1.283)	22.779
2000	22.660	0.078	(0.916)		21.822
2001	21.743	0.147	(0.346)		21.544
2002	21.743	0.066			21.809
2003	21.573	0.145			21.718
2004	21.573	0.136			21.709
2005	19.035	0.072			19.107

**Mill Levy & Base Levy
1996 - 2005**



COMPARISON OF 2005 PRIORITIES TO 2006 PRIORITIES

2005 Priorities	2006 Priorities
Protect public safety through increased funding for law enforcement to address jail overcrowding, public health to address the West Nile Virus and emergency preparedness to implement recommendations from the Fire and Emergency Medical Services Feasibility Study.	Continue to promote and protect public safety by building a facility for Methamphetamine addiction to address inmate population that may benefit from treatment vs. incarceration.
Maintain and increase road capacity, including beginning construction of a bridge over the Colorado River at 29 Road and completion of improvements around Central High School. <i>Central High School improvements were scheduled for completion in 2004; however, it was delayed until 2005 because grant money become available in 2005 otherwise the County would have had to use sales tax dollars for the project.</i>	Create well planned and developed communities by building and maintaining road capacity keeping road safety as a high priority. Complete urban plan for the Clifton and Whitewater areas. Build a waste water plant in Whitewater pending approval of a Public Improvement District in that area.
Encourage Economic Development in Mesa County through increased funding for the Enterprise Zone, Small Business Development and economic incentives, as well as continued support for the mesa County Workforce Center.	Continue to promote and protect public health with increase in FTEs and well as new software to track information.
Continue to provide support for Mesa County's disadvantaged and needy while gaining efficiencies in support services to Department of Human Services.	Promote citizen satisfaction trust and confidence in County Government by implementing vote centers, e-recording system, expanding Channel 12 coverage.
Begin construction on Long Memorial Park while maintaining existing parks and County facilities	Promote economic vitality in Mesa County by establishing a new fund from severance tax funds. Emphasis on Mesa State, job creation, Small Business Development, etc.
	Promote the success of families and youth in Mesa County with the completion of Long Family Park, upgrading the Fairgrounds, establishing Youth Commission and continue programs to promote the success of youth and families through Human Services.

BASIS OF ACCOUNTING

The modified accrual basis of accounting is used by all governmental fund types and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means that the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Recognition of revenues represented by non-current receivables is deferred until they become current receivables. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include:

1. Principal and interest on general long-term debt which is recognized when due, and
2. Accumulated unpaid vacation that is not expected to be paid within the next year.

Expenditures for insurance, membership and other services which extend over more than one accounting period are accounted for as expenditures of the period of acquisition.

Those revenues susceptible to accrual are property taxes, franchise fees, special assessments, interest revenue and charges for services. Sales taxes collected and held by the State of Colorado at year-end on behalf of the County also are recognized as revenue. Fines, permits, fees, entitlements and shared revenues are not susceptible to accrual because generally they are not measurable until received. Grant revenues are recognized as they are earned.

The accrual basis of accounting is utilized by proprietary funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The proprietary funds include a statement of cash flows showing cash and cash equivalents provided by and used in operating, financing and investing activities. The County considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

BASIS OF BUDGET

State law requires budgets for the County’s governmental and proprietary fund types. Budgets for governmental types (General, Special Revenue, Debt Services and Capital Projects) are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP—uniform, minimum standards and guidelines for financial accounting and reporting which encompasses the conventions, rules and procedures necessary to define accepted accounting practice at a particular time) with the following exceptions:

Special Revenue Funds - Food stamps and commodities are not appropriations of the County and are not included as revenues and expenditures.

Debt Service Funds - Payments on advances from the General Fund are budgeted as transfers out or expenditures to the Local Improvement District Funds. These transactions do not affect fund balance in GAAP basis accounting.

Budgets for proprietary fund types (Enterprise and Internal Services) are adopted on a Non-GAAP basis, using the same measurement focus of governmental funds.