

Summary

TABLE OF CONTENTS

WAUKESHA COUNTY

BUDGET SUMMARY

2016 Tax Levy Summary – Impact on Homeowner	25
2016 Budget Assumptions	26
2016 Budget Summary	27
2016 Budget Summary by Functional Area by Agency by Fund.....	28
Tax Levy	
Comparison Charts by Functional Area	30
Tax Levy Table by Function	31
Expenditures	
2014-2016 Expenditures Summary Table	32
2016 Expenditure Highlights	33
Pie Chart Expenditures as a Percent of Total by Function.....	33
Revenues	
2014-2016 Revenue Summary Table	40
2016 Revenue Highlights	41
Pie Chart Revenues as a Percent of Total by Source.....	41
Decision Making Criteria New Positions	
& Budgeted Position Summary by Functional Area	45
Fund Balance Projections	
Summary of Projected Fund Balance	47
Functional Area Summary by Fund Type	
Summary of Projected Fund Balance	52
Appropriation Unit Summary by Fund Type.....	
Summary of Projected Fund Balance	53

2016 TAX LEVY SUMMARY

Impact on Homeowners

The Waukesha County Tax Levy is comprised of two segments. The general County Tax Levy of \$100,948,152, which is levied at a rate of \$2.04 (down from \$2.08) per \$1,000 of equalized value on all eligible property in the County. The Federated Library System Levy of \$3,464,119, which is levied at a rate of \$0.283 (down from \$0.286) per \$1,000 of taxable properties in communities without a library.

Due to the varied assessment ratios of equalized values determined by the State Department of Revenue and property value changes (inflation/deflation), the tax bill impact on a specific property will vary. Waukesha County's median home value for 2015 adjusted from the 2000 census (the last time the long form was used to collect this information), is \$251,000. This is up \$4,700 from the 2014 value reflecting the County-wide average residential inflation rate of 1.9%. This results in no change in the County Tax Levy on the median home value as indicated below.



General County Tax Levy

2014 Median Home Value	2014 County Tax	Residential Inflation	2015 Median Home Value	2015 County Tax	Change Amount	Change Percent
\$246,300	\$512	1.90%	\$251,000	\$512	\$0	0.0%

Homeowner County Taxes over 10 years Increase of \$1.20 (less than 1/4%) per Year

<u>Budget Year</u>	<u>Median Home Value</u>	<u>Rate / \$1,000</u>	<u>Tax</u>
2007	\$273,200	\$1.83	\$500
2016	\$251,000	\$2.04	\$512
Net 10-Year \$ Increase: \$12		10-Year Average:	0.24%

2016 BUDGET ASSUMPTIONS

Certain broad assumptions are determined in April through June 2016 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 are used in guiding the County's 2016 Budget development:

- Overall inflation factor estimates assumed for calculating the cost to continue to provide existing County services are projected to be moderate around 2% in 2016. Some major exceptions include cost rate increases for prescription drugs and medical services.
- The 2015-2017 state budget did not include significant revenue changes in major state revenue funding areas, however there are specific areas of impact.
 - The Human Services basic community aids, youth aids and the court support grant remained stable. General Transportation Aids recovered from prior year reductions.
 - State funding for Economic Assistance included targeted increases for FoodShare new job training requirements and additional Child Care administration work. Targeted increases are also included for additional foster care through age 21 and family post unification services. The state recycling grant included a decrease in the State budget.
- In addition, significant revenue issues, linked to a slower economic recovery also impact the 2016 budget. Impacts include the following:
 - Investment Income budget is estimated to be reduced by \$200,000 to \$3,408,000 reflecting continued low rates of return on invested funds. Higher interest rates are expected beginning in 2016, but are not expected to impact investment income until the 2017 budget as bond portfolios turnover. Also, the 2016 budget for estimated Delinquent Taxes Penalty and Interest (P&I) is reduced by \$55,000 to \$2,823,000 as Delinquent Taxes outstanding continued to decline during 2014.
 - The real estate market has shown increased property sales with expected increases in real estate transfer fees of \$60,000 to \$1,428,500. This is offset by a reduction of \$130,000 in document recording fees due to reductions in home mortgage refinancing.
- Net Personnel cost appropriations are expected to be held below 2% and are being controlled with the help of lower health insurance costs based on increased participation in lower-cost health savings account plans and other modifications. Increased retirements and entry level replacements are also a factor.
- Average fuel costs for vehicles are budgeted to remain at \$3.80 per gallon, the first time no increase in several year's budgets. Consumption is estimated to increase slightly from the 2015 level resulting in higher fuel costs budgeted countywide by an estimated \$21,000.
- Net utility costs are estimated to increase from the 2016 adopted base budget levels by \$44,000 or 2%, for anticipated increases in natural gas costs in 2014. Costs are maintained through prior-year energy efficiency improvements (e.g., lighting replacement, more efficient boilers/chillers).
- After reductions in tax levy for debt service in the last two budgets due to favorable debt refinancing over several years, the debt service tax levy increases by almost \$160,000. The increase will accommodate larger bond issues anticipated by the five year capital plan which includes a significant courthouse project. To help provide funding for the Operating budget in 2016, Capital project tax levy is estimated to be reduced by \$103,000.

