

Summary

TABLE OF CONTENTS

WAUKESHA COUNTY

BUDGET SUMMARY

2020 Budget Assumptions	23
2020 Tax Levy Summary	24
2020 Budget Summary	25
2020 Budget Summary by Functional Area by Agency by Fund.....	26
Tax Levy	
Comparison Charts by Functional Area	28
Tax Levy Table by Function	29
Expenditures	
2018-2020 Expenditures Summary Table	30
2020 Expenditure Highlights	31
Pie Chart Expenditures as a Percent of Total by Function.....	31
Revenues	
2018-2020 Revenue Summary Table	39
2020 Revenue Highlights	40
Pie Chart Revenues as a Percent of Total by Source.....	40
Decision Making Criteria New Positions	
& Budgeted Position Summary by Functional Area	44
Fund Balance Projections	
Summary of Projected Fund Balance	48
Functional Area Summary by Fund Type	
.....	51
Appropriation Unit Summary by Fund Type.....	
.....	52

2020 BUDGET ASSUMPTIONS

Certain broad assumptions are determined in the first two quarters of 2019 to update the 2018 projections and to establish a basic foundation for building the County's budget, as the first year in the five-year budget projections. These general assumptions provide a framework to County staff, the County Executive, and the County Board of Supervisors for setting priorities, determining service levels, and allocating limited financial resources. Some adjustments have been made from updated information available during the summer months (June-August).

The following general assumptions were used in guiding the County's 2020 Budget development:

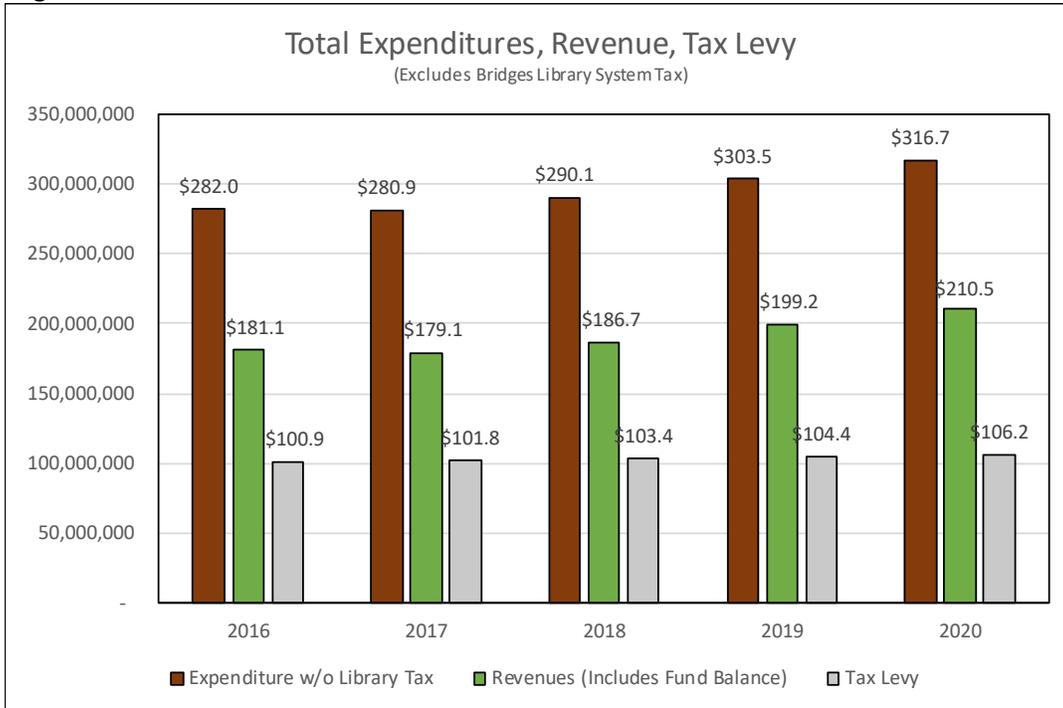
- Overall inflation factor estimates assumed for calculating the cost to continue to provide existing County services are projected to be moderate (2.25%) in 2020. Some major exceptions include cost rate increases for prescription drugs and medical services.
- Significant revenue issues linked to economic activity impact the 2020 budget
 - Investment Income budget is estimated to be increased by \$350,000 to \$3,400,000 reflecting continued higher interest rates in 2019 and a positive impact to investment income in 2020 as bond portfolios turnover. In addition, the 2020 budget for estimated delinquent taxes penalty and interest (P&I) is reduced by \$140,000 to further reflect current levels of outstanding delinquent taxes. The 2019 budget was reduced \$310,000.
 - Increased property sales result in a growth in real estate transfer fees of \$161,000 to \$1,994,000. This is offset by a reduction of \$84,000 in document recording fees due to reductions in home mortgage refinancing.
- Major state revenue funding areas include the following:
 - With a State budget under deliberation, major revenues including the Human Services basic community aids, youth aids, General Transportation Aids and the court support grant were projected to remain stable. However, the State budget passed in June included some significant increases that helped to offset some additional state mandated program changes.
 - State budget included funding to address Children Long Term Support wait list with increased expenditures and revenues
 - Increased charges for service revenue in Clinical Services are due to increased Medicaid reimbursements in mental health programming and improved intake and billing procedures.
- Net Personnel cost appropriations include steady modest increases in salaries along with health insurance costs projected to increase 5% after being flat in the 2019 budget. This is below projected medical inflation (typically 7-9% annually) based on cost savings from shared onsite health clinic and plan design changes.
- Average fuel prices are budgeted to be conservatively reduced by 5% (from higher 2019 budget levels), which are still above anticipated fuel rates for 2019. This results in operating budget savings projected for Public Works, Parks and Land Use and the Sheriff Departments.
- Net utility costs were estimated to remain at 2019 adopted base budget levels with anticipated lower consumption for electricity reflecting prior year improvements (e.g., HVAC upgrades at the Law Enforcement Center) and lower consumption for natural gas, offset with higher rates for water.
- The debt service tax levy was projected to increase by \$350,000. The increase will accommodate larger bond issues anticipated by the five-year capital plan which includes a significant courthouse project. Capital project tax levy was estimated to increase by \$300,000.

2020 General County Tax Levy Summary

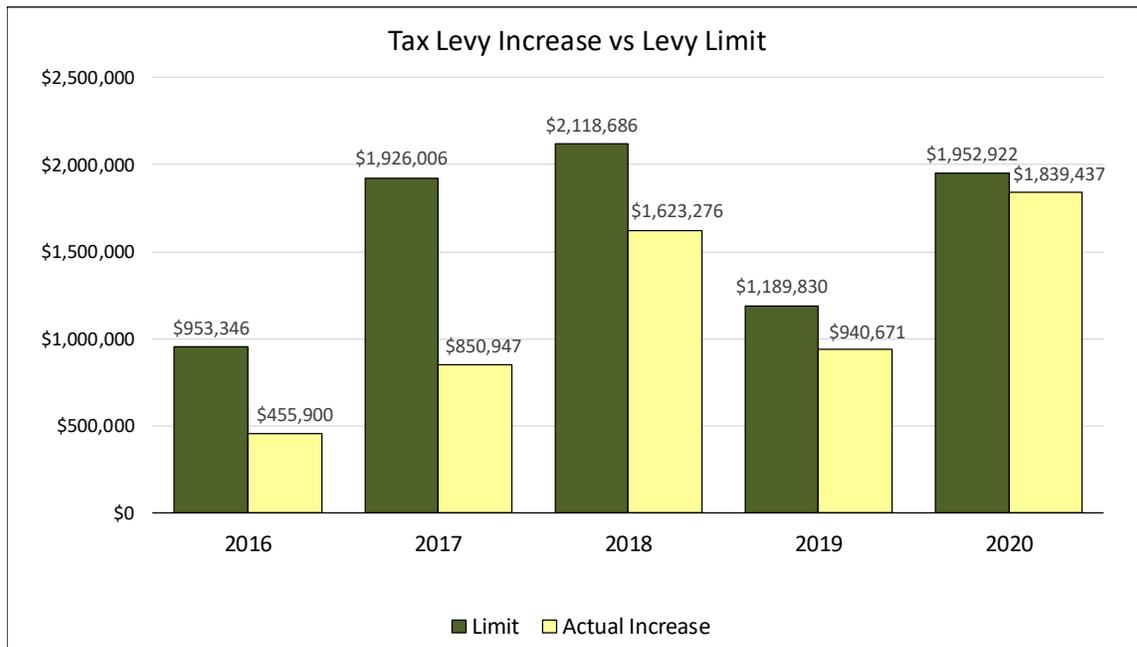
Section 66.0602 of the Wisconsin State Statutes, imposes a limit on property tax levies by cities, villages, towns, and counties. These entities cannot increase their tax levy by a percentage that exceeds their prior year change in equalized value due to net new construction plus an increment for terminated Tax Incremental Districts. The limit also includes exemptions for debt service obligations and consolidated services and also allows unused tax levy from the prior year.

The 2020 proposed budget requires a general county tax levy of \$106,202,483, which is an increase of 1.76% or \$1,839,437.

Trends in expenditures follow available revenue associated with state program changes and/or capital project needs using bond funding.



The charts below illustrates the allowable county tax levy limit, compared to adopted/proposed increases. The allowable levy limit fluctuates from year to year, mostly due to changes in net new construction.



2020 BUDGET SUMMARY

	2019 Adopted Budget	2020 Budget	Incr/(Decr) From 2019 Adopted Budget	
			\$	%
OPERATING BUDGETS				
Gross Expenditures	\$282,263,434	\$292,485,503	\$10,222,069	3.62%
MEMO: Less Interdept. Charges (a)	\$39,117,446	\$40,289,738	\$1,172,292	3.00%
MEMO: Net Expenditures (a)	\$243,145,988	\$252,195,765	\$9,049,777	3.72%
Less: Revenues (Excl. Retained Earnings)	\$164,226,273	\$173,527,531	\$9,301,258	5.66%
Less Net Appropriated Fund Balance	\$11,206,518	\$10,572,667	(\$633,851)	
TAX LEVY - OPERATING BUDGETS	\$106,830,643	\$108,385,305	\$1,554,662	1.46%
CAPITAL PROJECTS BUDGET				
Expenditures	\$25,005,200	\$27,794,700	\$2,789,500	11.2%
Less: Revenues	\$21,892,073	\$22,483,873	\$591,800	2.7%
Less: Appropriated Fund Balance	\$2,057,200	\$3,954,900	\$1,897,700	
TAX LEVY-CAPITAL PROJECTS BUDGET	\$1,055,927	\$1,355,927	\$300,000	28.4%
COUNTY TOTALS				
Expenditures (a)	\$307,268,634	\$320,280,203	\$13,011,569	4.2%
Less: Revenues	\$186,118,346	\$196,011,404	\$9,893,058	5.3%
Less: Appropriated Fund Balance	\$13,263,718	\$14,527,567	\$1,263,849	
County General Tax Levy (Excl Library)(c)	\$104,363,046	\$106,202,483	\$1,839,437	1.76%
Federated Library Tax Levy (b)	\$3,523,524	\$3,538,749	\$15,225	0.4%
Total County Tax Levy (c)	\$107,886,570	\$109,741,232	\$1,854,662	1.72%

- (a) 2020 operating budget net expenditures are \$252,195,765 and total County net expenditures are \$279,990,465 after eliminating interdepartmental chargeback transactions (mostly from internal service fund operations and cross charges, e.g. Sheriff Bailiff and Conveyance services), included in gross expenditures to conform with GAAP, but in effect results in double budgeting.
- (b) Special County Library tax applied to those Waukesha County communities without a library.
- (c) The Tax Levy (for 2020 Budget purposes) increase is within Wisconsin's statutory limits (see Planning and Budget Policy Section).

2020 Budget Tax Levy Breakdown

(General County and Federated Library)

	2019 Adopted Budget	2020 Budget	Incr/(Decr) From 2019 Adopted Budget	
			\$	%
General County Tax Levy	\$104,363,046	\$106,202,483	\$1,839,437	1.76%
General County Tax Rate	\$1.8902	\$1.8198	(\$0.0704)	-3.72%
General County Equalized Value	\$55,212,959,400	\$58,358,920,500	\$3,145,961,100	5.70%
Federated Library Tax Levy	\$3,523,524	\$3,538,749	\$15,225	0.43%
Federated Library Tax Rate	\$0.2587	\$0.2452	(\$0.0135)	-5.20%
Federated Library Equalized Value	\$13,621,455,600	\$14,430,850,100	\$809,394,500	5.94%

