

Mead: Budget cuts frustrating

By Ben Neary

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CHEYENNE (AP) — Gov. Matt Mead said Tuesday it's painful to have to trim his proposed budget in response to recent state revenue projections calling for a decline in state revenues due to lower natural gas prices.

Mead in December proposed a \$3.4-billion state funds budget for the two-year funding period that begins in July. This month, however, the state's Consensus Revenue Estimating Group lowered revenue projections by \$100 million on falling natural gas prices.

"I'm frustrated, and the frustration comes from, we worked a long time on that budget with everyone who had input, and it was based upon CREG revenue forecasts," Mead said Tuesday in an interview with The Associated Press. "And you prepare the whole thing and it goes from \$4 gas to \$3.25 — 75 cents less all of a sudden creates a \$100-million shortfall."

Addressing that new shortfall in his budget recommendations, Mead this week spelled out nearly \$70 million in proposed spending cuts to the Legislature's Joint Appropriations Committee. Among the cuts is funding for pay raises for state employees and workers at the University of Wyoming.

"Everything that I take out of the budget now is something that I believed in three weeks ago, so it's been agonizing," Mead said. "But on the other hand, I think it's the right thing to do because if we are not responsive to the real-world prices, and we ignore them, I think we do so at our peril."

Other cuts Mead proposed include: \$5-million for funding for technology related businesses; \$5 million for state funding for landfills; \$8-million for the state Department of Health; and \$13 million from the Department of Family Services. He's resisting across-the-board cuts, opting instead for analyzing programs in each agency.

Mead has held the line, however, on his original proposal to allocate \$168 million in funding for local governments.

"I don't view that as maybe some other things, as a true expense," Mead said of the local government funding. He noted that many towns have old water and sewer systems that need improvement.

"This is the exact right time for us to address the infrastructure needs in our towns and our counties," Mead said. "The expense associated with those projects I don't think is going to get any less."

The Joint Appropriations Committee is marking up the budget bill this week. Co-Chairman Sen. Phil Nicholas, R-Laramie, said Mead's proposed cuts may not go far enough.

"It looks like he's really taking a look at the easy parts of the budget, and really left a lot of ongoing expenses that are really going to create and compound problems for when we come back," Nicholas said this of Mead's proposed spending cuts this week.

"The only thing that (Mead) really reduced in terms of ongoing costs are salary increases for the University of Wyoming and salary increases for state employees," Nicholas said. "All the other ongoing costs are pretty much left in. And I think the employees should share part of the belt-tightening, but it needs to be shared across the board, for every recipient of a program across the state."