2016 BUDGET SUMMARY

	2015 Adopted Budget	2016 Budget	Incr/(Decr) From 2015 Adopted Budget	
			\$	%
OPERATING BUDGETS				
Gross Expenditures	\$261,237,732	\$264,710,001	\$3,472,269	1.33%
MEMO: Less Interdept. Charges (a)	\$37,627,250	\$37,930,939	\$303,689	0.81%
MEMO: Net Expenditures (a)	\$223,610,482	\$226,779,062	\$3,168,580	1.42%
Less: Revenues (Excl. Retained Earnings)	\$148,791,057	\$151,348,108	\$2,557,051	1.72%
Less Net Appropriated Fund Balance	\$10,380,063	\$10,696,622	\$316,559	
TAX LEVY - OPERATING BUDGETS	\$102,066,612	\$102,665,271	\$598,659	0.59%
CAPITAL PROJECTS BUDGET				
Expenditures	\$16,141,400	\$20,782,800	\$4,641,400	28.8%
Less: Revenues	\$11,767,500	\$16,328,000	\$4,560,500	38.8%
Less: Appropriated Fund Balance	\$2,523,900	\$2,707,800	\$183,900	
TAX LEVY-CAPITAL PROJECTS BUDGET	\$1,850,000	\$1,747,000	(\$103,000)	-5.6%
COUNTY TOTALS				
Expenditures (a)	\$277,379,132	\$285,492,801	\$8,113,669	2.9%
Less: Revenues	\$160,558,557	\$167,676,108	\$7,117,551	4.4%
Less: Appropriated Fund Balance	\$12,903,963	\$13,404,422	\$500,459	
County General Tax Levy (Excl Library)(c)	\$100,492,252	\$100,948,152	\$455,900	0.45%
Federated Library Tax Levy (b)	\$3,424,360	\$3,464,119	\$39,759	1.2%
Total County Tax Levy (c)	\$103,916,612	\$104,412,271	\$495,659	0.48%

(a) 2016 operating budget net expenditures are \$226,779,062 and total County net expenditures are \$247,561,862 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 Federated Library tax applied to those communities without a library.

(c) The Tax Levy (for 2016 Budget purposes) increase is within Wisconsin's Act 55 Tax Levy limit provisions (see Planning and Budget Policy Section).

2016 Budget Tax Levy Breakdown

(General County and Federated Library)

	2015 Adopted Budget	2016 Budget	Incr/(Decr) From 2015 Adopted Budget	
			\$	%
General County Tax Levy	\$100,492,252	\$100,948,152	\$455,900	0.45%
General County Tax Rate	\$2.0813	\$2.0418	(\$0.0395)	-1.90%
General County Equalized Value	\$48,283,418,200	\$49,440,690,500	\$1,157,272,300	2.40%
Federated Library Tax Levy	\$3,424,360	\$3,464,119	\$39,759	1.16%
Federated Library Tax Rate	\$0.2863	\$0.2830	(\$0.0033)	-1.15%
Federated Library Equalized Value	\$11,960,623,400	\$12,239,774,800	\$279,151,400	2.33%

