
READER'S GUIDE

Introduction

The adopted budget document contains information about many aspects of Waukesha County Government. To make this budget book easier to use and read, this **Reader's Guide** and the **Quick Reference Guide** have been developed. In addition, the following resources are available to the reader for locating information: **Table of Contents**, **Listing of Graphs and Tables**, **Glossary** and **Index**. Finally, the **Transmittal Letter** and the **Budget Message** should assist the reader with understanding many of the key issues within the Waukesha County Budget.

Document Organization

The County's annual budget book is divided into the following sections: Introduction, Summary, Strategic Planning and Budget Policies, Operational (divided into functional areas), Debt Service, Capital Projects, and a Statistics and Trends section.

The **Introduction** includes county demographics, the County Executive's Budget message, and Transmittal letter.

The **Summary** provides a synopsis of the Operating and Capital budgets; Budget Assumptions; annual county budget major expenditures, revenue, and tax levy highlights which affect the budget; summary of the Positions Budgeted; Criteria for New Positions; County Organization Chart; Fund Descriptions; Fund Balance Projections; and Functional Area and Appropriation Unit revenue and expenditure summaries.

The **Strategic Planning and Budget Policies** section includes the County's Strategic Planning Mission Statement; Vision Statement; Core Values; Strategic Outcomes; County Planning Process; Financial Management Policies; Capital and Operating Budget Process; Budget Amendment Process and Financial Structure of the County.

The **Operating, Debt Service, and Capital budgets** are presented within the functional areas with a summary section included at the beginning of each area. Functional areas include:

Justice and Public Safety	-	Court system, correctional operations, and public safety.
Health & Human Services	-	Services to improve quality of life and self-sufficiency.
Parks, Envir, Educ & Land Use	-	Recreational, educational, environmental, and land use activities.
Public Works & Airport	-	Road planning, design and maintenance, county-wide fleet maintenance, airport, transit, and facilities maintenance.
General Administration	-	County governmental functions and administrative support.
Non-Departmental	-	County-wide items not within direct control of a specific department, and the Contingency Fund.
Debt Service	-	Principal and interest payments on long-term general obligation debt.
Capital Projects	-	Major acquisition and construction of infrastructure or technology improvements with long-term financing requirements.

Each department is introduced by a gold colored page which details the organizational structure of that department. Other colored pages signify a **fund type**. Fund types are defined in the Glossary of Significant Terms and explained in the Fund Description pages of the Summary section and Fund Structure section of the Strategic Planning and Budget Policies section. The color coding scheme is as follows:

- White - General & Special Revenue funds and Statistics & Trend Section
- Ivory - Special Purpose (Debt Service, Capital, and Contingency)
- Blue - Internal Service funds
- Peach - Enterprise funds

Department Budget Sections

Department operating budgets are intended to highlight the budget and policy issues of each department presented in the following format:

READER'S GUIDE

Department Statement of Purpose/Summary - This section includes the department's statement of purpose, summary of the department's revenues, tax levy, and expenditures. The department's revenues, expenditures, and tax levy are required by fund for the prior year actual, for the current year adopted budget, the current year's estimated budget, and for the ensuing year budget request. This section includes the absolute dollar and percentage change by appropriation unit, from the current year adopted budget to the ensuing year budget request. Also included, is a budgeted position summary of all full-time and part-time budgeted positions for a department, and the use of overtime and temporary extra help, which are stated in full-time equivalents (FTEs) based on 2080 hours per year.

Multi-fund departments will also complete a summary page summarizing information for all funds. For each separate fund, a **Fund Purpose** statement is displayed.

County-Wide Key Strategic Outcomes are indicated - This section identifies key strategic outcomes linked to the Strategic Plan, with objectives (goals) anticipated to be accomplished in the ensuing budget year. The department objectives are categorized by the County's seven Strategic Plan Outcomes: 1. A safe county, 2. An economically vibrant county, 3. An environmentally responsible county, 4. A well-planned county, 5. A county that assists at-risk citizens, 6. A county that provides customers with quality programs and services, and 7. Cost-effective services delivered with competence and skill.

