

2007 - 2009 EXPENDITURE SUMMARY

APPROPRIATION UNIT	2007 Actual	2008 Adopted Budget (a)	2008 Estimate (b)	2009 Adopted Budget	Incr/(Decr) From 2008 Adpt. Budget
Personnel Costs	\$102,953,847	\$108,450,462	\$107,833,369	\$110,698,177	\$2,247,715
Operating Expenses	\$97,793,546	\$95,559,133	\$92,945,948	\$94,505,108	\$(1,054,025)
Interdepartmental Charges (b)	\$15,343,117	\$16,046,818	\$16,646,049	\$16,761,099	\$714,281
Fixed Assets & Imprvmnts (c)	\$498,459	\$1,665,570	\$1,609,426	\$1,648,000	\$(17,570)
Debt Service-Excl Proprietary (c)	\$12,939,806	\$13,348,306	\$12,987,327	\$13,442,338	\$94,032
Capital Projects	\$18,333,900	\$20,463,000	\$20,463,000	\$19,399,400	\$(1,063,600)
Total Gross Expenditures	\$247,862,675	\$255,533,289	\$252,485,119	\$256,454,122	\$920,833

FUNCTIONAL AREA	2007 Actual	2008 Adopted Budget (a)	2008 Estimate (b)	2009 Adopted Budget	Incr/(Decr) From 2008 Adpt. Budget
Justice & Public Safety (b)	\$48,840,814	\$51,366,249	\$52,611,362	\$52,808,163	\$1,441,914
Health & Human Services	\$94,661,237	\$91,979,742	\$88,508,965	\$70,614,113	\$(21,365,629)
Parks, Env., Educ. & Land Use	\$24,357,975	\$26,590,864	\$25,964,978	\$26,655,610	\$64,746
Public Works (b)	\$26,988,925	\$27,379,368	\$28,979,796	\$28,593,634	\$1,214,266
General Administration	\$19,245,528	\$20,622,204	\$20,294,135	\$20,486,864	\$(135,340)
Non-Departmental	\$2,494,490	\$3,783,556	\$2,675,556	\$24,454,000	\$20,670,444
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(a) 2008 Adopted Budget has been restated for comparative purposes, due to program shifts in the 2009 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 through an 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 through operating revenues, Tax Levy, or Fund Balance appropriations and are included, as applicable, in each agency budget request.

2009 EXPENDITURE HIGHLIGHTS

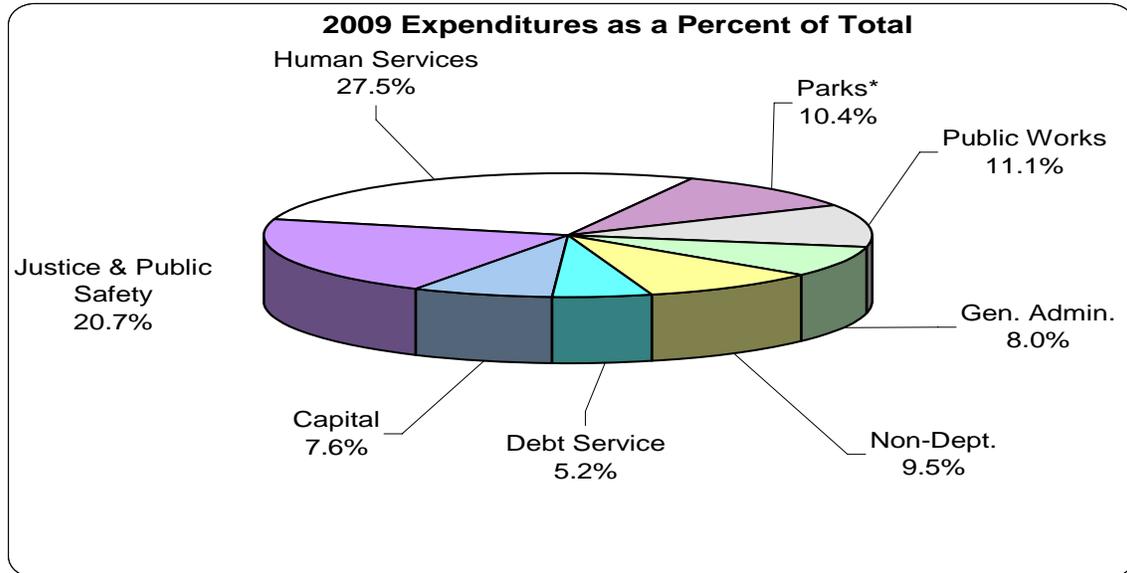
Expenditure Budget:

The 2009 total gross expenditure budget is \$256,454,122, an increase of \$920,833 or 0.4% from the 2008 Adopted Budget. Budget appropriations consist of departmental operating budget expenditures of \$237,054,722 and capital spending of \$19,399,400. The total overall operating budget increases by \$1,984,433 or 0.8% from last year's operating budget while capital project expenditures decrease by \$1,063,600 or a 5.2% reduction from the 2008 Adopted Budget.

