

BUDGET MESSAGE
FY 2011-12

This past fiscal year showed slight improvements in the financial wellness for the State of Wyoming and Sheridan County. During the legislative budget session in 2011, an additional 10 million was allocated to local governments through direct funding distribution, of which Sheridan County's portion is approximately \$150,000. In addition, 25 million in County Wide Consensus funding was added for local governments. This resulted in \$609,000 to Sheridan County and the funding will be utilized for capital projects. Property values and resulting taxes slightly increased for 2011, however not significant enough to impact the FY 2012 budget.

The goal for the FY 2011-12 general fund budget is to reduce expenditures to balance the budget. Overall, the general fund operating budget is reduced by approximately 9%. In addition, general fund carryover cash of over \$1,800,000 is utilized in the FY 2011-2012 budget. The carry-over is attributed to conservative budget management and unexpended budget expenses, made possible by the elected officials and departments carefully managing their budgets and showing fiscal restraint in FY 2010-11.

Projects completed in FY 2010-11 include the Courthouse first floor corridor remodel; continued implementation of the Sheridan County Comprehensive Plan with ground water protection and conservation design completed; completion of the remodel and renovation of the Community Health Building; completion of the 5th street entrance paving project at the Fairgrounds; water and sewer upgrades at the Sheridan County Airport; and completion of the joint City-County Goose Creek flood notification system. Final payment on the Wyoming Bank and Trust lease reserve loan for the Detention Center remodel and addition was paid in FY 2010-11.

A partial list of major projects in process and approved for FY 2011-12 includes: painting, carpeting, lighting and HVAC upgrades to the historic Courthouse; remodel and renovation of the Sheriff's Office Building and renovations to the Detention center; continued work on the County Comprehensive Plan development; continued improvements to the Sheridan County Fairgrounds; and numerous County road projects.

Staffing levels will remain consistent with the prior fiscal year.

For 2010, State tax values from mineral production and development have increased by 23%, or 15.5 billion in revenue. As a result Sheridan County's state assessed valuation increased

11.45% from 2010 for a total of \$189,317,503. Local assessed valuation decreased 3.40% to a total of \$357,433,445. Total Sheridan County valuation for 2011 is \$546,750,948 resulting in each property tax mill generating \$546,750 in revenue.

In November of 2010, 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.

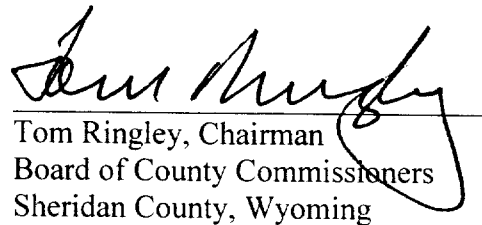
The County has the potential to receive approximately \$1.6 million in dedicated grant funding during FY 2011-12, the bulk of which will be for county roads for construction, improvements and dust mitigation. Other grant funding is dedicated for homeland security, county and social service agencies, facility renovations and Community Health programs.

Fixed costs include funding for the library (\$1,120,000), fairgrounds (\$425,000), airport (\$175,000), and hospital (\$56,250). 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 20% of the premium cost in FY 2011-12. In the prior fiscal year the employee contribution was 15%. In addition, the policy includes other changes for the fiscal year. Deductible limits will increase for individuals from \$750 to \$875 and family from \$1,500 to \$1,750. Annual out-of-pocket limits will increase for individuals from \$2,000 to \$2,300 and family from \$4,000 to \$4,600. Office visit co-payment will increase from \$30 to \$35. The County is continuing its focusing on efforts to encourage the employees to exercise healthy behavior through an enhanced wellness plan that will offer incentives. Dental insurance premiums will not increase, but will increase by approximately a 2% for the life insurance

package. The County will continue to pay the entire contribution of 14.12% for Wyoming Retirement. The total benefit package for County employees is approximately \$3.3 million for this fiscal year. Of that total, the County is contributing 89%. Total wage and salary compensation for the fiscal year is \$6.7 million. Total combined employee salary and benefit package for this fiscal year is \$9.6 million, 59% of the total budget. While there were no cost of living increases this fiscal year, Sheridan County Commissioners believe that employee benefits and competitive wages and salaries are critical to employee retention and will strive to offer these benefits to their employees as future budgets allow. Any salary adjustments require Board approval, and there will be no increase for elected officials for calendar year 2012.

In FY 2011-12, elected officials and department heads will be asked to stay within their approved budget line item amounts. 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.



Tom Ringley, Chairman
Board of County Commissioners
Sheridan County, Wyoming