Departmental objectives (goals) - are to be in line and linked with the County-Wide Strategic Outcomes. They should be measurable and identify a **key outcome indicator (KOI)**, which explains how to measure success and what is being measured to provide evidence of results in achieving each objective.

Performance Measures - are metrics that measure progress towards achieving the stated objective (goal) over a period of time.

Current and Proposed Capital Projects - This section provides a listing of open and planned capital projects that impact the department's operation. It includes project number, name, expected completion year, total project cost, and estimated percent completed at year-end. The estimated operating impact is also identified with a cross reference to the project summary information.

Budgeted Positions Summary - This section summarizes personnel information (detailed listings of funded positions that are included in the Statistics and Trend section). This section also includes changes in the number of positions for the adopted budget to ensuing year requests with an explanation of the changes.

Appropriation Unit - One or more expenditure accounts grouped by purpose for budgetary control, including:

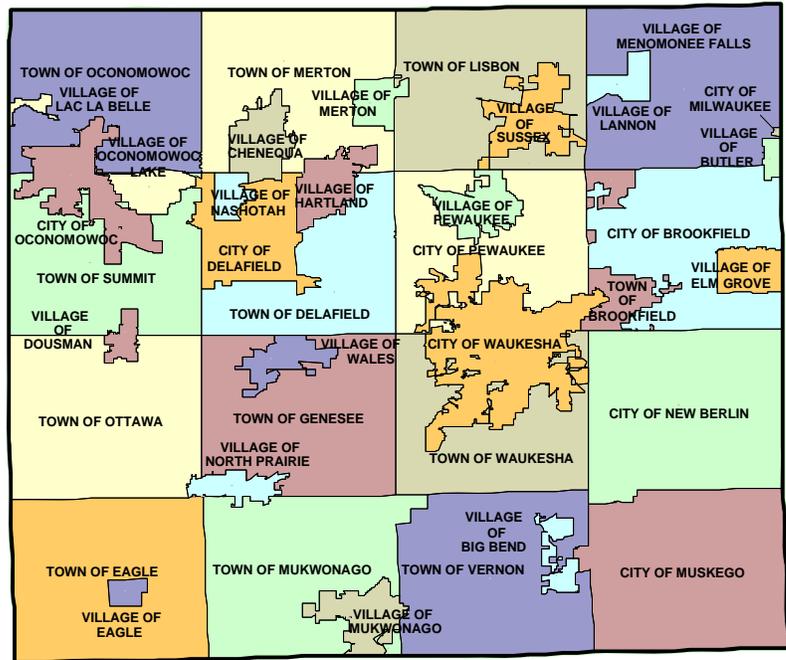
1. **Personnel Costs** - Costs of all salary and non-salary compensation incurred in accordance with county policy. This includes wages, longevity, temporary extra help, and overtime compensation paid to county employees. This also includes compensation for sick leave, holiday, vacation, and education leaves. Major employee benefits include the Wisconsin Retirement System pension, Social Security contributions, and health, dental, life, and long-term disability insurance.
2. **Operating Expenses** - Costs of all utilities, materials, supplies, travel, training, and expenses necessary for the operation of a department. This also includes costs of all services purchased from outside vendors.
3. **Interdepartmental Charges** - Costs of all labor, materials, supplies, or services purchased by one county department from another county department (mainly provided by Internal Service funds).
4. **Fixed Assets/Improvements** - Costs of all equipment items (more than \$5,000) purchased by departments. This category includes capital outlay, small office equipment items, large automotive equipment items, and major grounds and building maintenance projects. However, it excludes capital projects as defined by the county code.

Programs - In this section, a program is defined as a major activity or expenditure area that a department budgets and accounts for in its operations. This section identifies prior year actual, current year adopted budget, current year estimate, ensuing year budget request, and the change in budgeted dollars from current to ensuing year by program. Program budget highlights include major expenditure and revenue changes, along with budget year program changes, initiatives and key department budget issues specific to the ensuing budget year, new positions, and significant position changes.

