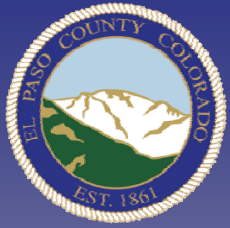


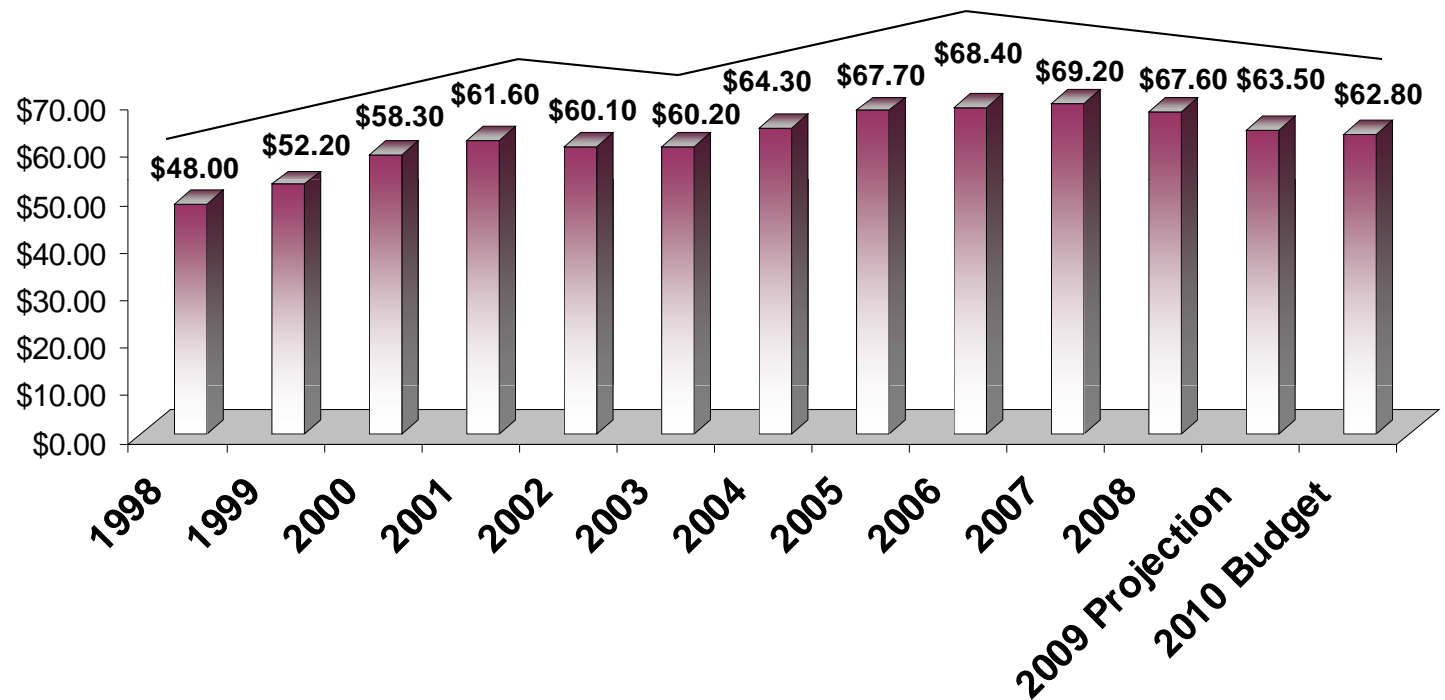
**2009-2010 Southern Colorado
Economic Forum
October 30, 2009**

Jim Bensberg
Chairman, Board of County Commissioners

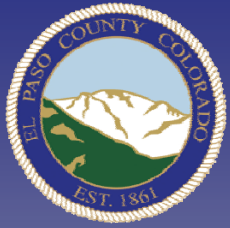


El Paso County Historical Sales and Use Tax Revenues

(In Millions)

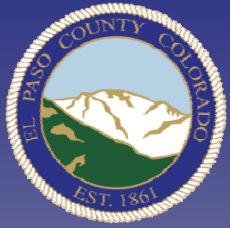


Sales tax revenues for 2009 and 2010 are expected to decline to their lowest levels since 2003.



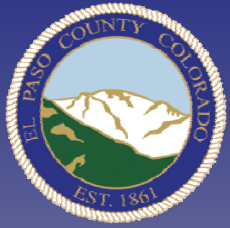
El Paso County Economic Indicators

- **Use Tax on Automobiles collected by the Clerk and Recorder is down 19.8% in 2009 from 2008.**
- **Foreclosures processed by the Public Trustee are on pace to reach a record by year's end.**
- **Requests for food assistance processed by the Department of Human Services increased 26% from January to December 2008.**
- **New residential building permits are down 25% YTD and new commercial permits are down 45%.**

