

**GUNNISON COUNTY BOARD OF COMMISSIONERS  
SPECIAL MEETING MINUTES  
October 15, 2007**

The October 15, 2007 Board of Commissioners meeting was held in the Commissioners Meeting Room at the Courthouse. Present were:

Hap Channell, Chairperson  
Paula Swenson, Vice-Chairperson  
Matthew Birnie, County Manager

Katherine Haase, Clerk to the Board  
Others Present as Listed in Text

**CALL TO ORDER:** Chairperson Channell called the meeting to order at 8:03 am. Commissioner Jim Starr was not present for this meeting due to a scheduling conflict.

**STAFF PROPOSED BUDGET PRESENTATION:** Assistant Finance Director Ben Cowan and Finance Director Linda Nienhueser were present for discussion.

Finance Director Nienhueser presented the proposed budget that reflected a 5% market increase in salaries for all county employees for an overall 2008 payroll increase of \$475,392 with no increase in insurance premiums. She also reported that this budget proposal would result in an approximate reserve balance of \$833,000 by the end of 2008.

County Manager Birnie explained that the county will face challenges to entice and retain high-caliber employees if salaries cannot be increased. He further explained that the 5% overall increase was difficult to derive, but was achieved after working closely with Personnel Director Debbie Moore and each department director specific to their budget requests.

Finance Director Nienhueser's presentation encompassed the following:

1. General Fund. Finance Director Nienhueser explained that property tax equates to 53.42% of this fund and that, because of the recent increase in assessed value and other criteria, General Fund revenues will increase by 10%. She also stated that the actual increase for property tax will be 8.44% due to the 5.5% maximum annual increase plus growth properties not included in the 5.5% maximum. Additionally, intergovernmental revenues are expected to be 11% higher in 2008 primarily due to increases in public health grants.

Finance Director Nienhueser stated that the 2008 General Fund is balanced while maintaining a projected 26% balance in unreserved dollars.

Commissioner Swenson suggested that other community employers may follow suit if the county can set a standard in raising wages. County Manager Birnie stated that the salary increase will only assist in closing a small portion of the gap relative to the cost of living while further increases would be necessary in order to make gains. He also stated that the salary increase should assist in achieving the goals set forth by the board, while also introducing more money into the local economy. Lastly, he stated his intention to implement long-term financial planning for the county.

2. Public Works. Finance Director Nienhueser presented the Public Works projections and explained the slow growth in Public Works revenues due to dependency on external funding sources.
3. Human Services. Finance Director Nienhueser stated that client numbers were down this year. County Manager Birnie relayed that one new bilingual case aid position was approved, as requested by Health and Human Services (HHS) Director Renee Brown and justified by the growing need within our community. County Manager Birnie also explained that this case aid worker will provide services such as home visits, which eliminates the need for HHS personnel to provide after-hours interpretation. Chairperson Channell suggested that the HHS Department focus on hiring all positions as bilingual and that current personnel should be encouraged to become bilingual. County Manager Birnie further suggested promoting current bilingual employees into higher positions.
4. Conservation Trust. Finance Director Nienhueser did not go into any depth for this item and stated that the information will change prior to adoption. She also stated that she will be able to provide accurate information in November 2007.
5. Sales Tax. Finance Director Nienhueser explained the flat revenue projections in this fund for the remainder of 2007 and 2008 while having budgeted \$126,948 of available resources. County Manager Birnie and Assistant Finance Director Cowan explained that the health of this fund is improving due, in part, to relief from obligations that are now being managed through linkage fees.

