

2006 - 2008 EXPENDITURE SUMMARY

APPROPRIATION UNIT	2006 Actual	2007 Adopted Budget (a)	2007 Estimate (b)	2008 Adopted Budget	Incr/(Decr) From 2007 Adpt. Budget
Personnel Costs	\$99,100,143	\$103,773,538	\$102,892,975	\$108,450,462	\$4,676,924
Operating Expenses	\$93,838,004	\$101,983,945	\$100,198,989	\$95,554,305	\$(6,429,640)
Interdepartmental Charges	\$14,273,779	\$15,186,056	\$15,078,671	\$16,051,646	\$865,590
Fixed Assets & Imprvmnts (c)	\$769,152	\$1,479,328	\$1,343,018	\$1,665,570	\$186,242
Debt Service-Excl Proprietary (c)	\$12,806,485	\$13,257,476	\$12,939,806	\$13,348,306	\$90,830
Capital Projects	\$20,684,700	\$18,333,900	\$18,333,900	\$20,463,000	\$2,129,100
Total Gross Expenditures	\$241,472,263	\$254,014,243	\$250,787,359	\$255,533,289	\$1,519,046

FUNCTIONAL AREA	2006 Actual	2007 Adopted Budget (a)	2007 Estimate (b)	2008 Adopted Budget	Incr/(Decr) From 2007 Adpt. Budget
Justice & Public Safety	\$48,183,268	\$48,883,305	\$48,897,615	\$51,366,249	\$2,482,944
Health & Human Services	\$91,919,150	\$97,592,507	\$96,092,266	\$91,979,742	\$(5,612,765)
Parks, Env., Educ. & Land Use	\$23,363,758	\$26,075,062	\$25,662,069	\$26,590,864	\$515,802
Public Works	\$24,381,399	\$26,432,184	\$26,710,603	\$27,379,368	\$947,184
General Administration	\$18,120,274	\$20,060,959	\$19,859,106	\$20,622,204	\$561,245
Non-Departmental	\$2,013,229	\$3,378,850	\$2,291,994	\$3,783,556	\$404,706
Debt Service-Excl Proprietary	\$12,806,485	\$13,257,476	\$12,939,806	\$13,348,306	\$90,830
Capital Projects	\$20,684,700	\$18,333,900	\$18,333,900	\$20,463,000	\$2,129,100
Total Gross Expenditures	\$241,472,263	\$254,014,243	\$250,787,359	\$255,533,289	\$1,519,046

(a) 2007 Adopted Budget has been restated for comparative purposes, due to program shifts in the 2008 Adopted Budget.

(b) 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 ordinance or fund transfer.

(c) 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 fund balance appropriations and are included, as applicable, in each agency budget request.

2008 EXPENDITURE HIGHLIGHTS

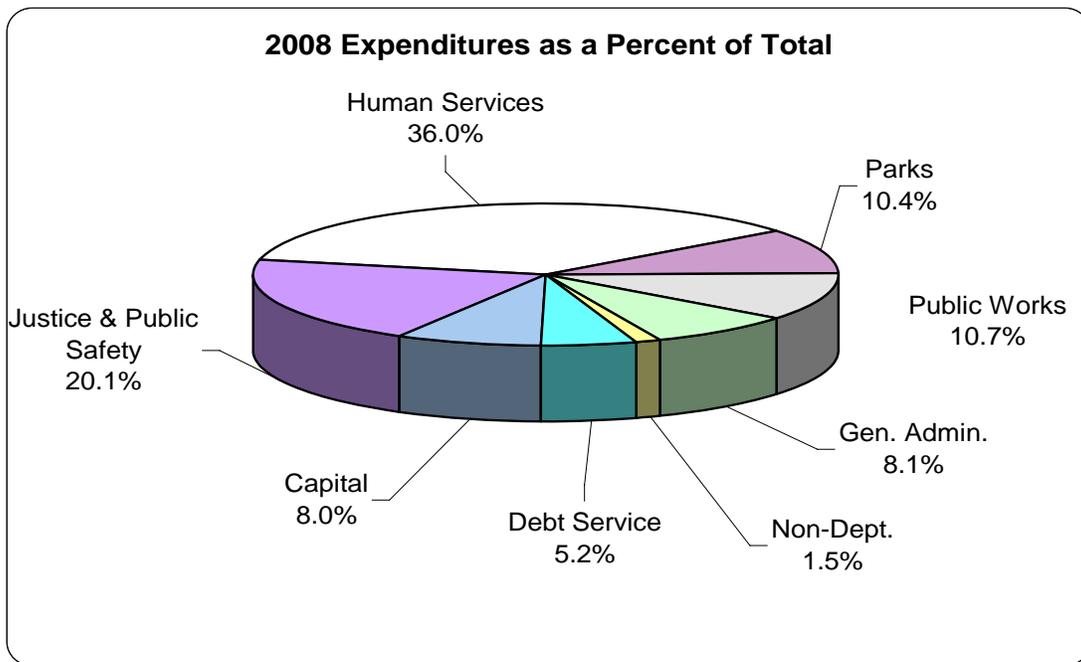
Expenditure Budget:

The 2008 total gross expenditure budget is \$255,533,289, an increase of \$1,519,046 or 0.6% from the 2007 Adopted Budget. Budget appropriations consist of departmental operating expenditures of \$235,070,289 and capital spending of \$20,463,000. The total overall operating budget decreases by \$610,054 from last year's operating budget while capital project expenditures increase by \$2,129,100 from the 2007 Adopted Budget.

The net total expenditure budget after adjustment for \$16,051,646 in interdepartmental charge backs, mainly from Internal Service Funds (which are double budgeted), is \$239,481,643.

The adopted budget includes personnel costs totaling \$108.4 million or 45% of the operating budget. Overall employee costs increased about \$4.7 million, or 4.3% from the 2007 Adopted Budget.

Operating expenditures (including operating expenses, purchased services, and Interdepartmental charges appropriations) decrease from \$117.2 million in 2007 to \$111.6 million in 2008, a decrease of \$5.6 million or 5.0%. Operating expenses represent about 47% of the total gross expenditure budget. Fixed assets and improvements expenditures are budgeted at \$1.67 million. Debt service payments are budgeted at \$13.3 million.

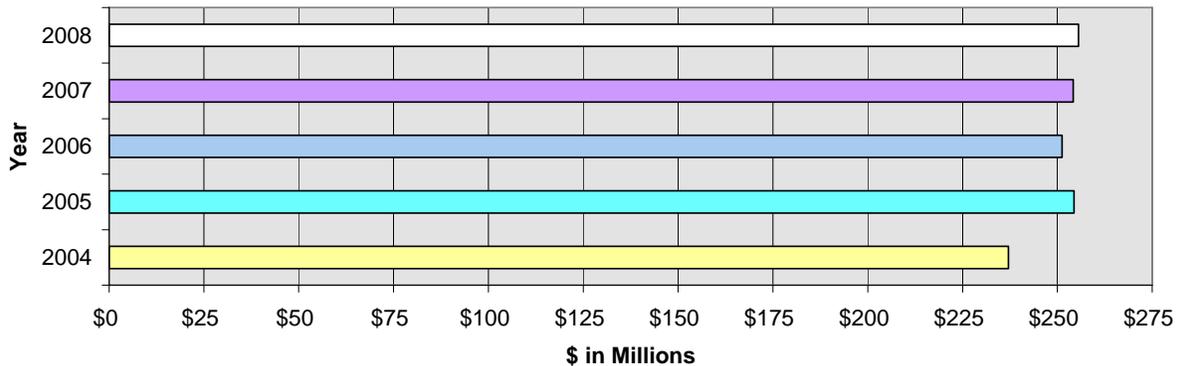


*Includes Parks, Environment, Education and Land Use

Functional Area	2008 Adopted Budget	% of Total Adopted Budget
Justice & Public Safety	\$51,366,249	20.1%
Human Services	\$91,979,742	36.0%
Parks	\$26,590,864	10.4%
Public Works	\$27,379,368	10.7%
Gen. Admin.	\$20,622,204	8.1%
Non-Dept.	\$3,783,556	1.5%
Debt Service	\$13,348,306	5.2%
Capital	<u>\$20,463,000</u>	<u>8.0%</u>
Total Expenditures	\$255,533,289	100.0%

2008 EXPENDITURE HIGHLIGHTS

Budgeted Total Expenditures



The graph above depicts budgeted total expenditure trend data over the past five years. The 2005 Budget increases by over \$17.3 million from 2004, which is mainly due to a \$5.8 million increase in HHS-Long Term Care, a shift in responsibility from State to counties HHS-Autism Waiver Services which added \$4.8 million, and an increase of just over \$4 million due to the first full year funding of the Waukesha County Communications Center and newly created Department of Emergency Preparedness.

The 2006 Budget expenditure level decreases 1.24% or \$3.2 million to \$251.1 million. The decrease reflects a modest 2.5% increase in gross operating and debt expenditures offset by a \$9.1 million decrease in capital expenditures.

The 2007 Budget expenditure level increases 1.2% or \$3.0 million to \$254.2 million. The increase reflects a 2.0% increase in gross operating and debt expenditures offset by a \$2.3 million decrease in capital expenditures.

The 2008 Budget expenditure level increases 0.6% or \$1,519,046 to \$255.5 million. The increase reflects \$700,884 decrease in operating budgets due to \$5.6 million decrease in Health and Human Services with the development of the Adult Resource Center and the State's commitment to take over Health and Human Services Long Term Care program costs offset by \$2.1 million increase in the capital projects.