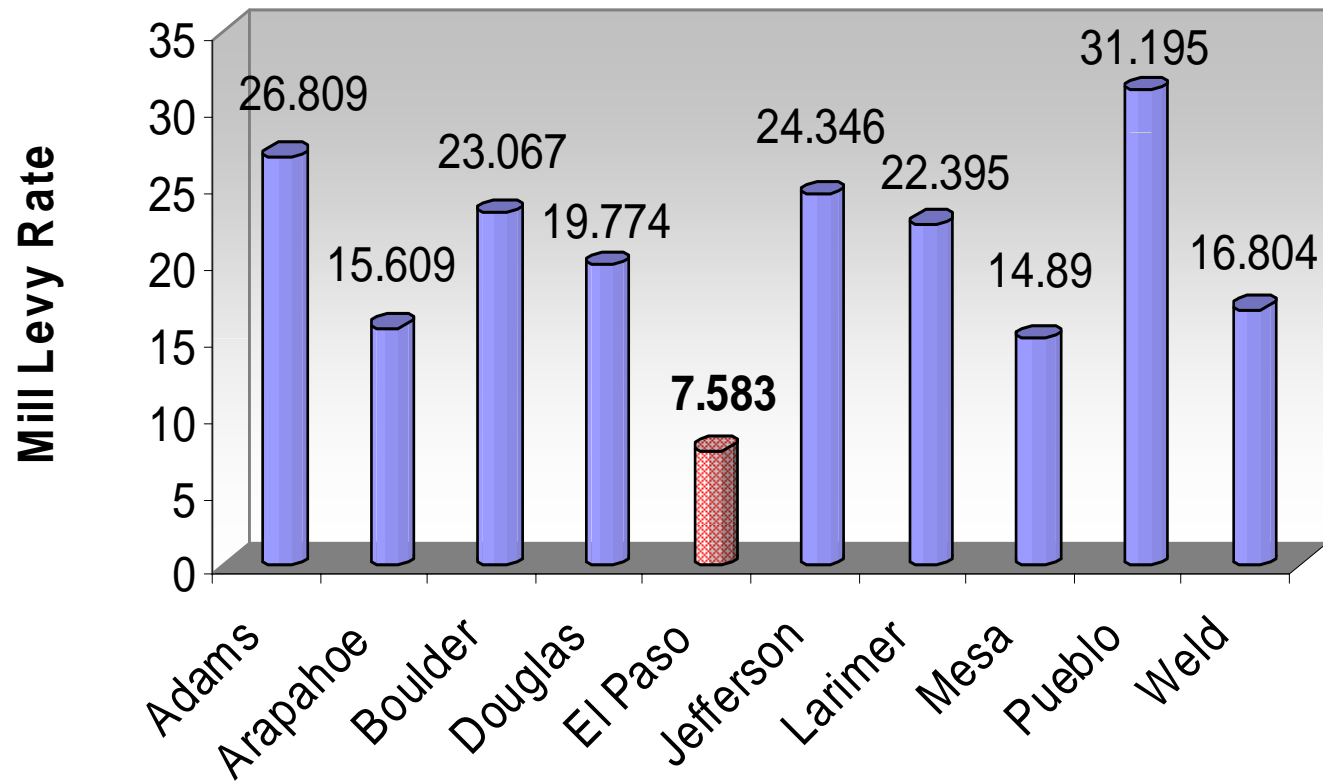


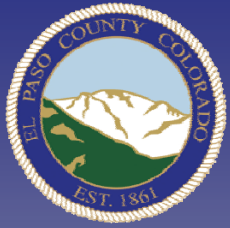
El Paso County Budget Reduction Measures

- **Consolidated 13 departments into 4**
- **Eliminated over 200 full-time staff positions**
- **“Froze” nearly 100 open staff positions**
- **Suspended cost-of-living increases for 3 years**
- **Eliminated “across-the-board” operational increases since 1996**
- **Implemented 4-day, 10-hour work week schedule in most offices**
- **Deferred maintenance for facilities, road and capital projects**



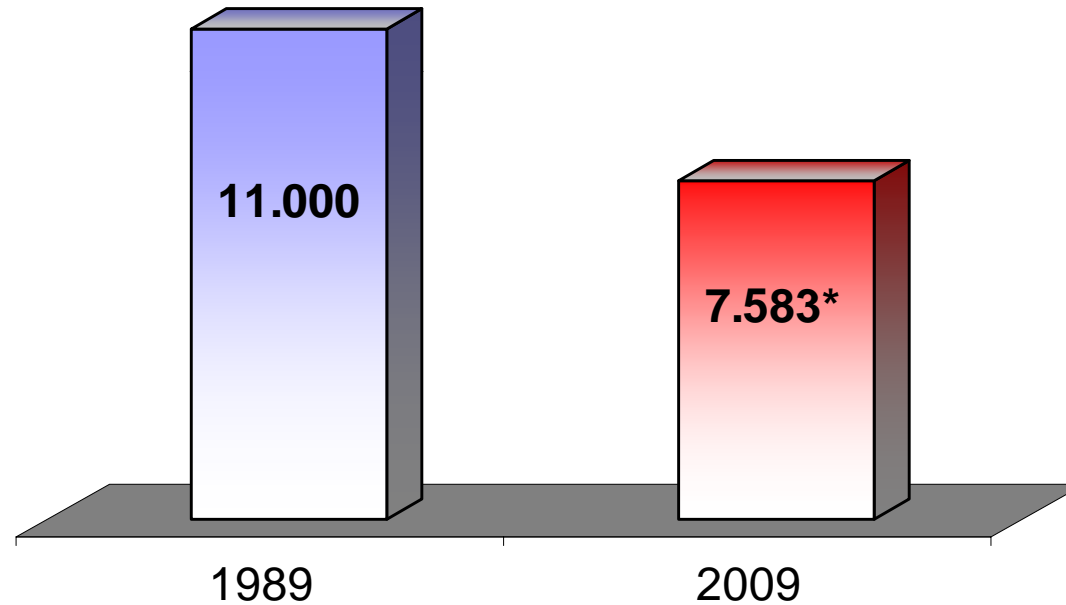
2009 Mill Levy Rates 10-County Comparisons