The net total expenditure budget after adjusting for \$16,761,099 of interdepartmental charge backs, mainly from Internal Service Funds (which are double budgeted), is \$239,693,023 an increase of \$206,552 or 0.1%.

The adopted budget includes personnel costs totaling \$110.7 million or 46% of the net total expenditure budget mentioned above. Overall employee costs increased about \$2.2 million, or 2% from the 2008 Adopted Budget, after \$815,000 is reduced from personnel costs from 12.71 FTE positions not funded in this budget.

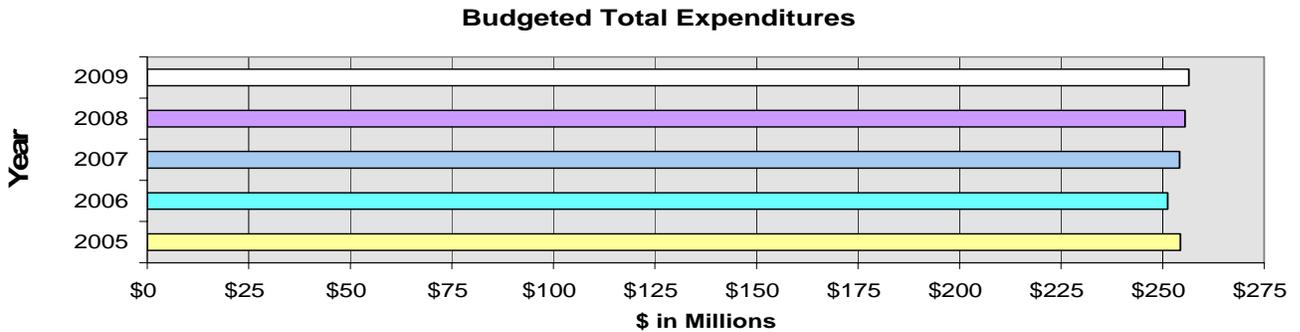
Operating expenditures (including operating expenses, purchased services, and interdepartmental charges appropriations) decrease from \$111.6 million in 2008 to \$111.3 million in 2009, a decrease of \$339,744 or 0.3%. Operating expenses represent about 43% of the total gross expenditure budget. Fixed Assets and improvements (excluding capital projects) expenditures are budgeted at \$1.65 million. Debt service payments are budgeted at \$13.4 million.



*Includes Parks, Environment, Education and Land Use

Functional Area	2009 Adopted Budget	% of Total Adopted Budget
Justice & Public Safety	\$52,808,163	20.7%
Human Services	\$70,614,113	27.5%
Parks	\$26,655,610	10.4%
Public Works	\$28,593,634	11.1%
Gen. Admin.	\$20,486,864	8.0%
Non-Dept.	\$24,454,000	9.5%
Debt Service	\$13,442,338	5.2%
Capital	\$19,399,400	7.6%
Total Expenditures	\$256,454,122	100.0%

2009 EXPENDITURE HIGHLIGHTS



The graph above depicts budgeted total expenditure trend data which is stable over the past five years. The 2006 Budget expenditure level decreases 1.24% or \$3.2 million to \$251.2 million. The decrease reflects a modest 2.5% increase in gross operating and debt expenditures offset by a \$9.0 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 a \$5.6 million decrease in Health and Human Services with the development of the Aging and Disability Resource Center (ADRC) and the State's commitment to the Family Care initiative to take over and reforming the Long Term Care program costs offset by a \$2.1 million increase in the capital projects.

The 2009 Budget expenditure level increases 0.4% or \$920,833 to \$256.5 million. The increase reflects \$20.7 million increase in the Non-Departmental functional area due to the creation of the new Health and Dental Insurance internal service fund offset by a net \$21.4 million decrease in the Health and Human Services functional area resulting from the State taking over the Long Term Care program and the full year implementation of the County's ADRC.

