



**Pikes Peak Area  
Council of Governments**

Communities Working Together

**PIKES PEAK AREA COUNCIL OF GOVERNMENTS  
DRAFT 2019 BUDGET DETAILS**

The Fiscal Year (FY) 2019 Pikes Peak Area Council of Governments budget is attached for the Board’s review. The companion budget table for FY 2019 contains five line items of revenue (rows 1-5) and 15 lines of expenditures (rows 6-18). In the descriptions below, each line item number corresponds to the row number in the budget table.

**A. REVENUES**

PPACG total revenues for FY 2019 are anticipated to be \$8,412,915. This revenue estimate is 17.52 percent or \$1,254,180 higher than the amount estimated in the FY 2018 budget. The increase in the budget is primarily in Area Agency on Aging and Transportation departments.

**1. Federal, State, and Foundation Grants: \$7,417,284 (88.17% of total budget)**

PPACG estimates it will receive a total of \$7,417,284 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 \$1,272,887 higher than in the approved 2018 final budget, and this continues to represent the largest share of our revenue in 2019. Adjusting for differences in Federal and State fiscal calendars, Table 1 shows our estimated grants for the 2019 calendar year.

**Table 1 - 2019 Grants for PPACG Programs**

<b>PROGRAM AREA</b>	<b>2019 Proposed Budget</b>	<b>2018 Budget</b>
<b>Area Agency on Aging Subtotal</b>	<b>\$5,600,448</b>	<b>\$4,511,558</b>
Colorado Department of Human Services	\$2,861,504	\$2,418,022
Federal Older Americans Act Funding	\$2,711,684	\$2,006,276
Colorado Health Foundation/Colorado Dept of Health	\$ 27,260	\$87,260
<b>Possible DOLA Grant for various programs</b>	<b>\$120,000</b>	<b>\$120,000</b>
<b>OEA-Regional Joint Land Use Study</b>	<b>\$298,901</b>	<b>\$352,443</b>
<b>Environmental Program Subtotal</b>	<b>\$13,500</b>	<b>\$10,800</b>
State Water Quality Control Division 604(b) Grant	\$13,500	10,800
<b>Transportation Program Subtotal</b>	<b>\$1,383,635</b>	<b>\$1,142,726</b>
Consolidated FHWA/FTA Planning Grant	\$1,183,635	\$1,142,726
Regional Planning	\$200,000	\$0
<b>In-kind</b>	<b>\$800</b>	<b>\$6,870</b>
<b>TOTAL GRANTS</b>	<b>\$7,417,284</b>	<b>\$6,144,397</b>

Grants in the Area Agency on Aging program are estimated to increase by 24.14 percent or \$1,088,890 from the FY 2018 budget. This is due to additional funding from Colorado Department of Human Services and \$525,590 in Federal carryover funding.

The Environmental Program has received a 604b grant for 2018 and 2019 of \$10,800 each; partial 2018 funding will be spent in 2019.

Grant income in the Transportation Planning Program has increased \$40,909 or 3.58 percent in the draft 2019 budget as compared to the 2018 budget. \$200,000 is budgeted for possible Regional Planning projects, currently working to secure grant funding.

Largest decrease in budgeted grant funding is the OEA – JLUS grant, budgeting a decreased \$53,542 or 15.19 percent. Current grant funding ends December 31, 2018 and staff are submitting a new grant in October for implementation of findings in current study.

## **2. Member Dues: \$458,000 (5.44%)**

Member dues continue to contribute an important share (5.44 percent) of PPACG's overall internal program revenues. Member Dues for the 2019 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 2019. Table 2 also shows the assessed valuation of members' property for 2017, 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 \$421,380 (5.01%)**

In FY 2019, 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 an increase of \$6,141 or 1.48 percent due to salary pool increase offset by reallocation of administration support staff time charged to PPRTA.

## **4. Other Revenues \$116,252 (1.38%)**

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 \$24,848 or 17.61 percent in this category is local support for the JLUS program.

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

Total revenues for FY 2019 are forecasted to be \$8,412,915 which is an increase of \$1,254,180; this is offset by an increase of the same amount in expenses.

