

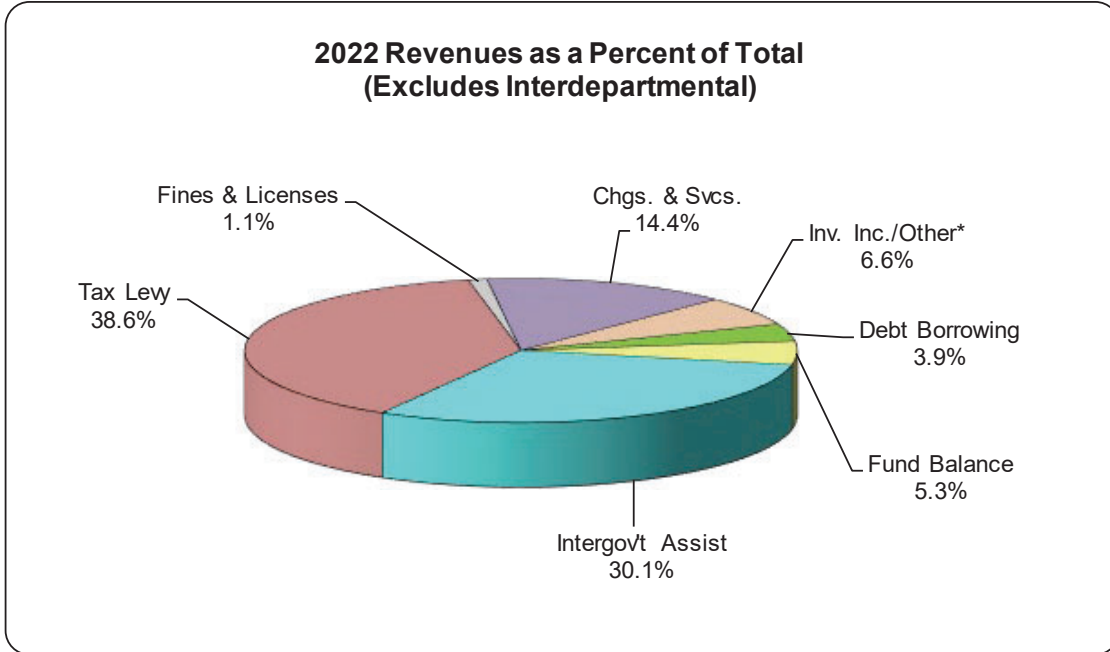
2022 REVENUE HIGHLIGHTS

Revenue Budget:

The **2022 revenue budget (excluding property tax levy, fund balance appropriations and revenue generating proprietary fund retained earnings) totals \$208,729,499**, an increase of \$16,738,764 or 8.7% from the 2021 Adopted Budget. The revenue budget includes \$44,481,035 of interdepartmental revenues (mostly from internal service funds, e.g., Health and Dental Insurance Fund).

The 2022 budgeted revenues consist of departmental operating revenues at \$187,691,531 and capital project revenues at \$21,037,968 including \$11,300,000 from planned borrowing. Overall, the operating revenues increase by \$12,888,152 or 7.4% from the prior-year budget, while capital project revenues increase by \$3,850,612 or 22.4%.

The graph below reflects the ratio of revenue sources budgeted for 2022 to all revenue sources (after excluding interdepartmental revenues), with tax levy of 38.6% and Intergovernmental Assistance of 30.1% as the major revenue components.



* Excludes Retained Earnings

Revenue Projection Methodology

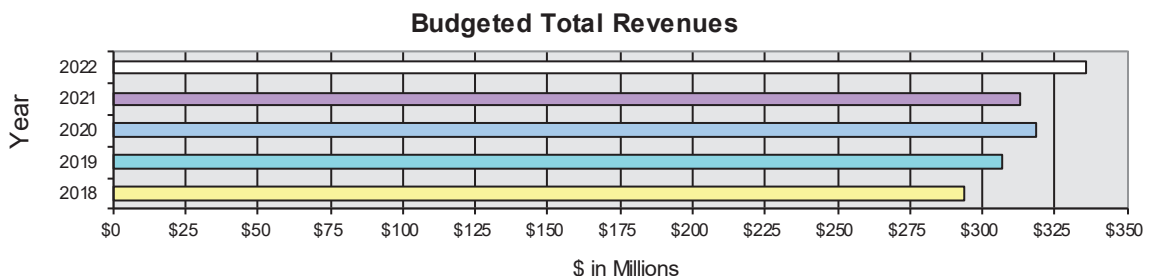
Realistic, conservative and accurate revenue estimates are one of the key building blocks in the development of a fiscally sound budget. The county combines four primary projection methods, mentioned below, based on the unique characteristics of forecasted revenue.