2020 BUDGET SUMMARY BY FUNCTIONAL AREA BY AGENCY BY FUND

AGENCY NAME	2020 ADOPTED BUDGET				Tax Levy \$ Change '19 - '20
	EXPEND.	REVENUES	NET FUND BALANCE	TAX LEVY	
JUSTICE AND PUBLIC SAFETY					
EMERGENCY PREPAREDNESS					
General	\$6,988,382	\$436,088	\$135,000	\$6,417,294	\$325,000
Radio Services	\$1,736,511 (a)	\$2,055,398	(\$318,887)	\$0	\$0
Radio Svcs. Rtn. Earn.	\$0	(\$318,887)	\$318,887	\$0	\$0
Radio Svcs. Fund Bal. Appr.	\$0	(\$750,421)	\$750,421	\$0	\$0
DISTRICT ATTORNEY	\$3,046,981	\$1,078,644	\$12,000	\$1,956,337	\$50,000
CIRCUIT COURT SERVICES	\$9,959,813	\$4,389,000	\$70,000	\$5,500,813	\$100,000
MEDICAL EXAMINER	\$2,094,730	\$1,009,120	\$25,000	\$1,060,610	\$25,000
SHERIFF	<u>\$43,106,092</u>	<u>\$12,675,772</u>	<u>\$898,839</u>	<u>\$29,531,481</u>	<u>\$550,000</u>
Subtotal: Justice & Public Safety	\$66,932,509	\$20,574,714	\$1,891,260	\$44,466,535	\$1,050,000
HEALTH AND HUMAN SERVICES					
CORPORATION COUNSEL					
Child Support (General Fund)	\$2,763,222	\$2,377,487	\$0	\$385,735	\$4,639
HEALTH & HUMAN SERVICES					
Human Services (General Fund)	\$82,536,492	\$55,909,647	\$362,867	\$26,263,978	\$60,000
Aging and Disability Resource Center Contract (ADRC) Fund	<u>\$3,537,523</u>	<u>\$3,537,523</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Subtotal: Health and Human Services	\$88,837,237	\$61,824,657	\$362,867	\$26,649,713	\$64,639
PARKS, ENVIR, EDUC. & LAND USE					
REGISTER OF DEEDS					
UW-EXTENSION: EDUCATION	\$1,365,249	\$3,490,000	\$0	(\$2,124,751)	(\$60,000)
BRIDGES LIBRARY SYSTEM					
County	\$456,039	\$104,776	\$2,500	\$348,763	\$2,000
State Aids	\$3,538,749	\$0	\$0	\$3,538,749	\$15,225
CAFÉ Shared Automation	\$2,002,808	\$1,796,039	\$206,769	\$0	\$0
CAFÉ Rtn. Earn.	\$484,547	\$500,847	(\$16,300)	\$0	\$0
CAFÉ Rtn. Fund Balance	\$0	(\$16,300)	\$16,300	\$0	\$0
PARKS & LAND USE					
General	\$0	(\$60,013)	\$60,013	\$0	\$0
Community Development	\$13,162,938	\$5,883,928	\$155,000	\$7,124,010	\$100,000
Workforce Innovation	\$3,308,840	\$3,308,840	\$0	\$0	\$0
Tarmann Parkland Acquisitions	\$1,584,698	\$1,584,698	\$0	\$0	\$0
Golf Courses	\$400,000	\$0	\$400,000	\$0	\$0
Golf Course Rtn. Earnings	\$3,315,529 (a)	\$3,354,100	(\$38,571)	\$0	\$0
Golf Course Fund Bal. Appr.	\$0	(\$38,571)	\$38,571	\$0	\$0
Ice Arenas	\$0	(\$200,000)	\$200,000	\$0	\$0
Ice Arenas Rtn. Earnings	\$1,253,539 (a)	\$1,117,730	\$135,809	\$0	\$0
Ice Arenas Fund Bal. Appr.	\$0	\$135,809	(\$135,809)	\$0	\$0
Material Recycling Facility	\$0	\$0	\$0	\$0	\$0
MRF Retained Earnings	\$4,190,849 (a)	\$2,883,390	\$1,307,459	\$0	\$0
MRF Fund Bal. Appr.	\$0	\$1,307,459	(\$1,307,459)	\$0	\$0
	<u>\$0</u>	<u>(\$85,000)</u>	<u>\$85,000</u>	<u>\$0</u>	<u>\$0</u>
Subtotal: Parks, Env., Ed. & Land Use	\$35,063,785	\$25,067,732	\$1,109,282	\$8,886,771	\$57,225

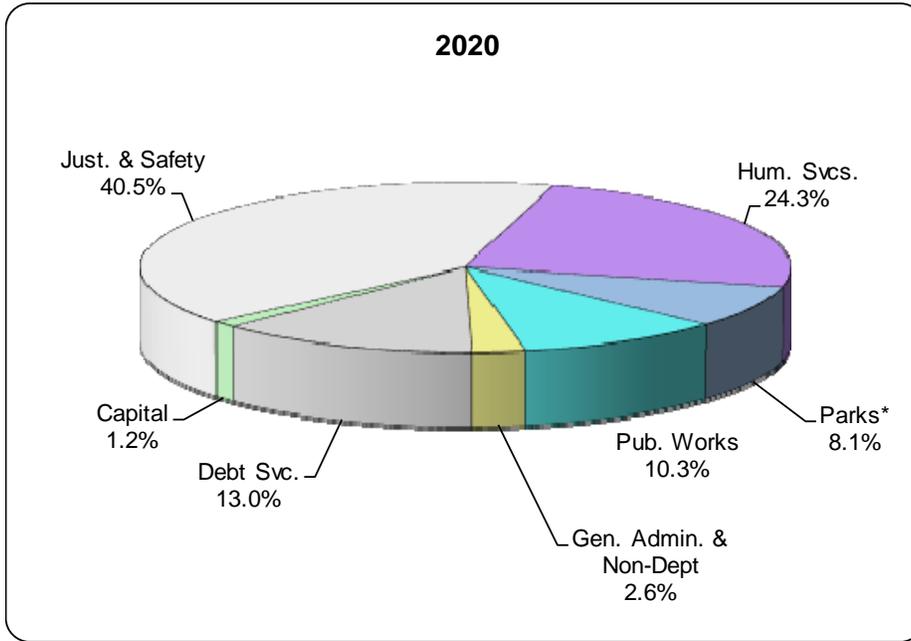
(a) Proprietary fund (Internal Service and Enterprise funds) expenditure appropriations exclude Fixed Asset and Debt Service Principal payments to conform with generally accepted accounting standards. Fixed asset purchases and Debt Service principal payments will be funded by operating revenues, tax levy, or balance appropriations and are included, as applicable, in each agency budget request.

2020 BUDGET SUMMARY BY FUNCTIONAL AREA BY AGENCY BY FUND

AGENCY NAME	2020 ADOPTED BUDGET				Tax Levy
	EXPEND.	REVENUES	NET FUND BALANCE	TAX LEVY	\$ Change '19 - '20
PUBLIC WORKS					
DEPARTMENT OF PUBLIC WORKS					
General	\$8,702,216	\$476,728	\$100,000	\$8,125,488	\$55,000
Transportation	\$16,710,617	\$13,242,740	\$331,500	\$3,136,377	\$20,000
Central Fleet Maintenance	\$3,828,775 (a)	\$3,831,851	(\$3,076)	\$0	\$0
Central Fleet Rtn. Earnings	\$0	(\$3,076)	\$3,076	\$0	\$0
Central Fleet Fund Bal. Appr.	\$0	(\$101,083)	\$101,083	\$0	\$0
Vehicle/Equipment Replacement	\$3,408,196 (a)	\$3,737,120	(\$328,924)	\$0	\$0
Veh. Replace Rtn. Earnings	\$0	(\$328,924)	\$328,924	\$0	\$0
Veh. Replace Fund Bal. Appr.	\$0	\$0	\$0	\$0	\$0
Airport	<u>\$1,255,233 (a)</u>	<u>\$1,074,404</u>	<u>\$180,829</u>	<u>\$0</u>	<u>(\$62,563)</u>
Subtotal: Public Works	\$33,905,037	\$21,929,760	\$713,412	\$11,261,865	\$12,437
GENERAL ADMINISTRATION					
COUNTY EXECUTIVE	\$601,865	\$0	\$0	\$601,865	\$23,000
COUNTY BOARD	\$1,063,080	\$0	\$0	\$1,063,080	\$0
COUNTY CLERK	\$697,855	\$264,045	\$100,000	\$333,810	\$10,000
TREASURER	\$726,596	\$5,616,446	\$160,000	(\$5,049,850)	(\$150,000)
ADMINISTRATION					
General	\$7,136,114	\$2,167,710	\$38,000	\$4,930,404	\$75,000
Risk Management	\$3,091,280 (a)	\$2,825,780	\$265,500	\$0	\$0
Collections	\$1,000,030 (a)	\$950,030	\$50,000	\$0	\$0
American Job Center	\$419,821 (a)	\$369,821	\$50,000	\$0	\$0
End User Technology	\$7,060,007 (a)	\$7,112,288	(\$52,281)	\$0	\$0
End User Technology Rtn. Earn.	\$0	(\$52,281)	\$52,281	\$0	\$0
End User Tech. Fund Bal. Appr.	\$0	(\$768,667)	\$768,667	\$0	\$0
CORPORATION COUNSEL					
General	<u>\$1,473,908</u>	<u>\$579,396</u>	<u>\$0</u>	<u>\$894,512</u>	<u>\$30,361</u>
Subtotal: General Administration	\$23,270,556	\$19,064,568	\$1,432,167	\$2,773,821	(\$11,639)
NON DEPARTMENTAL					
GENERAL	\$1,791,600	\$1,027,000	\$672,500	\$92,100	\$32,000
HEALTH & DENTAL INSURANCE	\$26,540,000 (a)	\$24,039,100	\$2,500,900	\$0	\$0
CONTINGENCY	<u>\$1,200,000</u>	<u>\$0</u>	<u>\$1,200,000</u>	<u>\$0</u>	<u>\$0</u>
Subtotal: Non-Departmental	\$29,531,600	\$25,066,100	\$4,373,400	\$92,100	\$32,000
DEBT SERVICE--GENERAL					
	<u>\$14,944,779</u>	<u>\$0</u>	<u>\$690,279</u>	<u>\$14,254,500</u>	<u>\$350,000</u>
Subtotal: Operating Budget	\$292,485,503	\$173,527,531	\$10,572,667	\$108,385,305	\$1,554,662
CAPITAL PROJECTS					
	<u>\$27,794,700</u>	<u>\$22,483,873</u>	<u>\$3,954,900</u>	<u>\$1,355,927</u>	<u>\$300,000</u>
GRAND TOTAL	<u>\$320,280,203</u>	<u>\$196,011,404</u>	<u>\$14,527,567</u>	<u>\$109,741,232</u>	<u>\$1,854,662</u>

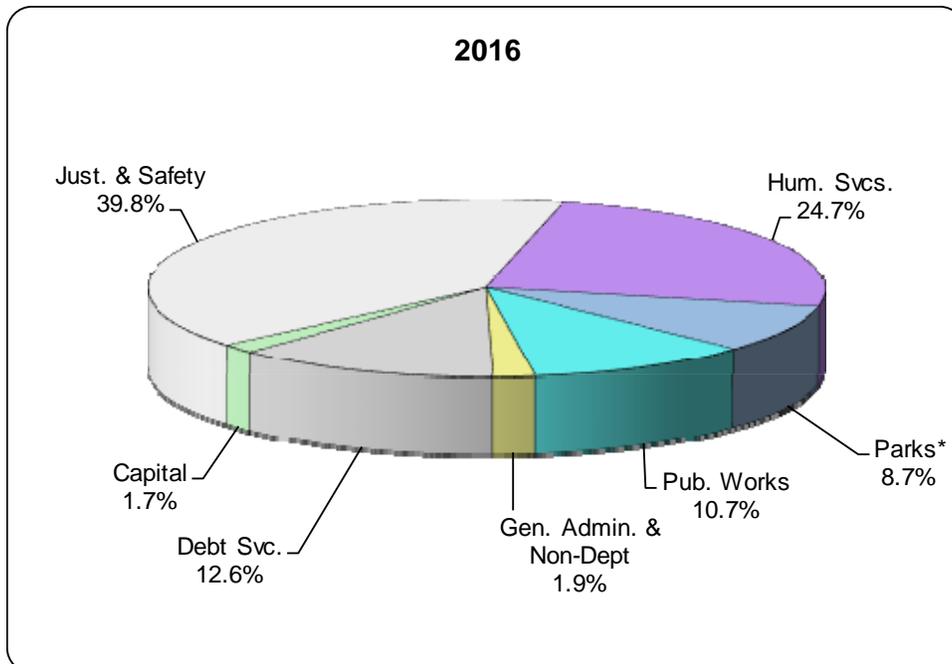
(a) Proprietary fund (Internal Service and Enterprise funds) expenditure appropriations exclude Fixed Asset and Debt Service Principal payments to conform with generally accepted accounting standards. Fixed asset purchases and Debt Service principal payments will be funded by operating revenues, tax levy, or balance appropriations and are included, as applicable, in each agency budget request.

TAX LEVY BY FUNCTIONAL AREA



Tax Levy Trends:

- Justice & Public Safety and Health and Human Services: These two functional areas continue to receive the largest share, nearly two thirds of the county's general tax levy revenues.
- General Administration: Tax levy increases in the Treasurer's budget to offset lower investment income and interest/penalty revenues on delinquent taxes.
- Debt Service: Tax levy increase reflects increased debt financing for the capital plan.
- Public Works: Tax levy decreases due to additional state revenues and efforts to eliminate tax levy support for the Airport.

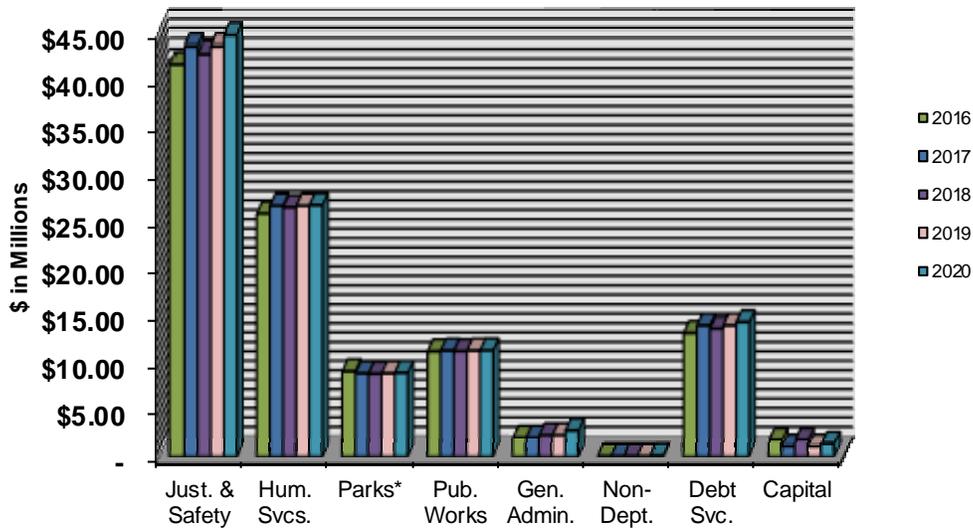


* Includes Parks, Environment, Education, and Land Use

2019-2020 TAX LEVY BY FUNCTION (COMBINES ALL FUNDS)

BY FUNCTION	2019 Adopted Budget	2020 Budget	Incr/(Decr) From 2018 Adopted Budget	
			\$	%
Justice & Public Safety	\$43,416,535	\$44,466,535	\$1,050,000	2.4%
Health & Human Services	\$26,585,074	\$26,649,713	\$64,639	0.2%
Parks, Env., Educ. & Land Use	\$8,829,546	\$8,886,771	\$57,225	0.6%
Public Works	\$11,249,428	\$11,261,865	\$12,437	0.1%
General Administration	\$2,785,460	\$2,773,821	\$(11,639)	-0.4%
Non-Departmental	\$60,100	\$92,100	\$32,000	53.2%
Debt Service	\$13,904,500	\$14,254,500	\$350,000	2.5%
Capital Projects	\$1,055,927	\$1,355,927	\$300,000	28.4%
Total Tax Levy	\$107,886,570	\$109,741,232	\$1,854,662	1.7%

**2016-2020 Budgeted Tax Levy
by Functional Area**



The chart above shows the majority of recent tax levy growth trend to be primarily within the Justice and Public Safety and Health and Human Service Functional areas.