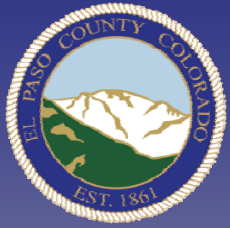


El Paso County Historical Mill Levy Comparisons

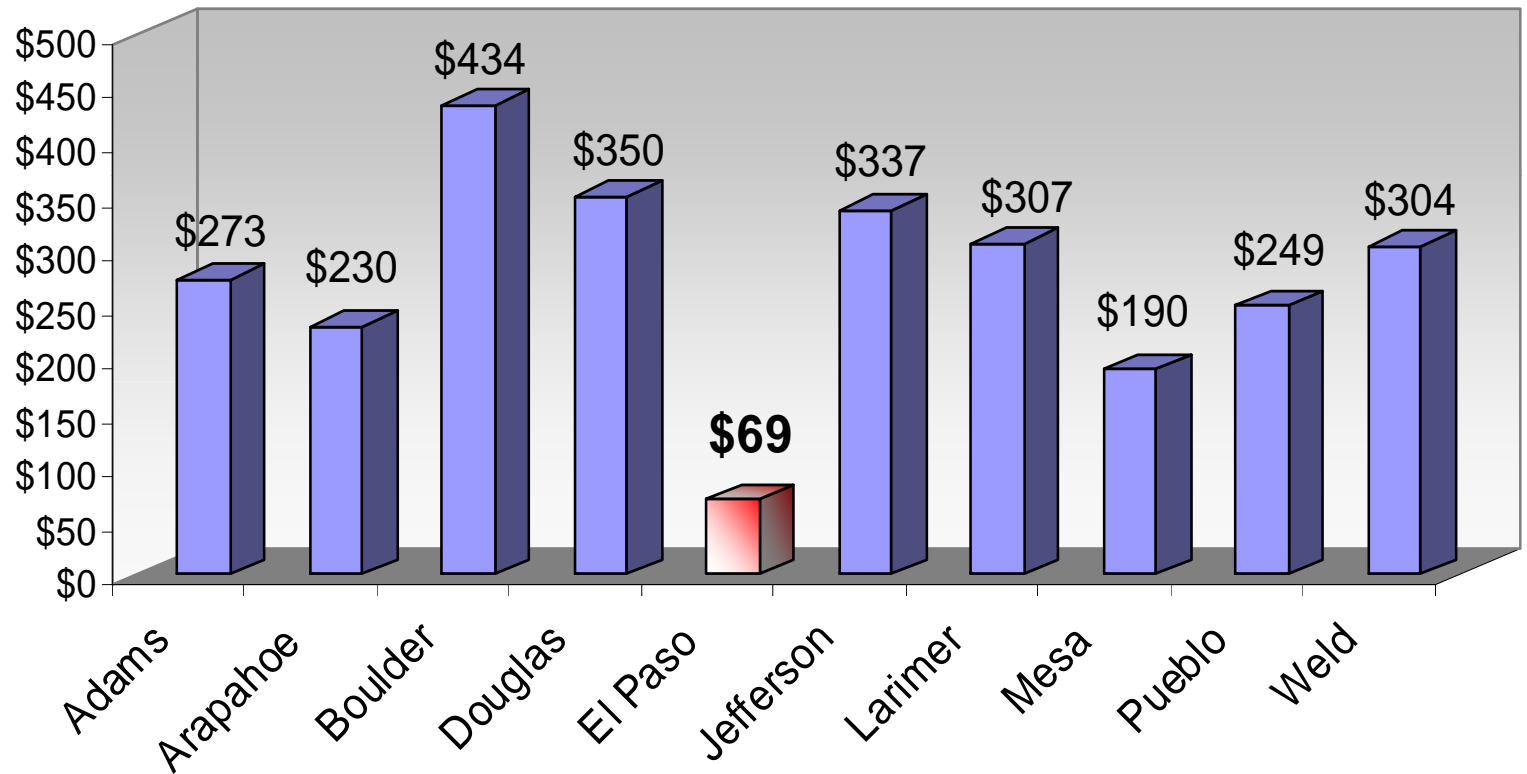
El Paso County Mill Levy Comparisons
1989 and 2009



*Represents a 31% decline in mill levy rate since 1989.