The **Statistics/Trends** section includes general County trend data such as population and equalized value; five- to ten-year data trends of expenditures, revenues, and debt service, and comparative property tax rates.

WAUKESHA COUNTY, WISCONSIN • DEMOGRAPHICS

Waukesha County is located in southeastern Wisconsin, directly west of Milwaukee County and 100 miles northwest of Chicago. Waukesha County is part of the Milwaukee Standard Metropolitan Statistical Area (SMSA). The County has the second highest equalized property tax base and per capita income and is the third most populous county in the State. The County covers 576 square miles and consists of 8 cities, 18 villages and 12 towns.



County Population	
As of 1/1/2007	381,603
Equalized Property Values	
Including TID	\$51,988,144,000
Excluding TID	\$50,954,981,250

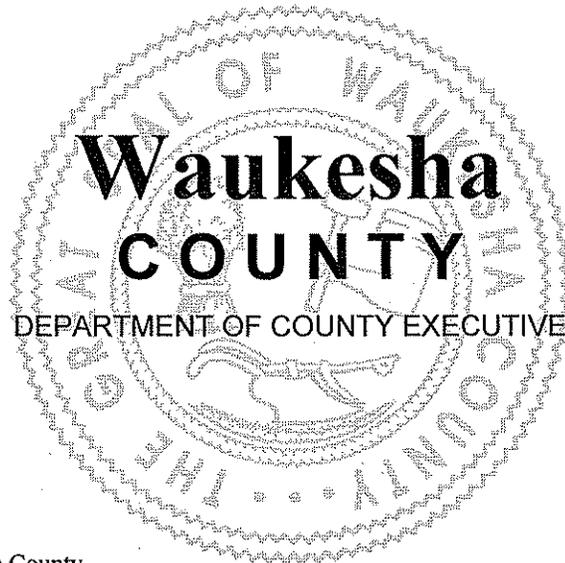
	<u>Waukesha County</u>	<u>State of Wisconsin</u>	<u>United States</u>
2004 Per Capita Income	\$43,797	\$32,095	\$33,090
2005 Per Capita Income	\$45,454	\$33,278	\$34,471
	<u>Waukesha County</u>	<u>State Hwy (In County)</u>	
Miles of Roads/Streets	400	250	

See STATS/TRENDS Section for more information on Waukesha County, including data on population, income, employment, equalized value and comparative property tax rates.

BRIEF WAUKESHA COUNTY HISTORY

- In April of 1846 Waukesha County was formed with sixteen townships. Supervisors representing each of the sixteen towns were elected to organize a county board, elect officers and to provide for and build necessary county buildings.
- In 1965, the Wisconsin State Supreme Court ruled that county boards must equitably represent the population, and the Waukesha County Board switched to supervisory districts that represented an equal number of citizens, rather than the units system used previously.
- In April of 1990, a new form of county government was established. The first county executive was elected by the voters of Waukesha County to be responsible for the administrative functions of county government. The county board reorganized to better reflect this new form of governing. The county executive also proposes the County Budget and has the ability to veto actions of the county board, and to appoint members to advisory boards and commissions.

Daniel P. Vrakas
County Executive



December 12, 2007

Dear Citizens of Waukesha County,

With approval from our dedicated County Board Supervisors, it is my honor to provide Waukesha County residents with a 2008 Adopted Budget that not only freezes County property taxes, but advances one of the most fiscally conservative public sector budgets in the State. Together, we were able to keep taxes in check by limiting spending, focusing on efficiencies, and investing in projects that promote a sustainable future. As a result, this budget ensures that the tax on an average County home is at or below last year's level.

