

**PIKES PEAK AREA COUNCIL OF GOVERNMENTS  
DRAFT 2018 BUDGET DETAILS**

The Fiscal Year (FY) 2018 Pikes Peak Area Council of Governments budget is attached for the Board's review. The companion budget table for FY 2018 contains five line items of revenue (rows 1-5) and 15 lines of expenditures (rows 6-20). In the descriptions below, each line item number corresponds to the row number in the budget table.

**A. REVENUES**

PPACG total revenues for FY 2018 are anticipated to be \$7,158,736. This revenue estimate is 4.7 percent or \$356,722 lower than the amount estimated in the FY 2017 budget. The decrease in the budget is across all categories with the exception of Member Dues which have not changed.

**1. Federal, State, and Foundation Grants: \$6,144,397 (85.83% of total budget)**

PPACG estimates it will receive a total of \$6,144,397 in revenue from Federal, State, and Foundation Grants and "pass-through" funds targeted for specific programs. The grant money that is "passed-through" directly to PPACG's subcontractors is entirely contained in the Area Agency on Aging Department. Total Federal, State, and Foundation grants are estimated to be \$200,545 lower than in the approved 2017 final budget, and this continues to represent the largest share of our revenue in 2018. Adjusting for differences in Federal and State fiscal calendars, Table 1 shows our estimated grants for the 2018 calendar year.

**Table 1 - 2018 Grants for PPACG Programs**

<b>PROGRAM AREA</b>	<b>2018 Proposed Budget</b>	<b>2017 Budget</b>
<b>Area Agency on Aging Subtotal</b>	<b>\$4,511,558</b>	<b>\$4,442,032</b>
Colorado Department of Human Services	\$2,418,022	\$2,566,528
Federal Older Americans Act Funding	\$2,006,276	\$1,791,504
Colorado Health Foundation/Colorado Dept. of Health	\$ 87,260	\$84,000
<b>Possible DOLA/Other Grants for various programs</b>	<b>\$120,000</b>	<b>\$150,000</b>
<b>OEA-Regional Joint Land Use Study</b>	<b>\$352,443</b>	<b>\$436,246</b>
<b>Environmental Program Subtotal</b>	<b>\$10,800</b>	<b>\$15,749</b>
State Water Quality Control Division 604(b) Grant	\$10,800	\$0
EPA 319 Grant	\$0	\$15,749
<b>Transportation Program Subtotal</b>	<b>\$1,142,726</b>	<b>\$1,177,602</b>
Consolidated FHWA/FTA Planning Grant	\$1,142,726	\$1,177,602
<b>In-kind</b>	<b>\$6,870</b>	<b>\$123,313</b>
<b>TOTAL GRANTS</b>	<b>\$6,144,397</b>	<b>\$6,344,942</b>

Grants in the Area Agency on Aging program are estimated to increase by 1.57 percent or \$69,526 from the FY 2017 budget. This is primarily due having received our carryover funding notification for our 2017/18 contract year. Received \$340,480 in carryover funding, this is all Federal funding

Environmental Program has received a 604b grant for 2018 and 2019 of \$10,800 each.

Grant income in the Transportation Planning Program has decreased \$34,876 or 2.96 percent in the draft 2018 budget as compared to the 2017 budget.

Largest decrease is in the area of In-Kind funds, in 2017 Transportation Grant allowed a total of \$121,700 in In-Kind match. In 2018 In-Kind has not been approved in Contract.

## **2. Member Dues: \$458,000 (6.40%)**

Member dues continue to contribute an important share (6.4 percent) of PPACG's overall internal program revenues. Member Dues for the 2018 Budget have not changed however the allocations have changed based on the assessed valuation of the member property. Please see Table 2 on the next page for the dues allocation for each member government in FY 2018. Table 2 also shows the assessed valuation of members' property for 2016, the most recent complete year's data available. The share of dues each entity pays is based on its share of total assessed valuation for either counties or cities and towns. As the assessed valuation changes from year to year, so does each member's share of dues.

## **3. Special District Revenues \$415,239 (5.80%)**

In FY 2018, PPACG is performing administrative functions for the Pikes Peak Rural Transportation Authority. Revenues are derived from the contract with the Pikes Peak RTA. There is a decrease of \$77,834 or 15.8 percent due to decreasing the allocation of the Executive Directors staffing costs between PPACG and PPRTA.

