

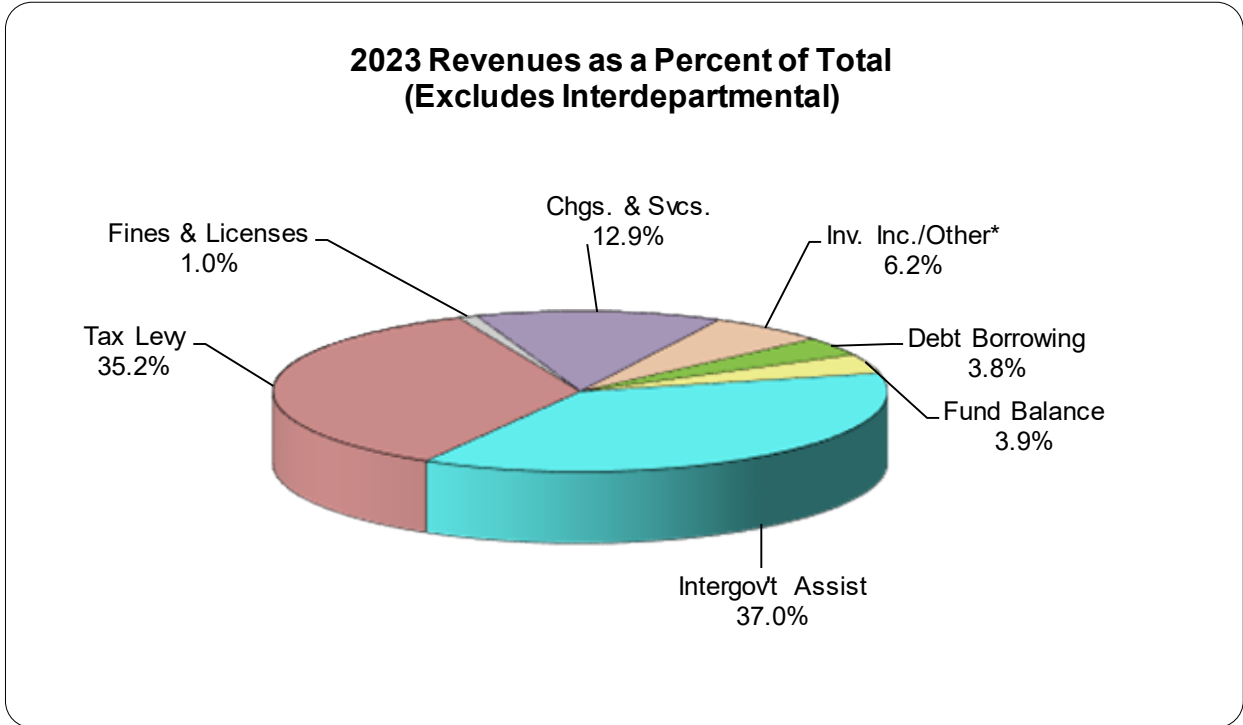
2023 REVENUE HIGHLIGHTS

Revenue Budget:

The **2023 revenue budget (excluding property tax levy, fund balance appropriations, and revenue generating proprietary fund retained earnings) totals \$247,630,468**, an increase of \$38,900,969 or 18.6% from the 2022 Adopted Budget. The revenue budget includes \$46,217,949 of interdepartmental revenues (mostly from internal service funds, e.g., Health and Dental Insurance Fund).

The 2023 budgeted revenues consist of departmental operating revenues at \$205,861,967 and capital project revenues at \$41,768,501 including \$12,500,000 from planned borrowing. Overall, the operating revenues increase by \$18,170,436 or 9.7% from the prior-year budget, while capital project revenues increase by \$20,730,533 or 98.5%.

The graph below reflects the ratio of revenue sources budgeted for 2023 to all revenue sources (after excluding interdepartmental revenues), with tax levy of 35.2% and Intergovernmental Assistance of 37.0% as the major revenue components.