6. Land Preservation Fund. Finance Director Nienhueser stated that this budget contains a \$30,000 transfer to Road and Bridge for the Crested Butte for Brush Creek trail project. However, she also stated her opinion that \$30,000 may be insufficient.
7. Library. Finance Director Nienhueser briefly explained that this fund will increase 8.44%, but did expand discussions since the library will soon become their own entity. She did state, however, that library personnel will be subject to the same 5% salary increase as all other county personnel for the 2008 transition year.
8. Mosquito Control District. Finance Director Nienhueser stated that she had not yet been presented with the budgetary information for this item, so she estimated a 2.5% increase over the previous year's costs. County Manager Birnie stated that there may be another company interested in providing this service to the county, which may lead to an RFP process.
9. Sage-Grouse Trust. Finance Director Nienhueser explained that this fund receives reserve funds accumulated from the landfill. Additionally, \$25,000 is included each year to support the general fund sage grouse coordinator budget. County Manager Birnie stated that pertinent local entities have budgeted for the coordinator position, with GCEA and Tri-State providing the largest contribution of \$20,000. He further relayed that many of these entities are intending to cease their financial commitment to this program after this next year, which may cause the need for instituting applicable fees in order to continue to fund this position. Additionally, County Manager Birnie noted that, should the Gunnison Sage-grouse become a federally-protected species, federal funds will then support this program.
10. Risk Management. Finance Director Nienhueser explained that, due to a declining fund balance, the premium amounts charged to each department have increased. Assistant Finance Director Ben Cowan further explained the desire to increase the balance of this fund by an additional \$30,000 each year in order to limit potential liability since the county's exposure is up to \$100,000 per claim.
11. Housing Authority. Finance Director Nienhueser stated that this fund is improving due to the anticipation of impending lots sales. County Manager Birnie stated that this department will need further evaluation to determine whether it serves only the county or the entire community, which would justify partial funding by other entities. There was further discussion related to the future of the Mutual Self-Help Building Program and the board agreed to schedule a budget work session with Gunnison County Housing Authority Executive Director Denise Wise.
12. Marketing District. Finance Director Nienhueser reported that this fund is doing well and that she anticipates being able to pay off the loan by the end of 2007. She also stated that the Local Marketing District would like the county to oversee tax payments, however County Manager Birnie stated that this request is not feasible and will be further discussed on November 6, 2007 when the Local Marketing District Board of Directors convenes.
13. Transportation District. Finance Director Nienhueser reported that Scott Truex provided the budget information with a projected 2.86% increase in RTA sales tax revenue for 2007 and 2008 over the 2007 budgeted figure. Within this budget, a bus schedule is supported for trips to and from Denver, with intermittent stops, operating five days per week.
14. Airport Construction. Finance Director Nienhueser reported that the taxiway rehabilitation project, at a cost of \$4,712,180, has been completed. She also stated that the de-ice pad, drain and rotating beacon are scheduled for 2008 and will be supported by \$865,380 in FAA grants.
15. Capital Expenditures. Commissioner Swenson stated that a December 11, 2007 work session has been scheduled to discuss Airport and Public Works facilities and any reallocation of priorities with regard to those facilities. Finance Director Nienhueser stated that projects budgeted under this fund include the continuation of the Department of Energy UMTRA Project, finalizing the DTR Equipment Project and Homeland Security grants. She further stated that she will need additional information related to plans for the Industrial Park.
16. Airport Operations. Finance Director Nienhueser reported that Airport Operations spending may exceed expected revenue collections in 2008. County Manager Birnie asked for the criteria used to calculate airport rates and Assistant Finance Director Cowan explained that the rates are adjusted every year on December 1<sup>st</sup>. Assistant Finance Director Cowan also stated that he will attempt to obtain specific information from Airport Manager John DeVore regarding the information already provided, specifically whether or not the proposed budget includes any increases in landing fees.
17. Sewer District. Finance Director Nienhueser explained that the Dos Rios Sewer District will experience a 1.5% decrease in fees while the Somerset Sewer District and the North Gunnison

Sewer District will experience increases of 5% and 4%, respectively. The Antelope Hills Sewer District fees are anticipated to remain the same.

18. Water District. Finance Director Nienhueser stated that the Water District rates will decrease 7% in 2008 while the total ending available resources from 2006 actual to 2008 budget will increase by \$2,329. Assistant Finance Director Cowan explained that the decrease is due to recent commercial overages.
19. Solid Waste. Finance Director Nienhueser explained that the rates for solid waste disposal at the landfill increased as of October 15, 2007 due to an increase in fees passed down from the State of Colorado. A resolution commemorating this increase was scheduled for ratification on the October 16, 2007 Consent Agenda.
20. Hospital and Health Care Center. Finance Director Nienhueser reported that these calculations will be updated as soon as the consolidated budget summary information for 2008 is received.
21. ISF-I. Finance Director Nienhueser explained that the conservative budget maintains an adequate balance. The upcoming capital purchases were outlined as \$35,000 for a bottom dump trailer, \$8,500 for an ATV to be used by the Weed District and \$22,000 for a mini-excavator. Future evaluations will be necessary in order to reverse the trend of fund decreases.
22. ISF-II. Finance Director Nienhueser stated that the county is meeting the goal of maintaining a fund balance of approximately \$100,000. County Manager Birnie confirmed that the county is continuing to contract services to Mitchell & Company. Finance Director Nienhueser stated that there will be an approximate savings of \$42,732 in projected salaries.
23. ISF-III. Finance Director Nienhueser stated that this fund balance is healthy and that no health insurance premium increases will be recommended for 2008.

There was additional discussion related to the possibility of hiring a full-time county engineer. This position was not included within the budget and County Manager Birnie suggested that the services remain on a contract basis. He also stated that a county engineer could be perceived as biased toward the county or be accused of acting upon politically-driven goals. Chairperson Channell asked Finance Director Nienhueser to determine the amounts spent on contracting engineers.

An additional budget work session was scheduled for November 19, 2007 from 8:00 am until noon.

**ADJOURN: Moved** by Commissioner Swenson, seconded by Chairperson Channell to adjourn the meeting. Motion carried. The meeting adjourned at 10:19 am.

\_\_\_\_\_  
Hap Channell, Chairperson

\_\_\_\_\_  
Paula Swenson, Vice-Chairperson

\_\_\_\_\_  
Jim Starr, Commissioner

Minutes Prepared By:

\_\_\_\_\_  
Katherine Haase, Deputy County Clerk

Attest:

\_\_\_\_\_  
Stella Dominguez, County Clerk