

WAUKESHA COUNTY FIVE YEAR FINANCIAL FORECAST

The County uses long range financial planning to project the cost to continue existing programs, by projecting revenues and expenditures over a five year period, using assumptions about economic conditions and potential strategic objectives and financial challenges. The five year forecast also provides dynamic information for the planning process and assists in providing direction for future actions and planning of resource allocations that links to the County's strategic planning goals.

The Five Year Financial Forecast is developed as part of but prior to budget development. It includes a review of the prior fiscal year end financial results and considers the impacts of various County planning processes including the capital plan and related debt financing. The Department of Administration Budget Division works with department staff to determine key financial assumptions to project the future major revenue sources and expenditures potential impacts.

The purpose of utilizing a financial forecast is to identify and determine the extent of actions necessary to close the gap between revenues and expenditures to ensure long term fiscal sustainability.

Provided below is a summary of Waukesha County's financial outlook as it appeared in the current year's Five Year Forecast prior to budget development. The Five Year Financial Forecast plan is updated annually.

Prior to Closing 2015 Budget Gap: Operating Budget Five Year Financial Forecast Summary 2015-2019

Operating Budget (in millions)			
Year	Revenues	Expenditures	GAP
2014 Budget	\$254.1	\$254.1	\$0.0
2015 Forecast	\$253.3	\$258.9	(\$5.6)
2016 Forecast	\$256.9	\$265.8	(\$8.9)
2017 Forecast	\$260.0	\$272.5	(\$12.5)
2018 Forecast	\$263.4	\$279.3	(\$15.9)
2019 Forecast	\$268.0	\$286.9	(\$18.9)

Closing the 2014 budget gap resulted in a \$1.8 million reduction from \$7.6 million to the current 2015 projection of \$5.6. The 2015 Budget as proposed is balanced and this will again favorably impact future years.