* Includes Parks, Environment, Education and Land Use

2018 - 2020 EXPENDITURE SUMMARY

APPROPRIATION UNIT	2018 Actual	2019 Adopted Budget	2019 Estimate (a)	2020 Budget	Incr/(Decr) From 2019 Adpt. Budget
Personnel Costs	\$124,209,845	\$128,327,698	\$127,028,251	\$132,555,134	\$4,227,436
Operating Expenses (a)	\$108,066,946	\$116,486,451	\$117,494,538	\$121,700,947	\$5,214,496
Interdepartmental Charges	\$20,815,451	\$21,723,267	\$21,385,914	\$22,033,893	\$310,626
Fixed Assets & Imprvmnts (b)	\$674,637	\$935,500	\$907,989	\$1,250,750	\$315,250
Debt Service-Excl Proprietary (b)	\$14,628,840	\$14,790,518	\$14,491,429	\$14,944,779	\$154,261
Capital Projects (a)	\$15,243,584	\$25,005,200	\$28,140,716	\$27,794,700	\$2,789,500
Total Expenditures	\$283,639,303	\$307,268,634	\$309,448,837	\$320,280,203	\$13,011,569

FUNCTIONAL AREA	2018 Actual	2019 Adopted Budget	2019 Estimate (a)	2020 Budget	Incr/(Decr) From 2019 Adpt. Budget
Justice & Public Safety	\$62,211,227	\$65,632,650	\$65,160,589	\$66,932,509	\$1,299,859
Health & Human Services (a)	\$76,365,826	\$83,088,463	\$83,908,408	\$88,837,237	\$5,748,774
Parks, Env., Educ. & Land Use (a)	\$32,561,919	\$34,981,391	\$35,567,980	\$35,063,785	\$82,394
Public Works (a)	\$32,090,462	\$32,957,417	\$33,157,543	\$33,905,037	\$947,620
General Administration	\$21,664,903	\$22,626,795	\$22,201,272	\$23,270,556	\$643,761
Non-Departmental (a)	\$28,872,542	\$28,186,200	\$26,820,900	\$29,531,600	\$1,345,400
Debt Service-Excl Proprietary (b)	\$14,628,840	\$14,790,518	\$14,491,429	\$14,944,779	\$154,261
Capital Projects (a)	\$15,243,584	\$25,005,200	\$28,140,716	\$27,794,700	\$2,789,500
Total Expenditures	\$283,639,303	\$307,268,634	\$309,448,837	\$320,280,203	\$13,011,569

- (a) 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.
- (b) 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.

2020 EXPENDITURE HIGHLIGHTS

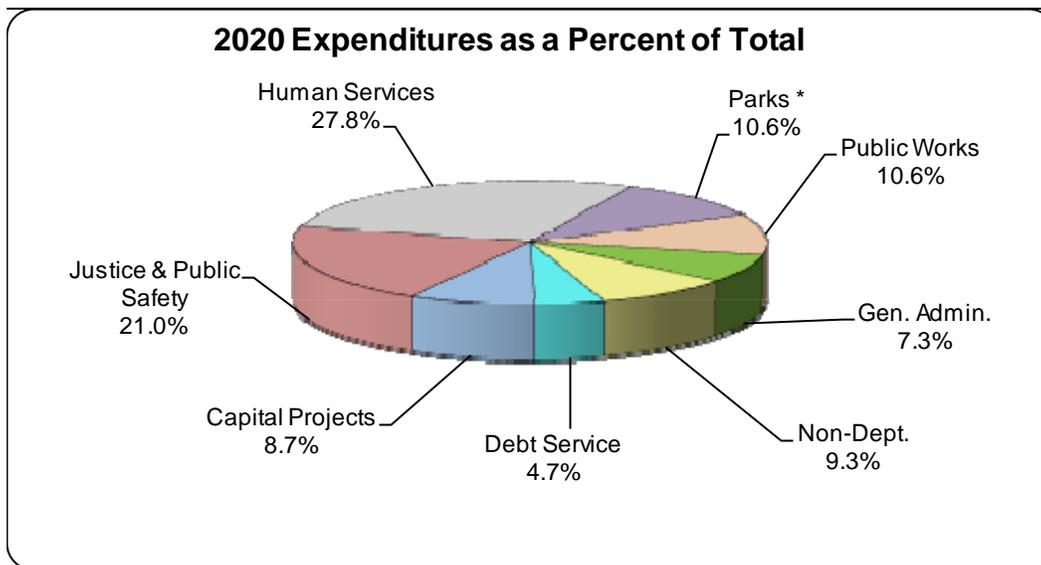
Expenditure Budget:

The 2020 total expenditure budget is \$320,280,200, an increase of \$13,011,600 or 4.2% from the 2019 adopted budget. The 2020 budget appropriations consist of departmental operating budget and debt service expenditures totaling \$292,485,500 and capital project spending of \$27,794,700. The total operating budget increases by \$10,222,100 or 3.62% from the 2019 adopted operating budget while capital project expenditures increase by \$2,789,500 from the 2019 adopted budget.

The net total operating expenditure budget after excluding \$40,289,700 of interdepartmental charges, mainly from internal service funds (which are double budgeted), is \$252,195,800, an increase of \$9,049,800 or 3.72%.

The budget includes personnel costs totaling \$132.6 million or about 45% of the total operating expenditure budget. Personnel costs are budgeted to increase by about \$4.2 million, or 3.3% from the 2019 adopted budget level.

Operating expenses and interdepartmental charges in total increase by \$5.5 million or 3.35% from \$138.2 million in the 2019 budget to \$143.7 million in this budget. Fixed assets and improvement expenditures (excluding capital projects) are budgeted at \$1,250,750, an increase of \$315,250 from the 2019 budget. Debt service payments are budgeted at \$14.9 million, which is an increase of \$154,300 from the 2019 budget level. This is about 6.4% of governmental fund expenditures (and well within the County's performance measure benchmark of less than 10%).



* Includes Parks, Environment, Education and Land Use

Functional Area	Expenditure Budget	% of Total Expenditure Budget
Justice & Public Safety	\$66,932,509	20.9%
Human Services	\$88,837,237	27.7%
Parks *	\$35,063,785	10.9%
Public Works	\$33,905,037	10.6%
Gen. Admin.	\$23,270,556	7.3%
Non-Dept.	\$29,531,600	9.2%
Debt Service	\$14,944,779	4.7%
Capital Projects	<u>\$27,794,700</u>	8.7%
Total Expenditures	\$320,280,203	100.0%

* Includes Parks, Environment, Education and Land Use

A brief summary of the major changes in the past five adopted budgets follows:

2020 EXPENDITURE HIGHLIGHTS

The 2020 Budget expenditure level increases by \$13 million to \$320.3 million. The 2020 capital budget increases \$2.79 million, largely due to a \$4.4 million project to expand a three miles of CTH M (North Avenue) from two to four lanes to accommodate traffic volumes in a priority corridor. The budget also includes maintenance of existing infrastructure with total projects of \$3.7 million for repaving. Three projects in the parks will leverage partnerships to fund nearly \$1.2 million for recreational facilities including a new dog exercise area and expanded trails. Operating expenses increase \$5.2 million or 4.5% and reflect modest increases across most functional areas. Personnel costs also increase by \$4.2 million or 3.3% and reflect costs to continue, with a net increase of budgeted position changes of \$324,900. In addition, HHS - Children with Long-Term Support Needs - Third Party Administrator – pass through expenses increase \$3,100,000 based on an offsetting increase in the State's revenue allocation related to an increase in the number of clients to be served.

The 2019 Budget expenditure level increased by \$13.7 million to \$307.3 million. This reflects a \$6.2 million increase in capital project expenditures, mostly due to budgeting \$15 million to continue the first phase of a two-phase project to modernize and expand the courthouse, with major construction beginning in 2019 (expected to continue through 2021). Operating expenses increase \$3.1 million or 2.8% and reflect modest increases across most functional areas. Personnel costs also increase by about \$4.1 million or 3.3% and reflect costs to continue, with a net increase of budgeted position changes of \$1.7 million.

The 2018 Budget expenditure level increased by \$9.2 million to \$293.6 million. This reflects a \$1.9 million increase in capital project expenditures, mostly due to increases in Public Works projects which include buildings, highways and the airport. Operating expenses increase \$3.8 million or 3.5% and reflect modest increases across most functional areas. Personnel costs also increase by about \$3,416,700 or 2.8% and reflect costs to continue, net increase of budgeted position changes of \$684,000.

The 2017 Budget expenditure level decreased by \$1.1 million to \$284.4 million. This reflects a \$3.9 million decrease in capital project expenditures, mostly due to reductions of Public Works projects which include buildings, highways and the airport. Operating expenses increase \$1.7 million or 1.6% and reflect modest increases across most functional areas. Personnel costs also increase by about \$1,046,000 or 0.9% and reflect costs to continue, net reduction of budgeted position changes of \$88,900.

The 2016 expenditure level increased by \$8.1 million to \$285.5 million. This reflects a \$4.6 million increase in capital project expenditures, mostly due to the addition of \$2.4 million for the replacement of HVAC equipment at the Law Enforcement Center and additional expenditures for highway projects. Operating expenses increase \$2.1 million or 2% and reflect modest increases across most functional areas. Personnel costs also increase by \$879,800, or 0.7% and reflect costs to continue, net reduction of budgeted position changes of \$520,300.

Future Projections and trends:

External factors will continue to play a key role in significantly impacting future trends and projections including how federal and state funding priorities may likely affect local funding policies and services carried out by local governments provided in different ways. Also, volatility of fuel, energy and commodity prices, and increasing medical and health insurance costs are likely to have future budget impacts. In addition, internal factors include high costs of Jail inmates, Emergency Preparedness 9-1-1 dispatch communications, and future debt service payments as a result of infrastructure projects including the project to expand and modernize the courthouse and funding of major highway projects.

Detailed expenditure highlights are included within each Functional Area Summary. A summary of major 2020 funding changes, which impact expenditures by functional area, follows:

2020 EXPENDITURE HIGHLIGHTS

Justice and Public Safety

- The 2020 **expenditure budget** for this functional area totals \$66,932,500, an increase of \$1,300,000 or 2.0% from the 2019 Adopted Budget.
- **Emergency Preparedness** - The budget abolishes a 1.00 FTE communications center specialist, but transfers the responsibility for this position to the Department of Administration – Information Technology division, resulting in an interdepartmental cross-charge from DOA-IT to Emergency Preparedness. Total expenditures increase nearly \$306,400 or 4.6%.

Radio Services budgeted software maintenance costs decreases \$115,100.

- **Sheriff expenditures** increase \$760,200 or 1.8% to over \$43.1 million. This increase is largely personnel, which increases \$613,000 or 1.8% to over \$34 million. Personnel expenditures include 1.00 FTE Deputy Sheriff (sunset position), created in 2019 for the City of Pewaukee police services contract. Positions unfunded in 2020 include 1.00 FTE Senior IT Professional and 2.00 FTE Administrative Specialists. Support staff are reduced due to changes to Department report creation due to the implementation of voice-to-text software.

Merchandise for resale costs decrease \$60,000 or 8.8% due to a decrease in merchandise purchased by inmates.

The Sheriff's budget includes non-corrections equipment of \$229,400 for the fifth year of an equipment replacement plan. The Jail equipment replacement plan remains unchanged in 2020 at \$125,000.

- **Circuit Court Services** expenditures increase \$524,600 or 5.6%. Personnel costs increase \$180,000 overall, including a reduction in extra help (1.00 FTE) due in part to completing scanning projects.

Court Appointed Counsel and Legal Services costs are budgeted to increase \$311,800. This is due to the State Supreme Court setting new attorney compensation rates. Guardian Ad Litem (GAL) fees are increased from \$70/hour to \$100/hour resulting in a \$191,500 expense increase and Advocate Attorney fees are increased from \$40/hour to \$70/hour resulting in a \$120,300 expense increase.

Interdepartmental charges increase \$30,200 mostly for collection services provided by the DOA-Collections Division due to budgeting for higher balances resulting from increased attorney rates.

- The **District Attorney's** expenditures increase \$141,200 mostly related to personnel costs that increase \$105,600. The budget includes a new 1.00 FTE sunset homicide - victim witness specialist position and reduced extra help of 0.55 FTE. The State Victim Witness reimbursement rate is reduced from 54% in 2019 to 49% in 2020. The federal Victim of Crimes Act (VOCA) grant is budgeted at 100% reimbursement of expenditures and is budgeted to increase nearly \$95,000, which funds the new position. Tax levy for the District Attorney increases \$50,000.
- The **Medical Examiner's Office** overall expenses decrease \$346,600 related to the loss of the Walworth County Contract. Personnel costs decrease \$190,000 or 10%, including the abolishment of 1.00 FTE sunset pathologist and 0.50 FTE administrative assistant, as well as reducing contracted and temporary extra help and overtime by \$30,500. Operating expenses decrease \$122,000 or 35%, mostly to reflect reductions of \$96,000 in laboratory and toxicology testing costs related to Walworth County and increased office efficiencies. The budget also includes costs associated with the development of a pilot forensic anthropology service model.

2020 EXPENDITURE HIGHLIGHTS

Health and Human Services

- The 2020 **expenditure budget** for this functional area totals \$88,837,200, an increase of \$5,748,800 or 6.9% from the 2019 Budget.
- **HHS - Administrative Services** division - Personnel costs increase \$914,543 or 18.4%, and includes the transfer in of 12 administrative positions and one support staff supervisor from other HHS divisions for the consolidation of administrative support within the department forming a centralized reporting structure.
- **HHS – Intake and Shared Services Program** - Personnel costs are budgeted to increase \$147,500, primarily due to the addition of 1.00 FTE After-Hours Human Services Supervisor. Operating expenses increase by \$85,000 to \$1,204,400 due to a \$91,300 increase in Kinship Care payments for ongoing voluntary and new court-ordered families. This is offset by the reduction of \$15,000 in childcare administration expenses, and a reduction of \$15,000 for crisis day care based on trend.
- **HHS - Economic Services Administration and Support Program** - Personnel costs are budgeted to decrease by about \$34,500 to \$3,248,900. This is primarily due to the transfer of 3.00 FTE staff due to the administrative support re-alignment.
- **HHS - Children and Family Services** - Personnel costs are budgeted to increase by \$265,600. This is due to cost to continue for existing 20.92 FTE. This also includes the addition of 1.00 FTE human services supervisor to assist with increased caseloads and the transfer in of 1.00 FTE senior mental health counselor from the Clinical Outpatient Intensive program to assist in alternative care placements and the Family First law, which is offset by a reduction of 0.52 FTE Extra Help.