2016 BUDGET SUMMARY BY FUNCTIONAL AREA BY AGENCY BY FUND

AGENCY NAME	2016 ADOPTED BUDGET				Tax Levy
	EXPEND.	REVENUES	NET FUND BALANCE	TAX LEVY	\$ Change '15 - '16
JUSTICE AND PUBLIC SAFETY					
EMERGENCY PREPAREDNESS					
General	\$6,198,863	\$409,650	\$349,841	\$5,439,372	\$57,489
Radio Services	\$1,811,697 (a)	\$2,092,590	(\$280,893)	\$0	\$0
Radio Svcs. Rtn'd. Earn.	\$0	(\$280,893)	\$280,893	\$0	\$0
Radio Svcs. Fund Bal. Appr.	\$0	(\$751,723)	\$751,723	\$0	\$0
DISTRICT ATTORNEY	\$2,512,876	\$679,539	\$0	\$1,833,337	\$26,000
CIRCUIT COURT SERVICES	\$9,262,381	\$3,702,200	\$20,000	\$5,540,181	(\$34,300)
MEDICAL EXAMINER	\$2,202,659	\$1,247,049	\$0	\$955,610	(\$24,700)
SHERIFF	<u>\$39,016,226</u>	<u>\$10,987,935</u>	<u>\$256,469</u>	<u>\$27,771,822</u>	<u>\$195,000</u>
Subtotal: Justice & Public Safety	\$61,004,702	\$18,086,347	\$1,378,033	\$41,540,322	\$219,489
HEALTH AND HUMAN SERVICES					
CORPORATION COUNSEL					
Child Support (General Fund)	\$2,473,725	\$2,131,542	\$0	\$342,183	\$6,721
HEALTH & HUMAN SERVICES					
Human Services (General Fund)	\$69,950,099	\$44,436,980	\$95,141	\$25,417,978	\$37,000
Aging and Disability Resource Center Contract (ADRC) Fund	<u>\$3,166,363</u>	<u>\$3,166,363</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Subtotal: Health and Human Services	\$75,590,187	\$49,734,885	\$95,141	\$25,760,161	\$43,721
PARKS, ENVIR, EDUC. & LAND USE					
REGISTER OF DEEDS	\$1,337,809	\$3,052,110	\$275,000	(\$1,989,301)	(\$33,000)
UW-EXTENSION: EDUCATION	\$579,929	\$216,466	\$13,700	\$349,763	\$0
FEDERATED LIBRARY					
County	\$3,464,119	\$0	\$0	\$3,464,119	\$39,759
State Aids	\$1,647,682	\$1,547,682	\$100,000	\$0	\$0
CAFÉ Shared Automation	\$357,639	\$418,719	(\$61,080)	\$0	\$0
CAFÉ Rtn'd. Fund Balance	\$0	(\$61,080)	\$61,080	\$0	\$0
PARKS & LAND USE					
General	\$11,802,265	\$4,503,255	\$70,000	\$7,229,010	(\$57,000)
Community Development	\$2,949,112	\$2,949,112	\$0	\$0	\$0
Land Information Systems	\$770,066	\$770,066	\$0	\$0	\$0
Tarmann Parkland Acquisitions	\$1,000,000	\$200,000	\$800,000	\$0	\$0
Golf Courses	\$3,178,577 (a)	\$3,233,100	(\$54,523)	\$0	\$0
Golf Course Rtn'd. Earnings	\$0	(\$54,523)	\$54,523	\$0	\$0
Golf Course Fund Bal. Appr.	\$0	\$0	\$0	\$0	\$0
Ice Arenas	\$1,180,525 (a)	\$1,082,700	\$97,825	\$0	\$0
Ice Arenas Rtn'd. Earnings	\$0	\$97,825	(\$97,825)	\$0	\$0
Ice Arenas Fund Bal. Appr.	\$0	\$0	\$0	\$0	\$0
Material Recycling Facility	\$4,507,866 (a)	\$4,545,000	(\$37,134)	\$0	\$0
MRF Retained Earnings	\$0	(\$37,134)	\$37,134	\$0	\$0
MRF Fund Bal. Appr.	<u>\$0</u>	<u>(\$1,342,500)</u>	<u>\$1,342,500</u>	<u>\$0</u>	<u>\$0</u>
Subtotal: Parks, Env., Ed. & Land Use	\$32,775,589	\$21,120,798	\$2,601,200	\$9,053,591	(\$50,241)

(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.

