

Summary

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WAUKESHA COUNTY

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2015 TAX LEVY SUMMARY

Impact on Homeowners

The Waukesha County Tax Levy is comprised of two segments. The general County Tax Levy of \$100,492,252, which is levied at a rate of \$2.08 (down from \$2.15) per \$1,000 of equalized value on all eligible property in the County. The Federated Library System Levy of \$3,424,360, which is levied at a rate of \$0.286 (up from nearly \$0.277) per \$1,000 of taxable properties in communities without a library.

Due to the varied assessment ratios of equalized values determined by the State Department of Revenue and property value changes (inflation/deflation), the tax bill impact on a specific property will vary. Waukesha County's median home value for 2014 adjusted from the 2000 census (the last time the long form was used to collect this information), is \$246,300. This is up \$7,400 from the 2013 value reflecting the County-wide average residential inflation rate of 3.09%. This results in no change in the County Tax Levy on the median home value as indicated below.



General County Tax Levy

2013 Median Home Value	2013 County Tax	Residential Inflation	2014 Median Home Value	2014 County Tax	Change Amount	Change Percent
\$238,900	\$512	3.09%	\$246,300	\$512	\$0	0.0%

Homeowner County Taxes over 9 years Increase of less than 1/4% per Year

<u>Budget Year</u>	<u>Median Home Value</u>	<u>Rate / \$1,000</u>	<u>Tax</u>
2006*	\$256,700	\$1.96	\$504
2015	\$246,300	\$2.08	\$512
Net 9-Year \$ Increase: \$8		9-Year Average:	0.2%

*County Executive Vrakas' first budget year

2015 BUDGET ASSUMPTIONS

Certain broad assumptions are determined in April through June 2015 to establish a basic foundation for building the County's budget. These general assumptions provide a framework to County staff, the County Executive, and the County Board of Supervisors for setting priorities, determining service levels, and allocating limited financial resources. Some adjustments have been made from updated information available during the summer months (June-August).

The following general assumptions are used in guiding the County's 2015 Budget development:

- Overall inflation factor estimates assumed for calculating the cost to continue to provide existing County services are projected to be moderate around 2%, but trending upward in 2015. Some major exceptions include cost rate increases for certain utilities, vehicle fuel, prescription drugs, health and medical services, food and transportation costs.
- Revenues from State budget sources are expected to stabilize including human services basic community aids: youth aids, circuit court support grant and shared revenues. General Transportation Aids (GTA) is an exception in that a \$200,000 reduction is required as a result of an unfavorable State aid formula.
- In addition, significant revenue issues, linked to a slower economic recovery also impact the 2015 budget. Impacts include the following:
 - Investment Income budget is estimated to be reduced by \$805,000 to \$3,608,000 reflecting historically low rates of return on invested funds. Higher interest rates are expected beginning in mid 2015, but will impact the 2016 budget. Also, the 2015 budget for estimated Delinquent Taxes Penalty and Interest (P&I) is reduced by \$50,000 to \$2,758,000 as Delinquent Taxes outstanding declined during 2013.
 - Redaction revenue in the Register of Deeds is reduced \$400,000 reflecting removal of redaction fee revenue in accordance with changes to the state statute, moving the \$5 redaction fee revenue from the County to the State and a decrease in document recordings based on 2013 and 2014 estimated activity in the real estate market.
 - Prisoner Board Revenue (General and Huber) is reduced \$180,000, reflecting fewer Federal Prisoners and fewer employed prisoners in the Huber Facility.
- Net Personnel cost appropriations are expected to be held below 2% and are being controlled with the help of lower health insurance costs based on increased participation in lower-cost health savings account plans and other modifications.
- Average fuel costs for vehicles are assumed to increase 3% to \$3.80 per gallon (equivalent to approximately \$4.00 per gallon retail in 2014) up from the 2014 Budget. Consumption is estimated to remain at the 2014 level resulting in higher fuel costs budgeted countywide by an estimated \$21,000.
- Net utility costs are estimated to increase from the 2014 adopted base budget levels by \$30,100 or 1.5%, for anticipated increases in natural gas costs in 2013. Costs are maintained through prior-year energy efficiency improvements (e.g., lighting replacement, more efficient boilers/chillers).
- Due to favorable debt refinancing over several years and historic low borrowing costs, the debt service tax levy can be reduced by an estimated \$260,000. Also to help provide funding for the Operating budget, Capital project tax levy is estimated to be reduced by \$100,000.

2015 BUDGET SUMMARY

	2014 Adopted Budget	2015 Budget	Incr/(Decr) From 2014 Adopted Budget	
			\$	%
OPERATING BUDGETS				
Gross Expenditures	\$254,076,679	\$261,237,732	\$7,161,053	2.82%
MEMO: Less Interdept. Charges (a)	\$37,223,385	\$37,627,250	\$403,865	1.08%
MEMO: Net Expenditures (a)	\$216,853,294	\$223,610,482	\$6,757,188	3.12%
Less: Revenues (Excl. Retained Earnings)	\$144,825,183	\$148,791,057	\$3,965,874	2.74%
Less Net Appropriated Fund Balance	\$8,730,716	\$10,380,063	\$1,649,347	
TAX LEVY - OPERATING BUDGETS	\$100,520,780	\$102,066,612	\$1,545,832	1.54%
CAPITAL PROJECTS BUDGET				
Expenditures	\$27,992,700	\$16,141,400	(\$11,851,300)	-42.3%
Less: Revenues	\$11,900,000	\$11,767,500	(\$132,500)	-1.1%
Less: Appropriated Fund Balance	\$14,142,700	\$2,523,900	(\$11,618,800)	
TAX LEVY-CAPITAL PROJECTS BUDGET	\$1,950,000	\$1,850,000	(\$100,000)	-5.1%
COUNTY TOTALS				
Expenditures (a)	\$282,069,379	\$277,379,132	(\$4,690,247)	-1.7%
Less: Revenues	\$156,725,183	\$160,558,557	\$3,833,374	2.4%
Less: Appropriated Fund Balance	\$22,873,416	\$12,903,963	(\$9,969,453)	
County General Tax Levy (Excl Library)(c)	\$99,505,152	\$100,492,252	\$987,100	0.99%
Federated Library Tax Levy (b)	\$2,965,628	\$3,424,360	\$458,732	15.5%
Total County Tax Levy (c)	\$102,470,780	\$103,916,612	\$1,445,832	1.41%

- (a) 2015 operating budget net expenditures are \$223,610,482 and total County net expenditures are \$239,751,882 after eliminating interdepartmental chargeback transactions (mostly from internal service fund operations and cross charges, e.g. Sheriff Bailiff and Conveyance services), included in gross expenditures to conform with GAAP, but in effect results in double budgeting.
- (b) Special County Federated Library tax applied to those communities without a library.
- (c) The Tax Levy (for 2015 Budget purposes) increase is within Wisconsin's Act 20 Tax Levy limit provisions (see Planning and Budget Policy Section).

2015 Budget Tax Levy Breakdown

(General County and Federated Library)

	2014 Adopted Budget	2015 Budget	Incr/(Decr) From 2014 Adopted Budget	
			\$	%
General County Tax Levy	\$99,505,152	\$100,492,252	\$987,100	0.99%
General County Tax Rate	\$2.1451	\$2.0813	(\$0.0638)	-2.97%
General County Equalized Value	\$46,387,463,200	\$48,283,418,200	\$1,895,955,000	4.09%
Federated Library Tax Levy	\$2,965,628	\$3,424,360	\$458,732	15.47%
Federated Library Tax Rate	\$0.2768	\$0.2863	\$0.0095	3.44%
Federated Library Equalized Value	\$10,714,775,800	\$11,960,623,400	\$1,245,847,600	11.63%

2015 BUDGET SUMMARY BY FUNCTIONAL AREA BY AGENCY BY FUND

AGENCY NAME	2015 ADOPTED BUDGET				Tax Levy
	EXPEND.	REVENUES	NET FUND BALANCE	TAX LEVY	\$ Change '14 - '15
JUSTICE AND PUBLIC SAFETY					
EMERGENCY PREPAREDNESS					
General	\$6,087,346	\$356,622	\$348,841	\$5,381,883	\$41,000
Radio Services	\$1,798,921 (a)	\$2,071,397	(\$272,476)	\$0	\$0
Radio Svcs. Rtnd. Earn.	\$0	(\$272,476)	\$272,476	\$0	\$0
Radio Svcs. Fund Bal. Appr.	\$0	(\$753,410)	\$753,410	\$0	\$0
DISTRICT ATTORNEY	\$2,397,530	\$590,193	\$0	\$1,807,337	\$38,150
CIRCUIT COURT SERVICES	\$9,245,265	\$3,650,784	\$20,000	\$5,574,481	\$0
MEDICAL EXAMINER	\$2,207,061	\$1,226,751	\$0	\$980,310	\$4,000
SHERIFF	<u>\$38,566,019</u>	<u>\$10,779,328</u>	<u>\$209,869</u>	<u>\$27,576,822</u>	<u>\$168,555</u>
Subtotal: Justice & Public Safety	\$60,302,142	\$17,649,189	\$1,332,120	\$41,320,833	\$251,705
HEALTH AND HUMAN SERVICES					
CORPORATION COUNSEL					
Child Support (General Fund)	\$2,453,784	\$2,118,322	\$0	\$335,462	(\$20,000)
HEALTH & HUMAN SERVICES					
Human Services (General Fund)	\$68,351,352	\$42,739,227	\$231,147	\$25,380,978	\$175,300
Aging and Disability Resource Center Contract (ADRC) Fund	<u>\$3,485,185</u>	<u>\$3,485,185</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Subtotal: Health and Human Services	\$74,290,321	\$48,342,734	\$231,147	\$25,716,440	\$155,300
PARKS, ENVIR, EDUC. & LAND USE					
REGISTER OF DEEDS	\$1,439,232	\$3,095,533	\$300,000	(\$1,956,301)	\$25,000
UW-EXTENSION: EDUCATION	\$558,478	\$197,515	\$11,200	\$349,763	\$1,700
FEDERATED LIBRARY					
County	\$3,424,360	\$0	\$0	\$3,424,360	\$458,732
State Aids	\$1,332,275	\$1,282,225	\$50,050	\$0	\$0
CAFÉ Shared Automation	\$340,989	\$380,989	(\$40,000)	\$0	\$0
CAFÉ Rtnd. Fund Balance	\$0	(\$40,000)	\$40,000	\$0	\$0
PARKS & LAND USE					
General	\$11,600,060	\$4,246,950	\$67,100	\$7,286,010	\$10,000
Community Development	\$3,066,944	\$3,066,944	\$0	\$0	\$0
Land Information Systems	\$783,733	\$783,733	\$0	\$0	\$0
Tarmann Parkland Acquisitions	\$1,000,000	\$200,000	\$800,000	\$0	\$0
Golf Courses	\$3,225,242 (a)	\$3,115,000	\$110,242	\$0	\$0
Golf Course Rtnd. Earnings	\$0	\$110,242	(\$110,242)	\$0	\$0
Golf Course Fund Bal. Appr.	\$0	\$0	\$0	\$0	\$0
Ice Arenas	\$1,188,008 (a)	\$1,106,500	\$81,508	\$0	\$0
Ice Arenas Rtnd. Earnings	\$0	\$81,508	(\$81,508)	\$0	\$0
Ice Arenas Fund Bal. Appr.	\$0	(\$25,000)	\$25,000	\$0	\$0
Material Recycling Facility	\$4,336,508 (a)	\$4,520,400	(\$183,892)	\$0	\$0
MRF Retained Earnings	\$0	(\$183,892)	\$183,892	\$0	\$0
MRF Fund Bal. Appr.	<u>\$0</u>	<u>(\$1,100,000)</u>	<u>\$1,100,000</u>	<u>\$0</u>	<u>\$0</u>
Subtotal: Parks, Env., Ed. & Land Use	\$32,295,829	\$20,838,647	\$2,353,350	\$9,103,832	\$495,432

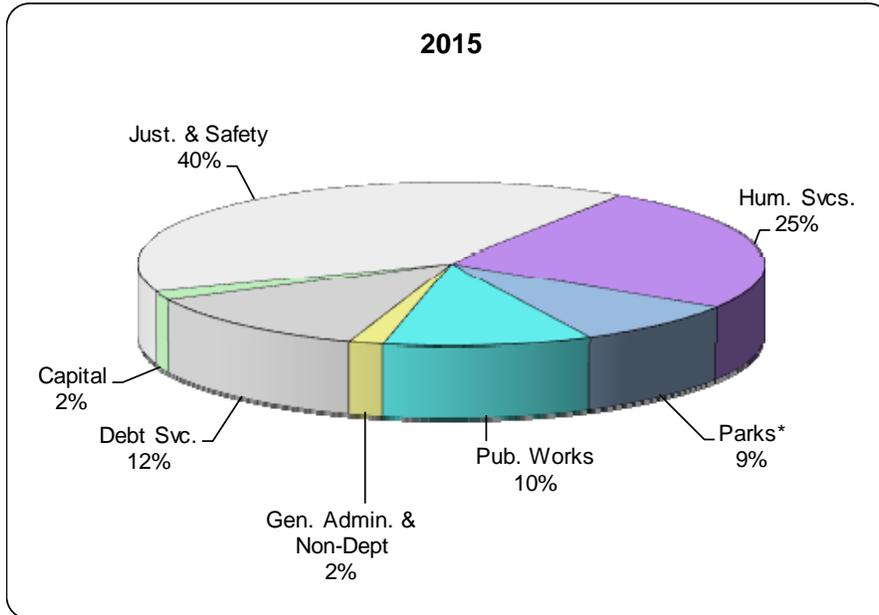
(a) Proprietary fund (Internal Service and Enterprise funds) expenditure appropriations exclude Fixed Asset and Debt Service Principal payments to conform with generally accepted accounting standards. Fixed asset purchases and Debt Service principal payments will be funded by operating revenues, tax levy, or balance appropriations and are included, as applicable, in each agency budget request.