Operating expenses increase by \$242,800 to \$2,997,400 primarily due to a \$304,000 increase in contracted services mostly due to the addition of a contract for five case aides, as well as an increase to targeted safety support services expenses of \$45,000 as a result of the expansion of the program. This is partially offset by the elimination of the Post Reunification program contracted services of \$32,000. In addition, there is a \$74,000 reduction to the respite services contract due to fewer children receiving services as more children are receiving respite through the Children's Long Term Support or Children's Community Option Program funding.

The alternative out-of-home care expenses remain overall the same with shifts in funds based on usage including a \$105,000 increase in foster care expenditures, offset by a \$94,500 decrease in residential care center expenditures and a \$10,000 decrease in Family Partner Initiative costs.

- **HHS - Children with Special Needs Unit - Birth to Three program** - Operating expenses are budgeted to increase by \$449,000 to \$3,445,000. This is mostly due to increased contracted service costs of \$345,300, of which \$304,000 is mostly related to the state's mandate to eliminate Children Long Term Support (CLTS) wait lists and the subsequent increased volume of both contracted staff and CLTS Waiver clients served. Also, the Birth to Three contract is increased \$45,000. There is an increase to the Children's Community Options Program (CCOP) expense of \$50,000, and an increase to CLTS expenses of \$40,000, which is additional purchases of adaptive equipment and supplies, which are associated with an offsetting revenue.

HHS - Children with Long-Term Needs - Third Party Administrator – The pass through expenses for services (and offsetting revenues) increase \$3,100,000 based on an increase in the anticipated number of clients to be served.

- **HHS – Adolescent and Family Services** - Personnel costs decrease by about \$403,700 to \$2,999,000. This is primarily due to a realignment of the Counseling and Wellness unit from the Adolescent and Family division to Clinical Services division, which shifts 4.50 FTE (3.50 FTE clinical therapists and a 1.00 FTE human services supervisor) in an effort to align clinical services and to increase behavior health services to children.

Operating expenses are budgeted to decrease by about \$172,000. This is due to an overall reduction to contracted services of approximately \$82,000 related to a new lower cost service provider. In addition, juvenile correctional placement expenses are reduced by \$40,000 and out of home care expenses are reduced by \$70,000 overall based on projected utilization (residential care centers decreases by \$100,000 and foster care decreases by \$70,000. This is offset by a \$100,000 increase in group home costs).

- **HHS - Juvenile Center** operating expenses increase by about \$82,000 primarily due to projected increases for contracts related to shelter care and female secure detention.
- **HHS - Aging & Disability Resource Center (ADRC) General Fund - Adult Protective Services** operating expenses decreases \$250,900. This includes \$70,200 for reduced placement costs at the Clearview Rehabilitation Center and a decrease of \$163,800 in the annual assessment fee for the Marsh Country Health Alliance for the clients receiving ongoing residential care at the Clearview Nursing Home and Facility for Individuals with Intellectual Disabilities (IID) in Dodge County. In addition, contracted services are reduced \$25,000 due to reduced contracted provider costs for annual court reviews.

2020 EXPENDITURE HIGHLIGHTS

- **The HHS - Aging & Disability Resource Center (ADRC) General Fund - Community Services** - Personnel costs decrease about \$126,100. This includes abolishing 1.00 FTE administrative assistant, transferring 4.00 FTE (3.00 FTE administrative specialist and 1.00 FTE support staff supervisor) to the Administrative Services division due to the administrative support re-alignment. Other staff changes include the transfer in of 0.09 FTE senior ADRC specialist from the ADRC Contract fund and a creation of a part time (0.60 FTE) senior dining manager sunset position is offset with the reduction of a 0.50 FTE temporary extra help senior dining manager. Temporary extra help is also increased 1.10 FTE.

Operating expenses are budgeted to increase about \$167,900. This increase is mostly due to higher expenses in Specialized Transportation of \$33,900 to \$1,088,700 due to a RideLine contract vendor rate increase as well as an increase in promotional expense. Increased transportation expenses reflect the age eligibility change from 65 to 60. The senior dining program increases \$55,900 due to a 5% budgeted increase in the contracted meal cost for the 173,128 meals for congregate and home delivery. In addition, in-home care increases \$45,600.

- **The HHS - Aging & Disability Resource Center (ADRC) Contract Fund** - Personnel costs are budgeted to increase \$124,900. The increase is primarily due to costs to continue 33.65 FTE offset by the transfer out to the Administrative Services division of 1.00 FTE due to the administrative support re-alignment.
- **HHS - Mental Health Outpatient-Clinical** staffing increases by 9.94 FTEs to 48.87 FTE, mostly due to the realigning of 7.00 FTE (6 clinical therapists and 1 human services supervisor) to form the newly created Counseling and Wellness unit within this program, with most due to transferring in from the Adolescent and Family and Mental Health Outpatient-Intensive program areas. In addition, the budget creates 2.00 FTE clinical therapist positions, overfills from 2019, to assist with providing state mandated 24/7 crisis intervention services, as well as 1.00 FTE sunset clinical therapist to assist with the new Justice and Mental Health Collaboration grant.
- **HHS - Mental Health Center (MHC)** expenses increase \$120,400 or 1.6% to \$7.51 million. Personnel costs increase \$199,600 and include the transfer in of 0.46 FTE registered nurse from the Mental Health Outpatient-Clinical program, and remaining costs to continue of 53.11 FTE. Operating expenses include a \$175,000 or 62% increase in medical supply and prescription drug costs, related to higher cost and long-lasting injectable medications. This is offset by reductions of nearly \$91,000 in contracted psychiatric services as HHS management will modify work plans to use existing qualified county staff, as well as reductions in consulting services, and automating business practices. Interdepartmental charges decrease \$89,100, mainly due to reallocating computer maintenance charges of \$73,200.
- **HHS - Criminal Justice Collaborating Council (CJCC)** the Substance Abuse and Mental Health Services Administration (SAMHSA) Drug Court and the Treatment Alternatives and Diversion (TAD) programs will continue to provide expanded case management, drug testing, medication assisted treatment, and recovery coaching for up to 60 clients in 2020.
- **HHS - Public Health** - Personnel costs decrease by approximately \$262,400 to \$2,560,900 due to the administrative support re-alignment resulting in the transfer of 5.00 FTE to the Administrative Services Division and the abolishing of 1.00 FTE Administrative Assistant position. In addition, extra help decreases 0.15 FTE resulting in a decrease of \$10,000.

Public Health operating expenses decrease by \$39,900, related to consulting services decreases of \$18,900, in medication and medical supplies decreases of \$14,200, and office supplies costs decreases of \$9,800.

- **Corporation Counsel – Child Support** expenditures increase by \$121,500 mostly related to costs to continue the 29.19 FTE.

Parks, Environment, Education, and Land Use

- The 2020 **expenditure budget** for this functional area totals \$35,063,800, an increase of nearly \$82,400 (after excluding proprietary fund capitalized fixed asset item purchases), or 0.24% from the 2019 adopted budget.
- The **Parks and Land Use General Fund** - 3-Year Maintenance and Projects Plan increases \$77,000 to \$425,500. The 2020 budget includes several large projects including: \$91,500 for a new canoe launch and fishing area at Fox River Park, \$41,500 for boardwalk improvements at the Retzer Nature Center, \$30,000 for the construction of a bypass lane at the Minooka Park entrance for patrons with annual stickers, \$27,500 for the potential demolition or refurbishment of a building at Nashotah Park, \$25,000 for a new roof on the Fox Brook Park lodge, \$20,000 for renovations to the Pewaukee Lake boat launch, \$20,000 for various maintenance projects at the planetarium at Retzer, \$52,900 for various HVAC, electrical, and water heater improvements at several county park facilities, \$32,900 for pavement/parking lot improvement projects at various facilities, and several smaller projects.

2020 EXPENDITURE HIGHLIGHTS

- **Parks and Land Use – Community Development Fund** utilizes federal Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) funds in a collaborative, coordinated manner to meet identified community needs. Program expenditures are budgeted to decrease from 2019 budgeted levels for the Community Development Block Grant (CDBG) program by about \$21,900 to \$1,405,000 based on anticipated changes in federal funding. In addition, program expenditures for the HOME program are budgeted to decrease by \$115,300. Personnel costs increase by \$88,900 including \$71,700 of costs for a new part-time 0.84 FTE new programs and projects analyst that is allocated 80% to home and 20 % to CDBG, as the department is bringing the fiscal oversight of HOME and CDBG housing loans in-house to reduce costs associated with program administration.
- **Parks and Land Use – Workforce Fund** began in the 4th quarter of 2018, when the County Board authorized Waukesha County to serve as the fiscal agent for the Waukesha-Ozaukee-Washington Workforce Development Board (WOW-Board). The 2020 budget includes federal Workforce Innovation Opportunity Act (WIOA) grant funding of \$1,584,700, a decrease of about \$114,000 from the 2019 budget, mostly due to a trend of annual reductions in funding driven by area labor statistics showing a relatively strong local labor market. Funding will be used to mainly provide contracted assistance to adults, youth, and dislocated workers to access employment and other support services to gain employment. The 2020 budget transfers 0.07 FTE of the Workforce Development Board Director to the Parks General Fund to provide staff support specific to Waukesha County economic development and workforce initiatives.
- **Parks and Land Use Tarmann Land Acquisition Fund** budget continue to be maintained at the 2019 budgeted level of \$400,000.
- **Parks and Land Use – Golf Course Fund** 2020 budget expenditures increase \$9,500. The budget directs the department of Parks and Land Use to initiate a process, whereby it shall lease or sell the Wanaki Golf Course property to a viable, private operator in 2020. If efforts to enter into an agreement with a viable operator are unsuccessful, the department shall operate Wanaki Golf Course for the 2020 golf season; proceed with additional, outlined actions to sell the Wanaki property; and cease county-run golf course actions at Wanaki effective November 1, 2020. The Wanaki Golf Course expenditures decreases \$8,900 in the 2020 budget.
- The **Parks and Land Use – Material Recovery Facility (MRF) Fund** - Operating expenses decrease \$185,700 to almost \$3,004,000. Total grants to communities decrease \$956,250 to \$596,250, reflecting the partial elimination of community dividend payments to sustain an adequate Recycling Fund balance for future equipment upgrades at the Joint MRF. The remaining dividend amount reflects annual payments aimed to support community costs for recycling containers and the direct haul of recyclables to Milwaukee, as committed in the 10-year intergovernmental agreements (IGAs) executed with 27 local communities in 2015. The reduction in community dividend payments is in response to current depressed recyclable commodity markets. Under the terms of the renegotiated vendor contract, processing expense have increased \$603,570 to \$1,573,250, reflecting the higher costs to process recyclable material to meet current markets. Higher contamination rates from residents have led to higher residue rates. Therefore, Joint MRF waste disposal costs have increased \$122,760 to \$262,260. The 2020 budget includes \$310,000, an increase of \$30,000, for cost associated with the MRF Equipment/Maintenance Plan.
- **Bridges Library System State Aids Fund** personnel costs increase \$120,700, mostly due to the creation of a new 1.00 FTE librarian, who will be responsible for providing consulting and technology support services for libraries. The creation of this new position is offset by a reduced contract for local information technology assistance approved in the 2019 budget. Moving from a contract for services to a full-time staff position is estimated to save the Bridges Library System \$21,000 in the 2020 budget. State aid funding remains at 2019 budgeted levels of approximately \$1,298,000.
- **University of Wisconsin – Extension –** Total expenditures are budgeted at \$456,000. Personnel costs decreased \$4,500 mostly due to reclassifying a programs & projects analyst to a departmental secretary and increasing 0.15 FTE administrative specialist position.

Operating expenses are budgeted to remain consistent with 2019 at approximately \$223,700 mainly due to costs related to department programming remaining the same. The State continues to assume approximately 60% of 136 contract costs for 3.50 FTE.

Public Works

- The 2020 **expenditure budget** for this functional area totals \$33,905,000 (after excluding proprietary fund capitalized fixed asset item purchases), an increase of \$947,600 or 2.9% from the 2019 Adopted Budget.
- **Road Salt expenditures for county highway snow and ice removal operations** are budgeted to increase by \$65,800 in 2020. Salt rates increase by \$4.19 or 6%, from \$69.88 to \$74.07. The volume of salt anticipated in the 2020 budget remains at the 2019 budgeted level of 15,700 tons. Road salt purchased and then sold to municipalities is budgeted to increase by \$60,100 due to the increase in salt rates and an increase in tonnage by 500 tons, from 5,500 tons to 6,000 tons. Salt provided to the Department of Parks and Land Use for snow and ice removal on park roads

2020 EXPENDITURE HIGHLIGHTS

and county parking lots, increases by \$2,500, with salt tonnage budgeted at the 2019 level of 600 tons. The total budget for salt increases \$128,400.

- The **County Highway Maintenance** program budgets for \$157,000 of one-time equipment purchases, including \$80,000 for a new mastic machine, \$30,000 for a new epoxy hand striper, and \$10,000 to replace an EZ drill.
- The 2020 **Transit Services** budget assumes the discontinuation of route 906 (weekday commuter trips between the village of Mukwonago and downtown Milwaukee) on June 30, 2020. The route has experienced declining ridership and increasing operating investments needed per ride.
- **Energy and utility budget costs for county facilities** are budgeted to remain at the 2019 budgeted level of \$2,035,500. Both the electrical and natural gas utility budgets decrease \$50,000 each, reflecting lower energy consumption and utility rates experienced in previous years. This is offset by an increase in sewer/water utility expenses by \$100,000 based on increasing utility rates. Overall costs are maintained through prior-year energy efficiency improvements (e.g., lighting replacement, more efficient boilers/chillers).
- The **Building Improvement Plan (BIP)** totals \$1,007,000 in the 2020 budget. The base BIP remains budgeted at \$950,000. In addition to the base BIP, the plan includes \$57,000 for improvements at the Mental Health Center (MHC).
- Operating costs in the **Housekeeping Services** program decrease about \$28,000 due to a favorable third-party housekeeping services contract bid in 2019.