2016 BUDGET SUMMARY BY FUNCTIONAL AREA BY AGENCY BY FUND

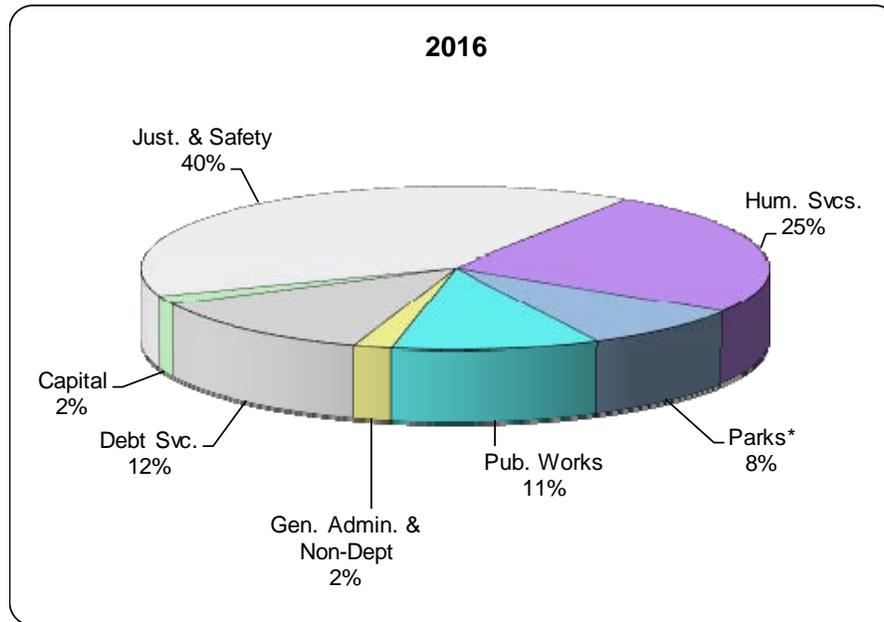
AGENCY NAME	2016 ADOPTED BUDGET				Tax Levy
	EXPEND.	REVENUES	NET FUND BALANCE	TAX LEVY	\$ Change '15 - '16
PUBLIC WORKS					
DEPARTMENT OF PUBLIC WORKS					
General	\$8,682,178	\$438,383	\$130,000	\$8,113,795	\$145,358
Transportation	\$15,022,600	\$12,034,530	\$88,000	\$2,900,070	(\$125,358)
Central Fleet Maintenance	\$4,090,150 (a)	\$4,091,729	(\$1,579)	\$0	\$0
Central Fleet Rtn'd. Earnings	\$0	(\$1,579)	\$1,579	\$0	\$0
Central Fleet Fund Bal. Appr.	\$0	(\$111,083)	\$111,083	\$0	\$0
Vehicle/Equipment Replacement	\$3,170,208 (a)	\$3,171,437	(\$1,229)	\$0	\$0
Veh. Replace Rtn'd. Earnings	\$0	(\$1,229)	\$1,229	\$0	\$0
Veh. Replace Fund Bal. Appr.	\$0	\$0	\$0	\$0	\$0
Airport	<u>\$1,179,441 (a)</u>	<u>\$826,049</u>	<u>\$200,829</u>	<u>\$152,563</u>	<u>(\$10,000)</u>
Subtotal: Public Works	\$32,144,577	\$20,448,237	\$529,912	\$11,166,428	\$10,000
GENERAL ADMINISTRATION					
COUNTY EXECUTIVE					
General	\$583,365	\$12,000	\$0	\$571,365	\$10,400
COUNTY BOARD	\$1,114,052	\$0	\$0	\$1,114,052	(\$62,713)
COUNTY CLERK	\$676,241	\$235,470	\$85,287	\$355,484	\$43,124
TREASURER	\$687,896	\$6,401,746	\$0	(\$5,713,850)	\$270,000
ADMINISTRATION					
General	\$6,447,002 (b)	\$1,723,048	\$28,000	\$4,695,954	(\$54,900)
Risk Management	\$2,761,728 (a)	\$2,698,300	\$63,428	\$0	\$0
Collections	\$900,312 (a)	\$900,312	\$30,000	(\$30,000)	\$30,000
Collections Fund Bal. Appr.	\$0	(\$86,154)	\$86,154	\$0	\$0
End User Technology	\$7,434,889 (a)(b)(c)	\$7,493,243	(\$58,354)	\$0	\$0
End User Technology Rtn'd. Earn.	\$0	(\$58,354)	\$58,354	\$0	\$0
End User Tech. Fund Bal. Appr.	\$0	(\$846,750)	\$846,750	\$0	\$0
General	<u>\$1,480,744</u>	<u>\$484,680</u>	<u>\$0</u>	<u>\$996,064</u>	<u>(\$4,721)</u>
Subtotal: General Administration	\$22,086,229	\$18,957,541	\$1,139,619	\$1,989,069	\$231,190
NON DEPARTMENTAL					
GENERAL	\$1,906,600	\$1,476,300	\$384,100	\$46,200	(\$15,000)
HEALTH & DENTAL INSURANCE	\$23,348,500 (a)	\$21,524,000	\$1,824,500	\$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	\$26,455,100	\$23,000,300	\$3,408,600	\$46,200	(\$15,000)
DEBT SERVICE--GENERAL	<u>\$14,653,617</u>	<u>\$0</u>	<u>\$1,544,117</u>	<u>\$13,109,500</u>	<u>\$159,500</u>
Subtotal: Operating Budget	\$264,710,001	\$151,348,108	\$10,696,622	\$102,665,271	\$598,659
CAPITAL PROJECTS	\$20,782,800	\$16,328,000	\$2,707,800	\$1,747,000	(\$103,000)
GRAND TOTAL	<u>\$285,492,801</u>	<u>\$167,676,108</u>	<u>\$13,404,422</u>	<u>\$104,412,271</u>	<u>\$495,659</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.