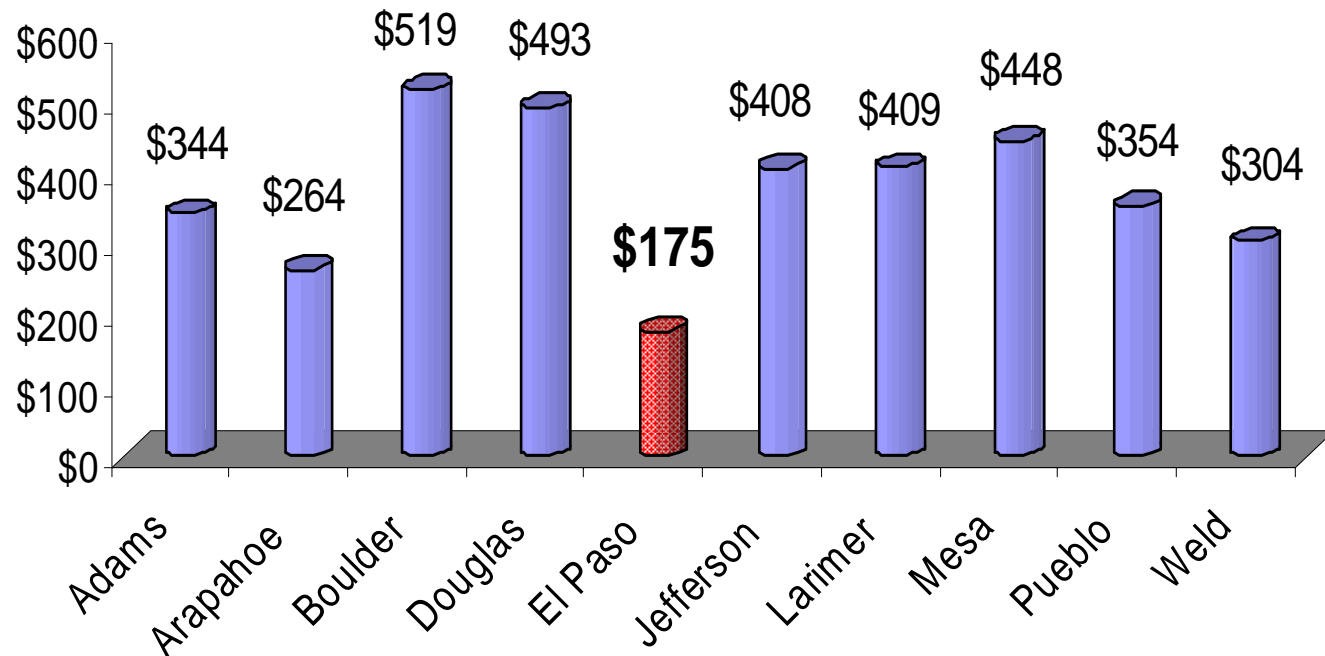
2009 Per-Person Property Taxes 10-County Comparisons

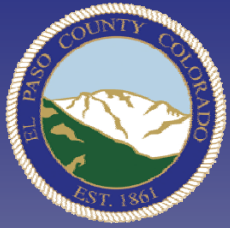




2009 Per-Person Total Taxes 10-County Comparisons

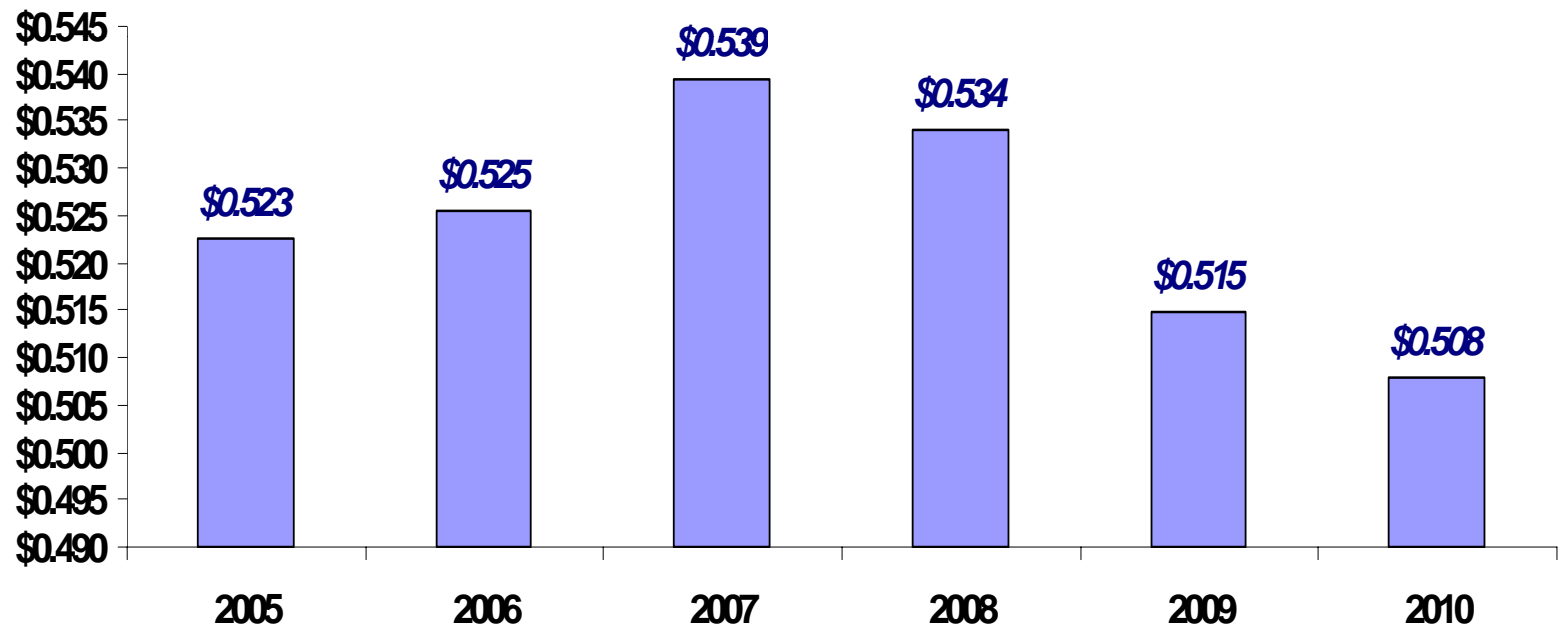
(Sales and Use Tax and Property Tax Combined)