1. Informed and Expert Judgment (e.g., the advice of a department head).
2. Deterministic Techniques (e.g., formula based).
3. Time Series Technique (e.g., trend analysis, rolling averages).
4. Estimates from external sources or appropriated in adopted legislation (e.g., State and Federal governments).

Projection and Trends:

External factors that may impact estimated future revenue trends include a disruption in the economic recovery, a change in the interest rate trend impacting county investments, and a change in moderate inflation trends. Also, other impacts which could impact future revenue trends include federal and state budget deficits which will likely result in revenue reductions and the potential for higher future interest rates. Internal factors mainly include user fee rate increases, which help cover the rising costs of services and the ability to collect on client accounts.

The graph below shows the total budgeted revenue trends from all sources for 2018-2022. Total revenues are budgeted to increase \$23.4 million or 7.4% to \$337.4 million.



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A brief summary of the major changes in the past five years to the adopted budget are briefly explained as follows:

The 2022 revenue budget increases \$23.4 million or 7.4% to \$337.4 million, including an increase in intergovernmental contracts and grant revenue of \$12.2 million, largely due to federal American Rescue Plan Act (ARPA) – Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) funding of \$8.0 million. This also includes an additional \$1.0 million in case management and other revenues as part of a state mandate to eliminate the CLTS wait lists and an increase in CLTS-third party administrator revenues of \$387,800. Charges for services increase \$2.1 million to \$42.1 million, largely due to a \$861,100 increase in Comprehensive Community Services (CCS) revenues related to additional billable services for adolescents, a \$299,100 increase in municipal police services provided by the Sheriff's Department, a \$229,300 increase for Parks and Land Use-General Fund park system fees (annual park stickers, entrance fees, camping, etc.), and a \$231,400 increase in Register of Deeds revenues for real estate transfer fees and copy and duplicating fees. Interdepartmental revenues increase approximately \$2.5 million, to \$44.5 million, primarily from a \$1.3 million increase in End User Technology Fund driven by a higher cross-charge to Health and Human Services and a \$788,000 increase in Non-Departmental-Health and Dental Insurance Fund premiums charged to county departments, reflecting a 2.2% premium rate increase. Other revenues sources increase \$1.0 million to a total of \$19.5 million, mostly for contributions from individuals and organizations and cost recovery towards capital project costs, which increase \$585,000. Fund balance appropriations increase \$4.9 million, and the county general tax levy (excluding the special library tax) increases \$1,689,728 or 1.57% to \$109,503,123.

The 2021 revenue budget decreases by \$6.2 million to \$314.1 million, largely due to a \$6.0 million decrease in debt borrowing to fund capital projects expenditures. Intergovernmental contracts and grant revenues increase \$2.7 million to \$76.1 million. This includes \$1.4 million of federal funding for COVID-19 pandemic response in Public Health. This also includes an additional \$1.0 million in case management and other revenues as part of a state mandate to eliminate the CLTS wait lists and an increase of \$772,600 in Community Aids revenue. Charges for services decrease \$169,600 to \$40.0 million, largely due to decreases in Golf Course revenues of \$1.2 million from the sale of Wanaki Golf Course in 2020. Interdepartmental revenues increase \$1.7 million to \$42.0 million, primarily from increases in Non-Departmental-Health and Dental Insurance Fund premiums charged to county departments and employees, reflecting a 13% premium rate based on trends. Other revenues decrease \$1.8 million and include a decrease of \$500,000 in investment income due to low interest rates as well as a \$700,000 reduction in contributions and donations needed for capital projects. Fund balance appropriations decrease \$3.94 million, and the county general tax levy (excluding the special library tax) increases \$1,610,912 or 1.52% to \$107,813,395.