General Administration.

- The 2020 expenditure budget for this functional area totals \$23,270,600 (after excluding proprietary fund capitalized fixed asset item purchases), an increase of about \$643,800 or 2.8% from the 2019 Adopted Budget.
- The **County Clerk's Office** expenditure budget increases by \$135,200, including personnel costs increasing \$60,300. This includes the creation of a 1.00 FTE Administrative Specialist, which is partially offset by decreasing 1.15 FTE Extra Help. Operating expenses increase \$74,200 which is mostly due to election costs that occur in even-numbered years, when there are more elections held.
- The **County Board's** expenditures are maintained at 2019 budget levels. The budget includes unfunding a 0.50 FTE administrative specialist, largely offset by a 0.39 FTE increase in temporary extra help.
- The **Department of Administration (DOA) General Fund** expenses decrease \$119,400 overall, including personnel costs decreasing \$152,300. The major personnel changes includes the unfunding of a 0.95 FTE Office Services Coordinator position and a transfer of 1.00 FTE Workforce Development Center Coordinator to the American Job Center Fund. This is partially off by operating expenditures increasing \$35,100 mostly due to an increase in computer software maintenance associated with the implementation of a new payroll system in 2020.
- **DOA End User Technology Fund (EUTF)** budgeted an expenditure increase of \$51,700 in the 2020 budget. Personnel costs increases \$217,300. This includes a creation of 1.00 FTE Senior IT Professional. Operating expenses decrease \$164,100 mostly due to the transfer of cellular costs to department's operational budgets.
- The **DOA – Risk Management Fund** budget expenditures increase 4.8% or \$142,700 to \$3.1 million. This is primarily due to the increases in liability insurance and claims reserve costs.
- The **DOA – Collections Fund** works with various other departments to improve the automation of collection services to collect on past due accounts receivable. Overall, expenditures decrease \$88,500, mostly due to the removal of a one-time expense of \$100,000 in 2019 for software.
- The **DOA – American Job Center Fund** is a new special revenue fund for the 2020 budget. Personnel costs include 1.00 FTE Workforce Development Center Coordinator, which was previously budgeted in the DOA-General fund. Operating expenses are budgeted at \$232,000, which is mainly third party temporary help and contracted services.
- The **Corporation Counsel – General Legal Services** budget expenditures increases \$62,655, primarily for personal cost to continue for 12.41 FTE.

Non-Departmental

- The 2020 **expenditure budget** for this functional area totals \$29,531,600 an increase of \$1,345,400 or 4.8% from the 2019 Adopted Budget.

2020 EXPENDITURE HIGHLIGHTS

- **Non-Departmental General Fund:** Expenditures decrease by \$51,000 in 2020. This is mainly due to the one-time Safety/Efficiency Operational Study for the Waukesha County Main Jail of \$90,000 that was budgeted in 2019 and not repeated in 2020. This is partially offset by an increase in strategic planning services by \$15,000, mainly to assemble focus groups and conduct an environmental scan (last update was 2013). Unemployment compensation costs increase \$20,000, based on recent trends.
- **Health and Dental Insurance Fund:** Total expenditures increase \$1.4 million or 5.6% primarily due to the following:
 - **Active Employee Health Insurance Program:** Expenditures increase \$1.0 million or 4.7%, mostly due to higher claims costs (by \$660,000), based on actuarial recommendation. (Premium rates charged to county departments and employees are budgeted to increase 5% to offset cost increases.) County contributions to employee HSA accounts are budgeted to increase \$177,000 based on anticipated higher enrollment in the high-deductible health plan (HDHP). (Note: Family HDHP plans are estimated to cost the county about \$1,700 less than the comparable family point of service plan in 2020.) Stop loss insurance coverage for higher-cost claims are budgeted to increase by \$172,000.
 - **Retired Employee Health Insurance Program:** Expenditures increase \$271,000, mainly due to higher anticipated claims costs of \$259,000, based on actuarial recommendation. (Premium rates charged to retirees, who pay 100% of plan costs, are increased to offset costs.) For the 2020 budget, the county plans to initiate a one-year pilot program granting retired employees enrolled in this health plan access to the Waukesha Employee Health and Wellness Center onsite clinic to provide retirees with opportunities to save money for office visits, pharmaceuticals, and other medical services and improve the financial viability of the retiree plan through cost avoidance.
 - **The Waukesha Employee Health and Wellness Center Program:** Expenditures increase by \$98,600, mainly due to higher clinic supply costs of \$37,600, based on previous actual expenses; a net increase in pharmaceutical, lab fees, and contracted clinic provider administrative fees of \$27,600; and an increase in contracted clinic staff costs by \$19,100 (or 2.6%). In addition, county's share of clinic costs (shared with the city and school district of Waukesha) is increasing from 43% to 45%, based on higher county utilization of the clinic, per the intergovernmental agreement.
 - **Waukesha Employee Health and Wellness Center:** When the center opened in 2014, it was originally projected that it would generate a positive return on investment for the combined organizations of approximately \$7.7 million over a 5 year period: With savings of \$3.1 million estimated for the County, \$3.4 million for the school district and \$1.2 million for the City. After four years of operation, the utilization of the center by employees, spouses, and dependents has grown, already resulting in an estimated four-year savings of approximately \$10.3 million for the county alone and \$30.7 million for all three members in total.
- **Contingency Fund** remains at the 2019 budget level of \$1.2 million.

Debt Service

The Debt Service expenditure budget for general governmental purposes is \$14,944,800, an increase of \$154,300 or 1% from the 2019 Adopted Budget. To fund the 2020 Capital Project Budget, \$18 million is planned to be borrowed, which is an increase of \$0.5 million from the 2019 adopted budget level. After retiring approximately \$12.7 million of principal in 2020, the county's total debt outstanding is expected to be approximately \$84.7 million at year-end 2020, well below the allowable levels set by state statutes.

Capital Projects

The 2020 **Capital Project expenditure budget** of \$27,794,700 increases \$2.79 million from the 2019 Adopted Budget. The 2020 Capital Budget identifies funding for existing and new projects at a net county cost of \$25.3 million (after direct project revenues of \$2,279,800 and proprietary fund balance appropriations of \$247,000 are applied). Tax levy, use of governmental fund balance, and other revenues generates the county's "down payment" of 27% of net capital expenditures, above the policy target of 20%.

2018-2020 REVENUE SUMMARY

SOURCE	2018 Actual	2019 Adopted Budget	2019 Estimate	2020 Budget	Incr/(Decr) From 2019 Adpt. Budget
Intgov't Contracts & Grants	\$55,608,276	\$60,734,191	\$62,339,950	\$65,906,737	\$5,172,546
State Transportation Aids	\$5,093,511	\$5,092,114	\$5,092,114	\$5,354,758	\$262,644
State Shared Revenues/Computer Aid	\$1,799,157	\$1,435,000	\$1,435,000	\$1,435,000	-
State Personal Property Aid (a)	-	\$744,073	\$744,073	\$744,073	-
Fines & Licenses	\$3,218,856	\$3,147,375	\$3,051,379	\$3,173,340	\$25,965
Charges for Services (b)	\$37,951,820	\$38,851,737	\$39,297,626	\$40,161,311	\$1,309,574
Interdepartmental Revenue	\$37,673,212	\$39,117,446	\$38,195,419	\$40,289,738	\$1,172,292
Other Revenues (b)	\$17,651,395	\$15,375,058	\$15,318,374	\$15,023,572	\$(351,486)
Interest/Penalty on Delinq Taxes	\$1,599,044	\$1,980,000	\$1,425,000	\$1,840,000	\$(140,000)
Investment Inc-Unrestricted Funds	\$2,815,586	\$3,047,646	\$3,300,000	\$3,397,646	\$350,000
Debt Borrowing	\$12,500,000	\$17,500,000	\$17,500,000	\$18,000,000	\$500,000
Appropriated Fund Balance	\$1,862,595	\$13,263,718	\$14,993,690	\$14,527,567	\$1,263,849
Retained Earnings (b)	\$(1,056,648)	\$(906,294)	\$(1,130,358)	\$685,229	\$1,591,523
Tax Levy	\$106,922,499	\$107,886,570	\$107,886,570	\$109,741,232	\$1,854,662
Total Revenues	\$283,639,303	\$307,268,634	\$309,448,837	\$320,280,203	\$13,011,569

FUNCTION	2018 Actual	2019 Adopted Budget	2019 Estimate	2020 Budget	Incr/(Decr) From 2019 Adpt. Budget
Justice & Public Safety	\$19,914,188	\$20,570,233	\$20,197,070	\$20,893,601	\$323,368
Health & Human Services	\$51,743,359	\$56,072,544	\$56,155,203	\$61,824,657	\$5,752,113
Parks, Env, Educ & Land Use	\$21,797,026	\$24,684,564	\$25,624,866	\$23,679,335	\$(1,005,229)
Public Works	\$21,789,804	\$21,456,988	\$21,369,305	\$22,261,760	\$804,772
General Administration	\$17,532,443	\$18,620,638	\$18,157,018	\$19,116,849	\$496,211
Non-Departmental	\$26,416,158	\$23,727,600	\$24,303,400	\$25,066,100	\$1,338,500
Debt Borrowing	\$12,500,000	\$17,500,000	\$17,500,000	\$18,000,000	\$500,000
Capital Projects	\$4,217,879	\$4,392,073	\$4,392,073	\$4,483,873	\$91,800
Appropriated Fund Balance	\$1,862,595	\$13,263,718	\$14,993,690	\$14,527,567	\$1,263,849
Retained Earnings (b)	\$(1,056,648)	\$(906,294)	\$(1,130,358)	\$685,229	\$1,591,523
Tax Levy	\$106,922,499	\$107,886,570	\$107,886,570	\$109,741,232	\$1,854,662
Total Revenues	\$283,639,303	\$307,268,634	\$309,448,837	\$320,280,203	\$13,011,569

- (a) Beginning in 2019, the county receives a personal property aid payment from the state to offset the loss of tax levy resulting from the exemption of machinery, tools, and patterns (not used in manufacturing).
- (b) Includes revenues from proprietary fund (e.g., Radio Services) user fees and other revenue which are estimated to result in retained earnings. Revenues in excess of expenditures from proprietary funds that are retained in the appropriate fund and not used to offset the overall county tax levy.

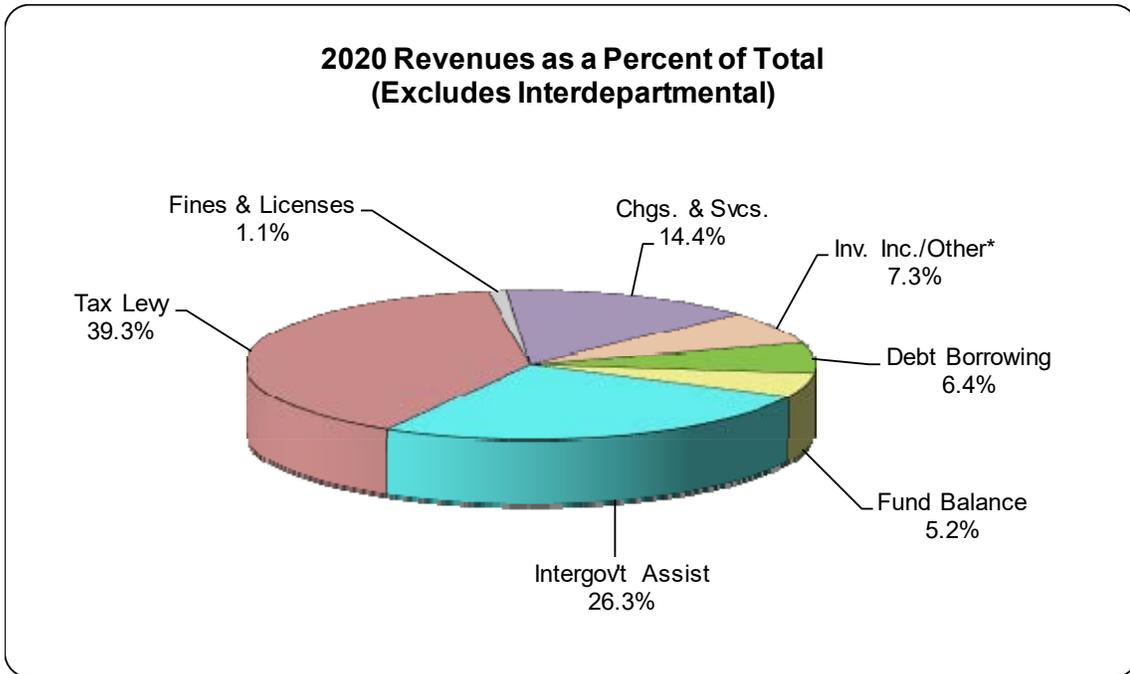
2020 REVENUE HIGHLIGHTS

Revenue Budget:

The 2020 revenue budget (excluding property tax levy, fund balance appropriations and revenue generating proprietary fund retained earnings) totals \$196,011,404, an increase of \$9,893,100 or 5.3% from the 2019 Adopted Budget. The revenue budget includes \$40,289,700 of interdepartmental revenues (mostly from internal service funds, e.g., Health and Dental Insurance Fund).

The 2020 budgeted revenues consist of departmental operating revenues at \$173,527,500 and capital project revenues at \$22,483,900 including \$18,000,000 from planned borrowing. Overall, the operating revenues increase nearly \$9.3 million or 5.7% from the prior-year budget, while capital project revenues increase by \$591,800.

The graph below reflects the ratio of revenue sources budgeted for 2020 to all revenue sources (after excluding interdepartmental revenues), with tax levy of 39.3% and Intergovernmental Assistance of 26.3% as the major revenue components.



