

BUDGET MESSAGE FISCAL YEAR 2019-2020

Introduction

W.S. 16-4-104(d) requires that each proposed and adopted budget be accompanied by a budget message in explanation of the budget, containing an outline of the proposed financial policies for the budget year, and a description of the important features of the budgetary plan. It must also include the reasons for changes from the previous year in appropriation and revenue items and explain any major changes in financial policy.

Financial Policies

Campbell County Government shall continue to be governed by the Fiscal Policies and Procedures Manual adopted by the Board of Commissioners on March 5, 1991, and as subsequently amended by the Board.

Important Features of the Budgetary Plan

For the fiscal year 2019/2020 budget, beginning July 1st, the highest priority is to appropriately fund the operational budgets of county offices, departments, and boards in order to provide the public with those services identified and required under Wyoming Statute. Annually, the Board of Commissioners reviews and determines the total mill to be levied, based upon budgetary needs. Historically, the Board has set the mill levy below the maximum level of twelve (12) mills, and this year that direction continues with a mill levy of 11.286. Under the Constitution of the State of Wyoming, Article 15 § 5, County levies are limited: For county revenue, there shall be levied annually a tax not to exceed twelve mills on the dollar for all purposes including general school tax, exclusive of state revenue, except for payment of public debt and the interest thereon.

Providing the necessary infrastructure to effectively deliver county services continued to be a priority in the current fiscal year ending June 30, 2019. Project and activities include:

- Completion of Garner Lake Road Extension Phase I, opened in November;
- Acquisition of Courthouse Annex space to effectively consolidate County offices and meet future judicial requirements;
- Acquisition of operation ready property for re-location of the Road & Bridge Department;
- Garner Lake Road Extension Phase II is under construction and is scheduled to be completed in 2019/20;
- Remediation of Westover Road Landfill, #1, including monitoring wells is underway;
- Completion of CCSD Bonds and dissolution of Joint Powers Recreation Project Board, and;
- Architect, Exhibit Design Firm and CMAR were selected for the expansion of the Rockpile Museum at the existing location, and due to current economic conditions, this project is on hold.

For fiscal year 2019/2020, the emphasis will be on completing and/or making continued significant construction progress on the projects listed above, and includes:

- design and engineering for Courthouse Annex renovation.
- completion of the Airport Master Plan;
- ongoing maintenance and enhancements to the County Road System;
- study of George Amos Memorial Building for potential Branch Library utilization;
- design and engineering for relocation of Road & Bridge to the Hannum site, and;
- continued efficiency and security upgrades to County Buildings.

In fiscal year 2018-2019, the Board of Commissioners budgeted and deposited \$1,000,000.00 in the Capital Replacement Reserve account. The Capital Replacement Reserve was established in 1991 to address the long-term maintenance and depreciation of Campbell County facilities and equipment. By June 30, 2019, this fund will be approximately \$92 million, with accrued interest. Additional investments are budgeted for the balance of infrastructure accounts held by the County.

The Optional 1% Sales Tax budget is \$8,671,115 in FY 2019-2020 including the Joint Powers Fire Board allocation; this is an increase of \$1.9 million dollars from FY 18/19, or twenty eight percent (28.72%). This budget is reflective of a continued increase in sales tax revenues and aligned with projected expenditures for the new fiscal year. Optional 1% funds continue to be used for projects and activities approved by the citizens of Campbell County every four years, which include County roads and equipment, operating funding for the Senior Center and local Human Services Providers, public safety equipment, landfill improvements and equipment, Gillette College, Library collection and Museum activities, Veteran's services, School Security and additional youth programs. The Optional One Percent Sales Tax was approved by the voters for another four (4) years in the November 2018 general election.

The FY 2019-20 County Budget separated by expenditure category:

Total Operating		70.35%
(Wages & Benefits	47.09%)	
Total Capital		3.29%
Total Capital Construction		10.43%
Optional 1% Sales Tax		6.76%
Grants		<u>9.17%</u>
		100.00%

Reasons for Changes in Appropriations

The assessed valuation for Campbell County will increase slightly over the previous fiscal year, by \$28.6 million dollars. The budget for Fiscal Year 2019/20 will rise from \$111,895 million to \$128,362 million, a change of almost fifteen percent (14.71%). The Board of Commissioners has efficiently organized and budgeted judiciously acknowledging the continued stabilization of the assessed valuation for the upcoming fiscal year. It is anticipated the assessed valuation may decline in

subsequent years. The 2019/2020 fiscal year budget is focused on maintaining a steady level of services for the citizens of Campbell County, within available resources and investing wisely in infrastructure and capital to successfully address future needs. This includes preserving an efficient operating budget, supporting employees on the services they provide, and maintaining the age of physical plant for County facilities with cost-effective, long-lasting buildings.

A merit adjustment has been budgeted for eligible County Employees and a fifteen percent increase in health insurance premiums is proposed in fiscal year 2019/20. In addition, deductible and co-payment amounts will be adjusted, along with continued premium sharing for Employees opting out of the high deductible health program.

Reasons for Changes in Revenue

The assessed valuation for Campbell County in 2019/2020 will increase by an estimated \$29 million, to total of \$4,456,909,709. This is a very moderate change, attributed to the current economic conditions with our local energy industry and a sustained rebound in private investment and purchasing. A continued stability in revenue is projected for the next fiscal year.

Federal and state grants in the areas of drug courts, juvenile justice, law enforcement, health and welfare, and public infrastructure continue to fluctuate, indicative of state general fund budget constraints and federal budget funding reallocation.

Major Changes in Financial Policy

There are no major changes in financial policy at this time.

APPROVED this 18th day of **June 2019**.

BOARD OF COUNTY COMMISSIONERS
CAMPBELL COUNTY, WYOMING



D.G. Reardon, Acting Chairman

ATTEST:



Susan F. Saunders, County Clerk