* Excludes Retained Earnings

Revenue Projection Methodology

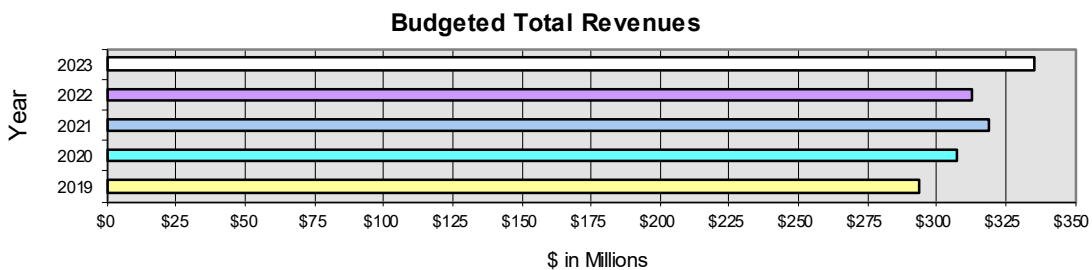
Realistic, conservative and accurate revenue estimates are one of the key building blocks in the development of a fiscally sound budget. The county combines four primary projection methods, mentioned below, based on the unique characteristics of forecasted revenue.

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 affect estimated future revenue trends include a disruption in the economic recovery, a change in the interest rate trend affecting county investments, and a change in moderate inflation trends. Also, other impacts which could affect 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 2019-2023. Total revenues are budgeted to increase \$39.6 million or 11.7% to \$377.0 million.



2023 REVENUE HIGHLIGHTS

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

The 2023 revenue budget increases \$39.5 million or 11.7% to \$376.9 million, including an increase in intergovernmental contracts and grant revenue of \$34.0 million or 38.5%, largely due to federal American Rescue Plan Act (ARPA) – Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) funding of \$29.3 million (an increase of \$20.8 million). This also includes an additional \$1.7 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 \$2.5 million. Charges for services increase \$694,500 to \$42.8 million, largely due to a \$885,500 increase in Comprehensive Community Services (CCS) revenues related to additional billable services for adolescents, a \$642,300 increase in municipal police services provided by the Sheriff's Department, a \$301,800 increase for Parks and Land Use-General Fund park system fees (annual park stickers, entrance fees, camping, etc.), and a \$219,700 increase in Register of Deeds revenues for real estate transfer fees. Interdepartmental revenues increase approximately \$1.7 million, to \$46.2 million, primarily from a \$729,900 increase in Public Works - Central Fleet fuel charges related to higher fuel costs; a \$604,000 increase in Non-Departmental-Health and Dental Insurance Fund premiums and HSA contributions charged to county departments, reflecting a 2.5% premium rate increase; and a \$422,600 increase in End User Technology charges. Other revenues sources increase \$724,300 or 3.7% to a total of \$20.2 million, mostly Health and Human Services revenues including \$729,800 of opioid class action lawsuit settlement proceeds, \$421,800 of Wisconsin Medicaid Cost Reporting (WIMCR) prior year settlement revenue, and \$348,800 of state institution collections revenue. Fund balance appropriations decrease of \$2.4 million, and the county general tax levy (excluding the special library tax) increases \$2,795,860 or 2.55% to \$112,298,983.

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%.

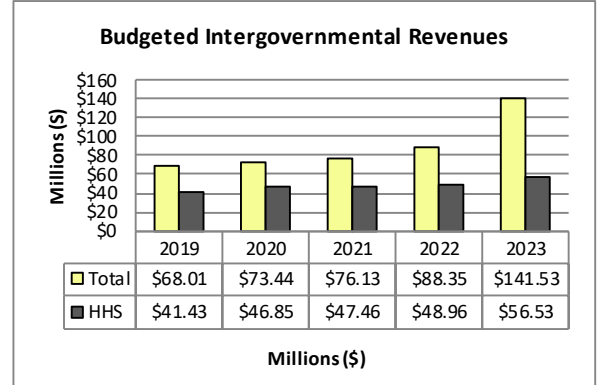
Detailed revenue highlights are included within each functional area summary. A summary of highlights and major changes from the 2022 to the 2023 Revenue Budget, by source, follows.