* Excludes Retained Earnings

Revenue Projection Methodology

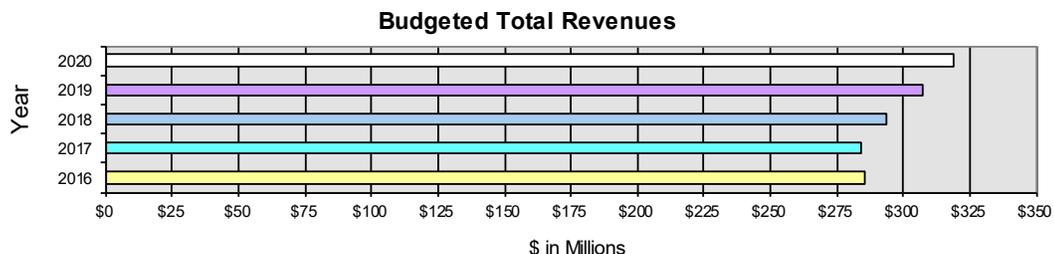
Realistic, conservative and accurate revenue estimates are one of the key building blocks in the development of a fiscally sound budget. The county combines four primary projection methods, mentioned below, based on the unique characteristics of forecasted revenue.

1. Informed and Expert Judgment (e.g., the advice of a department head).
2. Deterministic Techniques (e.g., formula based).
3. Time Series Technique (e.g., trend analysis, rolling averages).
4. Estimates from external sources or appropriated in adopted legislation (e.g., State and Federal governments).

Projection and Trends:

External factors that may impact estimated future revenue trends include a disruption in the economic recovery, a change in the increased interest rate trend impacting county investments, and a change in moderate inflation trends. Also, other impacts which could impact future revenue trends include federal and state budget deficits which will likely result in revenue reductions and the potential for higher future interest rates. Internal factors mainly include user fee rate increases, which help cover the rising costs of services and the ability to collect on client accounts.

The graph below shows the total budgeted revenue trends from all sources for 2016-2020. Total revenues are budgeted to increase \$13.0 million or 4.2% to \$320.3 million.



2020 REVENUE HIGHLIGHTS

A brief summary of the major changes in the past five years to the adopted budget are briefly explained as follows:

The 2020 revenue budget increases by \$13.0 million to \$320.3 million, largely due to increases in intergovernmental contracts and grant revenues of \$5.4 million to \$73.4 million. This includes \$3.1 million in Health and Human Services (HHS) pass-through payments related to the Children’s Long Term Support (CLTS) Third Party Administrator (TPA) program, another \$460,000 in case management revenues and state reimbursement of indirect costs as part of a state mandate to eliminate the CLTS wait lists, and \$578,000 in state allocations to support growing child protective and juvenile justice cases. Charges for services increases \$1.3 million to \$40.2 million, partially due to increases in HHS client fee revenues of \$404,600 for psychological and social rehab programming in the Community Recovery Services (CRS) program. Interdepartmental revenues increase \$1.2 million to \$40.3 million, largely due to increases in Non-Departmental-Health and Dental Insurance Fund premiums charged to county departments and employees, reflecting a 5% premium rate based on trends. Debt borrowing to fund capital project expenditures increases \$500,000 to \$18.0 million. Fund balance appropriations increase \$1.26 million, and the county general tax levy (excluding the special library tax) increases \$1,839,437 or 1.76%.

The 2019 revenue budget increased by \$13.7 million to \$307.3 million, largely due to increases in intergovernmental contracts and grant revenues of \$6.1 million to \$68.0 million. This includes \$1.7 million in grant funds for the new Workforce Innovation and Opportunity Act (WIOA) Fund program to provide services to regional residents to find employment, a \$2.4 million increase in capital project funding mostly related to intergovernmental cost share revenues for trail improvements, and the new state personal property aid payment of \$744,000 offsetting the loss of tax levy resulting from a new state law exempting machinery, tools, and patterns (not used in manufacturing, which were mostly already exempt). Charges for services increases \$1.2 million to \$38.9 million, partially due to increases in Health and Human Services Clinical inpatient and outpatient services for psychological and social rehabilitation of nearly \$650,000. Debt borrowing to fund capital project expenditures increases \$5.0 million to \$17.5 million. Fund balance appropriations decrease \$395,400, and the county general tax levy (excluding the special library tax) increases \$940,671 or 0.9%.

The 2018 revenue budget increased by \$9.2 million to \$293.6 million, partially due to increases in other revenue accounts of \$2.68 to \$20.29 million, related to prior year Comprehensive Community Services (CCS) revenue as recognized in the most recent Wisconsin Medical Assistance Cost Report (WIMCR) settlement, and over \$448,000 in additional Materials Recycling Fund (MRF) recycling revenue due to improving market conditions and increased tonnage. Intergovernmental revenues increase \$2.25 million to nearly \$61.9 million largely due to \$1.50 million in Health and Human Services (HHS) pass-through payments related to the Children’s Long Term Support (CLTS) Third Party Administrator (TPA) program, and an increase of \$430,000 in various grant funds aimed at preventing and treating opioid and other drug abuse. Debt borrowing to fund capital project expenditures increases \$2.50 million to \$12.5 million. Fund balance appropriations decrease about \$8,700, and the county general tax levy (excluding the special library tax) increases \$1,623,276 or 1.59%.

The 2017 revenue budget decreased by \$1.10 million to \$284.4 million, largely due to decreases in Intergovernmental revenues of \$1.9 million to \$59.6 million, largely attributable to about \$2 million in municipal contributions for highway capital projects budgeted in 2016 that are not repeated in the 2017 budget. In addition, debt borrowing to fund capital project expenditures decreases \$2 million to \$10 million. This is partially offset by increases in charges for services revenues of \$1.8 million, including higher employee contributions toward health care premiums (5% point cost shift) by \$779,000, increases in HHS-Clinical Services Outpatient Mental Health client fee revenues of \$355,100 for services provided as part of the Comprehensive Community Services (CCS) program and Community Recovery Services (CRS) program, and increases in the Mental Health Center client fee revenue of \$172,300 based on prior year actuals and an intergovernmental agreement with Jefferson County to accept their clients at the facility. Fund balance appropriations increase about \$283,300, and the county general tax levy (excluding the special library tax) increases \$850,947 or less than 1%.

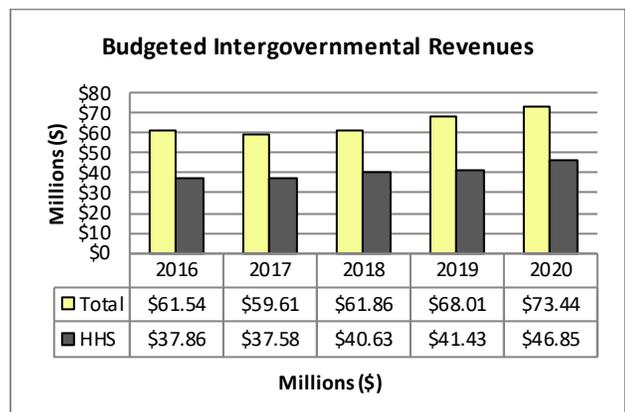
The 2016 revenue budget increased approximately \$8.11 million to \$285.5 million, mostly due to increases in intergovernmental revenues of \$4.3 million to \$61.5 million, related to a \$2.60 million increase in capital project revenues related to local and county highway projects, as well as an increase of \$574,000 pass-through revenues related to the Children with Long Term Support Needs (CLTS) Third Party Administrator (TPA). In addition, debt borrowing to fund capital project expenditures increases \$2 million to \$12 million. Charges for services increase \$693,000 mainly due to increases in HHS-Mental Health Outpatient program revenues related to the Comprehensive Community Services (CCS) program. Other revenues decrease \$255,000 mostly due to reductions in investment income of \$200,000 based on low interest rates. Overall fund balance appropriations increase about \$500,000 and the county general tax levy (excluding the special library tax) increases by \$455,900 or less than 0.50%.

Detailed revenue highlights are included within each functional area summary. A summary of highlights and major changes from the 2019 to the 2020 Revenue Budget, by source, follows.

Intergovernmental Contracts & Grants:

Combined, total 2020 intergovernmental contracts, grants, state/federal aids, and state shared revenues together reflect a budgeted increase of \$5,435,200 or 8.0% from the 2019 Adopted Budget (as indicated below).

- **H&S Functional Area** Intergovernmental Revenue increase by approximately \$5.4 million to nearly \$46.9 million as follows:
 - **Department of Health and Human Services (H&S) – Children with Special Needs Program** includes an increase in case management revenue reimbursements related to the Children’s Long Term Support (CLTS) program of \$3.1 million to \$8.8 million. The increase is mostly due to the state mandate to eliminate



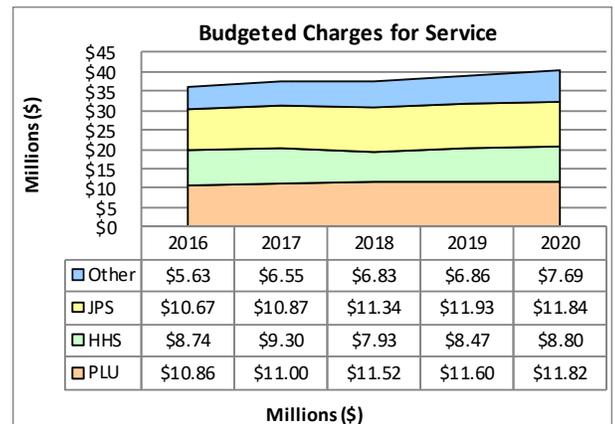
2020 REVENUE HIGHLIGHTS

- CLTS wait lists and an increase in contracted staff and CLTS waiver clients served.
- **H&HS – Children & Family Services Program** increases \$578,000 related to an increase in the state contract allocation of \$550,000. This increase supports the growth in both child protective and juvenile justice cases.
- **H&HS – Children with Special Needs Unit – (includes Birth to Three Program)** increases \$460,400 mostly due to increases in case management revenues and state reimbursement of indirect costs, related to the State mandate to eliminate CLTS wait lists and the subsequent increased volume of both contracted staff and CLTS Waiver clients served.
- **H&HS – Mental Health Outpatient Clinical and Intensive Program** revenues increase \$580,700 largely due to increased grant allocations for the substance use block grant of nearly \$189,700, Women’s Health and Recovery Project of \$100,000, and \$158,000 for the Justice and Mental Health Collaboration program grant to safely reduce low-risk individuals with mental health or substance abuse disorders in local jails.
- **H&HS – Aging and Disability Resource Center (ADRC) Program** increases \$158,300 or 6% related to increased allocations in the supportive services, nutrition, and caregiver support grants.
- **H&HS – Intake and Shared Services Program** increases nearly \$135,000 mostly due to an increase in the allocation of Kinship care assessment revenues of \$106,000.
- The **Transportation Fund’s** budget includes an increase of about \$570,700, mainly due to an increase in Wisconsin Department of Transportation reimbursements for state highway maintenance work of \$253,000 and additional state General Transportation Aid revenue allocated to this fund of \$317,600, partially offset by a decrease of \$55,000 allocated to the Capital Project Fund for county highway repaving.
- **Capital Project** intergovernmental revenues decrease \$623,000 to \$3.3 million, mainly due to a decrease of \$1.1 million in federal, state, and municipal cost share revenues mostly related to the one-time construction of an underpass for the Lake Country Trail underneath State Highway 67 in the city of Oconomowoc and design/engineering of the project to build a 3.5 mile trail between the cities of Brookfield and Pewaukee; a decrease in Community Development Block Grant (CDBG) funding of \$129,000; and a decrease in state General Transportation Aids of \$55,000. This is partially offset by \$445,000 in local cost shares from the City of Brookfield for their share of amenities related to the project to widen CTH M (North Avenue) and \$250,000 from the villages of Menomonee Falls and Sussex for half of the project costs to build a dog exercise area in Menomonee Park.

Fines and Licenses: Fine and license revenues increase \$26,000 or less than 1% to \$3,173,300 in 2020. This includes the **Medical Examiner** with an increase of \$24,000 in cremation permit revenues due to fee increases and the number of permits expected to be issued. The **Parks and Land Use-General Fund** budget includes an increase of \$25,000 in septic permits and \$12,000 in restaurant and retail food licenses. The **Treasurer’s** budget includes a nearly \$25,000 increase in agriculture use conversion penalties based on an increase in real estate activity. This is partially offset by decreases of \$30,600 in **Health and Human Services** intoxicated driver program revenues based on current and prior year history, and \$25,100 in **Circuit Court Services** in various criminal fines and services fees based on trends.

Charges for Services: User fees are budgeted to increase \$1.3 million or 3.4% to approximately \$40.2 million. User fees are charges for specific government services to those who utilize and value certain services. They provide an equitable, proportional user-based charging method to continue service operations without relying solely on property taxes. Major user fees include document recording and real estate transfers; public admission for recreation usage, regulation enforcement, and education within the Parks, Environment, Education and Land Use (PLU) functional area; client treatment, inpatient and outpatient residential services fees in the Health and Human Services (HHS) area; and inmate board, contracted Sheriff patrols, and judicial and public safety related fees (JPS).

- **Health & Human Services (HHS)** functional area charges for service revenues increase by about \$330,700 to \$8.8 million. Community Recovery Services (CRS) Medicaid reimbursements increase \$404,600 for psychological and social rehabilitation services in the Mental Health Outpatient-Intensive program, partially offset by reductions in Comprehensive Community Services (CCS) reimbursements of \$149,200. In addition, client fees increase \$69,000 related to increased charges for services provided under the state mandated 24/7 crisis intervention program.
- **Justice and Public Safety (JPS)** functional area charges for service revenues decrease by \$81,500 to \$11.8 million, including a decrease in **Medical Examiner** charges of \$420,600 as a result of restructuring regional medical examiner services, and no longer providing services for Walworth County, resulting in a decrease of \$391,700 in regional contract revenues and \$43,300 in Walworth associated tissue recovery revenues. This is partially offset by an increase in **Sheriff-Jail Prisoner Board** revenues of \$86,900, assuming an increase in WI Department of Corrections holds from 19.17 to 20.23. In addition, **Sheriff-Municipal Patrol Contract** revenues increase \$352,700, reflecting the cost to continue to provide services and a 1.00 FTE Deputy Sheriff for a sunset Deputy Sheriff. **Circuit Court Services** revenues increase \$133,200, largely due to an increase in Guardian Ad Litem (GAL) cost recovery of \$100,000 and rate increases in Family Court of nearly \$30,000 for child custody and visitation studies based on an increase in assigned cases.