2015 BUDGET SUMMARY BY FUNCTIONAL AREA BY AGENCY BY FUND

AGENCY NAME	2015 ADOPTED BUDGET				Tax Levy
	EXPEND.	REVENUES	NET FUND BALANCE	TAX LEVY	\$ Change '14 - '15
PUBLIC WORKS					
DEPARTMENT OF PUBLIC WORKS					
General	\$8,799,752	\$580,315	\$251,000	\$7,968,437	\$96,992
Transportation	\$14,945,560	\$11,695,132	\$225,000	\$3,025,428	\$66,453
Central Fleet Maintenance	\$3,893,197 (a)	\$3,893,769	(\$572)	\$0	\$0
Central Fleet Rtn. Earnings	\$0	(\$572)	\$572	\$0	\$0
Central Fleet Fund Bal. Appr.	\$0	(\$101,083)	\$101,083	\$0	\$0
Vehicle/Equipment Replacement	\$3,076,661 (a)	\$3,091,506	(\$14,845)	\$0	\$0
Veh. Replace Rtn. Earnings	\$0	(\$14,845)	\$14,845	\$0	\$0
Veh. Replace Fund Bal. Appr.	\$0	\$0	\$0	\$0	\$0
Airport	<u>\$1,163,574 (a)</u>	<u>\$790,182</u>	<u>\$210,829</u>	<u>\$162,563</u>	<u>(\$30,000)</u>
Subtotal: Public Works	\$31,878,744	\$19,934,404	\$787,912	\$11,156,428	\$133,445
GENERAL ADMINISTRATION					
COUNTY EXECUTIVE					
General	\$572,965	\$12,000	\$0	\$560,965	\$5,000
COUNTY BOARD	\$1,176,765	\$0	\$0	\$1,176,765	\$10,496
COUNTY CLERK	\$547,057	\$234,697	\$0	\$312,360	\$0
TREASURER	\$673,396	\$6,657,246	\$0	(\$5,983,850)	\$857,454
ADMINISTRATION					
General	\$4,856,719	\$1,653,566	\$28,000	\$3,175,153	(\$17,277)
Risk Management	\$2,696,027 (a)	\$2,577,100	\$118,927	\$0	\$0
Collections	\$975,771 (a)	\$975,771	\$60,000	(\$60,000)	\$30,000
Collections Fund Bal. Appr.	\$0	(\$184,471)	\$184,471	\$0	\$0
Communications	\$706,893 (a)	\$706,893	\$0	\$0	\$0
End User Technology	\$8,133,358 (a)	\$6,597,550	(\$39,893)	\$1,575,701	(\$14,723)
End User Technology Rtn. Earn.	\$0	(\$39,893)	\$39,893	\$0	\$0
End User Tech. Fund Bal. Appr.	\$0	(\$599,619)	\$599,619	\$0	\$0
CORPORATION COUNSEL					
General	<u>\$1,473,428</u>	<u>\$472,643</u>	<u>\$0</u>	<u>\$1,000,785</u>	<u>\$9,000</u>
Subtotal: General Administration	\$21,812,379	\$19,063,483	\$991,017	\$1,757,879	\$879,950
NON DEPARTMENTAL					
GENERAL	\$1,859,500	\$1,498,000	\$300,300	\$61,200	(\$110,000)
HEALTH & DENTAL INSURANCE	\$22,979,500 (a)	\$21,464,600	\$1,514,900	\$0	\$0
CONTINGENCY	<u>\$1,200,000</u>	<u>\$0</u>	<u>\$1,200,000</u>	<u>\$0</u>	<u>\$0</u>
Subtotal: Non-Departmental	\$26,039,000	\$22,962,600	\$3,015,200	\$61,200	(\$110,000)
DEBT SERVICE--GENERAL					
	<u>\$14,619,317</u>	<u>\$0</u>	<u>\$1,669,317</u>	<u>\$12,950,000</u>	<u>(\$260,000)</u>
Subtotal: Operating Budget	\$261,237,732	\$148,791,057	\$10,380,063	\$102,066,612	\$1,545,832
CAPITAL PROJECTS					
	<u>\$16,141,400</u>	<u>\$11,767,500</u>	<u>\$2,523,900</u>	<u>\$1,850,000</u>	<u>(\$100,000)</u>
GRAND TOTAL	<u>\$277,379,132</u>	<u>\$160,558,557</u>	<u>\$12,903,963</u>	<u>\$103,916,612</u>	<u>\$1,445,832</u>

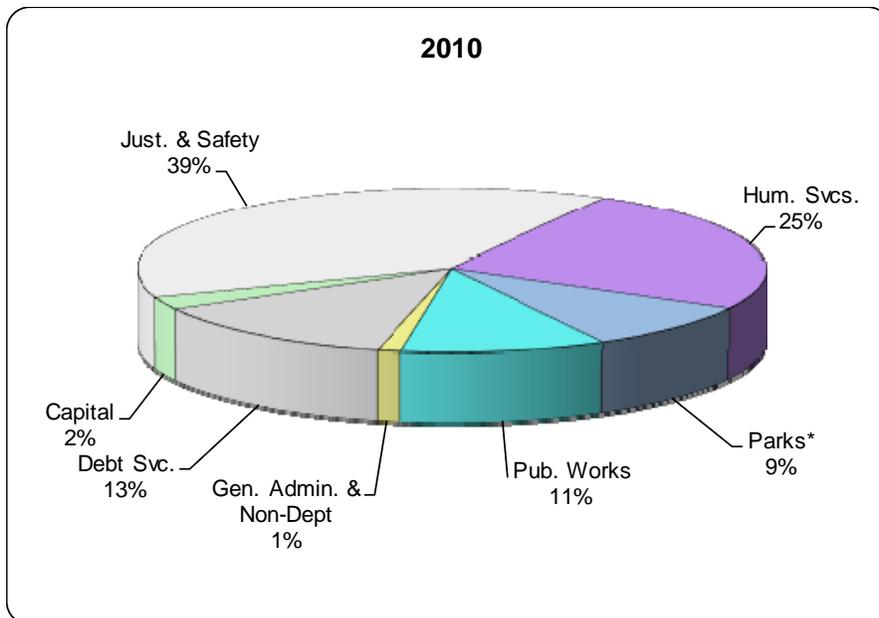
(a) Proprietary fund (Internal Service and Enterprise funds) expenditure appropriations exclude Fixed Asset and Debt Service Principal payments to conform with generally accepted accounting standards. Fixed asset purchases and Debt Service principal payments will be funded by operating revenues, tax levy, or balance appropriations and are included, as applicable, in each agency budget request.

TAX LEVY BY FUNCTIONAL AREA



Tax Levy Trends:

- **Justice & Safety:** The 1% Tax Levy increase in this functional area is mainly due to jail support costs in the Sheriff's Department, Emergency Preparedness – Communication Center Expansion (including dispatching for the City of New Berlin) and no increase in State grant funds to Circuit Court Services in the past decade.
- **Public Works:** The 1% Tax Levy decrease in this functional area is related to the department adjusting to tighter county tax levy targets and the need to maximize alternative funding sources.
- **General Administration:** The Tax Levy increase of 1% is related to a one-year increase in county tax levy assigned to the Treasurer's budget to offset an anticipated decrease in investment income revenues in 2015.

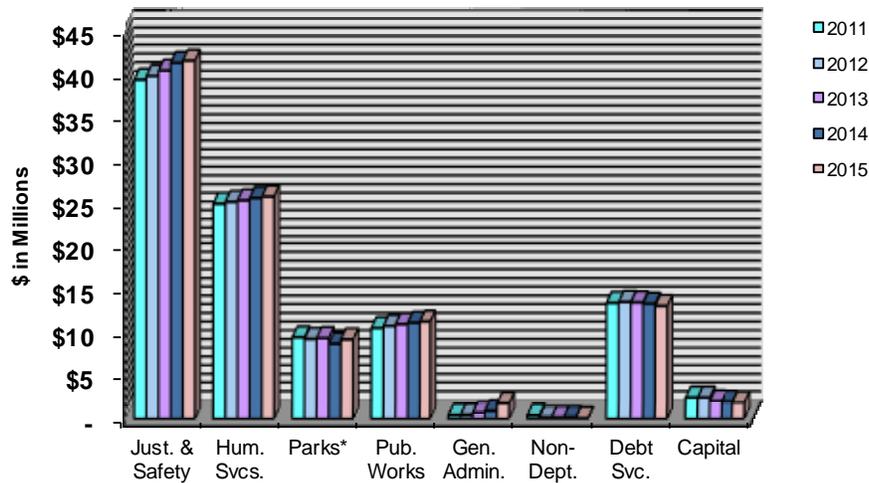


* Includes Parks, Environment, Education, and Land Use

2014-2015 TAX LEVY BY FUNCTION (COMBINES ALL FUNDS)

BY FUNCTION	2014 Adopted Budget		2015 Budget	Incr/(Decr) From 2014 Adopted Budget	
				\$	%
Justice & Public Safety	\$41,069,128		\$41,320,833	\$251,705	0.6%
Health & Human Services	\$25,561,140		\$25,716,440	\$155,300	0.6%
Parks, Env., Educ. & Land Use	\$8,608,400		\$9,103,832	\$495,432	5.8%
Public Works	\$11,022,983		\$11,156,428	\$133,445	1.2%
General Administration	\$877,929		\$1,757,879	\$879,950	100.2%
Non-Departmental	\$171,200		\$61,200	\$(110,000)	-64.3%
Debt Service	\$13,210,000		\$12,950,000	\$(260,000)	-2.0%
Capital Projects	\$1,950,000		\$1,850,000	\$(100,000)	-5.1%
Total Tax Levy	\$102,470,780		\$103,916,612	\$1,445,832	1.4%

**2011-2015 Budgeted Tax Levy
by Functional Area**



The chart above shows the majority of recent tax levy growth trend to be primarily within the Justice and Public Safety and Health and Human Service Functional areas.

* Includes Parks, Environment, Education and Land Use

2013 - 2015 EXPENDITURE SUMMARY

APPROPRIATION UNIT	2013 Actual	2014 Adopted Budget	2014 Estimate	2015 Budget	Incr/(Decr) From 2014 Adpt. Budget
Personnel Costs	\$114,168,575	\$117,209,142	\$116,110,028	\$118,911,343	\$1,702,201
Operating Expenses	\$97,089,615	\$100,941,738	\$98,430,084	\$105,789,707	\$4,847,969
Interdepartmental Charges	\$19,096,365	\$19,874,195	\$19,957,847	\$20,352,615	\$478,420
Fixed Assets & Imprvmnts (a)(b)	\$1,069,631	\$1,628,450	\$2,458,359	\$1,564,750	\$(63,700)
Debt Service-Excl Proprietary (b)	\$14,420,889	\$14,423,154	\$14,117,313	\$14,619,317	\$196,163
Capital Projects	\$28,399,768	\$27,992,700	\$30,783,200	\$16,141,400	\$(11,851,300)
Total Expenditures	\$274,244,843	\$282,069,379	\$281,856,831	\$277,379,132	\$(4,690,247)

FUNCTIONAL AREA	2013 Actual	2014 Adopted Budget	2014 Estimate (a)	2015 Budget	Incr/(Decr) From 2014 Adpt. Budget
Justice & Public Safety (a)	\$57,199,216	\$58,617,579	\$60,267,283	\$60,302,142	\$1,684,563
Health & Human Services	\$69,936,151	\$72,331,404	\$71,082,795	\$74,290,321	\$1,958,917
Parks, Env., Educ. & Land Use	\$30,975,379	\$30,233,247	\$30,093,787	\$32,295,829	\$2,062,582
Public Works (a)	\$30,003,312	\$30,294,985	\$31,474,382	\$31,878,744	\$1,583,759
General Administration	\$20,873,239	\$21,809,410	\$21,168,471	\$21,812,379	\$2,969
Non-Departmental	\$22,436,889	\$26,366,900	\$22,869,600	\$26,039,000	\$(327,900)
Debt Service-Excl Proprietary (b)	\$14,420,889	\$14,423,154	\$14,117,313	\$14,619,317	\$196,163
Capital Projects (a)	\$28,399,768	\$27,992,700	\$30,783,200	\$16,141,400	\$(11,851,300)
Total Expenditures	\$274,244,843	\$282,069,379	\$281,856,831	\$277,379,132	\$(4,690,247)

(a) Estimated expenditures exceed budget due to prior year appropriations carried forward and expended in current year and/or other budget modifications approved by County Board through an ordinance or fund transfer.