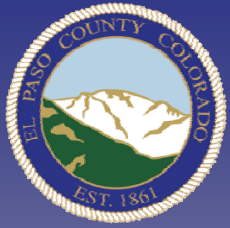




El Paso County Daily Per-Capita Tax History

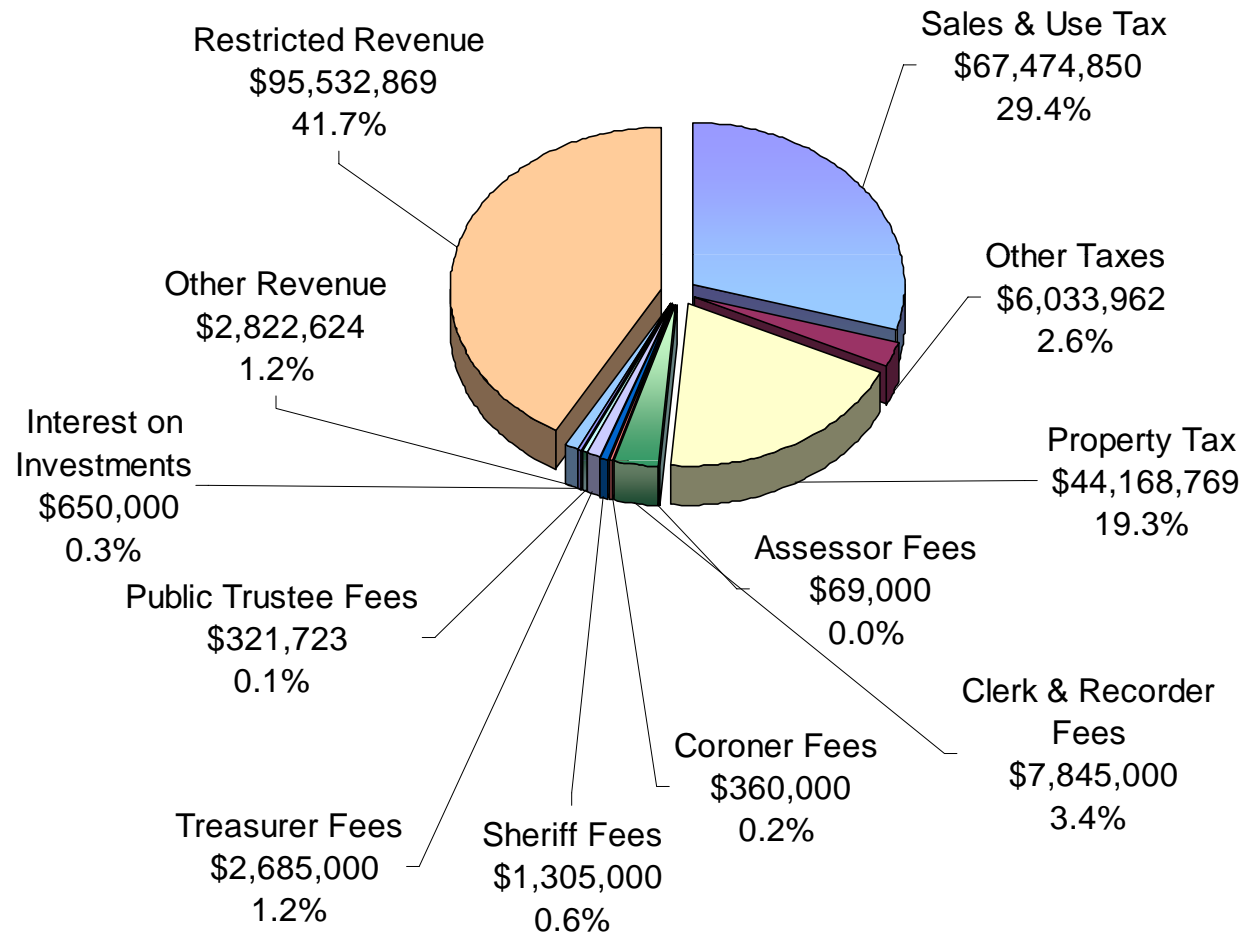
Daily Local Tax Cost Per Person