- **Parks, Environment, Education & Land use (PLU)** functional area charges for service revenues are budgeted to increase by \$222,500 to \$11.8 million. The increase is largely due to **Parks-General Fund** revenues increasing \$137,600 related to increases of \$94,000 in various park fees (e.g. annual stickers, reservation fees, etc.), and \$22,000 in erosion control fees based on increasing real estate development trends in the county.
- **Public Works** functional area revenues increase \$122,200, and includes an increase in **Airport** revenues of nearly \$82,000 mostly related to new hangar construction, the second fuel farm, and contractual increases on land lease agreements. The **Transportation Fund** also increases \$69,000 mostly related to municipal salt sales.

2020 REVENUE HIGHLIGHTS

Interdepartmental Revenues: 2020 interdepartmental revenues increase approximately \$1.17 million, or 3%, to \$40,289,700. Interdepartmental revenues are primarily related to internal service fund charges and cross-charges for services provided by one county department to another, which are in essence double-budgeted. These charges are originally funded through an external revenue source or tax levy in the service consumer (user) department budgets.

- **Non-Departmental-Health and Dental Insurance Fund** interdepartmental revenues consist of the county's share of employee health and dental premiums and are budgeted to increase by \$1.08 million or 6.2% to \$18.6 million mainly due to a budgeted 5% premium rate increase to county departments and employees to offset cost increase related to higher claim costs.
- Interdepartmental revenues in the **Public Works Functional Area** increase by about \$153,700 to \$8.1 million, largely due to increases in department charges for vehicle replacements of nearly \$80,500 to \$3.3 million related to increasing vehicle/equipment prices, improved technology, and regulatory requirements, as well as a \$57,100 increase in the Transportation Fund related to increased reimbursements for the sale of salt and services provided to other county departments.
- **DOA – Risk Management Fund** charges increase \$92,000 or 4%, related to increases in liability insurance costs.
- **DOA – General Fund** and **Non-Departmental-General Fund** revenues decrease \$152,100 mainly due to reductions in indirect cost recovery charged to county departments.

Other Revenues:

Other revenues (before excluding retained earnings) from various sources decrease \$141,500 or less than 1% in the 2020 Budget to a total of \$20.3 million.

- **Parks – Material Recycling Fund (MRF)** material sales revenues decreases \$1.1 million, reflecting a reduction in the revenue per ton of recyclable materials from \$100/ton to \$66/ton, based on current year trends in recycling revenues, a global decline in market demand for recyclable materials, as well as the impact from a revised agreement with the private MRF operator approved by the County Board in mid-2019.
- **Capital Project** contributions increase \$700,000 for several projects in 2020, largely due to \$484,300 in donated funds for a new, expanded parking lot at the Minooka Park mountain bike trail.
- Investment income in the **Treasurer's** budget increases \$350,000 reflecting improved rates of return on invested funds, but is partially offset by decreases in penalty and interest on delinquent taxes of \$140,000 as these revenues continue to decline.
- **Circuit Court Services** increase \$166,500 due to \$142,500 in Court Ordered Recoveries and a \$24,000 in investment income.
- **DOA – General Fund** recoveries revenues decrease \$133,400 due to the transfer of the 1.00 FTE Workforce Development Center Coordinator to the American Job Center Fund.

Debt Financing:

The 2020 Budget includes borrowing of \$18 million to finance a major portion of 2020 capital projects, an increase of \$500,000 from the 2019 Adopted Budget.

Appropriated Fund Balance:

To reduce the 2019 Tax Levy (for 2020 Budget purposes), the budget includes fund balance appropriations of approximately \$14.5 million for one-time projects and temporary expenditures or to phase-in the impact of significant revenue losses or new expenses, an increase of \$1.26 million from the previous year. This includes \$10.6 million for the operating budgets and \$3.9 million for the capital projects budget, summarized below:

Fund Balance Use in Fund / Department Budgets	General Fund	Special Revenue Funds	Internal Service Funds	Enterprise Funds	Capital Fund	Debt Service Fund	Component Unit	Total
Administration - General Fund	\$38,000							\$38,000
Admin - American Job Center Fund		\$50,000						\$50,000
Admin - Collections Fund			\$50,000					\$50,000
Admin - End User Tech. Fund			\$768,667					\$768,667
Admin - Risk Mgmt Fund			\$265,500					\$265,500
Airport Fund				\$180,829				\$180,829
Bridges Library System Fund							\$266,782	\$266,782
Capital Projects Budget					\$3,954,900			\$3,954,900
Circuit Court Services	\$70,000							\$70,000
Contingency Fund	\$1,200,000							\$1,200,000
County Clerk Dept.	\$100,000							\$100,000
Debt Service Fund						\$690,279		\$690,279
District Attorney	\$12,000							\$12,000
Emergency Preparedness	\$135,000			\$750,421				\$885,421
Human Services Dept.	\$362,867							\$362,867
Medical Examiner	\$25,000							\$25,000
Non-Departmental	\$672,500		\$2,500,900					\$3,173,400
Parks and Land Use Dept.	\$155,000	\$400,000		\$285,000				\$840,000
Public Works Dept	\$100,000	\$331,500	\$101,083					\$532,583
Sheriff Dept.	\$898,839							\$898,839
Treasurer	\$160,000							\$160,000
UW Extension Dept.	\$2,500							\$2,500
Total by Fund Type	\$3,931,706	\$781,500	\$3,686,150	\$1,216,250	\$3,954,900	\$690,279	\$266,782	\$14,527,567

Tax Levy: The overall 2019 tax levy (for 2020 Budget purposes) is \$109,741,200, which represents an increase of \$1,854,662 or 1.72% from the 2019 Adopted Budget. The total tax levy consists of general county purpose levy of \$106,202,483, a \$1,839,437 or 1.76% increase from the 2019 Adopted Budget, and the special Bridges Library System tax levy of \$3,538,749, an increase of \$15,225 or 0.40% from the 2019 Adopted Budget, which are assessed to municipalities without libraries.

DECISION MAKING CRITERIA FOR NEW POSITIONS

County government has an obligation to meet the needs of its citizens in a fiscally prudent manner. One of the largest costs of government is personnel cost. Unlike capital projects that are paid for in a set period of time, position costs continue each year as long as the position exists. Therefore, before new positions are authorized, a careful review of the justification of these requests is warranted. In reviewing these requests, the following types of questions are asked.

- 1) Does the reason a position is being requested support the strategic plan for the County and the department?
- 2) Can the work be accomplished in any other way?
- 3) Does the proposed position improve customer service?
- 4) Does the proposed position provide direct services as opposed to administrative support, supervision, or management?
- 5) Will the investment in the proposed position allow the department to increase revenues or decrease expenditures beyond the cost of the position?
- 6) Is there outside (non-County Tax Levy) funding available for the proposed position, such as state or federal grants?
- 7) Can the position costs be offset by eliminating or reducing a lower priority function?
- 8) Has the organization been reviewed for efficiency? Is the organization a re-engineering candidate?
- 9) What will be the effect if the proposed position is not created?

BUDGETED POSITIONS 2018-2020

SUMMARY BY FUNCTIONAL AREA

*****BUDGETED POSITIONS ONLY*****

FUNCTIONAL AREAS:	2018 Year End	2019 Adopted Budget	2019 Modified Budget	2020 Adopted Budget	19-20 Change
Justice and Public Safety	551.90	558.90	558.90	555.40	(3.50)
Health and Human Services	429.84	433.50	433.50	437.60	4.10
Parks, Env., Educ., and Land Use	128.28	128.93	128.93	130.54	1.61
Public Works	137.60	135.60	135.60	135.60	-
General Administration	125.40	125.00	125.00	125.20	0.20
Non-Departmental	-	-	-	-	-
Total Regular Positions Countywide	1,373.02	1,381.93	1,381.93	1,384.34	2.41
Temporary Extra Help	122.32	117.50	117.50	113.53	(3.96)
Overtime	24.08	24.88	24.88	24.39	(0.49)
Total Position Equivalents Countywide	1,519.42	1,524.30	1,524.30	1,522.26	(2.04)

This chart includes the number of positions that are authorized and funded with the exception of position overfills.

Significant Changes for 2020

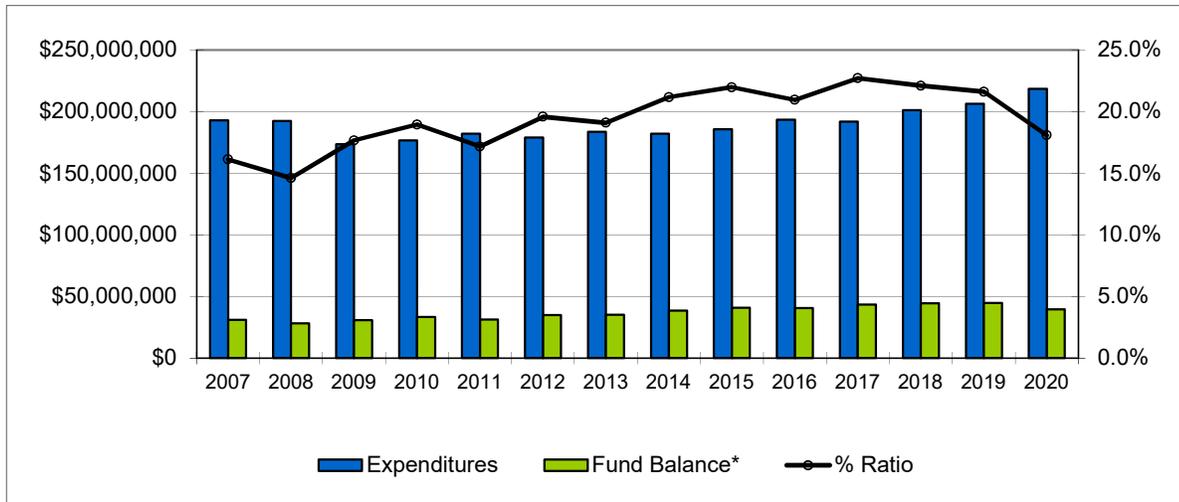
- Budgeted Full Time Equivalents (FTEs) decreases by a net of 2.04 FTE, including temporary extra help and overtime.
- There is a net increase of 2.41 FTE budgeted regular positions, mostly due to the creation of 16.84 FTE positions. Regular part time positions are increased by a net of 0.32 FTE. This is offset by the abolishment of 9.25 FTE. Also, 4.50 FTE are unfunded in 2019 and 2.00 sunset positions are eliminated.
- Temporary extra help decreases a net of 3.96 FTE or about 8,200 hours.
- Budgeted overtime decreases a net of 0.49 FTE or about 1,000 hours.

For more detail, see the Stats/Trends Section for the Regular Full-Time/Part-Time Budget Position Summary, the Summary of Net Change in Funded Regular Full-Time/Part-Time Positions and Budget Position Detail Summary for individual departments.

Current-Year Changes in 2019

- Creation of 1.00 FTE by enrolled ordinance (174-019)

GENERAL & SPECIAL REVENUE FUNDS
Expenditures, Unassigned Fund Balance



Expenditures and Unassigned Fund Balance
 General and Special Revenue Funds

Year	Expenditures	Unassigned Fund Balance*	% Ratio
2007	\$192,949,494	\$31,116,045	16.1%
2008	\$192,284,111	\$28,084,566	14.6%
2009	\$173,554,267	\$30,647,610	17.7%
2010	\$176,668,309	\$33,470,181	18.9%
2011	\$182,118,157	\$31,279,803	17.2%
2012	\$178,864,749	\$35,018,044	19.6%
2013	\$183,572,744	\$35,044,540	19.1%
2014	\$182,030,739	\$38,529,672	21.2%
2015	\$185,600,393	\$40,785,044	22.0%
2016	\$193,403,740	\$40,511,885	20.9%
2017	\$191,779,767	\$43,537,265	22.7%
2018	\$201,198,925	\$44,464,888	22.1%
2019	\$206,446,518	\$44,618,134	21.6%
2020	\$218,373,420	\$39,489,563	18.1%

Policy and Practice

The County will maintain unrestricted fund balances to provide necessary working capital to avoid cash flow interruptions and short-term borrowing to fund daily operations and to maintain the County's Aaa/AAA bond ratings.

The unassigned governmental (general and special revenue) fund balance to governmental expenditures ratios will be maintained at a minimum of 11%. The current target is between 15 and 16%, or about eight weeks of working capital for operations.

Fund balance reserves will not be used to offset continuous operating costs.

To the extent possible, reserves will be used to provide operating efficiencies over the long term.

*Does not include unrealized gains or losses on investments. While the County typically holds these investments to maturity or life of the security, generally accepted accounting principles require that these investments be recorded at their fair value.

SUMMARY OF FUND BALANCE PROJECTIONS

Projections of fund balance are an indicator of the estimated financial condition of the County at year-end. Fund balances are projected separately for General, Special Revenue, Enterprise, Internal Service, Debt, and Capital Project Fund types. For a description of the County's financial structure see the Strategic Planning and Budget Policies Section of the 2020 Adopted Budget. For descriptions of funds see the Summary section.

December 31, 2019 (unaudited)

The current year projection (year-end 2019) is based on year-to-date information together with departmental estimates of revenues, expenditures and net transfers for various fund types. Total combined estimates of fund balances at December 31, 2019 are projected at \$180.0 million, a decrease of \$2.9 million from December 31, 2018 year-end combined fund balances. Of the combined fund balance amount, \$137.3 million is non-spendable, restricted, committed (by the Grantor, State Law, County Board, etc.) or assigned for specific future use exclusively within each particular fund. A summary of projected fund balance by fund type is described below.

General Fund Balance - The estimated fund balance for the General Fund at December 31, 2019 is projected at \$57.4 million, a decrease of \$3.3 million from 2018. Revenues were \$1.5 million below expenditures. Net transfers out of the General Fund were \$1.8 million. The unassigned portion of the fund balance is estimated at \$42.8 million, a \$400,000 increase from the 2018 unassigned fund balance of \$42.4 million.

Special Revenue Fund Balance - The December 31, 2019 estimated fund balance is \$8.5 million, a decrease of \$300,000 from 2018. Revenues were \$600,000 over expenditures. Net transfers out of Special Revenue Funds were \$900,000.

Working Capital - The unassigned General Fund balance provides working capital for eleven weeks of operations based on the 2020 expenditure budget. In addition, the ratio of governmental funds unassigned fund balance to governmental expenditures for year-end 2019 is estimated at 21.6%. This estimated percentage exceeds the County's goal of at least 11%, which provides sufficient cash flow for the County's operations. It also exceeds the County's target goal of 15-16%.

