

## **BUDGET MESSAGE FISCAL YEAR 2015-2016**

### 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 2015/2016 budget, beginning July 1<sup>st</sup>, the highest priority remains to appropriately fund the operating budgets of county offices, departments, and boards in order to provide the public with those services 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 at slightly above eleven (11) mills, and this year that direction continues with a mill levy of 11.051. Under the Constitution of the State of Wyoming, Article 15 § 5, County levies 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 continues to be a high priority. In fiscal year ending 2014/2015:

- construction began on the new Weed & Pest building adjacent to Northern Drive;
- the new Southern Campbell County Agriculture Complex in Wright will be completed early in the new fiscal year;
- groundbreaking for the Gillette College Education and Activity Center occurred in early July;
- consensus revenue funding approved and design underway for the re-location of Fire Station #3 along Enzi Drive;
- the Architect, Exhibit Design Firm and CMAR were selected for the expansion of the Rockpile Museum; and,
- planned asphalt overlay of the Reno and Edwards Roads.

For fiscal year 2015/16, the emphasis will be on completing and/or making significant construction progress on the projects listed above, and:

- further development of the north Landfill, adjacent to Highway 59;

- completion of the rural Fire Station in the area of Highways 50 and 387;
- participation with the Town of Wright and CCSD Community Public Recreation District in the remodel of the old Wright Town Hall into a Community Center; and,
- completion of the College Rodeo Agriculture Complex.

Additionally, over eleven million dollars is budgeted for continued improvements at Landfills 1, 2 and 3, along with the maintenance of county roads to adequately address current population and industry needs.

In fiscal year 2015-2016 the Board of Commissioners budgeted \$2.5 million to deposit in the Capital Replacement Reserve from the General Fund 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, 2016, this fund will be over \$85 million, with accrued interest. Over the last twenty four years, this is an average annual investment of slightly over \$3.5 million. In FY 2011-12, the Board of Commissioners established a long term Building Maintenance account, and this fund has a present balance of over \$34 million, with an additional \$1.0 million budgeted in the current fiscal year. The account addresses the preventative maintenance and repairs to County facilities well into the future. \$9,725,000 is budgeted for the Short Term Future Capital Construction fund for the fiscal year. This account retains funds for upcoming identified capital construction projects. At the end of FY 2015/2016 the anticipated balance will be over twenty million dollars.

The Optional 1% Sales Tax budget is \$18,606,771 in FY 2015-2016, including the Joint Powers Fire Board allocation; this is an increase of almost 21% or \$3.196 million over last year. This budget is in alignment with projected expenditures for the new fiscal year and in accord with the rebound in sales tax revenue experienced in the last 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, expansion of the Children’s Developmental Services building, and additional youth programs. The Optional One Percent Sales Tax was most recently renewed by the voters in for four (4) years in the November 2014 general election.

The FY 2015-16 County Budget separated by expenditure category:

Total Operating		61.52%
(Wages & Benefits	34.51%)	
Total Capital		1.53%
Total Capital Construction		20.63%
Optional 1% Sales Tax		10.92%
Grants		<u>5.40%</u>
		100.00%

Reasons for Changes in Appropriations

The assessed valuation for Campbell County increased significantly over the previous fiscal year, by slightly more than \$500 million or 8.42%. The budget for Fiscal

Year 2015-16 increased from \$148.296 million to \$170.237 million, a change of almost fifteen percent (14.7%). The Board of Commissioners acknowledges the record assessed valuation for the current fiscal and understands the assessed valuation may decline appreciably in subsequent years. Therefore, the current fiscal year budget was focused on maintaining a high level of services for the citizens of Campbell County, within available resources and investing wisely to successfully address future needs. This includes preserving an efficient operating budget, supporting employees with the services they provide, and enhancing the age of physical plant for County facilities with modern, durable buildings.

A four percent merit adjustment budget was funded for eligible employees, a three quarter percent adjustment in contribution to the retirement pension fund, and a moderate increase in health insurance premiums are all reflected in fiscal year 2015/16.

#### Reasons for Changes in Revenue

The assessed valuation for Campbell County in 2015/2016 will increase by an estimated 8.42%, from \$5,685,695,158 to \$6,208,239,272. This is the highest recorded assessed valuation in the history of the County. The significant assessed valuation is attributed to the vigor of the local energy industry in the previous twelve months and private investment in infrastructure.

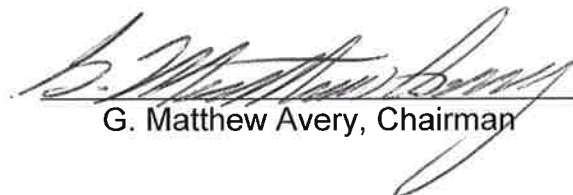
Federal and state grants in the areas of drug courts, juvenile justice, law enforcement, health and welfare, and public infrastructure maintain an overall decline, indicative of federal and state budget constraints and funding reallocation.

#### Major Changes in Financial Policy

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

**APPROVED** this 21<sup>st</sup> day of **July, 2015**.

BOARD OF COUNTY COMMISSIONERS  
CAMPBELL COUNTY, WYOMING

  
G. Matthew Avery, Chairman

ATTEST:

  
Susan F. Saunders, County Clerk