## **4. Other Revenues \$141,100 (1.97%)**

This category includes revenues from a number of categories, such as:

- advertising revenue generated by the PPACG Area Agency on Aging to help print the annual edition of the *Yellow Book*,
- SHIP Insurance Program
- revenue received from program activities and donations,
- interest earnings on bank accounts, and
- local support

The decrease in revenue of \$78,749 or 35.8 percent in this category is in SHIP funding and local support for Environmental and DOLA programs.

## **5. Total Revenues: \$7,158,736**

Total revenues for FY 2018 are forecasted to be 7,158,736 which is a decrease of \$356,722, this decrease is offset by a decrease of the same amount in expenses.

**Table 2**  
**2018 Member Government Dues**  
**Pikes Peak Area Council of Governments**

MEMBER GOVERNMENT	2015 ASSESSED VALUATION	SHARE OF ASSESSED VALUATION	MEMBER DUES 2017	2016 ASSESSED VALUATION	SHARE OF ASSESSED VALUATION	PROPOSED MEMBER DUES 2018
<b>COUNTIES</b>						
El Paso	\$6,852,564,340	88.19%	\$201,957	\$6,962,839,210	88.38%	\$202,395
Park	\$404,165,145	5.20%	\$11,911	\$410,498,131	5.21%	\$11,932
Teller	\$513,422,600	6.61%	\$15,132	\$504,787,310	6.41%	\$14,673
Total Counties:	\$7,770,152,085	100.00%	\$229,000	\$7,878,124,651	100.00%	\$229,000
<b>MUNICIPALITIES</b>						
Alma	\$6,282,530	0.11%	\$257	\$6,282,540	0.11%	\$254
Calhan	\$5,522,700	0.10%	\$226	\$5,523,030	0.10%	\$223
Colorado Springs	\$4,985,581,710	89.06%	\$203,943	\$5,048,412,800	89.03%	\$203,875
Cripple Creek	\$55,669,900	0.99%	\$2,277	\$55,714,340	0.98%	\$2,250
Fairplay	\$15,369,195	0.27%	\$629	\$15,315,525	0.27%	\$619
Fountain	\$193,432,560	3.46%	\$7,913	\$194,765,730	3.43%	\$7,865
Green Mountain Falls	\$8,711,180	0.16%	\$356	\$8,740,430	0.15%	\$353
Manitou Springs	\$63,855,650	1.14%	\$2,612	\$64,649,270	1.14%	\$2,611
Monument	\$122,327,670	2.19%	\$5,004	\$126,229,190	2.23%	\$5,098
Palmer Lake	\$28,806,140	0.51%	\$1,178	\$30,377,720	0.54%	\$1,227
Ramah	\$450,800	0.01%	\$19	\$496,930	0.01%	\$20
Victor	\$3,505,520	0.06%	\$143	\$3,587,640	0.06%	\$145
Woodland Park	\$108,599,510	1.94%	\$4,443	\$110,451,450	1.95%	\$4,460
Total Municipalities:	\$5,598,115,065	100.00%	\$229,000	\$5,670,546,595	100.00%	\$229,000
<b>GRAND TOTAL:</b>	<b>\$13,368,267,150</b>		<b>\$458,000</b>	<b>\$13,548,671,246</b>		<b>\$458,000</b>

## B. EXPENDITURES

### 6. Personnel Costs: \$3,181,932 (44.44% of total budget)

Personnel costs include salary and benefits for PPACG employees. Personnel costs are estimated to be 7.4 percent or \$254,948 less than the final FY 2017 budget. As is typical for our quasi-public agency, PPACG's personnel costs are largely funded (80-90 percent) through Federal and State grants. Benefits include payroll taxes, retirement contributions, and insurance programs: health, dental, vision, life, accidental death and dismemberment, and short- and long-term disability. In this budget scenario, we are requesting to budget 35.9 positions which is a decrease of 2.25 positions over 2017 budget. This decrease is made up of one full

time position that was budgeted to support Transportation and Aging. Also eliminated are two part time intern positions, one in Transportation and one in Environment, decreased Environmental Program Manager position 25 percent. These changes are responsible for \$128,117 of the decreased budget. Remaining decrease is due to changing methodology for budgeting salaries and change in health insurance charges. We are requesting a wage package increase \$93,966 this includes all staff being within the minimum of the range as well as anticipated increase in health insurance of 9%.