It pleases me to share with you that Waukesha County does an exceptional job at balancing service priorities with the taxpayers' ability to pay for them. Next year, we will reduce tax levy support for administrative overhead by 24% to make justice and public safety the County's top priority. The 2008 Adopted Budget also demonstrates our commitment to protecting at-risk and vulnerable citizens, maintaining quality roads and buildings, privatizing services, and promoting environmentally friendly facility improvements and operational changes through my Sustainability Initiative in order to save future tax dollars.

Proudly, Waukesha County continues to have the lowest county tax rate in the state for counties that have not implemented a county-imposed sales tax. Yet, even when comparing our County to those counties with an enacted sales tax, you will be happy to know that Waukesha County is tied for 71st place out of 72 counties for the lowest tax rate. In addition, we are one of about 40 county government agencies out of more than 3,000 across the nation to hold the coveted AAA/Aaa bond ratings status, which is reflective of our exemplary financial management practices and ultimately allows us to lower the County's borrowing costs and the tax rate.

In order to maintain and protect our impressive tax rate ranking and bond rating status, this budget identifies new ways of doing business more efficiently by developing collaborative partnerships that seek to enhance service offerings, reduce dependency on tax levy dollars, and generate new revenues streams for the County. The following projects accomplish this goal:

Creating an Aging and Disability Resource Center (ADRC):

One of the largest partnerships that we will embark on in 2008 is the creation of an ADRC as part of the State of Wisconsin's effort to reform Long Term Care services and costs for eligible elders and adults with disabilities. This venture will be managed by the Department of Senior Services and will work towards providing an end to wait lists and improved access to a variety of core services. It is expected that the ADRC will be funded with a \$1.5 million State grant, which will provide a County tax levy savings of \$100,000 in its first year of operation with on-going savings for both the County and the State in the future.

Privatizing the Child Support Division Call Center:

The Child Support Division will continue a pilot project to contract with a private company for the coordination of call center services. By privatizing call-answering capabilities and basic customer service functions, the division is able to unfund two Clerk Typist II positions that were previously assigned these tasks, which will result in a tax dollar savings of approximately \$29,000.

1320 Pewaukee Road • Room 320
Waukesha, Wisconsin 53188
Phone: (262) 548-7902 • Fax: (262) 896-8510
TDD: (262) 548-7903
www.waukeshacounty.gov

Reconstructing County Trunk Highway (C.T.H.) P Interchange with I-94:

With continued growth in the western portion of the County, there is a need to address expanded capacity on C.T.H. P and at its highly traveled interchange with I-94. In an effort to leverage resources to accommodate the project sooner than anticipated, a partnership has been established with the City of Oconomowoc, Wisconsin Department of Transportation, and Pabst Farms to help us fund it. The 2008 County Budget calls for using \$1.75 million of Capital Project funds to pay for the County's portion of the \$4.5 million project with the remaining balance coming from the partners listed. The County's contribution to this effort is contingent on a variety of factors, which includes but is not limited to the construction of a regional mall by a major national developer in the 2008-2010 timeframe.

Building a New Substation in Sussex:

The Sheriff's Department has partnered with the Village of Sussex to build a new substation. This project gives our exceptional law enforcement agency the opportunity to provide Village of Merton and Town of Lisbon residents more efficient coverage. Working with the Village of Sussex to build a new substation makes the best use of existing resources and saves our municipalities tax dollars because these communities do not have the costly obligation of maintaining and operating their own police departments.

As we look for additional ways of doing business more efficiently, my Sustainability Initiative helps us reach this goal through a variety of building improvements and operational changes that save real, ongoing tax dollars through environmentally-friendly conservation efforts. In 2008, we will utilize a new salt pre-wetting procedure on our winter roads that allows for a more effective product application and less salt usage. This process will not only reduce the amount of salt needed during its application, but it will be better for the environment. We will also continue to reap benefits from recent projects, such as: the replacement of metal halide lights with linear fluorescent lights at the County's two ice rinks for an annual energy cost savings of \$10,000; and the installation of Light Emitting Diodes in our traffic signals to save taxpayers \$60,000 in electricity costs each year.