(b) For the 2016 Budget, the Information Technology Solutions program (levy funded) is shifted from the Department of Administration (DOA) – End User Technology Internal Service Fund to the DOA – General Fund. History has been restated for comparability purposes.

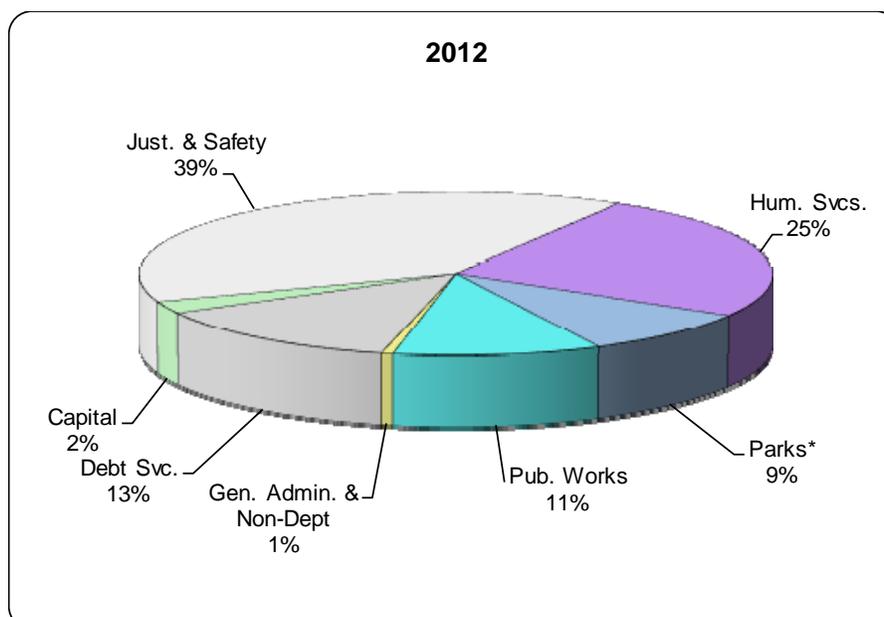
(c) For the 2016 Budget, the Department of Administration (DOA) - Communications Fund is shifted into the DOA - End User Technology Fund and is now reflected as a program within the fund. History has been restated for comparability purposes.

TAX LEVY BY FUNCTIONAL AREA



Tax Levy Trends:

- **Justice & Safety:** The 1% Tax Levy increase in this functional area is mainly due to jail support costs in the Sheriff's Department, Emergency Preparedness – Communication Center Expansion (including dispatching for the City of New Berlin) and no increase in State grant funds to Circuit Court Services in the past decade.
- **Parks:** The 1% Tax Levy decrease in this functional area is related to the department adjusting to tighter county tax levy targets and the need to maximize alternative funding sources.
- **General Administration:** The Tax Levy increase of 1% is related to an increase in county tax levy assigned to the Treasurer's budget to offset an anticipated decrease in investment income revenues.
- **Debt Service:** The Tax Levy decrease of 1% in Debt Service is related to lower borrowing costs in recent years during bond issues and through the refinancing of existing debt to more favorable rates.