2023 REVENUE HIGHLIGHTS

Intergovernmental Contracts & Grants:

Combined, total 2023 intergovernmental contracts, grants, state/federal aids, and state shared revenues together reflect a budgeted increase of \$33,972,200 or 38.5% from the 2022 Adopted Budget.

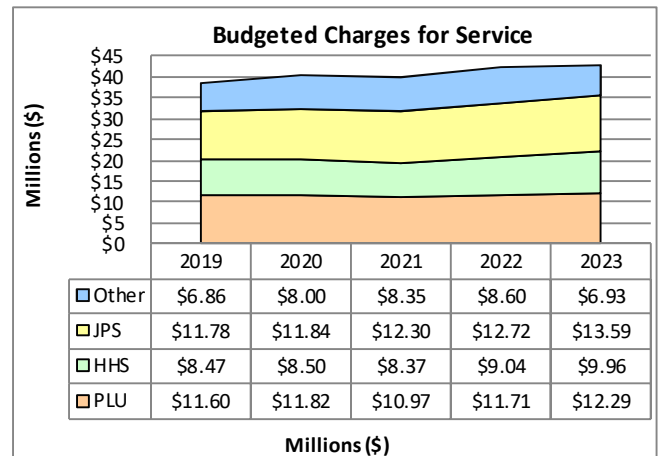
- Revenues from the federal **American Rescue Plan Act (ARPA)** - Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) program are budgeted at \$9.7 million, an increase of \$7.7 million, in the operating budget, and at \$19.1 million, an increase of \$13.1 million, in the capital project budget. Funds are budgeted among the Justice and Public Safety, Health and Human Services, Parks and Land Use, Public Works, and General Administration functional areas for project specific purposes, including addressing the court case backlog, building public safety capacity, enhancing public health and human services, improving technology, renovating the courthouse, maintaining park infrastructure, and managing stormwater pollution. Additional information can be found on these projects on pages 480-485. These revenues pertain to the CSLFRF and do not include other specific ARPA revenue allocations made to departments.



- Health and Human Services Functional Area** Intergovernmental Revenue increase by approximately \$7.5 million to \$56.53 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 \$1.4 million as a result of the state mandate to eliminate CLTS wait list and the subsequent increased volume of clients served. The budget also includes a \$332,000 increase in related indirect cost recovery reimbursement.
 - The **HHS** budget for Community Aids revenue for Health & Human Services (H&HS) programming decreases \$19,200 to \$13,215,300 in 2023. This is the department’s primary source of discretionary intergovernmental revenue funding.
 - HHS–Children with Long-Term Needs–Third Party Administrator** pass-through revenues increases \$2.5 million to \$9.0 million based on an increase in the state allocation for the program and increasing client enrollment levels.. The pass-through funding has no impact on tax levy.
 - HHS–Aging and Disability Resource Center (ADRC) – General Fund – Community Services Program** increases \$319,600 or 9.8%, including \$246,600 in specific purpose directed American Rescue Plan Act (ARPA) funding. This includes a home delivered meals increase of \$253,830; a \$14,500 increase for congregate meals for alternate models to include restaurant dining, and \$74,700 for increased in-home services.
- The **Community Development Fund** revenues increase \$135,500 related to \$174,000 of increased HOME Investments Partnerships Program funding offset by \$38,400 of lower federal Community Development Block Grant funding.
- Capital Project** intergovernmental revenues increase \$19.1 million to \$28.9 million, mainly resulting from \$19.1 million of American Rescue Plan Act funding.

