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# READER'S GUIDE

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## 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:

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**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:

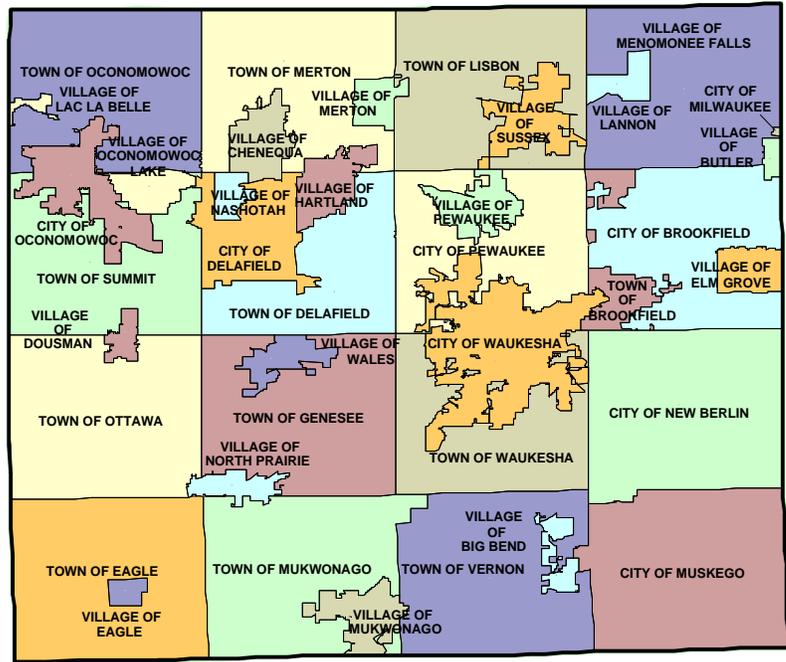
1. **Personnel Costs** - Costs of all salary and non-salary compensation incurred in accordance with county policy. This includes wages, longevity, temporary extra help, and overtime compensation paid to county employees. This also includes compensation for sick leave, holiday, vacation, and education 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

Norman A. Cummings  
Director



September 25, 2007

Dear Honorable County Board Supervisors,

It is a privilege to provide you with my proposed 2008 Executive Budget. For many years, the executive and legislative branches of Waukesha County government have worked together successfully to advance balanced budgets, and it pleases me to announce that the enclosed document, which was skillfully crafted by our outstanding budget staff and dedicated departmental employees in partnership with my office, does not waiver from this tradition. It also pleases me to inform you that in addition to providing you with a balanced budget for your careful review and consideration, my recommendations for 2008 provide our great County with a "Roadmap to Success" as we chart our way to a sustainable future!

Waukesha County continues to be 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. But as our County and region continue to grow, the public sector is challenged as demands for government services increase. To meet the needs of our citizenry, this budget makes justice and public safety my highest priority, effectively serves at-risk individuals and families, and demonstrates my unrelenting commitment towards maintaining our quality roadways and buildings. To illustrate these funding priorities, the following chart depicts my proposal for spending valued tax dollars by functional area:

2007-2008 TAX LEVY BY FUNCTION	2007 Adopted Budget*	2008 Proposed Budget	Increase/(Decrease) from 2007 Adopted Budget	
			\$	%
Justice & Public Safety *	\$33,974,190	\$35,272,152	\$ 1,297,962	3.8%
Health & Human Services	\$21,780,088	\$22,386,330	\$ 606,242	2.8%
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 *	\$ 1,736,530	\$ 1,383,546	\$ (352,984)	-20.3%
Non-Departmental *	\$ 863,012	\$ 753,556	\$ (109,456)	-12.7%
Debt Service & Capital Project	\$15,515,376	\$15,518,306	\$ 2,930	0.02%
<b>TOTAL TAX LEVY</b>	<b>\$91,294,061</b>	<b>\$93,125,601</b>	<b>\$ 1,831,540</b>	<b>2.0%</b>

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

## **TAX FREEZE FOR HOMEOWNERS**

As you already know, tax performance can be measured many different ways, but I strongly believe that most taxpayers look at their property tax bill and compare this year's bill with last year's bill. If the County Board adopts my budget as presented, the vast majority of our residents will see no increase or in some cases a decrease in the County portion of their property tax bill. The average value of a Waukesha County house increased about 3.1% in 2007; however, in this budget the tax rate will be reduced from \$1.83 to \$1.78 per \$1,000 of value keeping the average County tax on a home at last year's level or less.

## **LIMITING TAXES AND SPENDING**

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, it thrills me to share with you that Waukesha County is tied for 71<sup>st</sup> 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 throughout the nation to hold the coveted AAA/Aaa bond rating status, which is reflective of our exemplary financial management practices and allows us to lower the County's borrowing costs and the tax rate.

As we look for ways to maintain and protect our impressive tax rate ranking and bond rating status, we must identify new ways of doing business more efficiently. To that end, my administration has been and will continue to invest time and resources into developing collaborative partnerships that seek to enhance our service offerings, reduce dependency on tax levy support, and generate new revenue streams for the County.

For 2008 budget purposes, the 2007 County property tax (General and Federated Library tax) totals \$93,125,601. This spending control effectively demonstrates my total commitment to maintaining the County's exceptional fiscal health and long-term planning. Budget expenditure appropriations for 2008 total \$254,588,559, consisting of \$19,651,000 in capital project spending and \$234,937,559 in operating expenditures.