The 2020 revenue budget increases by \$13.0 million to \$320.3 million, largely due to increases in intergovernmental contracts and grant revenues of \$5.4 million to \$73.4 million. This includes \$3.1 million in Health and Human Services (HHS) pass-through payments related to the Children's Long Term Support (CLTS) Third Party Administrator (TPA) program, another \$460,000 in case management revenues and state reimbursement of indirect costs as part of a state mandate to eliminate the CLTS wait lists, and \$578,000 in state allocations to support growing child protective and juvenile justice cases. Charges for services increases \$1.3 million to \$40.2 million, partially due to increases in HHS client fee revenues of \$404,600 for psychological and social rehab programming in the Community Recovery Services (CRS) program. Interdepartmental revenues increase \$1.2 million to \$40.3 million, largely due to increases in Non-Departmental-Health and Dental Insurance Fund premiums charged to county departments and employees, reflecting a 5% premium rate based on trends. Debt borrowing to fund capital project expenditures increases \$500,000 to \$18.0 million. Fund balance appropriations increase \$1.26 million, and the county general tax levy (excluding the special library tax) increases \$1,839,437 or 1.76%.

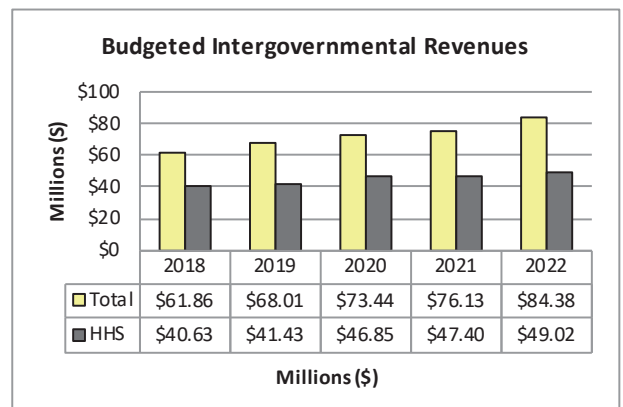
The 2019 revenue budget increased by \$13.7 million to \$307.3 million, largely due to increases in intergovernmental contracts and grant revenues of \$6.1 million to \$68.0 million. This includes \$1.7 million in grant funds for the new Workforce Innovation and Opportunity Act (WIOA) Fund program to provide services to regional residents to find employment, a \$2.4 million increase in capital project funding mostly related to intergovernmental cost share revenues for trail improvements, and the new state personal property aid payment of \$744,000 offsetting the loss of tax levy resulting from a new state law exempting machinery, tools, and patterns (not used in manufacturing, which were mostly already exempt). Charges for services increases \$1.2 million to \$38.9 million, partially due to increases in Health and Human Services Clinical inpatient and outpatient services for psychological and social rehabilitation of nearly \$650,000. Debt borrowing to fund capital project expenditures increases \$5.0 million to \$17.5 million. Fund balance appropriations decrease \$395,400, and the county general tax levy (excluding the special library tax) increases \$940,671 or 0.9%.

The 2018 revenue budget increased by \$9.2 million to \$293.6 million, partially due to increases in other revenue accounts of \$2.68 to \$20.29 million, related to prior year Comprehensive Community Services (CCS) revenue as recognized in the most recent Wisconsin Medical Assistance Cost Report (WIMCR) settlement, and over \$448,000 in additional Materials Recycling Fund (MRF) recycling revenue due to improving market conditions and increased tonnage. Intergovernmental revenues increase \$2.25 million to nearly \$61.9 million largely due to \$1.50 million in Health and Human Services (HHS) pass-through payments related to the Children's Long Term Support (CLTS) Third Party Administrator (TPA) program, and an increase of \$430,000 in various grant funds aimed at preventing and treating opioid and other drug abuse. Debt borrowing to fund capital project expenditures increases \$2.50 million to \$12.5 million. Fund balance appropriations decrease about \$8,700, and the county general tax levy (excluding the special library tax) increases \$1,623,276 or 1.59%.

Detailed revenue highlights are included within each functional area summary. A summary of highlights and major changes from the 2021 to the 2022 Revenue Budget, by source, follows.

Intergovernmental Contracts & Grants:

Combined, total 2022 intergovernmental contracts, grants, state/federal aids, and state shared revenues together reflect a budgeted increase of \$12,224,255 or 16.1% from the 2021 Adopted Budget (as indicated on the next page).