Fines and Licenses: Fine and license revenues increase \$256,400 or 8.0% to \$3,460,000 in 2023. This includes **Parks and Land Use-General Fund** license revenue increasing \$94,100 and includes: an increase of \$30,800 for restaurant licenses; \$31,000 of septic permit revenues; and a \$21,400 increase in retail food. **Medical Examiner** cremation permit revenue increases \$88,100 due to an increasing number of permits and an increase in the fee of \$13 in 2023. Additionally, the 2023 budget includes a \$35,000 increase 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 \$694,500 or 1.7% to approximately \$42.8 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 \$577,000 to \$12.3 million. This increase consists of a \$219,800 increase in **Register of Deeds** revenues primarily for real estate transfer fees, as well as a \$264,100 increase for **Parks and Land Use-General Fund** mostly for park system fees of \$301,600 (annual park stickers, entrance

2023 REVENUE HIGHLIGHTS

fees, camping, etc.), offset by lower land lease and municipal charges. **Golf Course Fund** service fees increase \$67,000 to \$2.21 million related to increased utilization of county-owned golf courses. Additionally, **Bridges Library System** municipal charges decrease \$15,300 for system-wide technology and library collection services.

- **Justice and Public Safety (JPS)** functional area charges for service revenues increase by \$868,300 to \$13.6 million, including an increase in **Sheriff** charges of \$642,300, mainly due to an increase in municipal charges for police service of \$730,600 primarily related to compensation increases and higher contracted costs, offset by \$155,300 of lower Huber charges. Additionally, **Medical Examiner** transportation charges increase \$85,600 and **Circuit Court Services** charges for services increase \$37,500, mainly due to \$60,500 of additional bail forfeiture offset by \$27,500 of lower professional service cost recovery. Charges for services for **Emergency Preparedness** increase \$125,600 and consists of \$31,400 of municipal charges for annual computer aided dispatch and integrated systems support charges and \$94,100 of various municipal radio repair and usage fees. In addition, **District Attorney** copy and duplicating fee revenue decreases \$34,700.
- **Health and Human Services (HHS)** functional area charges for service revenues are budgeted to increase by \$681,000 to \$9.96 million. Youth Intensive Services (under the Adolescent & Family division), includes \$885,500 of billable revenues through Comprehensive Community Services (CCS) related to expanded mental health and substance use treatment to adolescents. Mental Health Outpatient-Intensive client fees increase \$420,000 for adult CCS services. Mental Health Center charges for service, mostly client revenue, decreases \$711,200 to \$2.23 million due to the reduction in capacity from 22 beds to 16 beds related to the building remodel capital project, resulting in a decrease in the number of days of care by 1,745 to 4,855. Additionally, mental health outpatient clinic client fees increase \$56,600.
- **Non-Departmental** functional area charges for services decrease \$1.52 million within the **Health & Dental Insurance Fund** for revenues collected from retirees for their share (100%) of health insurance premiums related to the elimination of the retiree insurance program at the end of 2022.

Interdepartmental Revenues: 2023 interdepartmental revenues increase approximately \$1.7 million, or 3.9%, to \$46,218,000. 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 \$422,600 reflecting annual increases in charges to user departments for computer maintenance and replacement, as well as software subscriptions.
- **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 \$604,000 or 2.9% to \$21.3 million mainly due to a budgeted 2.5% premium rate increase to county departments and employees to offset cost increase related to higher claims costs.
- **Public Works-Central Fleet Fund** departmental charges for fuel and vehicle repair/maintenance increase \$729,900 primarily due to an increase of \$603,500 in fuel charges associated with significant increases in fuel costs trend and assumes a cost of \$4.00 per gallon, an increase of \$1.60 per gallon.

Other Revenues:

Other revenues (before excluding retained earnings) from various sources increase \$724,300 or 3.7% to a total of \$20.2 million.