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

Justice and Public Safety

- Significant expenditure impacts in the 2008 **Sheriff's** Budget include cost to continue salaries and benefit increases of \$1.2 million to \$26.3 million which is 81% of the entire Sheriff's Budget. An addition of 2.00 FTE deputy positions associated with a new Town of Lisbon contract includes additional personnel costs of \$145,488 (which is covered by contract revenue). Operating expenses are projected to increase by \$98,495 for electronic monitoring devices for home detention of an estimated 50 Huber facility inmates; \$43,900 to \$1.33 million in the base budget for inmate medical care; \$42,600 to \$654,000 for inmate meals; and \$50,000 associated with the purchase of vehicles and equipment from Lisbon based on the new contract patrol service. These expenses are largely offset by \$256,173 decrease in expenditures associated with a new jail telephone service contract. The vendor contract does not require the Department to pay for expenses associated with the telephone service and provides the County with the net revenues commissions based on connected calls, which results in a decrease in both expenditures and revenues in this budget. Interdepartmental expenditures are budgeted to increase \$140,600 to \$2.7 million mainly due to the first year that the Department of Administration is charging the Sheriff's Department for a countywide indirect cost charge of \$65,000 associated with the patrol contracts; \$34,300 increase in interdepartmental insurance charges based on higher claims experience; and \$25,500 for End User Technology charges being phased in based on the new cost allocation method which is more reflective of technology resources being used by the Department as recommended by Internal Audit.
- **Circuit Court Services** is transitioning involuntary commitment cases from the Register of Probate to Juvenile Court in an effort to achieve operational efficiency. As a result of this effort, the Department is able to unfund 1.00 FTE Clerk Typist II position resulting in \$53,870 in personnel cost savings.

2008 EXPENDITURE HIGHLIGHTS

- **Emergency Preparedness** General Fund expenditures are increasing by \$293,000 largely due to \$199,000 increase in personnel costs, which include full year funding of the Operations and Training Manager and \$35,000 increase in Fixed Assets for equipment replacement needs for the Communications Center.

Health and Human Services

- The **ADRC Fund** is being created as part of Wisconsin's Long Term Care reform initiative to provide information, referrals, long-term care financial and functional eligibility, long-term care options counseling, short-term case management, elderly and disability benefits counseling and other services and assistance to older adults and individuals with disabilities age 18 and above.
- The new **ADRC Fund** will include the **Benefits Specialist, Information and Assistance and Case Management Programs** which were included in the Senior Services General Fund in prior years. In addition, staffing from the **Developmental Disabilities Services and the Community Integration and Community Options Services programs** from the Human Services Long Term Care fund will be transitioned to the ADRC throughout 2008 as clients are assessed and determined to be eligible for enrollment into the Managed Care Organizations (MCO). It is anticipated that the MCO's will contract directly with the State Department of Health and Family Services.
- The **Health and Human Services Long-Term Care Fund** expenditures will decrease \$8.3 million in 2008 for the Community Integration Program (CIP) and the Community Option Program (COP) funded services. This is due to the anticipated transition of Long Term Care Division clients to state contracted Managed Care Organizations that is planned to begin in July 2008 under the State's Long Term Care Reform initiative. The Long Term Care funded staffing is being transitioned to the Aging Disability Resource Center Fund.
- **Department of Health and Human Services (HHS)-Mental Health Outpatient services** operating expenditures increase \$452,627 mostly due to the further development of the **Comprehensive Community Services (CCS)** program in which the County receives the federal share of approx. 60% of cost for residential/ rehabilitative and vocational services costs. CCS provides a funding source for clients who require more than outpatient services, which in prior years has traditionally been funded through local tax levy. The CCS/ residential care expenditures are increasing \$299,600. Also, state institutions expenditures increase \$218,300 to more closely reflect prior year actual expenditures.
- To deal with the fiscal pressures in mandated programs and the lack of a state funding partner, the 2008 **Human Services** Budget includes reductions in certain non-mandated Human Services program areas. Non-mandated program reductions include contractual services programming including approximately \$218,000 reduction in **Alcohol and Other Drug Abuse (AODA)**; a \$30,600 reduction in the **Intake and Shared Services Program** and a \$23,000 reduction in the **Child and Family Services program**. Also, due to the lack of state funding support most existing purchase of service contracts are not increasing.
- **Corporation Counsel-Child Support** is continuing a project to contract with a private company for call center services. The Department is contracting with a private company to answer phone calls and to provide basic customer service to individuals contacting the office. This privatization has allowed the Department to unfund two clerk typist II positions who were previously responsible for addressing these requests for information. The County is anticipating saving approximately \$29,000 in tax dollars from this endeavor.
- **HHS – Criminal Justice Collaborating Council (CJCC)** 2008 Budget includes \$112,000 for the full year implementation of the Day Reporting Program. This program began in the first quarter of 2007 providing alternatives to incarceration. Also the CJCC Budget includes an increase of \$74,167 to \$136,167 for the Pre-Trial - Intoxicated driver program and nearly \$116,000 for the Community Transition Program which serves individuals with alcohol and other abuse, mental health, or other disabilities with a high rate of recidivism and provides aftercare services such as housing, complying with probation rules, assistance in getting to court, etc. which reduces their chances of re-entering the jail. Also, CJCC provides pretrial screening, pretrial supervision, and operating after revocation program services which increases \$13,728 to \$269,366. CJCC also provides Community Service Program (CSP); Adult Basic Education Services and AODA Services in the jail which remain unchanged from 2007 Budget levels.