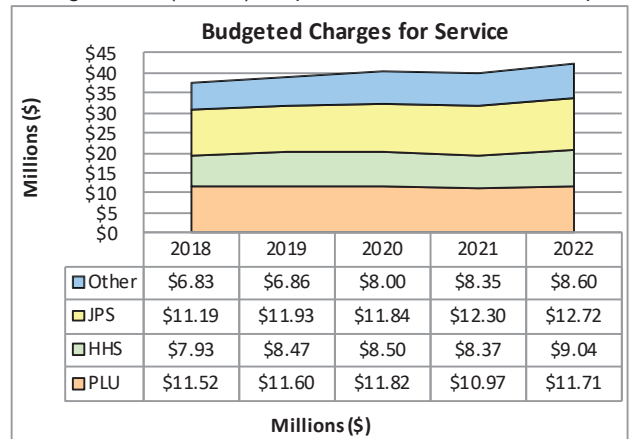


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- **Health and Human Services Functional Area** Intergovernmental Revenue increase by approximately \$1.6 million to \$49.02 million as follows:
 - **Department of Health and Human Services (HHS) – Children with Special Needs Program** includes an increase in case management and other revenue reimbursements related to the Children’s Long Term Support (CLTS) program of \$965,900 as a result of the state mandate to eliminate CLTS wait list and the subsequent increased volume of clients served.
 - The **HHS** budget for Community Aids revenue for Health & Human Services (H&HS) programming increases \$17,900 to \$13,234,500 in 2022. This is the department’s primary source of discretionary intergovernmental revenue funding.
 - **HHS–Children with Long-Term Needs–Third Party Administrator** increases \$387,800 to \$6.5 million based on an increase in the state allocation for the program. The pass-through funding has no impact on tax levy.
 - **HHS–Mental Health Outpatient – Clinical** revenues increase \$380,500, primarily for AODA program grant changes, consisting of new Urban/Rural Womens’ Substance Abuse grant funding (\$242,700), new Injection Drug Use Prevention and Treatment grants (\$212,800), and Urban Black and Hispanic grant funding (\$90,900). Offsetting this additional funding is the expiring of the Wisconsin Prevention of Drug Overdose grant funding (\$170,400).
 - **HHS–Aging and Disability Resource Center (ADRC) – General Fund – Community Services Program** increases \$466,100 or 16.6% related to \$489,700 in new specific-purpose American Rescue Plan Act (ARPA) funding for various ADRC programs. This includes the following (amounts net of changes in base revenue allocations): Supportive Services \$105,200, Home Delivered Meals \$171,900, Congregate Meals \$110,100, and Family Caregiver Support \$62,500,
 - **HHS–Public Health** decreases \$912,100 mostly due a decrease of \$990,600 in federal pandemic response revenues.
- The **Transportation Fund’s** budget includes an increase of about \$146,900 in Wisconsin Department of Transportation reimbursements for state highway maintenance.
- The **Community Development Fund** revenues increase \$3.5 million primarily from \$2.25 million of U.S. Department of Treasury funding to provide emergency rental assistance related to the COVID-19 pandemic, as well as \$1.25 million of increased HOME Investments Partnerships Program funding related to American Rescue Plan Act (ARPA) funding used to create affordable housing and provide services to assist individuals at risk or experience homelessness.
- The federal **American Rescue Plan Act (ARPA) Fund** with revenues from the Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) program is budgeted at \$8.0 million in the 2022 Budget between the Justice and Public Safety, Health and Human Services, Capital Projects, and Non-Departmental functional areas for project specific purposes, including addressing the court case backlog, pandemic response, technology, courthouse renovation, and grant administration. These revenues pertain to the CSLFRF and do not include other specific ARPA revenue allocations made to departments.
- **Capital Project** intergovernmental revenues increase \$4.0 million to \$8.8 million, mainly resulting from \$3.1 million of additional state and federal funding for various capital projects.

Fines and Licenses: Fine and license revenues increase \$49,900 or 1.6% to \$3,204,000 in 2022. This includes **Medical Examiner** cremation permit revenue increasing \$71,000 due to an increasing number of permits and an increase in the fee of \$5 in 2022. **Parks and Land Use-General Fund** license revenue increases \$22,300 and includes an increase of \$17,000 for restaurant licenses and a \$5,000 increase in retail food based on increasing retail food licensing fees by 3%. This is partially offset by a \$45,000 decrease in the **Health and Human Services** driver improvement surcharge revenues for Alcohol and Other Drug Abuse (AODA) outpatient services based on prior year trends.