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

Justice and Public Safety

- Significant expenditure impacts in the 2009 **Sheriff's Budget** include cost to continue salaries and benefit increases of \$731,457 to \$27,050,745 which is 80.6% of the entire Sheriff's Budget. This increase includes the net reduction of 2.00 FTE staff including the programs and projects analyst position and computer services coordinator position resulting in an estimate of \$191,270 in salary and benefit cost savings. Operating expenses are projected to increase \$197,882 largely due to a \$200,000 increase in out-of-county inmate placement costs; a \$69,096 increase to \$1.4 million for inmate medical care; and a \$68,620 increase to \$357,220 for jail commissary purchases. These expenses are somewhat offset by a \$74,000 decrease in inmate meal costs from a favorable vendor contract proposal. Interdepartmental expenditures are budgeted to increase \$148,725 to \$2.85 million, mainly due to \$89,621 increase in vehicle fuel, maintenance and repair and replacement costs; \$57,970 increase for End User Technology Fund charges phasing in total cost of computer ownership based on the new cost allocation method which is more reflective of technology resources being used by the Department as recommended by Internal Audit Division; \$23,797 increase in interdepartmental insurance charges based on higher claims experience.
- **Circuit Court Services** is continuing their Circuit Court Automation program imaging initiatives in 2009. The Department is going to be using existing staff, \$39,222 in temporary extra help assistance, and scanning equipment provided by the state to expand its work in creating electronic case files. These efforts are estimated to result in \$83,000 reduction in microfilming charges.
- **Emergency Preparedness** General Fund expenditures are increasing by \$273,300 largely due to \$155,915 increase in personnel costs and a \$96,351 increase in interdepartmental charges largely due to \$59,707 increase for computer hardware and software maintenance charges based on the new cost allocation to reflect the phasing in of the of the actual cost of Information Technology and \$22,167 increase in insurance costs mainly based on higher claims experience.

2009 EXPENDITURE HIGHLIGHTS

Health and Human Services

- The **Aging and Disability Resource Center of Waukesha County** (ADRC) which began April 1, 2008 continues for the first full year in 2009. The ADRC was created as part of the State of Wisconsin's Family Care-Long Term Care reform initiative. It provides grant funding for information, referrals, long-term care financial and functional eligibility determination, long-term care options counseling, short-term case management, disability benefits counseling, referral to the State contracted Managed Care Organizations (MCOs) and other services and assistance to older adults and individuals with disabilities age 18 and above.
- The new **ADRC Special Revenue Fund** includes the **Benefits Specialist, Information and Assistance and Case Management Programs**, which were included in the **Senior Services General Fund** in prior years. The ADRC fund expenditures increase \$1,768,900 to \$3,730,694 for the first full year of the Aging and Disability Resource Center. In addition, staffing from the **Developmental Disabilities Services and the Community Integration and Community Options Services programs** which are being discontinued in the **Human Services Long Term Care Fund** for 2009 are transitioned to the ADRC throughout 2008 as clients are assessed and determined to be eligible for enrollment into the Managed Care Organizations (MCOs). The MCOs are contracting directly with the State Department of Health and Family Services.
- The **Department of Health and Human Services Long-Term Care Fund** expenditures decrease \$24 million overall in 2009 mostly related to the phasing out of the Community Integration Program (CIP) and the Community Option Program (COP) Federal/State waiver funded services as the eligible Long Term Care Developmental Disabilities and CIP & COP clients are transitioned in 2008 to the Managed Care Organizations under the State's Family Care Long Term Care Reform initiative. Also, 11.52 FTE staff from the Long Term Care Division are transitioned to the Aging Disability Resource Center of Waukesha County throughout 2008.
- The **Department of Health and Human Services Long-Term Care Fund Adult Protective Services/Community Care program** which remains the responsibility of Health and Human Services in 2009 includes an increase of \$560,275 for the Department's share of Intermediate Care Facility – Mental Retardation placement costs for County residents at Dodge County's Clearview Intermediate Care Facility for the Mentally Retarded (ICFMR).
- **HHS Human Services Fund - Mental Health Outpatient services** program operating expenditures increase \$310,985 mostly due to the former Long Term Care COP clients who are determined not eligible for the MCO services are planned to be shifted into this program area which increases \$223,100 (related revenues are also shifted).

Parks, Environment, Education and Land Use

- **Parks and Land Use General Fund**, in an effort to limit the growth in personnel costs, is unfunding 3.00 FTE vacant positions, including an environmental health supervisor in the Licensing program area, a land conservation supervisor in the Agricultural and Urban Land and Water Conservation program areas, and a clerk typist in the Environmental Health program area. To assist with tasks performed in the Licensing program area, the Department increases temporary extra help by \$15,623 or 0.48 FTE (about 1,000 hours). Similarly, in Urban Land and Water Conservation program area, the Department budgets for outside engineering consulting help. The estimated net costs avoidance associated with unfunding these positions is estimated to be over \$230,000.
- **Parks and Land Use General Fund** is partnering with the Waukesha Kennel Club and area municipalities to construct a new dog exercise area at the County's Nashotah Park site. The estimated \$65,000 in land improvement costs are expected to be funded with two-thirds County funding and one-third contributions from other partners.
- **Parks and Land Use Material Recycling Facility (MRF) Fund**, under a new vendor contract beginning in the Spring of 2008, eliminates needing to pay the private MRF operator to run the facility, resulting in an estimated cost savings for 2009 of approximately \$611,000. Instead, the operator will begin paying the County \$6.50 per ton of recyclables received at the facility, which is estimated to generate \$162,500 in revenue in 2009. Further, the County will continue to receive half of the operator's recyclable materials sales revenue, as well, which is budgeted at \$1 million in 2009.