By forging strategic partnerships and implementing efficiencies that chart our way to a sustainable future, we are able to manage a number of costs that put a significant pressure on the overall budget. Such items include: increasing health insurance premiums, but are still below the national average; escalating jail costs that will require more than \$300,000 in tax levy support to accommodate our rising inmate population; increased demands for mental health, long-term care, and other human services with \$320,000 in tax levy needed for the mental health area alone; and energy costs growing faster than the rate of inflation.

The 2008-2012 Capital Projects plan strikes a balance between maintaining our important infrastructure and delivering critical services to ensure our County's continued growth, economic viability, and legacy of fiscal responsibility. In addition to a number of important building projects, it calls for a variety of C.T.H. System enhancements to address expanded capacity, including improvements at three intersections over the next two years.

Waukesha County is undoubtedly an asset to the diverse and growing southeast Wisconsin region and the entire State. We are blessed with prosperous businesses, talented workers, quality schools, nationally recognized communities, and exceptional government infrastructure. I would like to thank our County Board, along with all of our devoted employees and appointed representatives, for their professionalism and commitment to advancing a budget that freezes taxes. Their dedication is what makes our County a wonderful place to live, work, raise a family, and retire, and I look forward to the many successes that we will share in 2008!

Sincerely,



Daniel P. Vrakas
County Executive



December 12, 2007

Dear Honorable County Board Supervisors,

It is an honor to provide you with a 2008 Adopted Budget that continues Waukesha County's tradition of prudent investing and disciplined budgeting that steers our way towards a sustainable future. Thanks to the successful working relationship between our executive and legislative branches of government, we were able to advance another balanced budget, which maintains the high quality services while freezing the County portion of the property tax bill.

TAX FREEZE FOR HOMEOWNERS

Tax performance can be measured many different ways, but we strongly believe that most taxpayers look at their property tax bill and compare this year's bill with last year's bill. That being said, the vast majority of our residents will see no increase or a slight decrease in the County portion of their property tax bill. Despite the average value of a Waukesha County house, which will increase by about 3.1% in 2007, this budget reduces the tax levy rate by five cents from \$1.83 to \$1.78 per \$1,000 of value and freezes taxes on the average home at last year's level or even lower.

As the County and metropolitan region continue to grow, increasing demands for government services seriously challenge the public sector. To meet the needs of our citizenry, this budget makes justice and public safety the highest priority, effectively serves at-risk individuals and families, and demonstrates our commitment towards maintaining quality roadways and buildings. To illustrate these priorities, the following chart depicts how tax levy funding will be spent by functional area:

2007-2008 TAX LEVY BY FUNCTION	2007 Adopted Budget	2008 Adopted Budget	Increase/(Decrease) from 2007 Budget	
			\$	%
Justice & Public Safety *	\$33,974,190	\$35,437,152	\$ 1,462,962	4.3%
Health & Human Services	\$21,780,088	\$22,449,060	\$ 668,972	3.1%
Public Works *	\$ 9,323,010	\$ 9,695,359	\$ 372,349	4.0%
Parks, Environment, Education & Land Use	\$ 8,101,855	\$ 8,116,352	\$ 14,497	0.2%
General Administration/Non-Departmental *	\$ 2,599,542	\$ 1,972,102	\$ (627,440)	-24.1%
Debt Service/Capital Projects	\$15,515,376	\$15,518,306	\$ 2,930	0.0%
TOTAL TAX LEVY	\$91,294,061	\$93,188,331	\$ 1,894,270	2.1%

* 2007 Adopted Levy has been restated for comparative purposes due to program shifts in the 2008 Adopted Budget.

1320 Pewaukee Road
Waukesha, Wisconsin 53188
Phone: (262) 548-7020
Fax: (262) 548-7913

LIMITING TAXES AND SPENDING

Waukesha County continues to be one of the State's low tax leaders. Next year, the County's tax levy rate will decline for the 18th consecutive year. Thankfully, this reduction is not only well below the State's enacted tax levy increase cap of 3.86%, but includes a 2.1% property tax levy increase that is within the net new construction property value growth for 2007.

