

Park County Fiscal Year 2010 Budget Message

General Government Fund

Financial Policies and Goals for Fiscal Year 2010

- The Park County Board of County Commissioners faced two primary issues entering the planning phase for the FY2010 budget – anticipated declining property tax revenues in future years and the required expansion and liner construction in the Park County landfill at Cody.
- The first concern (decreasing property valuations) was met in part when the Commissioners set aside \$6,839,412.08 in reserve funds in the FY2010 budget.
- The second concern is the result of State of Wyoming Department of Environmental Quality regulations requiring the County to install a liner in the Park County Landfill at Cody and to expand the landfill to meet required regionalization efforts. In order to meet the financial burden of these projects, Commissioners approved an increase in tipping fees for all landfill users, a transfer of \$660,818.00 from the General Fund to the Solid Waste Account, use of \$226,000 in solid waste reserve funds set aside in prior years, a low and no interest federal loan passed through the State of Wyoming, state funds authorized by the 2008 legislature and solid waste cash carryover. Commissioners also authorized the use of general fund operational reserves, if needed, for cash flow to complete the landfill liner construction project. If needed for this purpose, funds would be repaid to the reserve account from fees for services and other solid waste revenues.
- Commissioners authorized an across-the-board (exclusive of elected officials) 3% cost of living wage increase for employees. In addition, \$200,000 was set aside for wage adjustments that may surface when the County's Salary Survey is completed in the fall of 2009.
- The FY2010 budget includes funds for improvements to Park County's fixed assets, including replacement of boilers and chillers at the Park County Complex, ceiling replacement at the Homesteader Museum, a new Courthouse roof, and other projects. In addition, the County will begin construction of a new Powell Road and Bridge Shop.
- Funding for community service organizations increased for FY2010 to \$408,012.00. Agencies approved for funds include those serving the mental health population, crisis services, food assistance programs, senior citizens, economic development, municipal recycling and youth programs.

Budget Highlights

- Park County experienced an assessed valuation in excess of \$1 billion for the first time in its 100-year history. The final valuation of \$1,033,277,678.00 provided funding of \$12,399,332.14 from the 12 mills authorized for Park County and its four appointed boards (Fair, Library, Museum and Parks and Recreation).

- The General Fund reflects anticipated revenues in FY10 of \$29,571,855.33. Revenue sources include ad valorem (property) taxes of \$10,672,725.96 (plus \$1,726,606.18 allocated to the four County Boards), sales and use tax of \$3,489,000.00, Payment in Lieu of Taxes (PILT) of \$1,962,000.00 and Secure Rural Schools (Forest Reserves) of \$1,177,398.00. In addition, the FY10 budget reflects \$4,215,190.74 in cash carryover from the prior fiscal year, partly from the unexpected full funding of PILT and Secure Rural Schools during FY09.
- General Fund expenditures for FY2010 are estimated at \$26,927,633.99 for operations plus \$6,859,412.08 for reserves. This does not include funds for solid waste, county road fund and E-911 outlined in sections relating to those funds.
- In order to address cash flow needs, the Commissioners may from time to time temporarily transfer funds from reserve accounts to the General Operating Fund for previously budgeted programs and projects. Funds used for these purposes will be paid back to the reserve fund as revenues allow.
- For the first time in seven years, the County increased monthly health insurance premiums paid on behalf of employees in the County's self-insurance program. Following a year of higher than normal claims, the increase is designed to maintain a reserve account near \$1,000,000.00 for the health insurance program.

General Changes to Expenses and Revenues from Prior Year

- Park County experienced unanticipated revenues in Fiscal Year 2009 when the federal government authorized full funding of the Payment in Lieu of Taxes (PILT) program and Secure Rural Schools Act. Designed to compensate counties where federal lands prevent full tax assessment, the government had been providing counties with only partial PILT payments. A component of the 2008 stimulus package resulted in full PILT and full Secure Rural Schools funding for five years. Full funding results in an increase of revenues for Park County of nearly \$1,800,000.00 per year from the two programs.
- The additional funds from PILT and Secure Rural Schools (SRS) resulted in a higher than normal cash carryover from FY2009 available for use in FY 2010. When combined with the increase in projected property taxes, the Board of County Commissioners was able to set aside \$6,859,412.08 in reserve funds. Property taxes in future years are expected to decrease from 2009 levels, moving Commissioners to set aside funds for future operations.
- Federal stimulus funding under the American Recovery and Reinvestment Act (ARRA) is being utilized by Park County where appropriate. Funding has been identified for law enforcement under a Justice Assistance or JAG grant, portions of the landfill lining project through the Clean Water Revolving Loan Fund, continuation of the Victim/Witness Coordinators' program under the Park County Attorney's office and replacement of inefficient air handling equipment at the Park County with more efficient units. The County continues to explore funding opportunities under the ARRA for authorized programs.
- Park County will begin construction in FY2010 of a new Road and Bridge shop in the Powell area, allowing expanded storage and better care and maintenance of County-owned equipment. The new building will be funded primarily through Park County's 2008 State Lands and Investments Board Consensus funding.
- Other capital projects will primarily focus on upgrades to existing facilities. Maintenance projects include roofing on the original courthouse building, exterior painting of the Park County Annex, maintenance work on the lower pond at the Park County Complex, carpeting and window replacement at varying buildings and sidewalk installation at the Complex.