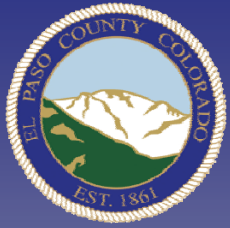




2009 El Paso County Total Budgeted Revenues

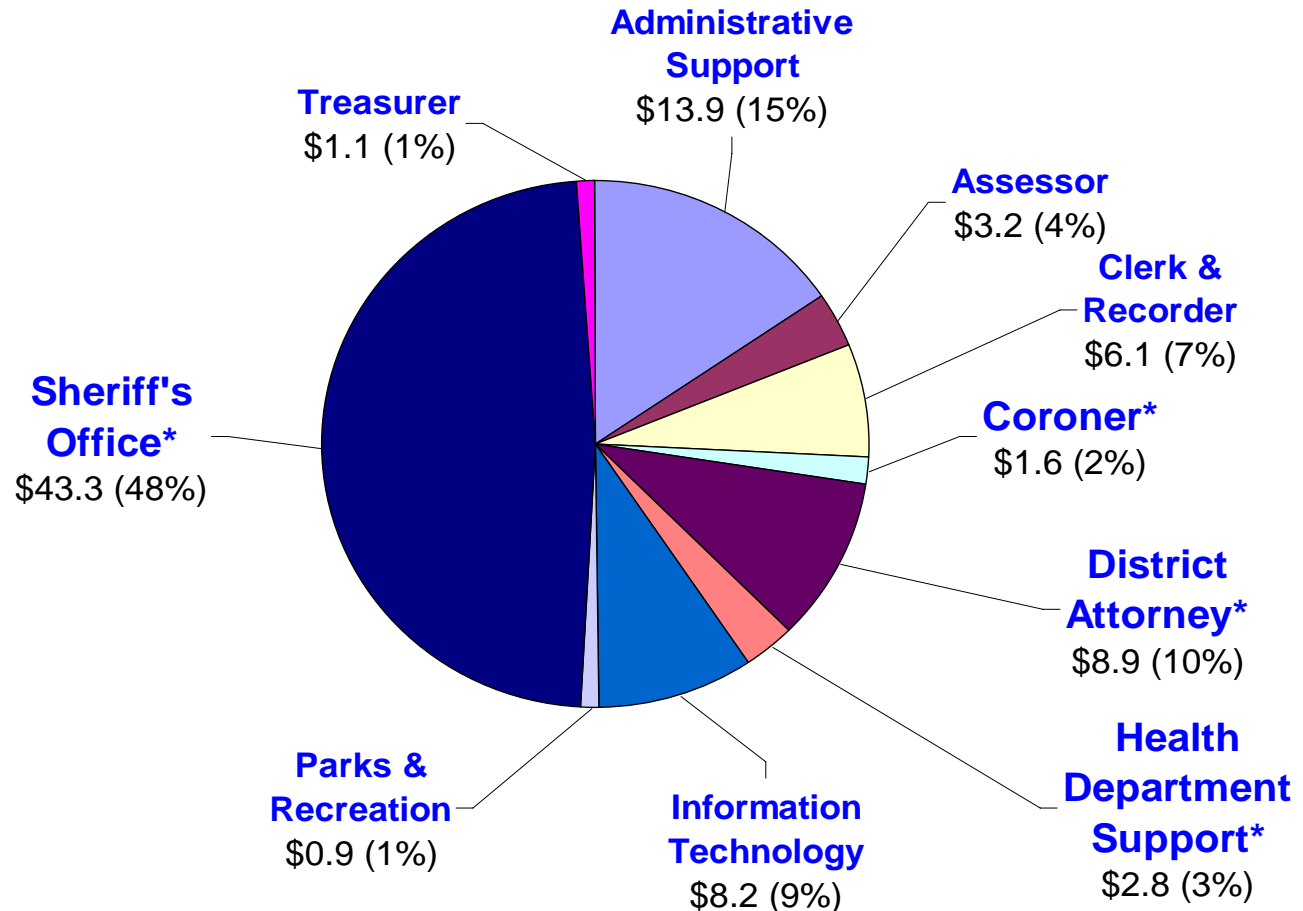
2009 Approved Revenue Budget: \$229.3 Million