(b) Proprietary Fund (Internal Service and Enterprise funds) expenditure appropriations exclude fixed asset and Debt Service principal payments to conform with generally accepted accounting standards. Fixed Asset purchases and Debt Service principal payments will be funded through operating revenues, Tax Levy, or Fund Balance appropriations and are included, as applicable, in each agency budget request.

2015 EXPENDITURE HIGHLIGHTS

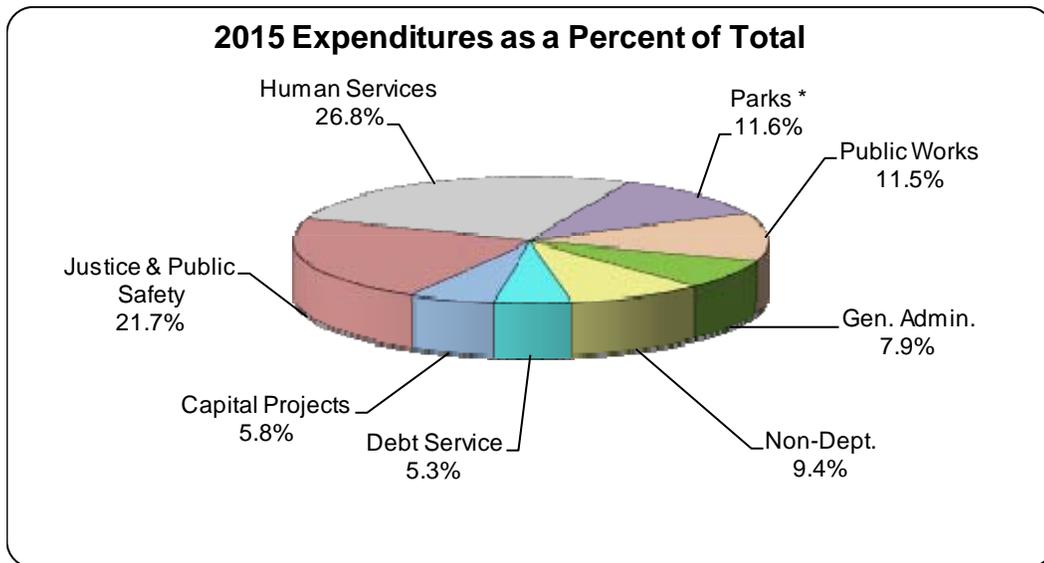
Expenditure Budget:

The 2015 total gross expenditure budget is \$277,379,132, a reduction of \$4,690,247 or 1.7% from the 2014 Adopted Budget. 2015 Budget appropriations consist of departmental operating budget and debt service expenditures totaling \$261,237,732 and capital project spending of \$16,141,400. The total operating budget increases by \$7,161,053 or 2.8% from the 2014 Adopted Operating Budget while capital project expenditures decrease by \$11,851,300 or 42% from the 2014 Adopted Budget.

The net total operating expenditure budget after excluding \$37,627,250 of interdepartmental charges, mainly from Internal Service Funds (which are double budgeted) is \$223,610,482, an increase of \$6,757,188 or 3.1%.

The budget includes net personnel costs totaling \$118.9 million or about 42.9% of the total expenditure budget. Personnel costs are budgeted to increase by about \$1.7 million, or 1.5% from the 2014 Adopted Budget level.

Operating expenditures (including purchased services, operating expenses and interdepartmental charges) increase by about \$5.33 million or 4.4% from \$120.8 million in the 2014 budget to \$126.1 million in this budget. Fixed Assets and improvement (excluding capital projects) expenditures are budgeted at \$1.56 million, a reduction of \$63,700 from the 2014 budget. Debt service payments are budgeted at \$14.62 million which is an increase of \$196,200 from the 2014 budget level or about 5.2% of governmental fund expenditures (and well within the County's performance measure benchmark of less than 10%).



* Includes Parks, Environment, Education and Land Use

Functional Area	Expenditure Budget	% of Total Expenditure Budget
Justice & Public Safety	\$60,302,142	21.7%
Human Services	\$74,290,321	26.8%
Parks *	\$32,295,829	11.6%
Public Works	\$31,878,744	11.5%
Gen. Admin.	\$21,812,379	7.9%
Non-Dept.	\$26,039,000	9.4%
Debt Service	\$14,619,317	5.3%
Capital Projects	<u>\$16,141,400</u>	<u>5.8%</u>
Total Expenditures	\$277,379,132	100.0%

* Includes Parks, Environment, Education and Land Use

2015 EXPENDITURE HIGHLIGHTS

A brief summary of the major changes in the past five adopted budgets are explained below:

The 2015 Budget expenditure level decreases by \$4.69 million to \$277.4 million. This reflects a \$11.85 million reduction in capital project expenditures, mostly due to the removal of \$9.6 million related to the upgrade of the County's public safety radio technology from an analog to a digital signal and the replacement of corresponding radio console equipment at the County's Dispatch Center. This reduction is offset by a \$4.8 million increase in operating expenses, mostly related to a \$1.7 million increase for the Material Recovery Facility (MRF) budget for the implementation of the joint agreement with the City of Milwaukee. Personnel cost increases of \$1.7 million, or 1.5% reflect costs to continue (partially offset by a \$308,400 net reduction for budgeted position changes).

The 2014 Budget expenditure level increases by \$8.3 million to \$282.1 million. This reflects a \$6.65 million increase in operating expenses largely related to a \$3.25 million increase to reflect the State of Wisconsin's opinion that payments the Children with Long-Term Support Needs (CLTS) Third Party Administrator (TPA) makes to service providers must be included in the HHS budget and a \$1.4 million increase to the Health and Dental Insurance Fund budget in Non-Departmental, mainly due to the first time budgeting for a shared on-site medical/wellness center. Personnel costs also increase by \$1.5 million, with cost to continue increases being partially offset with approximately \$459,500 in savings from Sheriff's Department staff (deputies, detectives, and command staff) contributing to the Wisconsin Retirement System.

The 2013 Budget expenditure level decreases by about \$10.8 million to \$273.8 million. This decrease reflects a \$12 million decrease in capital projects budget spending and includes a \$1.4 million decrease in operating expenses. These decreases are partially offset by an increase of \$1.7 million in net personnel cost appropriations.

The 2012 Budget expenditure level increased by \$16.5 million to \$284.6 million. This increase reflects a nearly \$20 million increase in capital projects budget spending partly offset by lower operating budget expenditures including a \$1.9 million decrease in net personnel costs and a net \$2.3 million decrease in operating expenditures appropriations. A major operating expenditure change mainly related to an Act 32 (State's 2011-13 Biennial Budget) provision, which shifts responsibility for administration of the Health & Human Services (HHS) Children Long Term Support (CLTS) program to a third-party administrator and no longer part of the County budget. The County will no longer make payments to CLTS service provider agencies thus decreasing budgeted expenditures by nearly \$3.5 million. Also, State budget funding reductions of over \$2.75 million require further efforts to reduce County spending appropriations. Federal Community Development funding reductions also resulted in expenditures reductions by nearly \$1.0 million.

The 2011 Adopted Budget expenditures increased by \$6.5 million to \$268.0 million. This increase reflects a \$1.5 million increase in debt service and capital project expenditure levels; \$2.4 million increase for net personnel costs; and \$2.2 million increase in operating expenditures largely due to HHS Children's Long Term Support MA Waiver funded services, which increases by about \$930,600; Health and Human Services Mental Health Outpatient program budgeting a \$637,250 increase in operating expenses; and the Criminal Justice Collaborating Council (CJCC) 2011 budget increases by \$583,600 related to the expansion of the Day Report Center and also the Alcohol Treatment Court program being funded by a three-year grant ending in 2013. Also, the Federated Library System expenditures increase \$192,900 related to transferring in of the CAFÉ Shared Automation program from the City of Waukesha.

Future Projections and trends:

External factors will continue to play a key role in significantly impacting future trends and projections including how Federal and State budget deficits may likely impact local funding policies and services carried out by local governments, changing the way government services are provided. Also, continued volatility of fuel, energy and commodity prices and increasing medical and health insurance costs are likely to have future budget impacts. In addition, internal factors include high costs of Jail inmates, Emergency Preparedness emergency 9-1-1 dispatch communications, and future debt service payments as a result of infrastructure projects including the Courthouse renovation and funding of major highway infrastructure projects.

Detailed expenditure highlights are included within each Functional Area Summary. A summary of major 2015 funding changes, which impact expenditures by functional area, follows:

2015 EXPENDITURE HIGHLIGHTS

Justice and Public Safety:

- The 2015 **expenditure budget** for this functional area totals \$60,302,200, an increase of \$1,684,600 or 2.9% from the 2014 Adopted Budget.
- The **Medical Examiner's Office** budget increases expenditures \$581,200 to reflect costs related to increased Waukesha County case volume as well as a new regional initiative in which the Waukesha County Medical Examiner will be taking on the medical examiner responsibilities for Walworth and Washington Counties. Prior to this agreement, Waukesha provided autopsy services only to both counties. The new agreement provides stability to all three counties, while providing enhanced services, oversight by forensic medical professionals, and enhanced policies and procedures to the medical examiner offices of the contract counties. Personnel expenditures increase by \$360,700 for the addition of 1.0 FTE Pathologist, 1.0 FTE Deputy Medical Examiner Supervisor, and an increase in extra help funding for pathology assistance – related to the regional initiative and by \$131,800 for the creation of 1.0 FTE Deputy Medical Examiner and 1.0 FTE Administrative Assistant – related to increased Waukesha County case volume. Other expenditure increases are mostly for medical services and supply costs related to the anticipated overall increase in case volume.
- **Radio Services** expenditures increase \$734,700, primarily due to a \$531,100 increase in depreciation charges and a \$189,400 increase in system maintenance charges – both related to the new digital trunked radio system. Depreciation charges are offset with Radio Services fund balance.
- **Emergency Preparedness** General Fund 2015 Budget total expenditures are increased by \$258,800, including personnel cost increases of \$115,000 to reflect the addition of 2.0 FTE Telecommunicator positions at the Communications Center to allow the department to meet industry benchmarks and recommendations and to avoid overtime costs incurred when new employees are being trained. Increased operating costs of \$76,300 are primarily due to the addition of system maintenance costs for the new dispatching consoles software/equipment associated with the new digital trunked radio system. The budget also includes fixed asset costs of \$157,000, mostly for one-time costs associated with the purchase of fire emergency dispatch software.
- **Sheriff** expenditures increase \$187,500 or 0.5% on a base of over \$38 million. Overall net personnel costs of \$30.5 million are budgeted to increase by \$129,700 or 0.4%, with no budgeted regular position changes and minimal increases for extra help and overtime. Cost increases are mostly due to cost to continue 354.0 FTE staff and is partially offset by reductions in health insurance costs and \$267,100 in Wisconsin Retirement Contributions for deputies, detectives, and command staff.
- Variable costs associated with the **inmate population** in the Jail and Huber facilities are contained in this budget. Inmate medical costs are budgeted to increase by \$35,800 or 2.2% to a total cost of \$1.67 million, and include a 3% increase for the medical care contract, partially offset by a reduction in anticipated medical care for inmates provided outside the contract. Inmate food services costs decrease \$23,200 to \$635,500 and reflect a reduction to the assumed number of meals (due to a reduced inmate population), partially offset by a slight increase in the cost per meal.
- The **Sheriff's** budget includes interdepartmental vehicle costs of \$1.65 million for vehicle replacement, maintenance and fuel. These costs are increasing by approximately \$105,500, mostly due to an overall increase in replacement costs for the new patrol vehicle (Tahoe). The budget also includes one-time fixed asset costs of \$32,200 for the purchase of an additional vehicle for the Pewaukee patrol contract. The costs for the additional vehicle (and associated equipment) are addressed with fund balance and will be paid back by the City over the life of the contract
- **Circuit Court Services** expenditures decrease \$118,900 to \$9.2 million. Personnel costs reductions are mostly due to the unfunding of a 2.0 FTE Administrative Specialist positions (resulting in savings of \$114,000) and reductions of \$10,000 and \$5,600 in extra help and overtime respectively. These reductions are partially offset by costs to continue existing employees and result in a net reduction of \$10,300 overall. The department also reduced expenditures for court appointed counsel and legal services by \$72,500 and reduced various supply accounts by \$22,460, which reflect an effort to use technology and standardize supply orders to reduce costs
- Modest expenditure increases in the **District Attorney's** budget reflect the reclassification of 1.0 FTE Victim/Witness Specialist to Victim/Witness Counselor.