As I stated earlier, my Executive Budget makes justice and public safety my top priority. Because this functional area drives our budget, it was important for us to determine our priorities and to advance initiatives that improve operations. In 2008, it is my hope that the Sheriff's Department will be partnering with the Village of Sussex in the creation of a new substation that will provide our exceptional law enforcement agency with an opportunity to expand its coverage area under contract to include the Villages of Sussex and Merton, as well as the Town of Lisbon. In addition, the Communications Center looks forward to adding the Village of Mukwonago and its service area to the list of consolidated dispatch partners in the future. This shift in dispatching, from locally operated to the consolidated center, will save the municipalities tax dollars and will provide the residents living in that jurisdiction with access to state-of-the-art dispatch services, such as Phase II wireless capability, which allows us to pinpoint the location of callers using cellular phones. Currently, more than 80% of the calls that come into the center are cellular-based.

One of the largest partnerships that we will embark on in 2008 is the creation of an Aging and Disability Resource Center (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 unique venture will provide our most vulnerable residents with an end to wait lists and instant access to the following core services: information and assistance; long-term care option counseling; short-term case management; financial and functional eligibility; emergency referrals; elderly and disability benefit counseling; outreach and marketing; as well as health promotion, prevention, and early intervention services. I expect that the ADRC will be funded with a \$1.8 million grant from the State, which will provide a \$100,000 County tax levy savings in the first year of operation. Long-term, this service delivery model will reduce waiting lists for service and will save the County and the State of Wisconsin money.

Partnering with a private sector entity is another way to gain efficiencies and reduce operational cost. This budget continues a Child Support Division 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.

As we continue to look for new ways of doing business more efficiently, my Sustainability Initiative helps us achieve our “Roadmap to Success” through a variety of facility improvements and operational changes that save real, ongoing tax dollars through environmentally-friendly conservation efforts. In 2007, we replaced existing metal halide lights with linear fluorescent lights at the County’s two ice arenas, which not only brightens each space but is estimated to save us \$10,000 in energy costs per calendar year with a payback in 3.8 years. The County also installed Light Emitting Diodes or LED traffic signals over the last year-and-a-half. This change was estimated to save us \$20,000 in electricity costs annually, but it pleases me to share with you that the fully implemented project resulted in an on-going savings of \$60,000. In 2008, we will look to utilize a new salt-wetting procedure on our winter roads that allows for a more effective product application and less salt usage. This process will not only reduce our salt usage, but will be better for the environment. In addition, there are a number of initiatives that we will undertake as Capital Projects next year and are referenced under the “Infrastructure Investments” subheading below.

Even as we look to build partnerships and implement “green” projects to save our taxpayers money, there are still a number of factors that are driving this year’s budget. They include the following:

- As with any business or organization, personnel costs put a significant pressure on the overall budget. Despite average health insurance premium increases, which are below the national average and are limited to 5%, we continue to control our personnel costs.
- 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 demand for mental health, long-term care, and other human services put a significant pressure on our budget. Within the mental health area, we project an increase in tax levy need of \$335,000 alone.
- It is estimated that energy costs will rise 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 of 3.1% after a 25% increase in the 2007 budget. These increases will result in higher budgeted costs of nearly \$100,000.

## **INFRASTRUCTURE INVESTMENTS**

The proposed 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 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 \$63.9 million of the 5-year Capital Projects plan is dedicated to highway infrastructure, which includes nearly \$13.6 million for the repaving program, \$5.1 million for signal and safety improvements, and \$1.6 million for bridge repair. This funding commitment assures that our County Trunk Highway (C.T.H.) System can safely accommodate increasing traffic demands 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 Capital Projects plan also provides for facility maintenance projects. New facility maintenance projects will include the planning for the future development of a new Human Service Center; expanded space for the Medical Examiner’s Office to address current and projected needs for autopsies and the storage of evidentiary items of value to law enforcement; and Courthouse and Northview facility upgrades. In addition, the County’s highly acclaimed Park System will undergo a number of improvements per this plan,

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, my administration is actively identifying improvements and pursuing environmentally-friendly projects that conserve energy and save tax dollars. Currently, staff is 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.

I believe that you will find the 2008-2012 Capital Projects plan balances the County's desire to continue to grow and maintain our high quality infrastructure with our desire to hold taxes to a minimum level.

**PROJECT FUNDING AND DEBT MANAGEMENT**

I am proud to announce that my 2008 Executive 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. In addition, debt borrowing, which is budgeted at \$12 million in 2008, will be reduced by \$800,000 from the 2007 Adopted Capital Plan. I am 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 serve future development and retail trade in the western portion of the County. My proposed budget uses \$1.75 million of surplus Capital Project funds from previous years to pay for the County's share of the effort, which will total \$4.5 million.

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 6.3%, which is considerably lower than the County's performance measure target of less than 10%. Maintaining borrowing costs at this low level assures that it will not affect our County's ability to fund direct services in the future.

**ACKNOWLEDGEMENTS**

By focusing on our core service priorities, establishing strategic partnerships, and implementing new ways of doing business more efficiently, this budget prepares us for the future and provides us with a true "Roadmap to Success". I would like to take this opportunity to thank all of our devoted employees, appointed representatives, and elected officials for their professionalism and commitment to helping me prepare this document. I am truly humbled by their constant dedication and their willingness to embrace the difficult challenges associated with the budget process.

Sincerely,



Daniel P. Vrakas  
County Executive