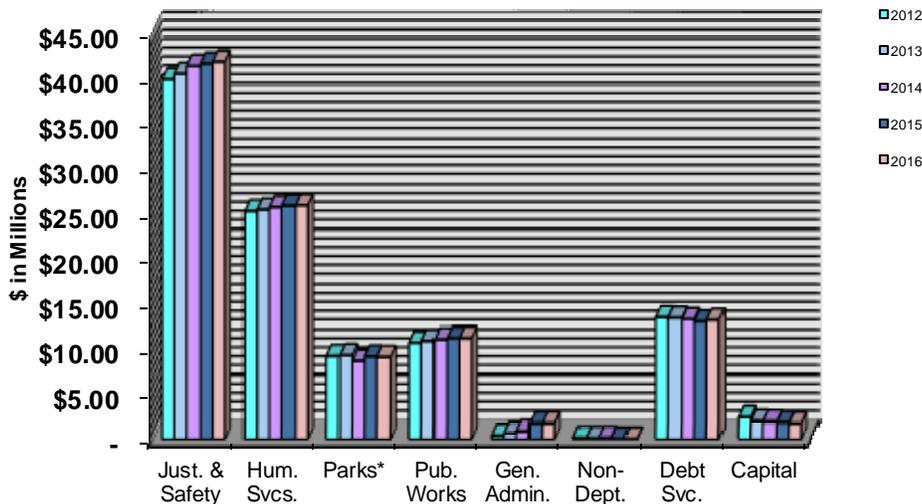


* Includes Parks, Environment, Education, and Land Use

2015-2016 TAX LEVY BY FUNCTION (COMBINES ALL FUNDS)

BY FUNCTION	2015 Adopted Budget		2016 Budget	Incr/(Decr) From 2015 Adopted Budget	
				\$	%
Justice & Public Safety	\$41,320,833		\$41,540,322	\$219,489	0.5%
Health & Human Services	\$25,716,440		\$25,760,161	\$43,721	0.2%
Parks, Env., Educ. & Land Use	\$9,103,832		\$9,053,591	\$(50,241)	-0.6%
Public Works	\$11,156,428		\$11,166,428	\$10,000	0.1%
General Administration	\$1,757,879		\$1,989,069	\$231,190	13.2%
Non-Departmental	\$61,200		\$46,200	\$(15,000)	-24.5%
Debt Service	\$12,950,000		\$13,109,500	\$159,500	1.2%
Capital Projects	\$1,850,000		\$1,747,000	\$(103,000)	-5.6%
Total Tax Levy	\$103,916,612		\$104,412,271	\$495,659	0.5%

**2012-2016 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

2014 - 2016 EXPENDITURE SUMMARY

APPROPRIATION UNIT	2014 Actual	2015 Adopted Budget	2015 Estimate (a)	2016 Budget	Incr/(Decr) From 2015 Adpt. Budget
Personnel Costs	\$115,906,014	\$118,911,343	\$117,658,527	\$119,791,099	\$879,756
Operating Expenses	\$93,789,069	\$105,789,707	\$101,632,389	\$107,901,267	\$2,111,560
Interdepartmental Charges	\$19,644,927	\$20,352,615	\$20,009,214	\$20,513,368	\$160,753
Fixed Assets & Imprvmnts (a)(b)	\$1,761,470	\$1,564,750	\$1,630,329	\$1,850,650	\$285,900
Debt Service-Excl Proprietary (b)	\$14,117,312	\$14,619,317	\$14,435,806	\$14,653,617	\$34,300
Capital Projects	\$20,353,546	\$16,141,400	\$19,302,945	\$20,782,800	\$4,641,400
Total Expenditures	\$265,572,338	\$277,379,132	\$274,669,210	\$285,492,801	\$8,113,669