For 2008 budget purposes, the 2007 County property tax (General and Federated Library tax) totals \$93,188,331. This control of spending effectively demonstrates our commitment to maintaining the County's exceptional fiscal health and long-term planning. The 2008 total expenditure budget is \$255,533,289, which is an increase of about \$1.5 million or less than 1% from the 2007 Adopted Budget. Appropriations consist of departmental operating budget expenditures of \$235,070,289 and capital project spending of \$20,463,000.

BUDGET DRIVERS

Next year, we will dedicate \$1.5 million in new tax levy for Justice and Public Safety initiatives and almost \$600,000 in additional tax levy for Health and Human Service programs. To ensure that these top priority areas receive necessary resources, we were able to offset costs by reducing our tax levy dependency for administrative support expenditures by more than \$650,000. Yet, there are still a number of factors that will drive the budget, which are demonstrated below and expand upon what County Executive Vrakas previously mentioned:

- As with any business or organization, personnel costs, which make up 45% of our operating budget, put significant pressure on the overall budget. It pleases us to share with you that the County has been able to limit the average health insurance premium increases to 6% in 2007 and 5% in 2008, which is well below the national average. This was accomplished by investing in wellness programming and negotiating changes in deductibles and co-pays.
- Jail costs continue to escalate with the rise in the number of inmates resulting in a corrections-related tax levy increase of over \$300,000.
- Increased demands for mental health, long-term care, child abuse and neglect, and other human services programs also put a significant pressure on our operating budget. Within this critical area, tax levy support for mental health out-patient services alone will require an increase of more than \$320,000.
- Unfortunately, energy costs are rising faster than the rate of inflation. It is anticipated that we will incur a 4.7% increase for electricity, a 7.6% increase for water, a 2.4% increase for natural gas, and a vehicle fuel cost increase over 3% after a 25% increase in the 2007 budget. These energy-related cost increases result in higher budgeted costs of nearly \$100,000.

PARTNERSHIP/COLLABORATIONS

While the items listed above drive our budget, it is important for us to engage in strategic partnerships and collaborations that help us improve operational efficiencies and reduce costs. In our efforts undertake initiatives that advance this cause, the following items expound on or are in addition to what County Executive Vrakas referenced earlier:

- Circuit Court Services will transition involuntary commitment cases from the Register in Probate Office to Juvenile Court in an effort to more effectively delivery these services while reducing personnel costs by nearly \$54,000.

1320 Pewaukee Road
Waukesha, Wisconsin 53188
Phone: (262) 548-7020
Fax: (262) 548-7913

- As part of Wisconsin's Long Term Care reform initiative, the Aging and Disability Resource Center of Waukesha County is scheduled to begin operation on April 1, 2008. This unique venture will serve aging and disabled adults and their families by integrating functions of the Department of Health and Human Services Long Term Care Division and staffing from the Economic Support Division with information and assistance referrals, benefits counseling, and case management services offered by the Department of Senior Services. This transition is not only designed to improve service delivery, but will result in lowering the County's expenditure budget by over \$8.3 million for Community Integration and Community Options funded services and will reduce tax levy support by over \$100,000.
- Corporation Counsel's Child Support agency will contract with a private company for call center services. This movement to privatize its basic call-taking and customer service functions will allow the department to realize a \$30,000 savings in personnel costs in the first year by unfunding of two clerk typist positions.

INFRASTRUCTURE INVESTMENTS

The 2008-2012 Capital Projects plan continues to strike a balance between maintaining our important infrastructure and delivering critical services to ensure our County's continued growth, economic viability, and legacy of fiscal responsibility. In addition to a variety of important road and building projects, it calls for a number of environmentally sustainable initiatives that require us to make earth-friendly investments that will ultimately save significant, long-term tax dollars.