2009 EXPENDITURE HIGHLIGHTS

Public Works

- **Public Works General Fund** operations include unfunding 1.00 FTE Building Service Worker with savings of \$41,575 to be used to help partially offset the costs of future, more cost effective contracted housekeeping services. One part time Civil Engineer position is also being decreased by 0.30 FTE from 0.90 FTE to 0.60 FTE as planned after completing right of way acquisitions during the Janesville Road project.
- Salt expenditures, in the **Transportation Budget**, increase \$75,000 mainly as a result of an 11% increase in the cost per ton. Vehicle fuel costs are budgeted to increase \$105,000, assuming an annual average rate of \$3.15 per gallon (higher for diesel fuel) for use in highway maintenance operations.
- On-going energy costs are budgeted to increase \$60,000 in **Public Works** for building operations overall, including an increase of \$74,100 for electricity (at 5.6%) partially offset with a decreases for natural gas of \$10,750 (1.3%) and decrease for sewer and water of \$3,350 (1.4%). This also includes an estimated 5% reduction in consumption in buildings targeted for recent investments in energy conservation.
- The Building Improvement Maintenance Plan totals \$950,000. This is a decrease for maintenance needs of \$50,000 from the previous year's plan. The maintenance plan is funded by \$700,000 of County Tax Levy and \$250,000 General Fund Balance for one time projects. General Fund Balance use is planned to be phased down in future years.
- The **Central Fleet Maintenance budget** includes an average service rate increase of 2.4% for all customers. Fuel costs are assumed at an average cost of \$3.00 per gallon (excluding federal excise tax equivalent to \$3.33 per gallon retail price) as compared to \$2.65 in 2008, a 13% increase.

General Administration and Non-Departmental

- The **County Board** was reduced by 10 members beginning in April 2008 resulting in approximately \$66,860 in personnel cost savings for the eight month period of 2008. An additional four months of cost savings is being realized in 2009, which results in \$37,340 of additional personnel cost savings for a total annual cost savings over the 12 month period of \$104,200.
- The **County Clerk** expenditures decrease by \$152,514 to \$517,070, mainly due to the removal of \$120,000 of General Fund Balance appropriation budgeted in 2008 to cover higher one-time election costs resulting from the 2008 Presidential Elections and more election activity. This decrease is also due to a reduction of about \$31,400 in tax levy supported expenditures, based on lower prior year spending levels.
- **DOA-General Fund**, unfunds 0.50 FTE Senior Information System Professional, reducing personnel costs by an estimated \$52,100 as this position will no longer be needed for records managements as departments continue to absorb decentralized imaging and records management functions.
- 2009 represents the first year budgeting for the new **Health and Dental Insurance Fund**. This Internal Service Fund increases the overall expenditure budget by \$21,363,600, and includes the following major expenditure items, mostly based on actuarial recommendations: \$18,071,000 in estimated claims paid; \$1,640,100 in estimated claims incurred but not reported; \$942,000 in outside third party plan administration costs; and \$484,000 for stop loss insurance. Further, the Employee Wellness Initiative program includes \$104,000 to contract with a firm to administer the program and \$50,000 in program incentives to encourage employees to participate.

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 \$13,442,338, an increase of \$94,032 or less than 1% from the 2008 Adopted Budget. To fund the 2009 Capital Project's Budget, \$10 million is planned to be borrowed increasing the County's total debt outstanding to approximately \$88 million, well below the allowable levels set by State statutes.

Capital Projects

The 2009 Capital Project Expenditure Budget of \$19.4 million decreases \$1.1 million from the 2008 Adopted Budget. The 2009 capital budget identifies funding for existing and new projects at a net county cost of \$13.5 million (after direct project revenues and fund balance appropriation totaling approximately \$5.9 million are applied). For 2009, borrowed funds total \$10 million (mentioned above) and investment income is at \$450,000. Project funding also includes \$3.0 million in County Tax Levy, a decrease of \$102,600 from the 2008 Adopted Budget.