2008 EXPENDITURE HIGHLIGHTS

Parks, Environment, Education and Land Use

- **Parks and Land Use** launches a number of environmental initiatives for 2008, including developing and implementing a plan to introduce sustainable energy concepts into County building projects; using \$20,000 in grant funds to encourage the construction of rain gardens to reduce pollution associated with stormwater runoff; and using a Recycling Efficiency Initiative grant funding to establish an oil filter recycling program at public motor oil recycling facilities, estimated to prevent 500 gallons of oil from being discarded in landfills during 2008.
- **Parks and Land Use General Fund** Budget reflects the completion of the Comprehensive Planning (Smart Growth) Plan in 2007, and the elimination of \$235,000 in related grant funding and expenditures.

Public Works

- Public Works General Fund operations include unfunding 1.00 FTE Building Service Worker with cost savings of \$49,000 to be used to help offset the costs of additional, future contracted housekeeping service. The Department will bid a new housekeeping contract in 2008 to commence in 2009.
- Patrol Worker extra help is increased 1.21 FTE positions to provide for a 2nd shift winter maintenance operation for State roads, along with related patrol truck operations and repair costs. This results in increases expenditures and state revenues of \$145,400 for a partial 2007-2008 season. Revenues and expenditures increase another \$260,000 over-all increased State reimbursement for State highway maintenance activities.
- The Budget includes an investment of \$50,000 of Highway Fund Balance for the purchase and installation of on board, pre-wetting equipment for salt to improve effectiveness of salt distribution and reduce staff costs.
- On-going energy costs are budgeted to increase \$91,200 in Public Works for building operations overall, including an increase for natural gas of \$19,200 at 2.4% and \$55,900 for electricity at 4.8%. Natural gas prices are expected to be unstable. Vehicle fuel costs are assumed at an average cost increase of about 3%. Sewer and water increases \$16,100 or 7.2% while electricity for the operation of traffic signals is reduced \$44,000 or 31% due to installation of energy saving light emitting diodes (LED) on all lights.
- The County's building improvement maintenance plan totals \$1,000,000. This is an increase for maintenance needs of \$25,000 from the previous plan. The building maintenance plan is funded by \$700,000 of County Tax Levy and \$300,000 General Fund Balance planned to be phased down in future years.

General Administration and Non-Departmental

- **County Clerk** expenditures increase by \$145,700 mostly for costs related to more elections, including the presidential election, which is funded with a one-time General Fund balance appropriation of \$120,000.
- **County Board** is being reduced by 10 members to 25 members in April 2008 resulting in \$66,860 in personnel cost savings for the partial year.
- **Non-Departmental** Budget includes a one-time contribution funding of \$500,000 to the Village of Sussex toward the development of a substation to house Sheriffs' patrol services to the Village of Sussex and possibly the Village of Merton and Town of Lisbon. The facility will be owned and maintained by the Village of Sussex for Sheriff service use while under contract to the Village.

Debt Service

The Debt Service expenditure budget for general governmental purposes (excluding proprietary funds debt service payments which are funded from individual fund operating budgets) is \$13,348,306, an increase of \$90,830 or less than 1% from the 2007 Adopted Budget. To fund the 2008 capital project's budget, \$12 million is planned to be borrowed increasing the County's total debt outstanding to approximately \$90 million, well below the allowable levels set by State statutes.

Capital Projects

The 2008 capital project expenditure budget of \$20.5 million increases \$2.1 million from the 2007 Adopted Budget. The 2008 capital budget identifies funding for existing and new projects at a net county cost of \$15.7 million (after revenues and fund balance appropriation totaling nearly \$4 million are applied). For 2008, borrowed funds total \$12 million (mentioned above) and investment income is at \$550,000. Project funding also includes \$3.2 million in County Tax Levy, a decrease of \$307,900 from the 2007 Adopted Budget.