2015 EXPENDITURE HIGHLIGHTS

Health and Human Services

- The 2015 **expenditure budget** for this functional area totals \$74,290,300, an increase of \$1,958,900 or 2.7% from the 2014 Budget.
- **Children's Long Term Support Waiver (CLTS)** expenditures (and revenue) increase by \$697,900 to \$5.1 million mostly related to additional funding provided from the State of Wisconsin to serve additional children with long term support needs. Ordinance 169-21 approved in 2014 accepted \$1,612,275 to remove children with special needs from the wait list and approved adding the two additional service coordinator/ social worker positions which continue in the 2015 budget. This program includes Autism services, Asperger's, Developmentally Disabled, Severely Emotionally Disturbed and Pervasive Developmental Disorder not otherwise specified.
- **Juvenile Center 2015 budget** implements a more cost-effective alternative of a third-party social services provider for juvenile male and female shelter care services. This includes a partial year reduction in 13 positions (6.48 FTE) and food and medical service costs reductions. These expenditure reductions are offset with a partial year contract with Lad Lake \$390,000 and additional Sheriff charges of \$15,800 to transporting juveniles to the Lad Lake's facility in Dousman. Overall, this change accounts for approximately \$38,000 of the expenditure decrease from the 2014 budget, but if the Department were to continue providing these services in-house, it is estimated that inflationary and staffing cost increases would have generated an additional \$52,000 in expenses, for a total savings in 2015 dollars of about \$90,000. Annualized savings are estimated at about \$130,000.
- The 2015 budget for the **Aging & Disability Resource Center (ADRC) – Adult Protective Services** program includes a \$336,000 or 40% decrease to \$502,200 in the payment to the Marsh Country Health Alliance for Clearview Nursing Home and facility for Individuals with Intellectual Disabilities (IID) in Dodge County mainly for the 24 Waukesha County residents who reside at Clearview. The decrease is based on Waukesha County's Assessment Rate of the Alliance "certified loss" as listed in the 2013 filed Clearview Medicaid nursing home cost report. Also, contracted services in the Adult Protective Services (APS) increases by \$69,800 to \$621,100 based on current trends of elderly clients needing to go to the hospital for medical clearance in addition to increased costs budgeted for higher cost corporate guardianship services for an increasing number of clients.
- **Economic Services Administration and Support Program** expenditures (and revenues) include a decrease of \$236,500 to \$430,500 for the sunset of ten (5.0 FTE) Economic Support Services positions created to assist in the implementation of the Patient Protection and Affordable Care Act (PPACA). The state and federal funding will end June 30, 2015.
- Operating expenses and related revenues for the **Aging & Disability Resource Center (ADRC) Contract Fund** increase by \$401,400. Operating expenses increase by \$417,100 related to the addition of four contracted ADRC specialists and one dementia care specialist. The contracted dementia care specialist was approved in Ordinance 169-20 during 2014 with the acceptance of the state Dementia grant funding which awarded a prorated amount of \$53,335 in 2014 and awards \$80,000 in 2015.
- **Mental Health Outpatient-Clinical** expenditures increase nearly \$636,300 or 8.6%, partially due to personnel cost increases of \$295,100 or 8.9% to about \$3,612,200. This increase includes 5.00 FTE new Clinical Therapists as a result of the reclassification of 3.00 FTE Senior Substance Abuse Counselor, the transferring of 1.00 FTE from the Children and Family Division, and 1.00 FTE created from a limited term employee. Operating expenses are budgeted to increase nearly \$368K related to an increase in prescription drug costs and medical supplies of nearly \$124,700 due to an increase in the use of long-acting injectable formulations and newly released treatments. State mental health institute placement costs are budgeted to increase by nearly \$108,200 to nearly \$1.6 million or 1,385 total days of care.
- **Criminal Justice Collaborating Council (CJCC)** 2015 budget includes an additional \$142,900 of expenditures and revenues related to the state Treatment Alternatives and Diversion (TAD) Grant. The TAD grant provides case management, drug testing, and medication-assisted treatment to participants enrolled in the drug court program. The acceptance of this grant was approved in 2014 with enrolled ordinance 168-O-081, which allowed the CJCC to accept \$142,000 for the 1-year period of January 1 through December 31, 2014, with the same level of continuation funding available in 2015 and 2016.

2015 EXPENDITURE HIGHLIGHTS

Parks, Environment, Education, and Land Use

- The 2015 **expenditure budget** for this functional area totals \$32,295,800, an increase of nearly \$2,062,600 (after excluding proprietary fund capitalized fixed asset item purchases), or 6.8% from the 2014 Adopted Budget.
- **Parks and Land Use – Material Recovery Facility (MRF) Fund** budget will experience a significant year of transition in 2015, implementing a joint agreement with the City of Milwaukee to process single-stream recyclable materials in a facility remodeled funded through Capital Project 201409 for \$7.7 million. Expenditures are budgeted to increase \$1.7 million to \$4.34 million, mainly due to the per-ton fee paid to the County's vendor to process recyclable materials under the new contract, budgeted at \$1.04 million, as well as an increase in the community dividend payments that are budgeted to increase approximately \$580K to \$1.8 million. The increase in dividend payments is to assist communities with obtaining new recycling bins that are more conducive to single stream recycling efforts, and assist municipal efforts in direct hauling recyclable materials to the joint MRF in the City of Milwaukee and away from the previous MRF located in the City of Waukesha.
- The **Federated Library System** distribution expenditures (and related County Library Tax Levy) increases by about \$458,700 or 15.5% to \$3,424,360 in 2015. The increase is primarily due to a one-time modification to the formula as a result of the dissolution of the Sussex-Lisbon joint library. This modification will count the Town of Lisbon as a TNR community, and relax the distribution caps to provide additional funding to libraries based on their net lending effort to the Town of Lisbon, resulting in an increase of approximately \$453,400.
- **The Federated Library System State Aids Fund** expenditures decrease approximately \$36,400 or 2.7% to \$1.33 million, mainly due to reductions in personnel costs of \$75,200 due to the unfunding of a 1.00 FTE Administrative Assistant position at a total cost of approximately \$61,700 and the reclassification of 1.00 FTE Library Services Specialist to a 1.00 FTE Librarian at a budgeted cost savings of \$42,400. These decreases are partially offset by the cost to continue remaining library staff. In addition, Operating expenditures increase \$54K, related to the Federated Library System budgeting for e-magazine subscription service of \$35,000 and a one-year pilot project subscription to Gale Courses for \$40,000, allowing member libraries to offer instructor led, self-paced online classes in various subject areas to Waukesha County citizens. This is partially offset by a decrease in building rent costs of \$24,200 as staff will be relocating to a new office space in downtown Waukesha in fall 2014.
- **Parks and Land Use General Fund Personnel** budget increases \$72,200 or less than 1% and includes a 1.00 FTE reduction for an Environmental Health Sanitarian position of approximately \$73,000, a 2.09 FTE decrease in Extra Help mainly at various County Parks partially due to a shift in budgeting fewer position classifications at an increased rate, and a slight reduction of 0.08 FTE overtime, offset by the cost to continue remaining staff levels.
- Also, **Parks and Land Use General Fund Fixed Assets** are budgeted to decrease \$74,400 to \$244,100 and include: signage updates at various County facilities of \$30,000, the removal of the barn Ryan Park of \$28,000, updated signage, lighting and landscaping at Naga-Waukee Park of \$22,000, \$24,000 for the painting of offices at Minooka and Mukwonago Parks, \$15,000 for new waterlines and a meter pit at Muskego Park, \$16,850 for painting and weatherproofing the Northview Shed, in addition to several smaller projects.
- **University of Wisconsin – Extension** budgeted expenditures decrease by about \$104,100 or 15.7%. This is mainly due to several funding sources from 2014 related to grants and donations for program projects that are completed or not continued in 2015, totaling nearly \$126,000. This decrease is partially offset by the department budgeting \$30,000 in grant funding to provide business education and technical assistance training to clients at the Wisconsin Women's Business Initiative Center (WWBIC). In addition, 1.00 FTE Office Services Coordinator is reclassified to a Programs and Projects Analyst. This position will be assuming some of the duties previously assigned to the 0.25 FTE 133 Contract Educator & Co-Director position, removed in 2015.

2015 EXPENDITURE HIGHLIGHTS

Public Works

- The 2015 **expenditure budget** for this functional area totals \$31,878,700 (after excluding proprietary fund capitalized fixed asset item purchases), an increase of \$1,583,800 or 5.2% from the 2014 Adopted Budget.
- **Road Salt expenditures for County Highway snow removal** operations are budgeted to increase about \$311,000 to \$1,510,300 in the 2015 budget. Salt rates are increasing by \$8.14 or 15%, from \$54.27 per ton to \$62.41 per ton based on the current 16,400 tons of salt for use on County roads resulting in an increase of \$134,000. An additional \$165,000 of salt expenditures are anticipated to be purchased by municipalities with offsetting sales revenue of \$180,000 (including a handling fee of \$7.00). The remaining \$12,000 increase is anticipated to be used by Parks.
- The **Central fleet Vehicle Fuel** budget includes an increase in fuel costs of \$0.05 to \$3.80 in 2015 compared to \$3.75 in 2014, resulting in a county wide increase of about \$26,000. The **Central Fleet Repair and Maintenance** budget includes the abolishment of a mechanic position, partially offset by the creation of an administrative assistant position, estimated to reduce costs from the 2014 budget by about \$27,000.
- **State Highway Maintenance operations** work on State roads as directed by DOT are budgeted to increase by nearly \$925,000 to over \$5.6 million. This includes \$325,000 of additional work based on an anticipated higher State Routine Maintenance Agreement (RMA). An additional \$600,000 is budgeted for continuation of a pilot Performance-Based Maintenance (PBM) project authorized in 2014. This additional state funding is budgeted to cover \$372,000 in additional vehicle related costs; \$321,000 of additional labor costs, including 4.0 FTE patrol workers and 0.22 FTE (about 460 hours) for more overtime expenses; \$115,000 in materials, such as gravel and crack filler; and other related expenses.
- **The building improvement maintenance** plan totals \$950,000, which includes a decrease of \$68,000 for a one-time project in 2014 to improve staff efficiency at the Jail (funded with prior-year jail assessment fee revenue appropriated as General Fund Balance).
- **Energy and Utility budget costs for County facilities** are budgeted to increase by \$64,100 or 3.1%, partly due to anticipated increases in natural gas costs. The increase also includes \$34,000 for one additional year of utility costs to maintain the former Health and Human Services Buildings (constructed in 1911 and 1921) while it is determined what to do with the vacant facility. Costs are maintained through prior-year energy efficiency improvements (e.g., lighting replacement, more efficient boilers chillers).

General Administration

- The 2015 **expenditure budget** for this functional area totals \$21,812,400 (after excluding proprietary fund capitalized fixed asset item purchases), an increase of about \$3,000 or less than 1% from the 2014 Adopted Budget.
- The **County Clerk's Office** expenditure budget decreases by \$125,200, mainly due to a reduction for election costs that occur in odd-numbered years, when there are fewer elections held.
- The **Department of Administration (DOA) General Fund** expenditures increase by \$19,800, or less than 1%, due to increased personnel costs (mostly related to cost to continue existing positions), offset with reduced operating and interdepartmental expenditures.
- **DOA-Risk Management** expenditures for 2015 increase by 3.2% or \$82,700 to \$2.7 million. This primarily reflects an increase self-insured claims costs based on historical trends.