Changes in Financial Policy

- Emphasis in the FY2010 budget was placed on the landfill expansion and liner project and reserve funds for future years. Expected to cost over \$6,000,000 when complete, the landfill is being funded through an increase in tipping fees, a combination principal forgiveness/2.5% loan through the Clean Water State Revolving Fund and ARRA, an allocation of \$778,000 from Park County's 2008 SLIB Consensus funds, a transfer from the general fund of \$660,818.00 and use of \$226,000 in reserve funds set aside in prior years.
- As noted throughout this budget message, the Commissioners also focused on building reserve funds. Fiscal Year 2010 is a unique year where property taxes, combined with unexpected full funding on federal programs, allowed the County to set aside over \$6,000,000 in reserve funds.

Solid Waste (Landfill) Fund

Fiscal Year 2010 will see Park County's landfill expansion and lining project bid and construction well under way. Under regulations from the Wyoming Department of Environmental Quality, Park County is required to install a liner to prevent groundwater contamination. During this same time, Park County has been forced to move to a regional landfill concept, with all municipal solid waste being transported to the Cody area landfill. Funding from many sources, including increased tipping fees, federal stimulus funds and reserves will be used to fund the expansion and lining of the landfill south of Cody.

As part of the regional landfill concept, efforts are underway County-wide to explore a regional recycling program, possible transfer stations, additional transportation equipment and future phases of the landfill expansion project. The Solid Waste Department also continues to operate landfills throughout the County as they plan the closure and post-closure activities that must be implemented for all but the Cody landfill. The Solid Waste Fund's increase of nearly \$4,000,000 over FY2009 is the result of the landfill project.

County Road Fund (CRF)

Established to help counties with road construction needs, the County Road Fund (originally known as the County Farm-to-Market program) is established under Wyoming statutes to be used solely for construction, re-construction and maintenance of county roads, bridges and culverts. The County Road Fund is funded from gasoline taxes (using a formula of rural population and land area) and severance taxes (using population, county road mileage and assessed valuation).

The County Road Fund for Fiscal Year 2010 shows projected revenues just over \$540,000 and expenses of \$235,250, which includes a transfer to the General Fund and completion of the Hunter Creek Road Bridge. Funds are being accumulated for future construction work on the Willwood Bridge, expected to begin in 2012. The Fund begins FY2010 with a cash balance from FY2009 of \$580,449.47. After factoring revenues and expenses through June 30, 2010, Park County expects a fiscal year end fund balance of just over \$887,000.

E-911

Park County area residents participate in a program authorized under State Statute 16-9-101 through 16-9-108, known as the Emergency Telephone Service Act. Under this Act, Park County collects a \$.50 monthly surcharge on every local wireline and wireless telephone in Park County. Funds collected must be used to install, maintain and operate an E-911 system in Park County.

During Fiscal Year 2010 Park County anticipates receiving nearly \$183,000 in revenues, which will be added to a cash carryover balance of \$448,437.77. Expenses estimated at \$231,050 will pay for phone lines, hardware and software purchases and maintenance, leaving a FY2010 year-end fund balance of \$400,387.77.

Library Construction Project

Park County completed construction of the new Library in FY2009. Funding from the Specific Purpose Excise Tax is expected to reach completion in September, 2009. Funds borrowed against the general fund during FY2009 will be repaid during FY2010, leaving an estimated balance of just over \$95,000 available for costs associated with the project in future years.

Boards

The Board of County Commissioners appoints members to serve on Boards providing oversight for the Park County Fair, Library, Museum and Parks and Recreation. These four entities in turn provide services to the Park County residents, with funding provided primarily from the County's mill levy. Park County is allowed to levy up to 12 mils from the assessed valuation for use by the County and the four Boards. For Fiscal Year 2010, the County budgeted \$1,726,606.18 for distribution to the four boards as follows.

Entity	Dollar Value
Fair Board	250,750.00
Library	1,312,552.18
Museum	73,304.00
Recreation	90,000.00
Total	1,726,606.18

Respectfully Presented

Kelly Jensen
Park County Clerk
Budget Officer