TRANSPORTATION:

Approximately 75%, or almost \$64 million of the 5-year Capital Projects plan, is dedicated to maintaining highway infrastructure, which includes nearly \$13 million for the important repaving program; \$5.1 million for signal and safety improvements; and \$1.6 million for future bridge repairs. This funding commitment assures that our County Trunk Highway (C.T.H.) System can safely accommodate increased traffic while fueling economic development. Project highlights include improvements to three significant highway intersections over the next two years and expanded highway capacity projects at C.T.H. Y (Racine Avenue), C.T.H. X (St. Paul Avenue), C.T.H. VV (Silver Spring Drive), and C.T.H. L (Janesville Road).

FACILITIES:

The five year Capital Projects plan also provides for critical facility maintenance projects. New facility maintenance projects will include the planning for the future development of a new sustainable Human Service Center; expanded space for the Medical Examiner's Office to address current and projected greater needs for autopsies and the storage of evidentiary items of value to law enforcement; Courthouse and Northview facility upgrades; and space for the Adult Resource Center at the Human Service Center. In addition, the County's highly acclaimed Park System will undergo a number of improvements, which include: park roadway and recreation trail pavement improvements; the replacement of three maintenance buildings; restroom upgrades at six parks; and a new picnic shelter at Fox Brook Park.

SUSTAINABILITY:

As previously mentioned, the County's management team actively identifies improvements and pursues environmentally-friendly projects that conserve energy and save tax dollars. Staff is currently studying the return on investment for projects to upgrade lighting and plumbing fixtures, replace manual lighting switches with occupancy sensors, and transition to more efficient boilers. The Capital

Projects plan calls for investing \$600,000 beginning in 2008 for energy conservation efforts that are expected to save future annual utility costs of \$100,000 or more.

We believe that the 2008-2012 Capital Projects plan balances the County's continued growth while maintaining high quality infrastructure with the desire to hold taxes to a minimum level.

PROJECT FUNDING AND DEBT MANAGEMENT

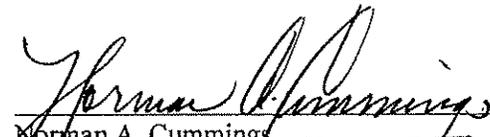
This 2008 Adopted Budget continues to strengthen Waukesha County's prudent capital budgeting and debt management practices. The Capital Projects budget will be funded with a tax levy down payment of \$3.15 million to cover costs associated with identified improvements. This meets our performance measure of at least a 20% levy down payment. In addition, debt borrowing, which is budgeted at \$12 million in 2008, will be reduced by \$800,000 from the 2007 Adopted Capital Plan. We are also pleased to report that a multi-jurisdictional agreement to fund the I-94/C.T.H. P interchange in the Oconomowoc area will help foster future economic development and retail trade in the western portion of the County. The \$25 million project includes expansion of County Trunk Highway P at an estimated cost of \$4.5 million. This budget uses \$1.75 million of surplus Capital Project funds from previous years to pay for the County's share of the effort, together with contributions from the developer and City of Oconomowoc Tax Increment District funds will constitute the local share.

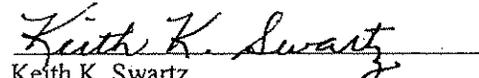
The 2008 Debt Service expenditure budget is projected to increase by only \$90,830. The ratio between the Debt Service expenditure budget and total government operating expenditures are expected to be at 6.4%, which is considerably lower than the County's performance measure target of less than 10%. Maintaining low borrowing costs assures us that it will not affect our County's ability to fund direct services in the future.

ACKNOWLEDGEMENTS

By establishing strategic partnerships, implementing new ways of doing business more efficiently, and focusing on core service priorities this budget prepares us for the future with a "Roadmap to Success". We would like to take this opportunity to thank the County Board for its thorough review and continued support and department administrators and their staff for their dedication to this process. Without their combined efforts, this fiscally responsible budget would not have been possible.

Sincerely,


Norman A. Cummings
Director of Administration


Keith K. Swartz
Budget Manager