2015 EXPENDITURE HIGHLIGHTS

Non-Departmental

- The 2015 **expenditure budget** for this functional area totals \$26,039,000, a decrease of \$327,900 or 1.2% from the 2014 Adopted Budget.
- **Non-Departmental General Fund – The Waukesha County Small Business Leverage Loan** program is budgeted to decrease by \$100,000, from \$300,000 to \$200,000, and will be funded by first-time repayments of loans made in prior-years. Initial loans were funded using prior-year Tax Increment District (TID) revenues returned to the County. The program is intended to provide “gap” loan funding for small, established businesses in Waukesha County to promote economic growth.
- **Health and Dental Insurance Fund – Waukesha Employee Health and Wellness Center** budget decreases by \$159,200 and reflects budgeting for the first full-year of operations (estimated to start operations in November 2014.) The overall decrease is largely due to the 2014 budget originally assuming that the partner agencies’ (City and School District of Waukesha) share of program costs and related reimbursements would be paid through this program. Based on the approved intergovernmental agreement signed in 2014, the City and School District will pay for their share of program costs directly, except for one-time start-up and facility-related costs (e.g., utilities, housekeeping), which will be reimbursed to the County. Expenditures include contract staffing estimated at \$446,200, contractor management and consultant fees at \$209,300, facility-related expenses at \$74,300, laboratory fees at \$60,500, depreciation at \$48,600, and supply and other operation costs estimated at \$41,700.

Debt Service

- The **Debt Service expenditure budget** for general governmental purposes is \$14,619,300, an increase of \$196,200 from the 2014 Adopted Budget or 1.4%. To fund the 2015 Capital Project’s Budget, \$10 million is planned to be borrowed, which is no change from the 2014 level. This, along with planned debt refunding, will reduce the County’s total debt outstanding to approximately \$91.97 million, well below the allowable levels set by State statutes.

Capital Projects

- The 2015 **Capital Project expenditure budget** of \$16,141,400 decreases \$11,851,300 from the 2014 Adopted Budget. The 2015 Capital Budget identifies funding for existing and new projects at a net County cost of \$14.1 million (after direct project revenues of \$767,500, special revenue fund balance appropriations of \$195,500, and proprietary fund balance appropriations totaling approximately \$1.1 million are applied).

2013-2015 REVENUE SUMMARY

SOURCE	2013 Actual	2014 Adopted Budget (c)	2014 Estimate	2015 Budget	Incr/(Decr) From 2014 Adpt. Budget
Intgov't Contracts & Grants	\$50,853,560	\$50,266,126	\$50,799,696	\$51,896,065	\$1,629,939
State Transportation Aids	\$4,449,345	\$4,678,002	\$4,478,931	\$4,478,931	\$(199,071)
State Shared Revenues	\$1,423,883	\$845,000	\$845,000	\$845,000	-
Fines & Licenses	\$2,739,315	\$2,677,545	\$2,592,974	\$2,704,795	\$27,250
Charges for Services (a)(c)	\$32,899,248	\$34,578,301	\$33,469,267	\$35,376,871	\$798,570
Interdepartmental Revenue	\$36,225,193	\$37,223,385	\$36,360,924	\$37,627,250	\$403,865
Other Revenues (a)(c)	\$13,165,658	\$9,848,239	\$9,881,505	\$11,623,927	\$1,775,688
Interest/Penalty on Delinq Taxes	\$2,745,257	\$2,808,000	\$2,808,000	\$2,758,000	\$(50,000)
Investment Inc-Unrestricted Funds (c)	\$2,491,347	\$4,413,000	\$2,750,000	\$3,607,646	\$(805,354)
Debt Borrowing	\$17,000,000	\$10,000,000	\$10,000,000	\$10,000,000	-
Appropriated Fund Balance	\$11,786,993	\$22,873,416	\$27,716,203	\$12,903,963	\$(9,969,453)
Retained Earnings (a)(b)	\$(3,264,082)	\$(612,415)	\$(2,316,449)	\$(359,928)	\$252,487
Tax Levy	\$101,729,126	\$102,470,780	\$102,470,780	\$103,916,612	\$1,445,832
Total Revenues	\$274,244,843	\$282,069,379	\$281,856,831	\$277,379,132	\$(4,690,247)

FUNCTION	2013 Actual	2014 Adopted Budget	2014 Estimate	2015 Budget	Incr/(Decr) From 2014 Adpt. Budget
Justice & Public Safety	\$17,148,453	\$17,207,786	\$16,702,945	\$17,921,665	\$713,879
Health & Human Services	\$45,241,376	\$46,592,542	\$46,261,861	\$48,342,734	\$1,750,192
Parks, Env, Educ & Land Use	\$22,154,342	\$20,075,617	\$20,080,949	\$20,870,789	\$795,172
Public Works	\$18,910,975	\$18,497,560	\$19,419,721	\$19,949,821	\$1,452,261
General Administration	\$17,471,394	\$19,789,593	\$17,976,821	\$19,103,376	\$(686,217)
Non-Departmental	\$22,840,632	\$23,274,500	\$21,644,000	\$22,962,600	\$(311,900)
Debt Borrowing	\$17,000,000	\$10,000,000	\$10,000,000	\$10,000,000	-
Capital Projects	\$3,225,634	\$1,900,000	\$1,900,000	\$1,767,500	\$(132,500)
Appropriated Fund Balance	\$11,786,993	\$22,873,416	\$27,716,203	\$12,903,963	\$(9,969,453)
Retained Earnings (a)(b)	\$(3,264,082)	\$(612,415)	\$(2,316,449)	\$(359,928)	\$252,487
Tax Levy	\$101,729,126	\$102,470,780	\$102,470,780	\$103,916,612	\$1,445,832
Total Revenues	\$274,244,843	\$282,069,379	\$281,856,831	\$277,379,132	\$(4,690,247)

(a) Includes revenues from Proprietary Fund user fees and other revenue which are estimated to result in retained earnings.

(b) Revenues in excess of expenditures from enterprise funds that are retained in the appropriate fund and not used to offset the overall County Tax Levy.

(c) The 2014 budget has been restated for comparative purposes to the 2015 budget.

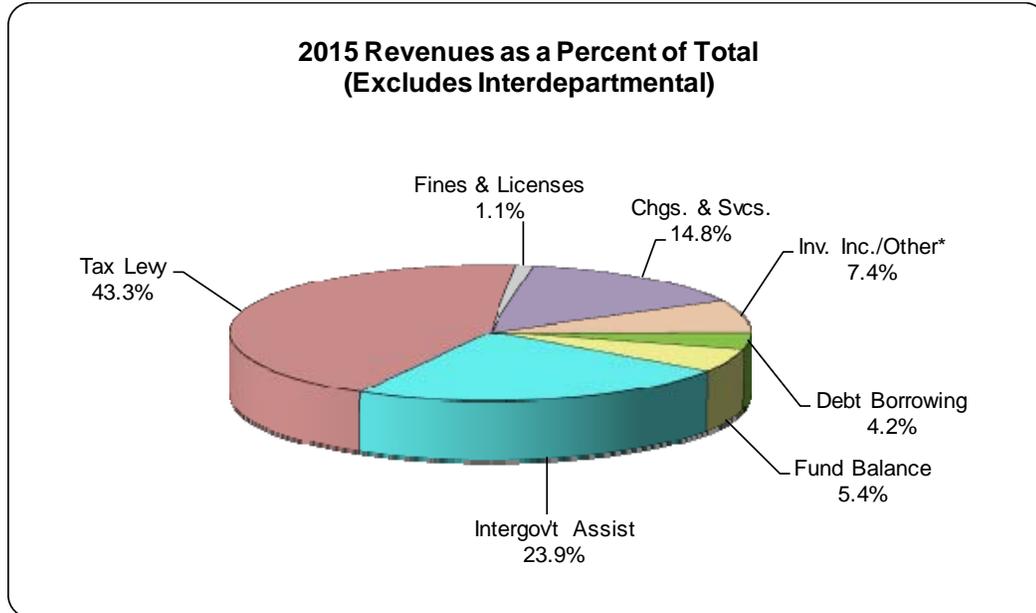
2015 REVENUE HIGHLIGHTS

Revenue Budget:

The **2015 revenue budget (excluding property Tax Levy, Fund Balance appropriations and revenue generating proprietary fund retained earnings) totals \$160,918,485**, an increase of \$3,580,887 or 2.3% from the 2014 Adopted Budget. The revenue budget includes \$37,627,250 of interdepartmental revenues (mostly from internal service funds, e.g., Health and Dental Insurance Fund and cross charges such as Sheriff Bailiff, court security, etc.).

The 2015 revenues consist of departmental operating revenues budgeted at \$148,791,057 and capital project funds at \$11,767,500 including \$10,000,000 from planned borrowing. Overall, the operating revenues increase nearly \$3.97 million or 2.7% from the prior year budget, while capital project revenues decrease by \$132,500.

The graph below reflects the ratio of revenue sources budgeted for 2015 to all revenue sources, with tax levy of 43.3% and Intergovernmental Assistance of 23.9% (after excluding Interdepartmental revenues) as the major revenue components.



* Excludes Retained Earnings

Revenue Projection Methodology

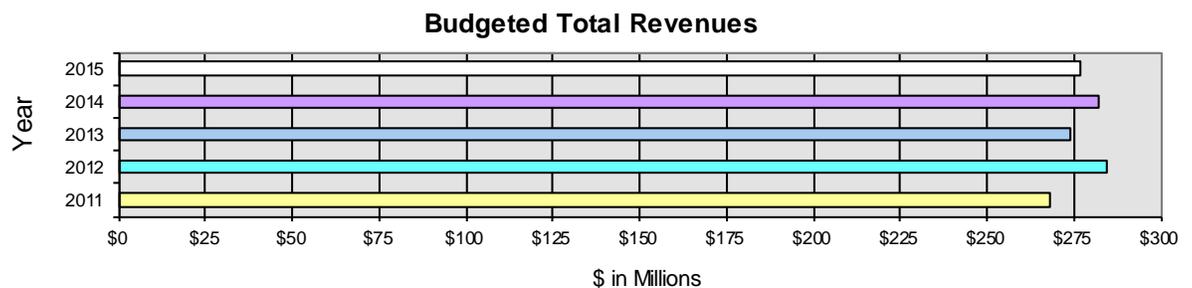
Realistic, conservative and accurate revenue estimates are one of the key building blocks in the development of a fiscally sound budget. The County combines four primary projection methods, mentioned below, based on the unique characteristics of forecasted revenue.

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 continued slow economic recovery, a lack of recovery in the real estate market and its impact on future property tax base values, moderate inflation, 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 2011-2015. Total revenues are budgeted to decrease nearly \$4.69 million or 1.7% to \$277.4 million to be within about 2.5% of the 5-year high of \$284.6 million in 2012 summarized below.



2015 REVENUE HIGHLIGHTS

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

The 2015 revenue budget decreases by nearly \$4.67 million to \$277.4 million, mainly due to decreases in appropriated Fund Balance by nearly \$10 million to \$12.9 million. Intergovernmental revenues increase \$1.4 million related to increases in state pass-through revenues related to the Children with Long Term Support Needs (CLTS) Third Party Administrator (TPA) of \$728K and Public Works State Highway operations funding of \$925K to \$5.6 million. Other revenues increase by \$920K mainly due to Material Recovery Facility budgetary changes related to the new joint operational agreement, resulting in an increase of \$1.45 million, partially offset by a reduction in investment income of nearly \$805,400 based on low interest rates. Charges for services increase \$798,600 and the County General Tax Levy (excluding the Special Library Tax) increases by \$987,100 or less than 1%.

The 2014 revenue budget increases by nearly \$8.3 million to \$282.1 million, largely due to an increase of about \$10.8 million of Fund Balance appropriations to nearly \$23 million. This offsets a decrease of \$7 million of Debt Borrowing to fund capital project expenditures. Intergovernmental revenues increase by \$1.4 million mainly due to increases in the Children with Long-Term Support Needs (CLTS) Third Party Administrator (TPA) grant of \$3.25 million, partially offset by federal and state funding reductions. Charges for Services increase \$1.45 million and the County General Tax Levy (excluding the special Library tax) increases by \$706,630.

The 2013 revenue budget decreases by nearly \$10.8 million to \$273.7 million, including Debt Borrowing decreasing by \$3 million to \$17 million to fund Capital Project expenditures; Overall Fund Balance appropriation reductions of \$8.4 million, including a \$6.8 million drop in the Capital Budget and \$1.5 million less for the Operating budget. Intergovernmental Revenues decline by about \$880,000 due to federal and State funding reductions. User fee charges for services decreases by \$131,586 and the County general tax levy increases (excluding the special Library tax) by \$761,039.