- **Treasurer** penalty and interest on delinquent taxes decreases \$50,000 to \$1.7 million reflecting lower actual revenues received.
- **Health and Human Services** other revenues increase \$1.57 million primarily related to \$729,800 of opioid class action lawsuit settlement proceeds, \$421,800 of Wisconsin Medicaid Cost Reporting (WIMCR) prior year settlement revenue, and \$348,800 of state institution collections revenue.
- **Parks and Land Use – Material Recycling Fund (MRF)** material sales revenue from the sale of recycled materials increases \$256,300 resulting from the increase in the average commodity prices for these materials from \$85/ton to \$100/ton offset by a reduction in budgeted tonnage processed. This is offset by the elimination of \$100,000 of landfill siting revenue allocated to this program.
- **Public Works – Vehicle Replacement Fund** revenue from the sale of capital assets decreases \$154,000 in the 2023 budget related to the removal of Sheriff's department two-year vehicles from the fund (with an applicable \$165,000 increase in these revenues in the Sheriff's 2023 budget).
- **Capital Project** contributions from individuals and organizations and cost recovery towards project costs increases \$425,000.

2023 REVENUE HIGHLIGHTS

Debt Financing:

The 2023 Budget includes borrowing of \$12.5 million to finance a major portion of 2023 capital projects and vehicle replacements, an increase of \$1.2 million from the 2022 Adopted Budget.

Appropriated Fund Balance:

To reduce the 2022 Tax Levy (for 2023 Budget purposes), the budget includes fund balance appropriations of approximately \$13.0 million for one-time projects and temporary expenditures or to phase-in the impact of significant revenue losses or new expenses, a decrease of \$2.4 million from the previous year. This includes \$10.7 million for the operating budgets and \$2.3 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 | \$110,000 | | | | | | | \$110,000 |
| Admin - American Job Center Fund | | \$29,862 | | | | | | \$29,862 |
| Admin - Collections Fund | | | \$25,036 | | | | | \$25,036 |
| Admin - End User Tech. Fund | | | \$613,368 | | | | | \$613,368 |
| Admin - Risk Mgmt Fund | | | \$265,500 | | | | | \$265,500 |
| Airport Fund | | | | \$169,582 | | | | \$169,582 |
| Bridges Library System Fund | | | | | | | \$230,593 | \$230,593 |
| Capital Projects Budget | \$50,000 | | | | \$1,273,884 | | | \$1,323,884 |
| Circuit Court Services | \$50,000 | | | | | | | \$50,000 |
| Contingency Fund | \$1,200,000 | | | | | | | \$1,200,000 |
| County Clerk Dept. | \$25,000 | | | | | | | \$25,000 |
| Debt Service Fund | \$100,000 | | | | | \$460,875 | | \$560,875 |
| District Attorney | \$18,120 | | | | | | | \$18,120 |
| Emergency Preparedness | \$80,129 | | | \$828,475 | | | | \$908,604 |
| Human Services Dept. | \$284,443 | | | | | | | \$284,443 |
| Medical Examiner | \$60,900 | | | | | | | \$60,900 |
| Non-Departmental | \$478,497 | | \$1,439,000 | | | | | \$1,917,497 |
| Parks and Land Use Dept. | \$1,578,000 | \$550,000 | | \$1,333,225 | | | | \$3,461,225 |
| Public Works Dept | \$260,000 | \$50,000 | \$551,083 | \$108,500 | | | | \$969,583 |
| Sheriff Dept. | \$674,320 | | | | | | | \$674,320 |
| Treasurer | \$120,000 | | | | | | | \$120,000 |
| UW Extension Dept. | | | | | | | | \$0 |
| Total by Fund Type | \$5,089,409 | \$629,862 | \$2,893,987 | \$2,439,782 | \$1,273,884 | \$460,875 | \$230,593 | \$13,018,392 |

Tax Levy: The overall 2022 tax levy (for 2023 Budget purposes) is \$116,298,590, which represents an increase of \$3,088,761 or 2.73% from the 2022 Adopted Budget. The total tax levy consists of general county purpose levy of \$112,298,983, a \$2,795,860 or 2.55% increase from the 2022 Adopted Budget, and the special Bridges Library System tax levy of \$3,999,607, an increase of \$292,901 or 7.9% from the 2022 Adopted Budget, which are assessed to municipalities without libraries.