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

MEMBER GOVERNMENT	2016 ASSESSED VALUATION	SHARE OF ASSESSED VALUATION	MEMBER DUES 2017	2017 ASSESSED VALUATION	SHARE OF ASSESSED VALUATION	PROPOSED MEMBER DUES 2019
<b>COUNTIES</b>						
El Paso	\$6,962,839,210	88.38%	\$202,395	\$7,445,701,460	88.36%	\$202,357
Park	\$410,498,131	5.21%	\$11,932	\$434,592,646	5.16%	\$11,811
Teller	\$504,787,310	6.41%	\$14,673	\$545,755,240	6.48%	\$14,832
Total Counties:	\$7,878,124,651	100.00%	\$229,000	\$8,426,049,346	100.00%	\$229,000
<b>MUNICIPALITIES</b>						
Alma	\$6,282,540	0.11%	\$254	\$6,062,760	0.10%	\$229
Calhan	\$5,523,030	0.10%	\$223	\$5,690,040	0.09%	\$214
Colorado Springs	\$5,048,412,800	89.03%	\$203,875	\$5,414,794,380	89.13%	\$204,101
Cripple Creek	\$55,714,340	0.98%	\$2,250	\$57,021,390	0.94%	\$2,149
Fairplay	\$15,315,525	0.27%	\$619	\$16,287,123	0.27%	\$614
Fountain	\$194,765,730	3.43%	\$7,865	\$206,749,100	3.40%	\$7,793
Green Mountain Falls	\$8,740,430	0.15%	\$353	\$8,915,190	0.15%	\$336
Manitou Springs	\$64,649,270	1.14%	\$2,611	\$67,502,110	1.11%	\$2,544
Monument	\$126,229,190	2.23%	\$5,098	\$143,590,420	2.36%	\$5,412
Palmer Lake	\$30,377,720	0.54%	\$1,227	\$32,621,360	0.54%	\$1,230
Ramah	\$496,930	0.01%	\$20	\$437,030	0.01%	\$16
Victor	\$3,587,640	0.06%	\$145	\$3,825,500	0.06%	\$144
Woodland Park	\$110,451,450	1.95%	\$4,460	\$111,895,760	1.84%	\$4,218
Total Municipalities:	\$5,670,546,595	100.00%	\$229,000	\$6,075,392,163	100.00%	\$229,000
<b>GRAND TOTAL:</b>	<b>\$13,548,671,246</b>		<b>\$458,000</b>	<b>\$14,501,441,509</b>		<b>\$458,000</b>

## B. EXPENDITURES

### 6. Personnel Costs: \$3,346,244 (39.78% of total budget)

Personnel costs include salary and benefits for PPACG employees. Personnel costs are estimated to be 5.16 percent or \$164,312 more than the final FY 2018 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 the same as 2018 budget. There has been some transfer of positions in the 2019 budget, these include new .40 position in AAA and an increase of .10 position in

AAA, as well as eliminate a .50 position in Transportation, decreased Environmental Planner position and added an Environmental Intern position. Additional salary increases have been requested for three positions due to additional responsibilities required. Due to changes in 2018 staffing, there were also increases in actual to budget. These changes are responsible for \$55,261 of the increased budget. We are requesting a wage package increase of \$111,010 which includes a 3.2% merit increase pool as well as anticipated increase in health insurance of 10%.

#### **7. Contract Services: \$4,643,723 (55.20%)**

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. Contract services are higher than 2018 budget by \$1,083,033 or 30.42 percent. This is due to \$926,507 increase in Area Agency on Aging program including \$757,200 to our outside providers.

#### **8. Conferences, Education, Training, and Travel: \$74,860 (.89%)**

This includes expenses for conference registration fees and associated employee for grant related travel 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 \$6,585 or 8.09 percent lower than the FY 2018 budget.

#### **9. Non Reimbursable Expenses: \$21,005 (0.25%)**

This includes items that are not chargeable to grants through direct or indirect costs. These include meeting food, mileage for specific meetings, conference and luncheons or entertainment. This category is \$17,560 higher than 2018 budget due to increase in conferences and luncheons that are not chargeable to grants, either directly or through indirect.

#### **10. Office Supplies: \$18,607 (0.22%)**

This includes office supplies, coffee and water service for the office and meetings. Office supplies are forecasted to decrease by \$1 in this budget.

#### **11. Communications: \$16,716 (0.20%)**

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 \$1,708 or 9.27 percent due to changing phone service provider.

#### **12. Support Services: \$40,515 (0.48%)**

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 \$2,671 or 7.06 percent. This is due to an increase in insurance costs.

**13. Professional Support: \$33,029 (0.39%)**

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), National Association of Region Councils (NARC) 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 increase \$6,649 or 25.20 percent in 2019. These increases are in all program areas.

**14. Equipment Maintenance and Rental: \$40,332 (0.48%)**

This includes maintenance agreements for all office equipment, computer equipment, and rental fees for the copiers. FY 2019 Budget is \$11,202 or 38.46 percent higher than 2018. Copy machine costs have increased as well as increase in computer sonic wall costs.

**15. Building Maintenance, Utilities, and Depreciation: \$109,672 (1.30%)**

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 decrease of \$1,408 or 1 percent due to a decrease in depreciation somewhat offset by increase in utilities.

**16. Equipment: \$30,222 (0.36%)**

This includes funding computers and other equipment for the PPACG programs costing under \$2,500. This is an increase over 2018 budget of \$5,797 or 23.7 percent. This is primarily due to the need to upgrade computers to handle new operating systems and computer security requirements.

**17. Capital Replacement Reserve: \$37,991 (0.45%)**

There are a number of capital items as well as projects that need to be implemented in 2019. These include updating building security and ADA requirements. This is a decrease of \$27,342 or 41.8 percent over 2018 budget

**18. Total Direct Expenses: \$8,412,915 (100.0%)**

Total expenses for the FY 2019 draft budget are forecasted to be \$8,412,915 which represents a \$1,254,180 or a 17.52 percent increase from the FY 2018 approved budget.