The 2012 revenue budget increases by nearly \$16.5 million to \$284.6 million including Debt Borrowing of \$20 million to fund higher Capital Project expenditures. Interdepartmental Revenues increase by \$1.6 million, including estimated increases in the County's share of health insurance premiums of \$797,000, allocating out the last \$380,000 in charges and related Tax Levy funding from the End User Technology program to departments for the total cost of computer ownership, and higher Risk Management and Public Works Charges to departments. Fund Balance appropriation increases by \$6.84 million, mainly for budgeted increases for Capital Projects; a nearly \$645,000 increase in County General Tax Levy; Charges for Service revenue increases by about \$346,600; partially offset by a decrease in Intergovernmental Revenues by over \$3.2 million, mainly due to revenue reductions of over \$2.5 million from the State's 2011-13 Biennial Budget, primarily in H&HS and Public Works.

The 2011 revenue budget increased by \$6.5 million. This increase includes an increase in intergovernmental revenue of \$1.8 million largely as a result of increased revenue of \$808,000 for Health & Human Services (HHS) Children's Long Term Support Waiver funding and \$490,000 of HHS Community Service cost recoveries; Charges for Service revenue increases \$1.0 million mainly due to police patrol contracts with the City of Pewaukee and Village of Sussex and client fee revenues in the Department of Health and Human Services; an \$868,000 increase in Interdepartmental Charges revenue mostly related to health insurance premiums; a \$1.4 million increase in Fund Balances use mainly to help fund Capital projects and debt service; and a \$1.8 million increase in Tax Levy offset by decreases in Other Revenue of \$115,800 and reduction in Fines and License revenue of \$208,000.

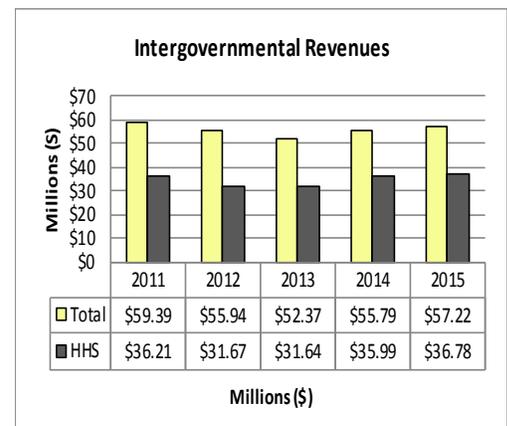
Detailed revenue highlights are included within each functional area summary.

A summary of highlights and major changes from the 2014 Budget to the 2015 Revenue Budget, by source, follows.

Intergovernmental Contracts & Grants:

Combined, total 2015 intergovernmental contracts, grants, state/federal aids and state shared revenues together are budgeted at \$57,219,996, an increase of \$1,430,868 or 2.6% from the 2014 Adopted Budget (as indicated below).

- **H&HS Functional Area** Intergovernmental Revenue increases by \$790,500 to nearly \$36.78 million as follows:
 - **Department of Health and Human Services (H&HS) – Children with Special Needs Program** includes an increase in intergovernmental State revenue reimbursements related to the Children's Long Term Support (CLTS) Third Party Administrator (TPA) program of \$728K to serve additional children with long term support needs.
 - **Aging and Disability Resources-Contract Fund** 2015 budget includes increases in State funding by about \$401,400 to \$3.08 million, due to increased programmatic expenditures related to increased contract staff.
 - **Mental Health Outpatient-Clinical** includes an increase of \$109K related to the County being awarded a state funded, Mental Health Regional Crisis grant for purposes of training County staff and law enforcement to assist severe emotionally disturbed youth, improve collaboration, and provide crisis intervention services.
 - **H&HS – Economic Services Administration and Support Program** includes a decrease of \$236,500 related to the sunset of ten (5.00 FTE) sunset Economic Support Services positions created to assist in the implementation of the Patient Protection and Affordable Care Act (PPACA). The state and federal funding will end June 30, 2015.
 - **Intake and Shared Services** intergovernmental revenue includes a decrease of nearly \$107,000 due to a reduction in state pass-through allocations for payments to kinship guardians as a result of reducing the wait list by 35 children with the use of one-time funding in 2014.

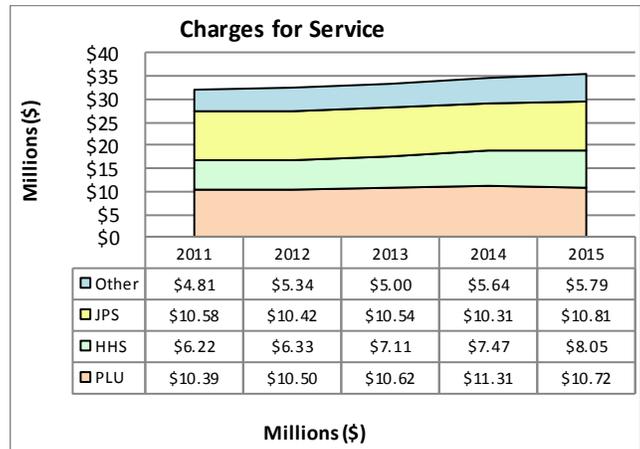


2015 REVENUE HIGHLIGHTS

➤ **Criminal Justice Collaborating Council** General Government revenues are budgeted to decrease by about \$151,800 to \$231,600 largely due to a nearly \$261K reduction in the 3-year Alcohol Treatment Court expansion grant for 4th OWI offenders budgeted to be discontinued in September 2014.

- General Government Revenues in the **Public Works Functional Area State Highway Maintenance operations** for work on State roads as directed by DOT are budgeted to increase by nearly \$925,000 to over \$5.6 million partially based on the current (2014) State's Routine Maintenance Agreement (RMA) resulting in \$325K of additional funding, and an increase in anticipated state funds of \$600K related to the pilot Performance-Based Maintenance (PBM) project authorized in 2014.
- **Circuit Court Services** General Government revenues include an increase of \$72,100 to the state funded Circuit Court Support Grant, representing a return to 2011 funding levels.
- **University of Wisconsin – Extension** budgeted intergovernmental revenues decrease by nearly \$59K to \$107,400, related to grants for program projects that are completed or not continued in 2015.

Charges for Services: User fees are budgeted at approximately \$35.4 million, which represents an increase of nearly \$799,000 or 2.3% from the 2014 Adopted Budget. 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 from property owners. Major User fees include document recording and real estate transfers; public admission for recreation usage, regulation enforcement and education within the Parks, Environment, Education and Land Use (PLE) functional area; client treatment, inpatient or outpatient residential services fees accessed in the Health and Human Services (H&HS) area; and inmate board, contracted Sheriff patrols, and judicial and public safety related fees (JPS).



- **Health & Human Services (HHS)** functional area Charges for Service revenues increase by about \$583,300 to \$8.05 million, and includes **Clinical Services Division** increases of about \$660,700 to nearly \$6.8 million, related to Mental Health Outpatient Client Fee revenue increases of nearly \$613,000 due to increased funding reimbursements for Comprehensive Community Services (CCS) program activity, to provide community living support services, including employment and peer support through psychosocial rehabilitation. The Wisconsin 2013-2015 biennial budget (Act 20) authorized the Department of Health Services to increase funding for CCS by providing for both the federal and non-federal share of Medicaid costs to counties.
- **Justice and Public Safety (JPS)** functional area Charges for Service revenues increase by approximately \$497,400 to \$10.8 million mainly due to a \$476,800 increase related to new contractual agreements authorizing the Waukesha County **Medical Examiner** to provide medical examiner services for Walworth and Washington Counties. In addition, **Radio Services Fund** revenues include a \$187,800 increase to offset operating charges related to the new Digital trunked radio system. **Sheriff-Jail Prisoner Board** revenues decline by \$196,800 (7 inmate per day), partially offset an increase of \$60,500 for Wisconsin DOC inmates (3.22 additional inmates per day). In addition, **Circuit Court Services** revenues decrease about \$87,000 due to reductions for bail forfeiture revenues.
- **Parks, Environment, Education & Land use (PLU)** functional area Charges for Service revenues are budgeted to decrease by about \$433,100 to \$10.7 million mainly due to a decrease in **Register of Deeds** revenues by approximately \$326,800, reflecting a decrease of \$400,000 of redaction fee revenues due to the 2013-2015 Wisconsin State Budget allowing Counties the use of redaction fee revenues for general purposes in 2014 only. Also, Real Estate Transfer fees are budgeted to increase about \$152,200 due to an increase in home sales, reflecting improving conditions in the real estate market, partially offset by a decrease in document recording fee revenues of \$75,000 related to a reduction in home mortgage refinancing activity. In addition, **Material Recovery Facility (MRF)** revenues decrease by \$120K, where the County previously received a per-ton processing payment, is discontinued under the new Operational Agreement, slightly offset by fee increases in several **Parks-General Fund** accounts of about \$48,000.
- **Public Works** functional area revenues include a \$189,500 increase in the **Transportation Fund**, due to charges to municipalities for salt purchases (by \$179,500), which is anticipated to increase 2,000 tons from 2014, and pavement marking services (\$10,000).

Fines and Licenses: Fine and license revenues are estimated to total \$2,704,795 for 2015, increasing about \$27,250, or 1.0% from the 2014 Budget, including the following: **Circuit Court Services** budget includes a reduction of \$87,000 in Fines and Forfeiture revenues, partially offset by increases in the **Medical Examiner** budget from Cremation Permit revenue of \$99,100.

Interdepartmental Revenues:

2015 Interdepartmental revenues total \$37,627,250, an increase of about \$403,900 or 1.1% from the 2014 Adopted Budget. 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 sources or tax levy in the service consumer (user) department budgets.

- In order to better reflect an increase in Worker's Compensation self-insured claims costs and higher estimated future years claims payments based on historical trends, **DOA-Risk Management** interdepartmental revenue increases by about \$121,500 to \$2.06 million. This fund remains subsidized by General Fund Balance, but projected to be phased out over future years and is reduced nearly \$61K in 2015.

2015 REVENUE HIGHLIGHTS

- Interdepartmental revenues in the **Public Works Functional Area** increase by about \$393,600 to nearly \$7.38 million. Department charges for vehicle operations increase \$218,800 including fuel of \$26,400, vehicle repair and maintenance charges of nearly \$40K, and vehicle replacement charges of \$152,600. Additional items include: and Building/Office rental charges increase of nearly \$71,500 for maintenance and services provided to County departments.
- **DOA-Communications** interdepartmental revenues decrease \$84K or 10.7% reflecting a revision to the rate structure due to lower operating costs due to the implementation the Voice Over Internet Protocol (VoIP) phone system.

Other Revenues:

Other revenues from various other miscellaneous sources in the 2015 Budget total nearly \$18 million, an increase of about \$920,300 or 5.4% from the 2014 Budget.

- **Parks and Land Use-Material Recovery Facility (MRF) Fund** revenues increase \$1.45 million, mainly due to changes in material sales revenue by \$1.14 million as a result of a change in the revenues sharing agreement between the County and the County's processor of recyclable materials, increase the County's share from 50%-80% per ton, as a result of the new joint MRF agreement with the City of Milwaukee. The budget also includes \$100K in landfill siting fee revenues.
- The **Office of the Treasurer** investment income decreases by \$805,000 to \$3.6 million due to estimated lower investment rates of return.
- **Capital Projects** revenue includes a \$400,000 decrease for one-time land sale revenue in 2014, partially offset by an increase in investment earnings of \$50,000.
- **Department of H&HS – Clinical Division** revenues are budgeted to increase by about \$221,600 to \$1.88 million, mainly due to increases in adult and child admissions to state mental health facilities that qualify for Medicaid reimbursement.
- **Department of H&HS – Children with Special Needs** revenues are budgeted to increase \$210K related to pass-through reimbursements of CLTS costs for certain vendors unable to directly bill the CLTS third-party administrator.
- **Non Departmental** revenues increase \$360,000 and include \$200K for repayments of principal and interest from the Waukesha County Small Business Leverage Loan Program and \$190K for the first-time repayment of loans to help municipal fire, police and emergency response units upgrade their radios and equipment for the new County-wide digital radio system. This is partially offset by decreases in Deferred Compensation Plan consulting of \$15,000 and procurement card rebate revenue of \$15,000.
- The **Sheriff** budget also includes an overall increase of \$137K related to inmate phone revenue and merchandise and commission sales.

Debt Financing:

The 2015 Budget includes borrowing of \$10 million to finance a major portion of 2015 capital projects, remaining at the same level as the 2014 Adopted Budget.