Charges for Services: User fees are budgeted to increase \$2.1 million or 5.2% to approximately \$42.1 million. User fees are charges for specific government services to those who utilize and value certain services. They provide an equitable, proportional user-based charging method to continue service operations without relying solely on property taxes. Major user fees include document recording and real estate transfers; public admission for recreation, regulation enforcement, and education within the Parks, Environment, Education and Land Use (PLU) functional area; client treatment, inpatient and outpatient residential services fees in the Health and Human Services (HHS) area; and inmate board, contracted Sheriff patrols, and judicial and public safety related fees (JPS).



- **Parks, Environment, Education & Land Use (PLU)** functional area charges for service revenues increase by about \$741,200 to \$11.7 million. This increase consists of a \$231,400 increase in **Register of Deeds** revenues for real estate transfer fees and copy and duplicating fees, as well as a \$253,700 increase for **Parks and Land Use-General Fund** mostly for park system fees of \$229,300 (annual park stickers, entrance fees, camping, etc.). **Golf Course Fund** service fees increase \$191,500 to \$2.15 million related to increased utilization of county-owned golf courses. Additionally, **Bridges Library System** municipal charges increase \$48,700 for system-wide technology and library collection services.
- **Justice and Public Safety (JPS)** functional area charges for service revenues increase by \$422,000 to \$12.7 million, including an increase in **Sheriff** charges of \$265,600, mainly due to an increase in municipal charges for police service of \$299,100 and includes a new municipal contract with the village of Vernon contract which includes a 1.00 FTE deputy sheriff. Additionally, **Circuit Court Services** charges for services increase \$82,500, mainly due to \$87,500 of additional bail forfeiture and various statutory Clerk of Court fees related to the temporary addition of a sixth criminal court to address a backlog in criminal cases caused by the COVID-19 pandemic (mostly funded with ARPA-CSLFRF revenues).. Charges for services for **Emergency Preparedness** increase \$49,100 and consists of \$25,000 of municipal charges for annual computer aided dispatch and integrated systems support charges and \$24,100 of various municipal radio repair and usage fees. In addition, **District Attorney** copy and duplicating fee revenue increases \$25,000, primarily due \$20,000 from an increase in cases from the addition of a sixth criminal court (mentioned above).
- **Health and Human Services (HHS)** functional area charges for service revenues are budgeted to increase by \$654,700 to \$9.28

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million. A new program area, Youth Intensive Services (under the Adolescent & Family division), includes \$861,100 of billable revenues through Comprehensive Community Services (CCS) for providing expanded mental health and substance use treatment to adolescents. Mental Health Outpatient-Intensive client fees increase \$90,000 for adult CCS services and \$91,000 for Community Support Program (CSP) revenue, offset by a \$31,700 decrease in Community Recovery Services revenue. Mental Health Center client revenue decreases \$415,100 to \$2.94 million due to the department decision to reduce capacity from 28 beds to 22 beds, resulting in a decrease in the number of days of care by 600 to 6,600.

- **Non-Departmental** functional area charges for services increase \$142,800 within the **Health & Dental Insurance Fund** for revenues collected from employees and retirees for their share of health insurance premiums.

Interdepartmental Revenues: 2022 interdepartmental revenues increase approximately \$2.5 million, or 5.9%, to \$44,481,000. Interdepartmental revenues are primarily related to internal service fund charges and cross-charges for services provided by one county department to another, which are in essence double-budgeted. These charges are originally funded through an external revenue source or tax levy in the service consumer (user) department budgets.