SUMMARY OF FUND BALANCE PROJECTIONS, Cont.

Enterprise Fund Balance – Year-end 2019 fund balance is projected at \$51.8 million, a decrease of \$1.9 million from 2018. The enterprise funds include three golf courses, two indoor ice arenas, radio services, a materials recycling facility, and an airport. Enterprise fund balances include non-spendable capital assets.

Internal Service Fund Balance - Year-end 2019 fund balance is estimated at \$24.9 million, a decrease of \$3.0 million from 2018. Internal service fund balances include non-spendable capital assets.

Debt Service Fund Balance - Year end 2019 fund balance is estimated at \$2.1 million, an increase of \$900,000 from 2018.

Capital Projects Fund Balance – Year-end 2019 fund balance is projected at \$34.1 million, an increase of \$4.1 million from 2018. The entire fund balance is reserved for existing capital projects until the projects are closed. Fund balances remaining may be reserved to fund future capital projects.

December 31, 2020

The year-end 2020 projection is based on 2020 budgeted revenues, expenditures, and estimates on completion of capital projects appropriated in prior years. At year-end 2020, total combined fund balances are estimated at \$164.8 million, a decrease of \$15.3 million from the estimated 2019 level. Of the estimated combined year end 2020 total fund balance, \$127.1 million is restricted, committed or assigned specific future use within the particular funds, and \$37.6 million is estimated to be the unassigned fund balance. This is an estimated decrease in unassigned fund balance of about \$5.0 million from year-end 2019.

General Fund Balance - The estimated fund balance for the General Fund is projected at \$51.3 million, a decrease of \$6.1 million from the 2019 estimate. This decrease results from the planned fund balance use of \$3.9 million in the 2020 budget and transfers out of \$2.2 million. Transfers out include \$846,000 for capital projects, \$560,000 for debt service, \$250,000 for end user technology, and \$215,500 for risk management.

The unassigned portion of the fund balance is estimated at \$37.6 million.

Special Revenue Fund Balance - The December 31, 2020 estimated fund balance is \$7.6 million, a decrease of \$900,000 from 2019. This decrease results from the planned use of fund balances in the 2020 budget of \$781,000, and transfers out of \$118,500.

Working Capital - The ratio of governmental funds unreserved fund balance to governmental expenditures for year-end 2020 is estimated at 18.1%, a decrease from the 21.6% estimate for year-end 2019.

**SUMMARY OF PROJECTED FUND BALANCE
AS OF DECEMBER 31, 2019**

SCHEDULE 1

	General Fund	Special Revenues	Enterprise	Internal Service	Debt Service	Capital Projects	Component Unit	Totals
Revenues:								
General Intergovernmental	\$43,256,655	\$19,912,883	\$1,050,313	\$ 32,400	\$ -	\$3,500,000	\$1,303,039	\$69,055,290
Taxes	86,223,679	6,639,901	62,563	-	13,904,500	1,055,927	-	\$107,886,570
Fines/Licenses	2,893,621	156,000	-	-	-	-	-	\$3,049,621
Charges for Services	26,229,390	550,000	7,769,670	5,635,730	-	-	838,587	\$41,023,377
Interdepartmental Revenue	4,227,286	624,000	560,113	32,715,412	-	-	-	\$38,126,811
Interest Income	3,500,000	-	-	-	200,000	325,000	-	\$4,025,000
Other Revenue	9,896,980	1,457,138	72,775	1,848,773	524,348	17,825,000	24,822	\$31,649,836
Total Revenues	\$176,227,611	\$29,339,922	\$9,515,434	\$40,232,315	\$14,628,848	\$22,705,927	\$2,166,448	\$294,816,505
Expenditures:								
Personnel Costs	\$108,175,013	\$9,990,042	\$3,003,358	\$5,574,014	\$ -	\$ -	\$ 655,429	\$127,397,856
Operating Expenses	54,683,436	13,501,488	6,891,406	36,993,300	-	-	1,406,311	\$113,475,941
Interdepartmental Charges	13,983,118	5,196,641	1,492,518	556,851	-	-	129,665	\$21,358,793
Fixed Assets/Capital Projects	872,030	44,750	-	-	-	\$20,104,415	-	\$21,021,195
Debt Service	-	-	-	-	14,491,429	-	-	\$14,491,429
Total Expenditures	\$177,713,597	\$28,732,921	\$11,387,282 (A)	\$43,124,165 (A)	\$14,491,429	\$20,104,415	\$ 2,191,405	\$297,745,214
Excess of Revenues over/(under)								
Expenditures (A)	(\$1,485,986) (B)	\$607,001	(\$1,871,848) (B)	(\$2,891,850) (B)	\$137,419 (B)	\$2,601,512 (B)	(\$24,957)	(\$2,928,709) (B)

Footnotes:

(A) Net of capital projects expenditures and revenues.

(B) Negative amounts reflect planned use of restricted, committed, or assigned fund balances for one time or temporary purposes.

**SUMMARY OF PROJECTED FUND BALANCE
AS OF DECEMBER 31, 2019**

SCHEDULE 2

	General Fund	Special Revenues	Enterprise	Internal Service	Debt Service	Capital Projects	Component Unit	Totals
Fund Balance December 31, 2018	\$60,668,498	\$8,785,197	\$53,660,620	\$27,994,728	\$1,182,087	\$30,000,234	\$663,397	\$182,954,761
Restricted/Committed/Assigned Fund Balance	18,252,623	8,785,197	53,660,620	27,994,728	1,182,087	30,000,234	663,397	140,538,886
Unassigned Fund Balance January 1, 2019	\$42,415,875	\$0	\$0	\$0	\$0	\$0	\$0	\$42,415,875
Excess of Revenues over (under) Expenditures (A)	(1,485,986)	607,001	(1,871,848)	(2,891,850)	137,419	2,601,512	(24,957)	(2,928,709)
Net Operating Transfers in (out)	(1,793,189)	(899,610)	0	(158,452)	760,000	1,480,000	611,251	0
Excess of Revenues & Other Financing Sources over (under) Expenditures	(\$3,279,175)	(\$292,609)	(\$1,871,848)	(\$3,050,302)	\$897,419	\$4,081,512	\$586,294	(\$2,928,709)
Total Projected Fund Balance Dec. 31, 2019	57,389,323	8,492,588	51,788,772	24,944,426	2,079,506	34,081,746	1,249,691	180,026,052
Restricted/Committed/Assigned Fund Balance	14,633,655 (B)	8,492,588	51,788,772 (C)	24,944,426 (C)	2,079,506	34,081,746	1,249,691	137,270,384
Total Projected Unassigned Fund Balance	\$42,755,668	\$0	\$0	\$0	\$0	\$0	\$0	\$42,755,668

Footnotes:

- (A) Negative amounts reflect planned use of restricted, committed, or assigned fund balances for one time or temporary purposes.
 (B) Includes \$5,971,957 assigned in the 2020 Budget.
 (C) The Enterprise and Internal Service Fund balances include fixed assets and may include some unreserved funds.

**SUMMARY OF PROJECTED FUND BALANCE
AS OF DECEMBER 31, 2020**

SCHEDULE 3

	General Fund	Special Revenues	Enterprise	Internal Service	Debt Service	Capital Projects	Component Unit	Totals
Fund Balance December 31, 2019	\$57,389,323	\$8,492,588	\$51,788,772	\$24,944,426	\$2,079,506	\$34,081,746	\$1,249,691	\$180,026,052
Restricted/Committed/Assigned Fund Balance	14,633,655	8,492,588	51,788,772	24,944,426	2,079,506	34,081,746	1,249,691	137,270,384
Unassigned Fund Balance January 1, 2020	\$42,755,668	\$0	\$0	\$0	\$0	\$0	\$0	\$42,755,668
Excess of Revenues over (under) Expenditures (A)	(3,931,706)	(781,500)	(2,339,900)	(3,301,869)	(690,279)	(3,954,900)	(250,482)	(15,250,636)
Net Operating Transfers in (out)	(2,203,000) (B)	(118,500)	200,000	465,500	560,000	1,096,000	-	0
Excess of Revenues & Other Financing Sources over (under) Expenditures	(\$6,134,706)	(\$900,000)	(\$2,139,900)	(\$2,836,369)	(\$130,279)	(\$2,858,900)	(\$250,482)	(\$15,250,636)
Total Projected Fund Balance Dec. 31, 2020	51,254,617	7,592,588	49,648,872	22,108,057	1,949,227	31,222,846	999,209	164,775,416
Restricted/Committed/Assigned Fund Balance	13,627,520	7,592,588	49,648,872 (C)	22,108,057 (C)	1,949,227	31,222,846	999,209	127,148,319
Total Projected Unassigned Fund Balance	\$37,627,097	\$0	\$0	\$0	\$0	\$0	\$0	\$37,627,097

Footnotes:

(A) Budgeted fund balances are responsible for the deficit figures.

(B) Includes planned transfer out of \$846,000 for Capital Projects, \$560,000 for Debt Service, \$250,000 for End User Technology, and \$215,500 for Risk Management.

(C) The Enterprise and Internal Service Fund balances include fixed assets and may include some unreserved funds.

FUNCTIONAL AREA SUMMARY BY FUND TYPE

2020 BUDGET

REVENUES	GENERAL FUND (a)	SPECIAL REVENUE	COMPONENT UNIT	ENTERPRISE	INTERNAL SERVICE	DEBT	CAPITAL PROJECTS	TOTAL
JUSTICE & PUBLIC SAFETY	\$19,588,624			\$1,304,977				\$20,893,601
HEALTH & HUMAN SERVICES	\$58,287,134	\$3,537,523						\$61,824,657
PARKS, ENV., EDUC., LAND USE	\$9,478,704	\$4,893,538	\$2,236,873	\$7,070,220			\$1,119,300	\$24,798,635
PUBLIC WORKS	\$476,728	\$13,242,740		\$1,074,404	\$7,467,888		\$1,430,500	\$23,692,260
GENERAL ADMINISTRATION	\$8,627,597	\$369,821			\$10,119,431		\$19,934,073	\$39,050,922
NON DEPARTMENTAL	\$1,027,000				\$24,039,100			\$25,066,100
FUND BALANCE APPROPRIATION	\$3,931,706	\$781,500	\$266,782	\$1,216,250	\$3,686,150	\$690,279	\$3,954,900	\$14,527,567
RETAINED EARNINGS	\$0	\$0	(\$16,300)	\$1,085,810	(\$384,281)			\$685,229
TAX LEVY	\$87,455,679	\$6,675,126	\$0	\$0	\$0	\$14,254,500	\$1,355,927	\$109,741,232
TOTAL REVENUES	\$188,873,172	\$29,500,248	\$2,487,355	\$11,751,661	\$44,928,288	\$14,944,779	\$27,794,700	\$320,280,203
EXPENDITURES								
JUSTICE & PUBLIC SAFETY	\$65,195,998			\$1,736,511			\$14,196,000	\$81,128,509
HEALTH & HUMAN SERVICES	\$85,299,714	\$3,537,523					\$330,000	\$89,167,237
PARKS, ENV., EDUC., LAND USE	\$14,984,226	\$8,832,287	\$2,487,355	\$8,759,917			\$3,023,800	\$38,087,585
PUBLIC WORKS	\$8,702,216	\$16,710,617		\$1,255,233	\$7,236,971		\$10,039,900	\$43,944,937
GENERAL ADMINISTRATION	\$11,699,418	\$419,821			\$11,151,317	\$14,944,779	\$0	\$38,215,335
NON DEPARTMENTAL (a)	\$2,991,600				\$26,540,000		\$205,000	\$29,736,600
TOTAL EXPENDITURES	\$188,873,172	\$29,500,248	\$2,487,355	\$11,751,661	\$44,928,288	\$14,944,779	\$27,794,700	\$320,280,203

(a) Includes Contingency Fund.

APPROPRIATION UNIT SUMMARY BY FUND TYPE

2020 BUDGET

REVENUES	GENERAL FUND (a)	SPECIAL REVENUE	COMPONENT UNIT	ENTERPRISE	INTERNAL SERVICE	DEBT	CAPITAL PROJECTS	TOTAL
INTERGOVT. CONTRACTS/GRANTS	\$48,549,922	\$19,225,985	\$1,338,488	\$1,050,000	\$32,100		\$3,244,073	\$73,440,568
FINES & LICENSES	\$3,036,840	\$136,500	\$0	\$0	\$0			\$3,173,340
CHARGES FOR SERVICES	\$26,998,579	\$986,292	\$874,139	\$6,026,383	\$5,275,918			\$40,161,311
INTERDEPART. REVENUES	\$4,204,023	\$706,680	\$3,000	\$572,878	\$34,803,157			\$40,289,738
OTHER REVENUES	\$14,696,423	\$988,165	\$21,246	\$1,800,340	\$1,515,244		\$19,239,800	\$38,261,218
FUND BALANCE APPROPRIATION	\$3,931,706	\$781,500	\$266,782	\$1,216,250	\$3,686,150	\$690,279	\$3,954,900	\$14,527,567
RETAINED EARNINGS	\$0	\$0	(\$16,300)	\$1,085,810	(\$384,281)			\$685,229
TAX LEVY	\$87,455,679	\$6,675,126	\$0	\$0	\$0	\$14,254,500	\$1,355,927	\$109,741,232
TOTAL REVENUES	\$188,873,172	\$29,500,248	\$2,487,355	\$11,751,661	\$44,928,288	\$14,944,779	\$27,794,700	\$320,280,203
EXPENDITURES								
PERSONNEL COSTS	\$112,037,963	\$10,570,468	\$778,424	\$3,230,455	\$5,937,824			\$132,555,134
OPERATING EXPENSES	\$61,721,638	\$12,983,373	\$1,574,747	\$7,021,730	\$38,399,459			\$121,700,947
INTERDEPARTMENTAL CHARGES	\$14,407,321	\$5,401,907	\$134,184	\$1,499,476	\$591,005			\$22,033,893
FIXED ASSETS & IMPROVEMENTS	\$706,250	\$544,500	\$0	\$0	\$0		\$27,794,700	\$29,045,450
DEBT SERVICE	\$0	\$0	\$0	\$0	\$0	\$14,944,779		\$14,944,779
TOTAL EXPENDITURES	\$188,873,172	\$29,500,248	\$2,487,355	\$11,751,661	\$44,928,288	\$14,944,779	\$27,794,700	\$320,280,203

(a) Includes Contingency Fund.