Appropriated Fund Balance:

To reduce the 2014 Tax Levy (for 2015 Budget purposes), the Budget includes Fund Balance appropriations of \$12.9 million for one-time projects, temporary expenditures or to phase in the impact of significant revenue losses, a reduction of nearly \$10 million from the previous year. This includes \$10.4 million for the operating budgets and \$2.5 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	Total
Administration	\$28,000						\$28,000
Administration Internal Service Funds			\$244,471				\$244,471
Admin Dept-Risk Management			\$118,927				\$118,927
End User Tech. Fund			\$599,619				\$599,619
Airport Fund				\$210,829			\$210,829
Capital Projects Budget					\$2,523,900		\$2,523,900
Circuit Court Services	\$20,000						\$20,000
Contingency Fund	\$1,200,000						\$1,200,000
Corporation Counsel Dept.	\$0						\$0
County Clerk Dept.	\$0						\$0
Debt Service Fund						\$1,669,317	\$1,669,317
District Attorney	\$0						\$0
Emergency Preparedness	\$348,841			\$753,410			\$1,102,251
Human Services Dept.	\$231,147						\$231,147
Non-Departmental	\$300,300		\$1,514,900				\$1,815,200
Federated Library Fund		\$50,050					\$50,050
Parks and Land Use Dept.	\$67,100	\$800,000		\$1,125,000			\$1,992,100
Public Works Dept	\$251,000	\$225,000	\$101,083				\$577,083
Register of Deeds	\$300,000						\$300,000
Sheriff Dept.	\$209,869						\$209,869
UW Extension Dept.	\$11,200						\$11,200
Total by Fund Type	\$2,967,457	\$1,075,050	\$2,579,000	\$2,089,239	\$2,523,900	\$1,669,317	\$12,903,963

Tax Levy: The overall 2014 Tax Levy (for 2015 Budget purposes) is \$103,916,612, which represents an increase of \$1,445,832 or 1.4% from the 2014 Adopted Budget. The total Tax Levy consists of General County Purpose Levy of \$100,492,252, a \$987,100 or 0.99% increase from the 2014 Adopted Budget, and the Special Federated Library Tax Levy of \$3,424,360, an increase of \$458,732 or 15.5% from the 2014 Adopted Budget, which are assessed to municipalities without Libraries.

DECISION MAKING CRITERIA FOR NEW POSITIONS

County government has an obligation to meet the needs of its citizens in a fiscally prudent manner. One of the largest costs of government is personnel cost. Unlike capital projects that are paid for in a set period of time, position costs continue each year as long as the position exists. Therefore, before new positions are authorized, a careful review of the justification of these requests is warranted. In reviewing these requests, the following types of questions are asked.

- 1) Does the reason a position is being requested support the strategic plan for the County and the department?
- 2) Can the work be accomplished in any other way?
- 3) Does the proposed position improve customer service?
- 4) Does the proposed position provide direct services as opposed to administrative support, supervision, or management?
- 5) Will the investment in the proposed position allow the department to increase revenues or decrease expenditures beyond the cost of the position?
- 6) Is there outside (non-County Tax Levy) funding available for the proposed position, such as state or federal grants?
- 7) Can the position costs be offset by eliminating or reducing a lower priority function?
- 8) Has the organization been reviewed for efficiency? Is the organization a re-engineering candidate?
- 9) What will be the effect if the proposed position is not created?

BUDGETED POSITIONS 2013-2015

SUMMARY BY FUNCTIONAL AREA

*****BUDGETED POSITIONS ONLY*****

FUNCTIONAL AREAS:	2013 Year End	2014 Adopted Budget	2014 Modified Budget	2015 Adopted Budget	14-15 Change
Justice and Public Safety	544.90	544.90	544.90	548.90	4.00
Health and Human Services	426.06	425.06	428.81	418.14	(6.92)
Parks, Env., Educ., and Land Use	133.20	133.20	133.20	131.20	(2.00)
Public Works	135.60	135.60	135.60	139.60	4.00
General Administration	126.05	125.55	125.55	125.55	-
Non-Departmental	-	-	-	-	-
Total Regular Positions Countywide	1,365.81	1,364.31	1,368.06	1,363.39	(0.92)
Temporary Extra Help	121.41	120.71	120.71	111.47	(9.24)
Overtime	22.95	22.38	22.38	22.27	(0.11)
Total Position Equivalents Countywide	1,510.17	1,507.40	1,511.15	1,497.12	(10.27)

* This chart includes the number of positions that are authorized and funded with the exception of position overfills.

Significant Changes for 2015

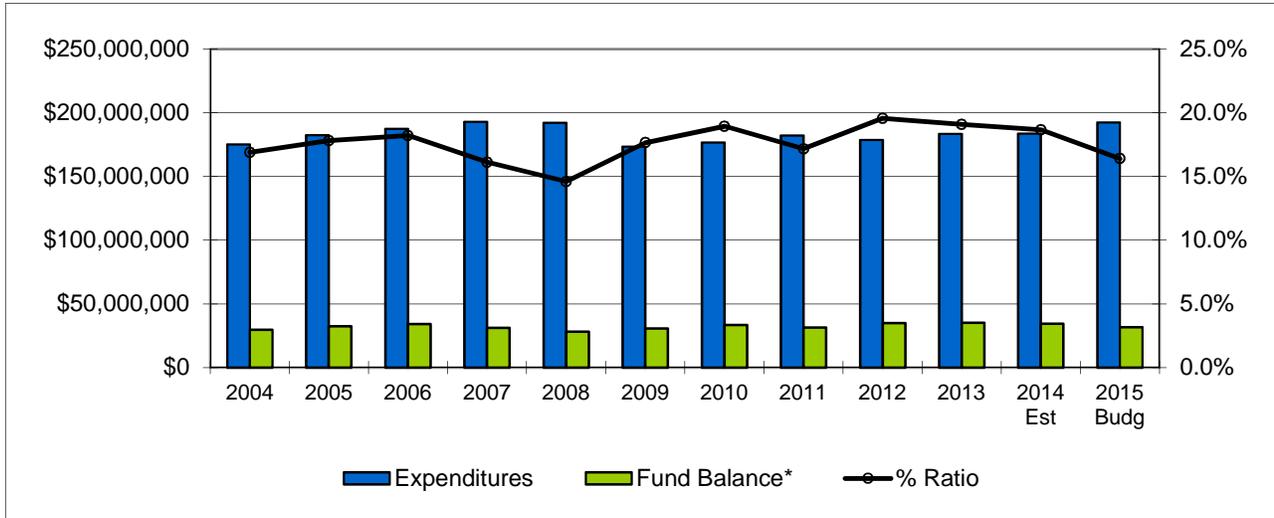
- Budgeted Full Time Equivalents (FTEs) decreases by a net of 10.29 FTE, including temporary extra help and overtime.
- There is a net decrease of 0.92 FTE budgeted regular positions, mostly due to the abolishment of 16.83 FTE including 6.5 FTE related to the transition of Juvenile Center services to Lad Lake. In addition, 10 Economic Support Positions (5.0 FTE) related to the Patient Protection Affordable Care Act (PPACA) are being reduced or sunset as the funding ends June 30, 2015. Also, 4.0 FTE are unfunded in 2015. This is offset by the creation of 15.16 FTE positions including 4.0 FTE new positions in the Medical Examiner's office as 2.0 FTE are part of the new regional initiative. Also, 4.00 FTE that were unfunded in prior years in Public Works are being refunded. This also includes position changes by ordinance in 2014 including the creation of 4.25 FTE offset by the reduction of 0.50 FTE.
- Temporary extra help decreases a net of 9.25 FTE or about 19,240 hours.
- Budgeted overtime decreases a net of 0.11 hours or about 229 hours.

For more detail, see the Stats/Trends Section for the Regular Full-Time/Part-Time Budget Position Summary, the Summary of Net Change in Funded Regular Full-Time/Part-Time Positions and Budget Position Detail Summary for individual departments.

Current-Year Changes in 2014

Action	Department	Position	Ordinance	FTE Change
Abolish:	Human Services	Human Services Supervisor	Enrolled Ord. 168-O-083	-0.50
Create:	Human Services	Senior Mental Health Counselor	Enrolled Ord. 168-O-083	0.25
Create:	Human Services	Program and Project Analyst	Enrolled Ord. 168-O-120	2.00
Create:	Human Services	Social Worker	Enrolled Ord. 169-O-021	2.00
2014 CURRENT YEAR FTE CHANGE TOTAL				3.75

GENERAL & SPECIAL REVENUE FUNDS
Expenditures, Unassigned Fund Balance



Expenditures and Unassigned Fund Balance
 General and Special Revenue Funds

<u>Year</u>	<u>Expenditures</u>	<u>Unassigned Fund Balance*</u>	<u>% Ratio</u>
2004	\$175,235,496	\$29,596,034	16.9%
2005	\$182,433,309	\$32,507,004	17.8%
2006	\$187,410,318	\$34,138,957	18.2%
2007	\$192,949,494	\$31,116,045	16.1%
2008	\$192,284,111	\$28,084,566	14.6%
2009	\$173,554,267	\$30,647,610	17.7%
2010	\$176,668,309	\$33,470,181	18.9%
2011	\$182,118,157	\$31,279,803	17.2%
2012	\$178,864,749	\$35,018,044	19.6%
2013	\$183,572,744	\$35,044,540	19.1%
2014 Est	\$183,776,176	\$34,299,620	18.7%
2015 Budg	\$192,444,755	\$31,586,370	16.4%

Policy and Practice

The County will maintain unrestricted fund balances to provide necessary working capital to avoid cash flow interruptions and short-term borrowing to fund daily operations and to maintain the County's Aaa/AAA bond ratings.

The unrestricted governmental (general and special revenue) fund balance to governmental expenditures ratios will be maintained at a minimum of 11%. The current target is between 15 and 16%, or about eight weeks of working capital for operations.

Fund balance reserves will not be used to offset continuous operation costs.

To the extent possible, reserves will be used to provide operating efficiencies over the long term.

*Does not include unrealized gains or losses on investments. While the County typically holds these investments to maturity or life of the security, generally accepted accounting principles require that these investments be recorded at their fair value. Prior to the implementation of GASB 54 in 2011, unassigned fund balance was referred to as unreserved, undesignated fund balance.

SUMMARY OF FUND BALANCE PROJECTIONS

Projections of fund balance are an indicator of the estimated financial condition of the County at year-end. Fund balances are projected separately for General, Special Revenue, Enterprise, Internal Service, Debt, and Capital Project Fund types. For a description of the County's financial structure see the Strategic Planning and Budget Policies Section of the 2015 Adopted Budget. For descriptions of funds see the Summary section.

December 31, 2014 (unaudited)

The current year projection (year-end 2014) is based on year-to-date information together with departmental estimates of revenues, expenditures and net transfers for various fund types. Total combined estimates of fund balances at December 31, 2014 are projected at \$165.2 million, a decrease of \$8.1 million from December 31, 2014 year-end combined fund balances. Of the combined fund balance amount, \$131.7 million is restricted or committed (by the Grantor, State Law, County Board, etc.) or assigned for specific future use exclusively within each particular fund. A summary of projected fund balance by fund type is described below.

General Fund Balance - The estimated fund balance for the General Fund at December 31, 2014 is projected at \$51.1 million, a decrease of \$10.8 million from 2013. Revenues were \$473,000 under expenditures. Net transfers out of the General fund were \$10.4 million, including \$10.0 million for capital and \$0.5 million for debt service. The unassigned portion of the fund balance is estimated at \$33.5 million, an \$800,000 decrease from 2013 unassigned fund balance of \$34.3 million.

Special Revenue Fund Balance - The December 31, 2014 estimated fund balance is \$10.5 million, a decrease of \$71,000 from 2013. This decrease is due to a net transfer in to the Transportation fund of \$110,000 from the General Fund (mainly to offset General Transportation Aid reductions) offset by \$300,000 of land purchases in the Tarmann Parkland Acquisition Fund and a reduction of \$100,000 in document recording fees in the Land Information Systems Fund.

Working Capital - The unassigned General Fund balance provides working capital for nine weeks of operations based on the 2015 expenditure budget. In addition, the ratio of governmental funds unassigned fund balance to governmental expenditures for year-end 2014 is estimated at 18.7%. This estimated percentage exceeds the County's goal of at least 11%, which provides sufficient cash flow for the County's operations. It also exceeds the County's target goal of 15-16%.

SUMMARY OF FUND BALANCE PROJECTIONS, Cont.

Enterprise Fund Balance - Fund balance is projected at \$52.8, an increase of \$5.1 million from 2013. This reflects transfers in of \$7.1 million for capital projects. The enterprise funds include three golf courses, two indoor ice arenas, radio services, a materials recycling facility, and an airport.

Internal Service Fund Balance - Year-end 2014 fund balance is estimated at \$30.4 million, a decrease of \$1.2 million from 2013.

Debt Service Fund Balance - Year end 2014 fund balance is estimated at \$3.1 million, a decrease of \$410,000 from 2013.