- **DOA-End User Technology Fund** charges increase \$1.3 million, reflecting annual increases in charges to user departments and the transfer of Health and Human Services Business Application Support program to DOA-Information Technology. To support this transfer, Health and Human Services is budgeting \$1,098,600 as an additional Information Technology cross charge.
- **Non-Departmental-Health and Dental Insurance Fund** interdepartmental revenues consist of the county's share of employee health and dental premiums and county contributions to employees' health savings accounts and are budgeted to increase by \$788,000 or 4.0% to \$20.7 million mainly due to a budgeted 2.2% premium rate increase to county departments and employees to offset cost increase related to higher claim costs.
- **DOA-Risk Management Fund** revenues increase \$122,200 due to increased liability and worker compensation costs.
- Interdepartmental revenues for the **Sheriff** increases by about \$114,900 to \$1.7 million, largely due to increases in the court security cross-charge to Circuit Court Services related to the higher court case volume resulting from the ARPA-funded court backlog project.

Other Revenues:

Other revenues (before excluding retained earnings) from various sources increase \$967,000 or 5.2% to a total of \$19.5 million.

- **Treasurer** penalty and interest on delinquent taxes decreases \$80,000 to \$1.8 million reflecting lower actual revenues received.
- **Parks and Land Use – Material Recycling Fund (MRF)** material sales revenue from the sale of recycled materials increases \$401,400 resulting from the increase in the average commodity prices for these materials from \$65/ton to \$85/ton.
- **Sheriff** other revenues increase \$290,500 related to an increase of \$178,500 for commissary sales for inmates and \$112,800 for pay phone commissions due to a budgeted increase in inmate phone minutes and new visitation capabilities.
- **Public Works – Vehicle Replacement Fund** revenue from the sale of capital assets increases \$119,000 in the 2022 budget based on the estimates salvage value of replaced vehicles.
- **Capital Project** contributions from individuals and organizations and cost recovery towards project costs increases \$585,000.

Debt Financing:

The 2022 Budget includes borrowing of \$11.3 million to finance a major portion of 2022 capital projects and vehicle replacements, a decrease of \$0.7 million from the 2021 Adopted Budget.

Appropriated Fund Balance:

To reduce the 2021 Tax Levy (for 2022 Budget purposes), the budget includes fund balance appropriations of approximately \$15.5 million for one-time projects and temporary expenditures or to phase-in the impact of significant revenue losses or new expenses, an increase of \$4.9 million from the previous year. This includes \$9.3 million for the operating budgets and \$6.2 million for the capital projects budget, summarized below:

Fund Balance Use in Fund / Department Budgets	General Fund	Special Revenue Funds	Internal Service Funds	Enterprise Funds	Capital Fund	Debt Service Fund	Component Unit	Total
Administration - General Fund	\$78,000							\$78,000
Admin - American Job Center Fund		\$27,215						\$27,215
Admin - Collections Fund			\$26,415					\$26,415
Admin - End User Tech. Fund			\$640,103					\$640,103
Admin - Risk Mgmt Fund			\$265,500					\$265,500
Airport Fund				\$169,582				\$169,582
Bridges Library System Fund							\$137,213	\$137,213
Capital Projects Budget					\$6,185,917			\$6,185,917
Circuit Court Services	\$50,000							\$50,000
Contingency Fund	\$1,200,000							\$1,200,000
County Clerk Dept.	\$100,000							\$100,000
Debt Service Fund						\$560,875		\$560,875
District Attorney	\$16,148							\$16,148
Emergency Preparedness	\$46,000			\$1,032,528				\$1,078,528
Human Services Dept.	\$922,189							\$922,189
Medical Examiner	\$0							\$0
Non-Departmental	\$672,255		\$1,630,900					\$2,303,155
Parks and Land Use Dept.	\$110,000	\$400,000		\$55,000				\$565,000
Public Works Dept	\$100,000	\$135,000	\$101,083					\$336,083
Sheriff Dept.	\$683,592							\$683,592
Treasurer	\$120,000							\$120,000
UW Extension Dept.	\$0							\$0
Total by Fund Type	\$4,098,184	\$562,215	\$2,664,001	\$1,257,110	\$6,185,917	\$560,875	\$137,213	\$15,465,515

Tax Levy: The overall 2021 tax levy (for 2022 Budget purposes) is \$113,209,829, which represents an increase of \$1,736,656 or 1.56% from the 2021 Adopted Budget. The total tax levy consists of general county purpose levy of \$109,503,123, a \$1,689,728 or 1.57% increase from the 2021 Adopted Budget, and the special Bridges Library System tax levy of \$3,706,706, an increase of \$46,928 or 1.3% from the 2021 Adopted Budget, which are assessed to municipalities without libraries.