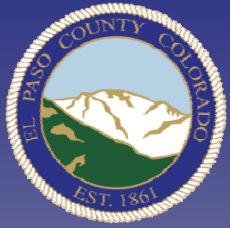


2009 El Paso County Discretionary Expenditures

Unrestricted General Funds (In Millions)
\$90 Million Total

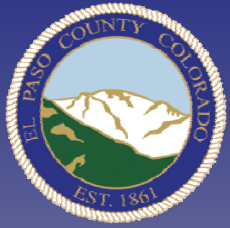


*Public Safety Allocations



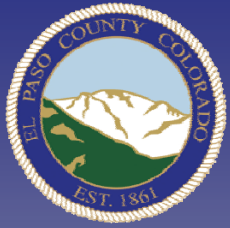
“Surviving, but not Sustainable”

- **Backlog of needed maintenance and infrastructure upgrades**
- **Snowplows and graders that are worn out and need repair or replacement**
- **Critical IT servers and software that are obsolete**
- **Unfunded critical operational needs totaling over \$73 million and unfunded critical capital needs totaling more than \$385 million**



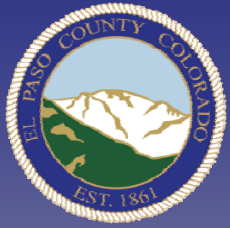
El Paso County Property Trends

- **Residential and commercial assessments are done every two years based on sales data.**
- **Property taxes collected in 2009 reflect assessments set in 2007. The appraisal data used to establish these assessments came from an 18-month study period ending June 30, 2006.**
- **2009 and 2010 property sales will be reflected in 2011 assessments and 2012 collections.**



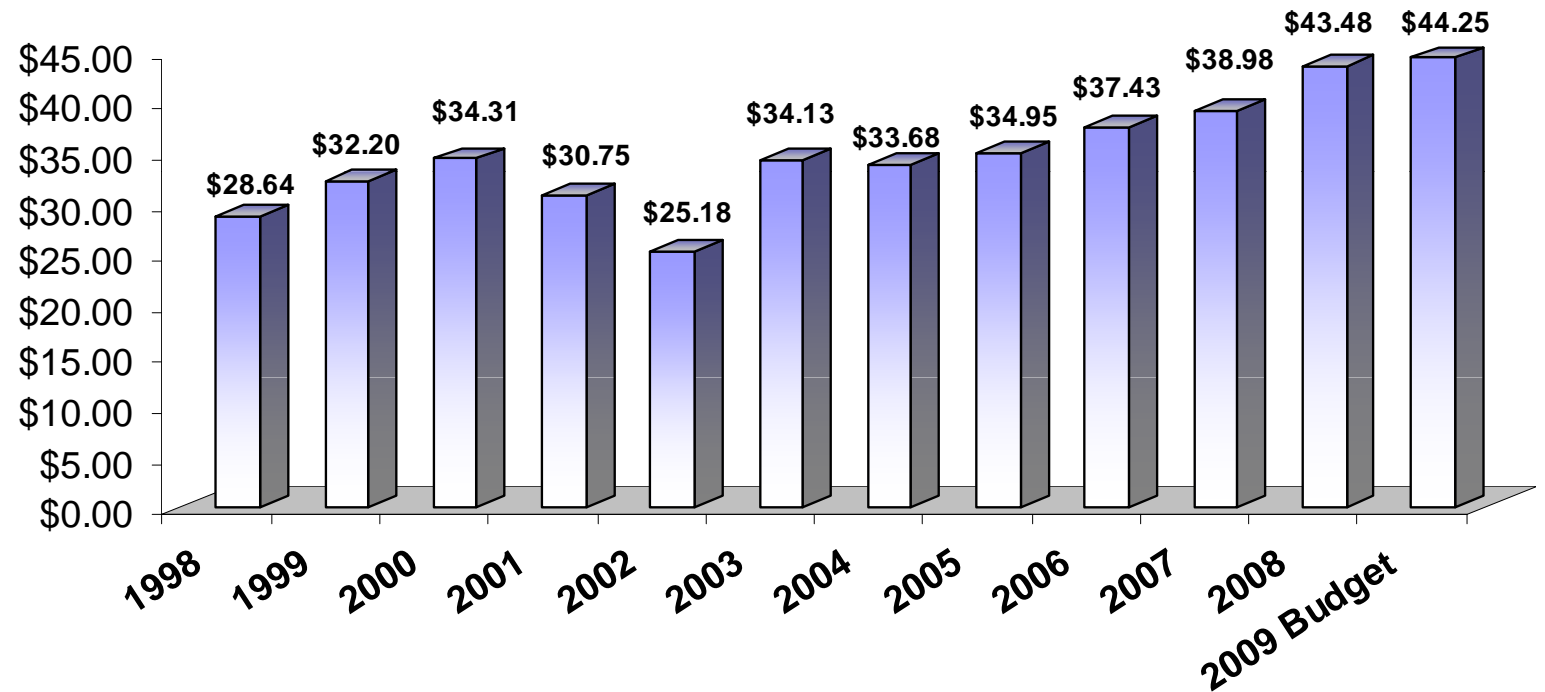
El Paso County Property Trends (Cont.)