Capital Projects Fund Balance – Fund balance is projected at \$17.4 million, a decrease of \$0.8 million from 2013. The entire fund balance is reserved for existing capital projects.

December 31, 2015

The year-end 2015 projection is based on 2015 budgeted revenues, expenditures, and estimates on completion of capital projects appropriated in prior years. At year-end 2015, total combined fund balances are estimated at \$153.3 million, a decrease of \$12.0 million from the estimated 2014 level. Of the estimated combined year end 2015 total fund balance, \$122.5 million is restricted, committed or assigned specific future use within the particular funds, and \$30.8 million is estimated to be the unassigned fund balance. This is an estimated decrease in unassigned fund balance of about \$2.7 million from year-end 2014.

General Fund Balance - The estimated fund balance for the General Fund is projected at \$47.9 million, a decrease of \$3.2 million from the 2014 estimate. This decrease results from the planned use of \$2.3 million in the 2015 budget and transfers out of \$780,000. Transfers out include \$220,000 for capital projects, \$280,000 for debt service, \$120,000 for risk management, and \$220,000 for transportation.

The unassigned portion of the fund balance is estimated at \$30.8 million.

Special Revenue Fund Balance - The December 31, 2015 estimated fund balance is \$9.7 million, a decrease of \$0.8 million from 2014. This decrease results mainly from the planned use of fund balances in the 2015 budget.

Working Capital - The ratio of governmental funds unreserved fund balance to governmental expenditures for year-end 2015 is estimated at 16.4%, a decrease from the 18.7% estimate for year-end 2014.

**SUMMARY OF PROJECTED FUND BALANCE
AS OF DECEMBER 31, 2014**

SCHEDULE 1

	General Fund	Special Revenues	Enterprise	Internal Service	Debt Service	Capital Projects	Totals
Revenues:							
General Intergovernmental	\$37,455,444	\$17,021,998	\$948,962	\$ 6,000	\$ -	\$1,250,000	\$56,682,404
Taxes	79,693,190	5,924,603	192,563	1,590,424	13,210,000	1,950,000	102,560,780
Fines/Licenses	2,687,255	106,000	-	-	-	-	2,793,255
Charges for Services	22,068,129	1,439,800	5,547,260	3,820,800	-	-	32,875,989
Interdepartmental Revenue	3,294,551	639,000	577,362	31,798,622	-	-	36,309,535
Interest Income	2,468,869	40,000	27,200	232,800	-	150,000	2,918,869
Other Revenue	9,589,494	1,043,269	1,140,700	1,236,940	-	10,400,000	23,410,403
Total Revenues	\$157,256,932	\$26,214,670	\$8,434,047	\$38,685,586	\$13,210,000	\$13,750,000	\$257,551,235
Expenditures:							
Personnel Costs	\$97,495,757	\$9,469,193	\$2,844,573	\$6,338,322	\$ -	\$ 6,000	\$116,153,845
Operating Expenses	46,060,129	11,431,095	6,371,868	32,495,917	-	-	96,359,009
Interdepartmental Charges	12,462,971	5,063,115	1,505,046	825,504	-	-	19,856,636
Fixed Assets/Capital Projects	1,711,246	332,670	-	-	-	\$17,158,966	19,202,882
Debt Service	-	-	-	-	14,117,313	-	14,117,313
Total Expenditures	\$157,730,103	\$26,296,073	\$10,721,487 (A)	\$39,659,743 (A)	\$14,117,313	\$17,164,966	\$265,689,685
Excess of Revenues over/(under) Expenditures (A)	(\$473,171)	(\$81,403)	(\$2,287,440) (B)	(\$974,157) (B)	(\$907,313) (B)	(\$3,414,966)	(\$8,138,450)

Footnotes:

(A) Net of capital projects expenditures and revenues.

(B) Negative amounts reflect planned use of restricted, committed, or assigned fund balances for one time or temporary purposes.

**SUMMARY OF PROJECTED FUND BALANCE
AS OF DECEMBER 31, 2014**

SCHEDULE 2

	General Fund	Special Revenues	Enterprise	Internal Service	Debt Service	Capital Projects	Totals
Fund Balance December 31, 2013	\$61,916,528	\$10,453,246	\$47,698,542	\$31,592,918	\$3,485,011	\$18,196,563	\$173,342,808
Restricted/Committed/Assigned Fund Balance	27,633,638	10,453,246	47,698,542	31,592,918	3,485,011	18,196,563	139,059,918
Unassigned Fund Balance January 1, 2014	\$34,282,890	\$0	\$0	\$0	\$0	\$0	\$34,282,890
Excess of Revenues over (under) Expenditures (A)	(473,171)	(81,403)	(2,287,440)	(974,157)	(907,313)	(3,414,966)	(8,138,450)
Net Operating Transfers in (out)	(10,374,800)	152,715	7,350,500	(198,115)	500,000	2,569,700	0
Excess of Revenues & Other Financing Sources over (under) Expenditures	(\$10,847,971)	\$71,312	\$5,063,060	(\$1,172,272)	(\$407,313)	(\$845,266)	(\$8,138,450)
Total Projected Fund Balance Dec. 31, 2014	51,068,557	10,524,558	52,761,602	30,420,646	3,077,698	17,351,297	165,204,358
Restricted/Committed/Assigned Fund Balance	17,530,587 (B)	10,524,558	52,761,602 (C)	30,420,646 (C)	3,077,698	17,351,297	131,666,388
Total Projected Unassigned Fund Balance	\$33,537,970	\$0	\$0	\$0	\$0	\$0	\$33,537,970

Footnotes:

(A) Negative amounts reflect planned use of restricted, committed, or assigned fund balances for one time or temporary purposes.

(B) Includes \$5,760,365 assigned in the 2015 Budget

(C) The Enterprise and Internal Service Fund balances include fixed assets and may include some unreserved funds.

**SUMMARY OF PROJECTED FUND BALANCE
AS OF DECEMBER 31, 2015**

SCHEDULE 3

	General Fund	Special Revenues	Enterprise	Internal Service	Debt Service	Capital Projects	Totals
Fund Balance December 31, 2014	\$51,068,557	\$10,524,558	\$52,761,602	\$30,420,646	\$3,077,698	\$17,351,297	\$165,204,358
Restricted/Committed/Assigned Fund Balance	17,530,587	10,524,558	52,761,602	30,420,646	3,077,698	17,351,297	131,666,388
Unassigned Fund Balance January 1, 2015	\$33,537,970	\$0	\$0	\$0	\$0	\$0	\$33,537,970
Excess of Revenues over (under) Expenditures (A)	(2,367,457)	(1,035,050)	(1,824,621)	(2,523,690)	(1,669,317)	(2,523,900)	(11,944,035)
Net Operating Transfers in (out)	(783,927) (B)	225,000	0	(41,073)	280,000	320,000	0
Excess of Revenues & Other Financing Sources over (under) Expenditures	(\$3,151,384)	(\$810,050)	(\$1,824,621)	(\$2,564,763)	(\$1,389,317)	(\$2,203,900)	(\$11,944,035)
Total Projected Fund Balance Dec. 31, 2015	47,917,173	9,714,508	50,936,981	27,855,883	1,688,381	15,147,397	153,260,323
Restricted/Committed/Assigned Fund Balance	17,092,453	9,714,508	50,936,981 (C)	27,855,883 (C)	1,688,381	15,147,397	122,435,603
Total Projected Unassigned Fund Balance	\$30,824,720	\$0	\$0	\$0	\$0	\$0	\$30,824,720

Footnotes:

(A) Budgeted fund balances are responsible for the deficit figures.

(B) Includes planned transfer out of \$220,000 for Capital Projects, \$280,000 for Debt Service, and \$225,000 for Transportation, and \$118,927 for Risk Management

(C) The Enterprise and Internal Service Fund balances include fixed assets and may include some unreserved funds.

FUNCTIONAL AREA SUMMARY BY FUND TYPE

2015 BUDGET

REVENUES	GENERAL FUND (a)	SPECIAL REVENUE	ENTERPRISE	INTERNAL SERVICE	DEBT	CAPITAL PROJECTS	TOTAL
JUSTICE & PUBLIC SAFETY	\$16,603,678		\$1,317,987				\$17,921,665
HEALTH & HUMAN SERVICES	\$44,857,549	\$3,485,185					\$48,342,734
PARKS, ENV., EDUC., LAND USE	\$7,539,998	\$5,713,891	\$7,616,900			\$427,500	\$21,298,289
PUBLIC WORKS	\$580,315	\$11,695,132	\$790,182	\$6,884,192		\$340,000	\$20,289,821
GENERAL ADMINISTRATION	\$9,030,152			\$10,073,224		\$11,000,000	\$30,103,376
NON DEPARTMENTAL	\$1,498,000			\$21,464,600			\$22,962,600
FUND BALANCE APPROPRIATION	\$2,967,457	\$1,075,050	\$2,089,239	\$2,579,000	\$1,669,317	\$2,523,900	\$12,903,963
RETAINED EARNINGS		(\$40,000)	(\$264,618)	(\$55,310)			(\$359,928)
TAX LEVY	\$80,988,560	\$6,449,788	\$162,563	\$1,515,701	\$12,950,000	\$1,850,000	\$103,916,612
TOTAL REVENUES	\$164,065,709	\$28,379,046	\$11,712,253	\$42,461,407	\$14,619,317	\$16,141,400	\$277,379,132
EXPENDITURES							
JUSTICE & PUBLIC SAFETY	\$58,503,221		\$1,798,921			\$265,000	\$60,567,142
HEALTH & HUMAN SERVICES	\$70,805,136	\$3,485,185					\$74,290,321
PARKS, ENV., EDUC., LAND USE	\$13,597,770	\$9,948,301	\$8,749,758			\$1,589,900	\$33,885,729
PUBLIC WORKS	\$8,799,752	\$14,945,560	\$1,163,574	\$6,969,858		\$12,811,500	\$44,690,244
GENERAL ADMINISTRATION	\$9,300,330			\$12,512,049	\$14,619,317	\$1,360,000	\$37,791,696
NON DEPARTMENTAL (a)	\$3,059,500			\$22,979,500		\$115,000	\$26,154,000
TOTAL EXPENDITURES	\$164,065,709	\$28,379,046	\$11,712,253	\$42,461,407	\$14,619,317	\$16,141,400	\$277,379,132

(a) Includes Contingency Fund.

APPROPRIATION UNIT SUMMARY BY FUND TYPE

2015 BUDGET

REVENUES	GENERAL FUND (a)	SPECIAL REVENUE	ENTERPRISE	INTERNAL SERVICE	DEBT	CAPITAL PROJECTS	TOTAL
INTERGOVT. CONTRACTS/GRANTS	\$37,758,189	\$17,009,707	\$950,000	\$44,600		\$1,457,500	\$57,219,996
FINES & LICENSES	\$2,632,795	\$72,000	\$0	\$0			\$2,704,795
CHARGES FOR SERVICES	\$23,694,105	\$1,993,848	\$5,704,218	\$3,984,700			\$35,376,871
INTERDEPART. REVENUES	\$3,611,261	\$615,402	\$553,251	\$32,847,336			\$37,627,250
OTHER REVENUES	\$12,413,342	\$1,203,251	\$2,517,600	\$1,545,380		\$10,310,000	\$27,989,573
FUND BALANCE APPROPRIATION	\$2,967,457	\$1,075,050	\$2,089,239	\$2,579,000	\$1,669,317	\$2,523,900	\$12,903,963
RETAINED EARNINGS		(\$40,000)	(\$264,618)	(\$55,310)			(\$359,928)
TAX LEVY	\$80,988,560	\$6,449,788	\$162,563	\$1,515,701	\$12,950,000	\$1,850,000	\$103,916,612
TOTAL REVENUES	\$164,065,709	\$28,379,046	\$11,712,253	\$42,461,407	\$14,619,317	\$16,141,400	\$277,379,132
EXPENDITURES							
PERSONNEL COSTS	\$99,465,266	\$9,818,660	\$3,021,613	\$6,605,804			\$118,911,343
OPERATING EXPENSES	\$50,964,033	\$12,603,122	\$7,228,895	\$34,993,657			\$105,789,707
INTERDEPARTMENTAL CHARGES	\$12,946,660	\$5,082,264	\$1,461,745	\$861,946			\$20,352,615
FIXED ASSETS & IMPROVEMENTS	\$689,750	\$875,000	\$0	\$0		\$16,141,400	\$17,706,150
DEBT SERVICE	\$0	\$0	\$0	\$0	\$14,619,317		\$14,619,317
TOTAL EXPENDITURES	\$164,065,709	\$28,379,046	\$11,712,253	\$42,461,407	\$14,619,317	\$16,141,400	\$277,379,132

(a) Includes Contingency Fund.

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