#### **7. Contract Services: \$3,560,689 (49.74%)**

Contract services constitute the largest portion of our expenditure and include monies to fund specialized services not provided by our staff. This category includes Federal and State grant money that is “passed-through” to PPACG’s subcontractors in the Area Agency on Aging (AAA) to fund more than 17 separate service programs. Additionally, this category includes auditing fees, legal fees, and contract labor in the Administration Department, and printing and graphics services paid to vendors. This also includes \$60,000 for Strategic Planning. Contract services are lower than the FY 2017 budget by \$114,025 or 3.1 percent, largely due to decrease Joint Land Use need for outside contractors.

#### **8. Conferences, Education, Training, and Travel: \$81,445 (1.14%)**

This includes expenses for conference registration fees and associated employee and Board travel expenses, both in-state and out-of-state, including reimbursement for mileage, per diem, meals, airfare, and hotels. This category also includes all registration fees related to staff training or education, as well as all travel expenses for PPACG’s three Ombudsmen, who are visiting facilities in the region nearly 90 percent of their time. This category is \$6,925 or 9.3 percent higher than the FY 2017 budget, increase primarily due to increase in out of state travel for Joint Land Use Grant

#### **9. Non Reimbursable Expenses: \$3,445 (0.05%)**

This includes items that are not chargeable to indirect costs. These items have been separated in 2018 budget. These include meeting food, mileage for specific meetings and luncheons or entertainment.

#### **10. Office Supplies: \$18,608 (0.26%)**

This includes office supplies and coffee and water service for the office and meetings. Office supplies are forecasted to decrease by \$7,192 or 27.9 percent in this budget. This is to better reflect 2017 actual expenditures.

#### **11. Communications: \$18,424 (0.26%)**

This includes all of the telephone charges in the building, including cell phone charges for PPACG’s three Ombudsmen and the Executive Director, and internet connection fees. Communication costs are forecasted to decrease by 2,256 or 10.9 percent this better reflects actual costs.

#### **12. Support Services: \$37,844 (0.53%)**

Support services include postage, advertising, and insurance costs. Insurance includes liability coverage for the building and contents, errors and omissions coverage. Support services are estimated to increase by \$1,169 or 3.2 percent. This is due to an increase in insurance costs.

**13. Professional Support: \$26,380 (0.37%)**

This includes dues for membership in various professional organizations for our staff as well as for our organization –Mountain States Employers Council (MSEC), the Association of Metropolitan Planning Organizations (AMPO), and the Colorado Association of Regional Organizations (CARO).

This also includes subscription fees to various periodicals, and the purchase of books and journals. Professional Support is estimated to decrease \$1,505 in 2018.

**14. Equipment Maintenance and Rental: \$29,130 (0.41%)**

This includes maintenance agreements for all office equipment, computer equipment, and rental fees for the copiers. FY 2018 Budget is \$3,687 or 11.2 percent less than in 2017. Copy machine costs have increased however this is offset by no longer leasing our computer server.

**15. Building Maintenance, Utilities, and Depreciation: \$111,080 (1.55%)**

This includes maintenance expenses for the office building, including janitorial, landscaping, trash removal, and HVAC services and repairs; utilities expenses (water, sewage, electricity); and building and equipment depreciation. This is an increase of \$10,080 or 10 percent due to an increase in building maintenance, utilities and depreciation.

**16. Equipment: \$24,425 (0.34%)**

This includes funding computers and other equipment for the PPACG programs costing under \$2,500 as well as Capital items for Aging which is paid with grant funding. This is an increase of \$1,205 due to additional equipment capital funds for Aging, this is funded directly through their grant.

**17. Capital Replacement Reserve: \$65,334 (0.91%)**

There are a number of capital items as well as projects that need to be implemented in 2018. These include updating building security and ADA requirements as well as new a microphone system for the board room. This is an increase of \$4,067 or 6.6 percent over 2017 budget

**18. Total Direct Expenses: \$7,158,736 (100.0%)**

Total expenses for the FY 2017 draft budget are forecast to be \$7,158,736 which represents a \$356,721 or a 4.7 percent decrease from the FY 2017 approved budget.

