Box Elder County 2017 Budget Message

Box Elder County is located in the northwest portion of the State of Utah. It was organized by State Statute and serves the citizens of Northern Utah. The County provides services that include general government, public safety, public health and welfare, streets and public improvements, parks, recreation, solid waste management, library services, and conservation and development programs

The County uses the following funds for budgetary purposes:

**General Fund**---The General Fund accounts for all activities not accounted for by other funds of the County. This includes the County Jail, portions of the Sheriff’s budget and the majority of the administrative departments of the County (Assessor, Auditor, Commission, etc). The principal source of revenue for this fund is property taxes.

**Municipal Services Fund**---The Municipal Services Fund accounts for monies received by the County for the purpose of providing municipal type services for the unincorporated areas of the County (Community Development, Econ Development, Road Dept., Patrol, Detectives, etc.)

**Public Safety Fund** –The Public Safety Fund will no longer be used going forward. It has been allocated among the General Fund and the Municipal Services Fund. It accounted for monies received by the County for the purpose of providing public safety services for the unincorporated areas of the County and the operation of the County Jail

**Justice Court Fund** –The Justice Court Fund accounts for the resources used to operate the County’s Justice Court.

**Tourism Fund** -- The Tourism Fund accounts for resources used for the promotion of tourism within Box Elder County, the Box Elder County Fairgrounds and the Box Elder County Fair.

**Capital Project Fund** – The Capital Project Fund accounts for financial resources used for the acquisition or construction of capital projects for governmental funds.

**County Library Fund** – The County Library Fund accounts for the resources used to operate the bookmobile service provided by the County. This fund has its own dedicated property tax assigned to it.

**Box Elder County Redevelopment Agency (RDA) Fund** ---The RDA Fund accounts for related revenues and expenditures of the various Redevelopment Areas in the County (Ag Business Park, P&G, Plymouth – Great Basin, and Washakie)

**Landfill Fund**---The Landfill Fund is used to account for the operations of the County's landfill operation. It is the only enterprise fund of the County.

In accordance with Utah Code 17-36-10 (5)(b) this budget message highlights some changes in expenses and revenues from the current 2016 budget to budgeted 2017 amounts.

**Changes in expenditures/revenues from 2016 to 2017 budgets:**



**Personnel related costs:**

* Cost of Living Adjustment = 1.0%
* Health Insurance = 8.1% increase
* Dental Insurance = 3.0% increase
* Changes in pay for public safety = $250,000

**Property Tax Revenues**

* Property Tax Rates:

2016: 0.002072 - $7.3M

**Municipal Services – Proposed Tax Increase**

Municipal services funds (MSFs) are statutorily created tools intended to account for county services and funding. The goal is to align services with funding so the benefit goes to the person paying for it. In Utah, counties are statutorily permitted to “provide municipal-type services to areas of the county outside the limits of cities and towns without providing the same services to cities or towns.”

Box Elder County’s MSF services community development, economic development, building inspections, business licenses, fire protection, emergency management services, weed control, road maintenance, and police protection. USC § 17-34-1(2) provides that a county may 1) levy a property tax, 2) charge a fee for service, or 3) provide funds to a municipal service district in accordance with 17B-2a-1109.

The County retained Lewis Young Robertson & Burningham to conduct a study on the Municipal Service Fund. They found a gap exists between the cost of service being provided and the amount being paid by unincorporated residents for the municipal-type services they are receiving from the County.

The Box Elder County Commission has decided to proceed with the process to potentially increase taxes on unincorporated county residents to pay for the services they are receiving. The totally amount budgeted to collect from this new tax is $750,000

The Municipal Services tax on a $180,000 residence would be $44.35 per year and a

$180,000 business would pay $80.64 per year

**Fund Transfers**

* The Justice Court Fund transfers $500,000 to the General Fund. This money is needed for ongoing operations of the County Jail.

**Capital Improvement Budget**

**RDA Participation**

Box Elder County is anticipating participating in the following projects in the County for 2017 tax year.

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| **RDA** | **Project** |
| Box Elder County | Agri-Business Park |
|  | P&G |
|  | Plymouth |
| Brigham City | Northwest Econ Development |
|  | X-20 EDA |
|  | Campus District |
|  | RDA #1 – Hotel Block |
| Tremonton | West Liberty Foods |
|  | Tremont Center |
| Perry City | Point Perry CDA |

In 2015 (most recent year with data available), the County paid $1.1M in tax increment to the different projects