- **Total assessed property values in El Paso County currently down an estimated 10% compared to actual 2009 valuations (using 2007-08 data).**
- **County seeing more bank-owned (REO) activity—properties selling 20-30% below market value.**
- **Short sales also increasing—properties selling 10-20% below market value.**
- **County foreclosures remain high; may reach a record 5,000 by year's end. Significant impact on future valuations.**



El Paso County Historical Property Tax Revenues

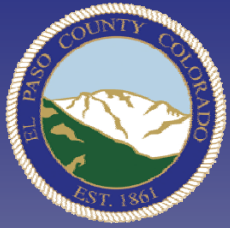
(In Millions)



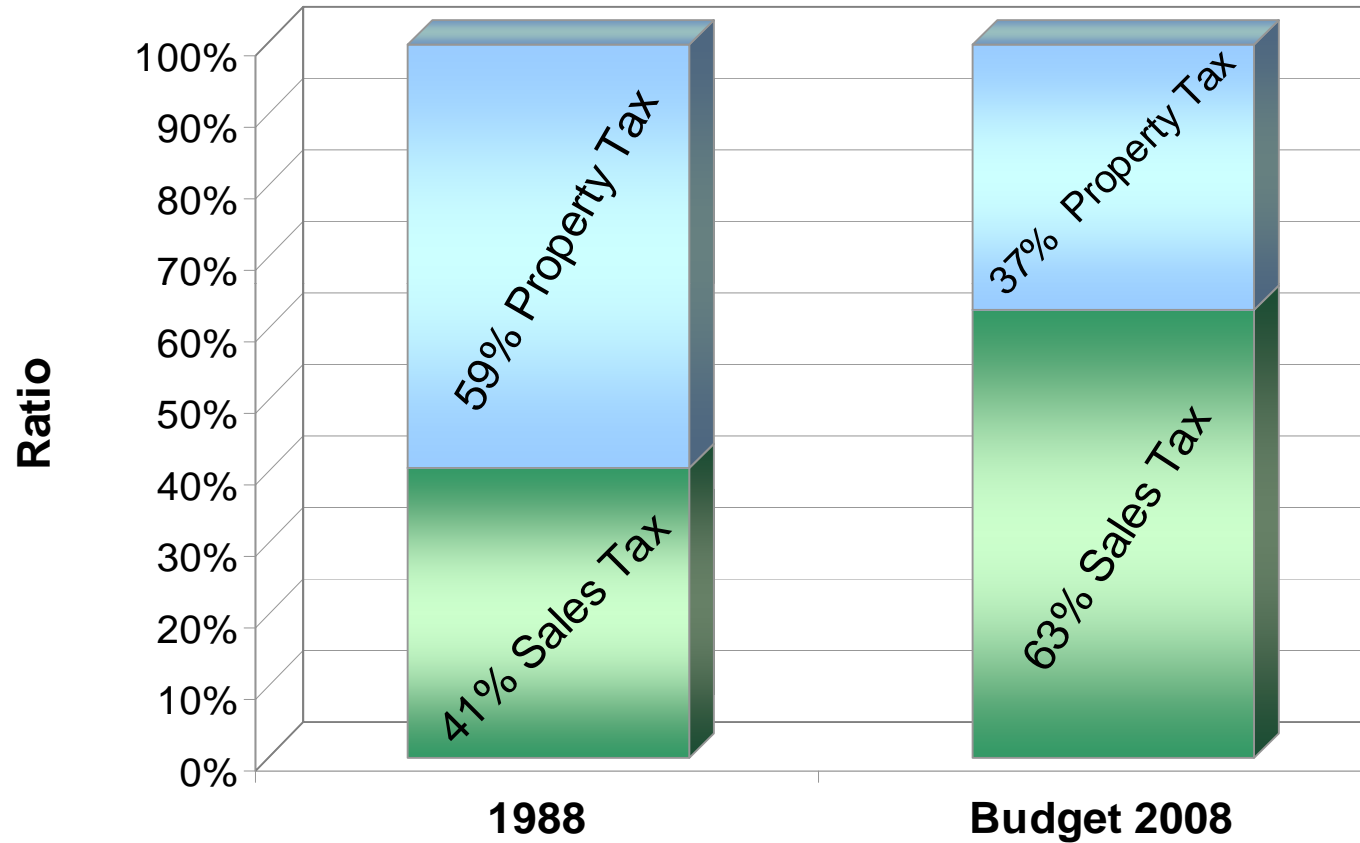


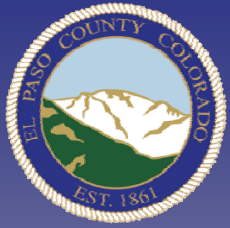
El Paso County's Future

- **Is it acceptable to wait an hour or longer for a Sheriff's deputy to respond to citizens' distress calls?**
- **Can we contract or privatize any County services?**
- **What about potential savings from County-City cooperation (e.g., facilities, maintenance, IT, etc.)?**
- **How do we address the historic trends of sales and property tax revenues, which serve as the County's primary general funding sources?**



Historical Allocation of Sales and Property Taxes





El Paso County Contact Information



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