

BUDGET MESSAGE  
FY 2010-2011

This past fiscal year continued to show little improvement in the financial wellness of the Nation; impacting the State of Wyoming and Sheridan County. Tax revenues from mineral production and development have dropped by nearly 60%. The Governor of Wyoming implemented more reductions in all State agency budgets, and reduced the direct funding distribution to Counties by 35 %. Grant funding from the State was reduced 85% from the prior biennium. Property values and resulting taxes decreased for 2011 which impacted the FY 2011 budget. The goal for the FY 2010-2011 general fund budget is to reduce expenditures to balance the budget and to increase reserves over the prior year. Overall, the general fund operating budget is reduced by approximately 11% and County reserves are increased by \$413,750.00. In addition, general fund carryover cash of over \$3,000,000 is utilized in the FY 2010-2011 budget. The carry-over is attributed to unexpended budget expenses, made possible by the elected officials and departments carefully managing their budgets and showing fiscal restraint in FY 2009-2010.

Projects completed in FY 2009-2010 include the Courthouse Addition third and fourth floor remodel, which renovated the offices of the Clerk of District Court and the District Court Judge on the third floor; and the fourth floor was designed for the Public Works department, which includes Engineering, Planning and SAWS Administration. Prior to the remodel, Planning and Engineering were in separate locations. Other capital projects included reconstruction of the Public Health Office sidewalks and parking lot to provide handicap parking; reconstruction of the Courthouse west parking lot; continued implementation of the Sheridan County Comprehensive Plan with Conservation Design and Riparian Mapping completed; completion of a drainage project at the Fairgrounds; completion of the Courthouse fire alarm upgrade, and large equipment purchased for the Road & Bridge Department.

A partial list of major projects approved for FY 2010-2011 includes: final upgrades to the Courthouse addition on the first floor corridor; heating and air conditioning upgrades to the historic Courthouse; remodel and renovation of the Community Health Building; continued work on the County Comprehensive Plan development; road and bridge equipment and numerous road projects.

Staffing levels have decreased slightly since the prior year mainly due to retirement and natural attrition. Three full-time Road and Bridge operator positions will be eliminated October 1, 2010. This is due to reduced Capital Facilities Tax and grant funding allocated to road construction and maintenance.

Coalbed methane mineral development (CBM) declined significantly in 2009. As a result Sheridan County's assessed valuation dropped approximately 32% from 2009. Sheridan County's assessed valuation for FY 2010 is \$539,867,284, which includes \$370,006,308 in local assessed and \$169,860,976 in state assessed property. Based on the 2010 valuation, each property tax mill will generate \$539,867 in revenue.

In November of 2006, the voters of Sheridan County passed another four-year Optional One-Cent Sales Tax. The tax is projected to generate \$1,920,000 in revenue to the County, some of which are dedicated to operational support of the hospital, airport, library and fairgrounds. In addition, it is used to fund equipment purchases, the Juvenile Justice Program, and many non-profit and social service organizations in the community. A substantial portion of the One-Cent Optional tax revenue will continue to fund emergency services protection. On August 18, 2009, voters of Sheridan County approved a Specific Purpose (Capital Facilities) One-Cent sales tax of \$25 million. The Capital facilities tax generates funds used for our county road system. These two taxes are critical in enabling Sheridan County to continue to provide the services our residents expect, and the financial support that benefits many of our social organizations.

We have the potential to receive approximately \$3.6 million in dedicated grant funding during FY 2010-11, the bulk of which will be for county roads and bridges for construction, improvements and dust mitigation. Other grant funding is dedicated for homeland security, county and social service agencies, facility renovations and Community Health programs.

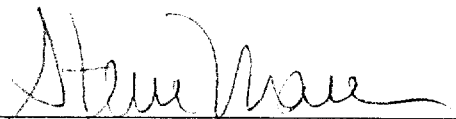
Fixed costs include funding for the library (\$1,040,000), fairgrounds (\$425,000), airport (\$150,000), and hospital (\$106,250). Other fixed costs include property and bond insurance premiums, accounting and auditing services, equipment leases, contract services, postage, grant match funds, computer support and training, parks and beautification and various operational expenses.

In an effort to contain the rising costs of the provided employee insurance benefit package, all employees will contribute 15% of the premium cost in FY 2010-2011. The policy will remain the same for the 2010-2011 fiscal year and deductible limits, annual out-of-pocket

and office visit co-pay will remain the same. This year the County is focusing on efforts to encourage the employees to exercise healthy behavior through an enhanced wellness plan that will offer incentives. Dental insurance premiums increased 7% and an increase of approximately 2% will be seen for the life insurance package. Wyoming Retirement contributions will also increase 2.87% on September 1, 2010. The County will continue to pay the entire contribution now at 14.12%. The total benefit package for County employees is approximately \$2.5 million for this fiscal year. Of that total, the County is contributing 88%. Sheridan County Commissioners believe that employee benefits are critical to employee retention and will strive to offer these benefits to their employees as the budget allows.

In FY 2010-2011, elected officials and department heads will be asked to stay within their approved budget line item amounts. Any salary adjustments require Board approval, and there will be no increase for elected officials for the next two years.

Sheridan County will continue to show spending restraint and evaluate expenditures in terms of necessity. All in all, Sheridan County has made sound decisions regarding the budget in a conservative, yet practical manner and will continue to evaluate the economy and the financial well being of the County throughout the year.



Steve Maier, Chairman  
Board of County Commissioners  
Sheridan County, Wyoming