PIKES PEAK AREA COUNCIL OF GOVERNMENTS  
DRAFT JANUARY - DECEMBER 2018 BUDGET

	AREA AGENCY ON AGING	ENVIRON- MENTAL	REGIONAL JOINT LAND USE	POSSIBLE DOLA GRANT	TRANSPOR- TATION PLANNING	PIKES PEAK RTA	LOCAL RESOURCES/ BUILDING	INDIRECT/ ADMNSTN	TOTAL ADMIN SERVICES	2018 BUDGET	2017 BUDGET	% DIFF.	\$ DIFF.		
A.	REVENUES:														
1	Federal/State/Other Grants	4,511,558	10,800	359,312	120,000	1,142,726	0	0	0	6,144,397	6,344,942	-3.2%	(200,545)		
2	Member Dues	33,861	44,928	1,571	0	240,901	0	136,739	0	136,739	458,000	458,000	0.0%	(0)	
3	Special District Revenues	0	0	0	0	0	415,239	0	0	415,239	493,073	-15.8%	(77,834)		
4	Other Revenues	107,150	0	31,910	0	0	0	2,040	0	2,040	219,443	219,443	-35.7%	(78,343)	
5	<b>TOTAL REVENUES</b>	<b>4,652,569</b>	<b>55,728</b>	<b>392,793</b>	<b>120,000</b>	<b>1,383,627</b>	<b>415,239</b>	<b>138,779</b>	<b>0</b>	<b>138,779</b>	<b>7,158,736</b>	<b>7,515,458</b>	<b>-4.7%</b>	<b>(356,722)</b>	
B.	EXPENDITURES:														
6	Personnel Costs	1,036,996	40,395	264,601	0	769,636	304,511	0	765,793	765,793	3,181,932	3,436,880	-7.4%	(254,948)	
7	Contract Services	3,024,969	0	17,905	120,000	289,205	570	70,000	38,040	108,040	3,560,689	3,674,714	-3.1%	(114,025)	
8	Conferences, Education & Training / Travel	32,250	1,000	11,300	0	22,940	1,000	0	12,955	12,955	81,445	74,520	9.3%	6,925	
9	Non Reimbursable Expenses	0	0	0	0	0	0	0	3,445	3,445	3,445	0	#DIV/0!	3,445	
10	Office Supplies	3,540	0	0	0	2,200	750	0	12,118	12,118	18,608	25,800	-27.9%	(7,192)	
11	Communications	2,200	0	0	0	0	0	0	16,224	16,224	18,424	20,680	-10.9%	(2,256)	
12	Support Services	8,950	0	600	0	500	300	0	27,494	27,494	37,844	36,675	3.2%	1,169	
13	Professional Support	3,750	0	0	0	10,360	60	0	12,210	12,210	26,380	27,885	-5.4%	(1,505)	
14	Equipment Maintenance / Rental	0	0	3,600	0	2,700	0	0	22,830	22,830	29,130	32,817	-11.2%	(3,687)	
15	Building Maintenance / Utilities / Depreciation	0	0	0	0	0	0	0	111,080	111,080	111,080	101,000	10.0%	10,080	
16	Equipment	8,250	0	900	0	13,000	0	0	2,275	2,275	24,425	23,220	5.2%	1,205	
17	Capital Replacement/Reserve	0	0	0	0	0	0	65,334	0	65,334	65,334	61,267	6.6%	4,067	
18	<b>TOTAL DIRECT EXPENSES</b>	<b>4,120,905</b>	<b>41,395</b>	<b>298,906</b>	<b>120,000</b>	<b>1,110,541</b>	<b>307,191</b>	<b>135,334</b>	<b>1,024,464</b>	<b>1,159,798</b>	<b>7,158,736</b>	<b>7,515,458</b>	<b>-4.7%</b>	<b>(356,722)</b>	
19	INDIRECT COSTS ALLOCATION	531,664	14,333	93,887	0	273,086	108,048	0	(1,021,019)	(1,021,019)	0	0	0	0	
20	<b>TOTAL EXPENDITURES</b>	<b>4,652,569</b>	<b>55,728</b>	<b>392,793</b>	<b>120,000</b>	<b>1,383,627</b>	<b>415,239</b>	<b>135,334</b>	<b>3,445</b>	<b>138,779</b>	<b>7,158,736</b>	<b>7,515,458</b>	<b>-4.7%</b>	<b>(356,722)</b>	
C.	21	NET: REVENUES OVER EXPENDITURES	0	0	0	0	0	0	3,445	(3,445)	0	0	0	(0)	0
		USE OF PRIOR YEAR FUND BALANCE													0
		<b>NET AFTER FUND BALANCE APPROPRIATION</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,445</b>	<b>(3,445)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>0</b>