PIKES PEAK AREA COUNCIL OF GOVERNMENTS  
DRAFT JANUARY - DECEMBER 2019 BUDGET

	AREA AGENCY ON AGING	ENVIRONMENTAL	REGIONAL JOINT LAND USE	POSSIBLE DOLA GRANT	TRANSPORTATION PLANNING	REGIONAL PLANNING SUPPORT	PIKES PEAK RTA	LOCAL RESOURCES/ BUILDING	INDIRECT/ ADMNSTN	TOTAL ADMIN SERVICES	2019 BUDGET	2018 BUDGET	% DIFF.	\$ DIFF.	
<b>A. REVENUES:</b>															
1	Federal/State/Other Grants	5,600,448	13,500	299,701	120,000	1,183,635	200,000	-	-	-	7,417,284	6,144,397	20.72%	1,272,887	
2	Member Dues	4,125	77,899	32,411	-	246,049	-	97,515	-	97,515	458,000	458,000	0.00%	-	
3	Special District Revenues	0	-	-	-	-	421,380	-	-	-	421,380	415,238	1.48%	6,141	
4	Other Revenues	111,302	-	-	-	-	-	4,950	-	4,950	116,252	141,100	-17.61%	(24,848)	
5	<b>TOTAL REVENUES</b>	<b>5,715,875</b>	<b>91,399</b>	<b>332,112</b>	<b>120,000</b>	<b>1,429,684</b>	<b>200,000</b>	<b>421,380</b>	<b>102,465</b>	<b>102,465</b>	<b>8,412,915</b>	<b>7,158,735</b>	<b>17.52%</b>	<b>1,254,180</b>	
<b>B. EXPENDITURES:</b>															
6	Personnel Costs	1,154,156	59,905	229,825	-	856,021	304,032	-	742,305	742,305	3,346,244	3,181,932	5.16%	164,312	
7	Contract Services	3,951,476	11,880	9,600	120,000	234,280	200,000	7,600	45,500	63,387	108,887	4,643,723	3,560,689	30.42%	1,083,033
8	Conferences, Education & Training / Travel	28,670	-	9,530	-	28,000	-	1,500	-	7,160	74,860	81,445	-8.09%	(6,585)	
9	Non Reimbursable Expenses	1,450	-	41	-	540	-	-	-	18,974	18,974	21,005	3,445	509.71%	17,560
10	Office Supplies	3,650	-	-	-	2,200	-	900	-	11,857	18,607	18,608	-0.01%	(1)	
11	Communications	2,400	-	-	-	-	-	-	-	14,316	14,316	16,716	18,424	-9.27%	(1,708)
12	Support Services	6,350	-	100	-	7,000	-	1,200	-	25,865	25,865	40,515	37,844	7.06%	2,671
13	Professional Support	4,150	-	1,666	-	12,360	-	-	-	14,853	14,853	33,029	26,380	25.20%	6,649
14	Equipment Maintenance / Rental	20,000	-	600	-	2,700	-	6,600	-	10,432	10,432	40,332	29,130	38.46%	11,202
15	Building Maintenance / Utilities / Depreciation	0	-	-	-	-	-	-	-	109,672	109,672	111,080	-1.27%	(1,408)	
16	Equipment	4,156	-	5,500	-	6,300	-	-	-	14,266	14,266	30,222	24,425	23.73%	5,797
17	Capital Replacement/Reserve	0	-	-	-	-	-	-	-	37,991	37,991	65,333	-41.85%	(27,342)	
18	<b>TOTAL DIRECT EXPENSES</b>	<b>5,176,458</b>	<b>71,785</b>	<b>256,862</b>	<b>120,000</b>	<b>1,149,401</b>	<b>200,000</b>	<b>321,832</b>	<b>83,491</b>	<b>1,033,087</b>	<b>8,412,915</b>	<b>7,158,735</b>	<b>17.52%</b>	<b>1,254,180</b>	
19	INDIRECT COSTS ALLOCATION	539,417	19,614	75,250	-	280,283	-	99,548	0	(1,014,113)	(1,014,113)	-	0	0	
20	<b>TOTAL EXPENDITURES</b>	<b>5,715,875</b>	<b>91,399</b>	<b>332,112</b>	<b>120,000</b>	<b>1,429,684</b>	<b>200,000</b>	<b>421,380</b>	<b>83,491</b>	<b>18,974</b>	<b>8,412,915</b>	<b>7,158,735</b>	<b>17.52%</b>	<b>1,254,180</b>	
<b>C. 21 NET: REVENUES OVER EXPENDITURES</b>															
		0	0	0	0	0	0	0	18,974	(18,974)	0	0	0.00%	0	
USE OF PRIOR YEAR FUND BALANCE															
														0	
<b>NET AFTER FUND BALANCE APPROPRIATION</b>															
		0	0	0	0	0	0	0	18,974	(18,974)	0	0	0.00%	0	