FUNCTIONAL AREA	2014 Actual	2015 Adopted Budget	2015 Estimate (a)	2016 Budget	Incr/(Decr) From 2015 Adpt. Budget
Justice & Public Safety (a)	\$59,893,334	\$60,302,142	\$60,376,894	\$61,004,702	\$702,560
Health & Human Services	\$69,753,738	\$74,290,321	\$73,391,328	\$75,590,187	\$1,299,866
Parks, Env., Educ. & Land Use	\$28,253,517	\$32,295,829	\$30,867,457	\$32,775,589	\$479,760
Public Works	\$30,936,994	\$31,878,744	\$31,305,116	\$32,144,577	\$265,833
General Administration	\$20,560,343	\$21,812,379	\$21,426,512	\$22,086,229	\$273,850
Non-Departmental	\$21,703,554	\$26,039,000	\$23,563,152	\$26,455,100	\$416,100
Debt Service-Excl Proprietary (b)	\$14,117,312	\$14,619,317	\$14,435,806	\$14,653,617	\$34,300
Capital Projects (a)	\$20,353,546	\$16,141,400	\$19,302,945	\$20,782,800	\$4,641,400
Total Expenditures	\$265,572,338	\$277,379,132	\$274,669,210	\$285,492,801	\$8,113,669

(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.

2016 EXPENDITURE HIGHLIGHTS

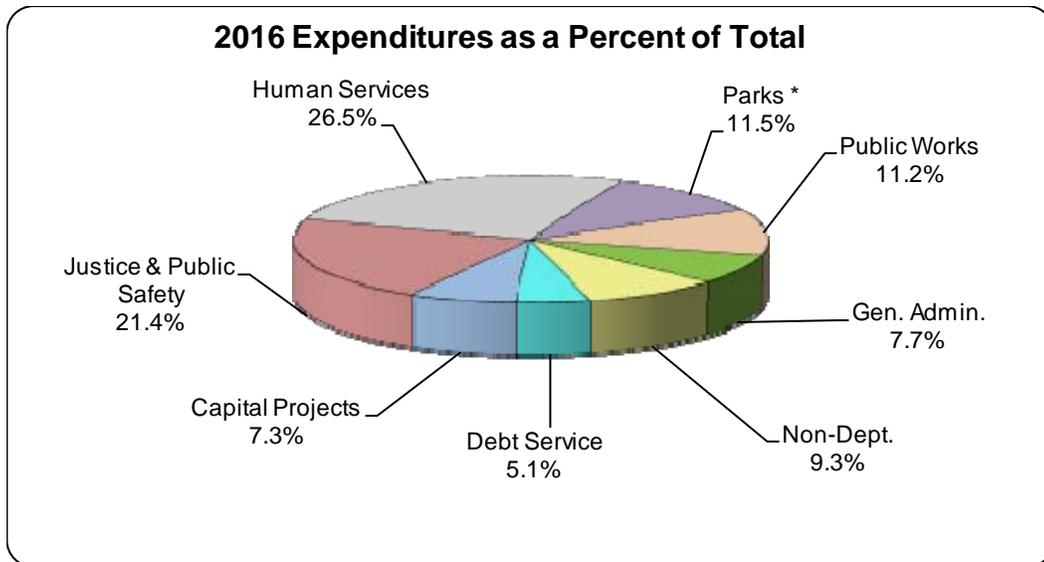
Expenditure Budget:

The 2016 total gross expenditure budget is \$285,492,801, an increase of \$8,113,669 or 2.9% from the 2015 adopted budget. The 2016 budget appropriations consist of departmental operating budget and debt service expenditures totaling \$264,710,001 and capital project spending of \$20,782,800. The total operating budget increases by \$3,472,269 or 1.3% from the 2015 adopted operating budget while capital project expenditures increase by \$4,641,400 or 28.8% from the 2015 adopted budget.

The net total operating expenditure budget after excluding \$37,930,939 of interdepartmental charges, mainly from Internal Service Funds (which are double budgeted), is \$226,779,062, an increase of \$3,168,580 or 1.4%.

The budget includes net personnel costs totaling \$119.8 million or about 45% of the total operating expenditure budget. Personnel costs are budgeted to increase by about \$879,800, or 0.7% from the 2015 adopted budget level.

Operating expenditures (including purchased services, operating expenses and interdepartmental charges) increase by about \$2.3 million or 1.8% from \$126.1 million in the 2015 budget to \$128.4 million in this budget. Fixed assets and improvement expenditures (excluding capital projects) are budgeted at \$1.9 million, an increase of \$285,900 from the 2016 budget. Debt service payments are budgeted at \$14.7 million which is an increase of \$34,300 from the 2015 budget level or about 6.9% 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	\$61,004,702	21.4%
Human Services	\$75,590,187	26.5%
Parks *	\$32,775,589	11.5%
Public Works	\$32,144,577	11.2%
Gen. Admin.	\$22,086,229	7.7%
Non-Dept.	\$26,455,100	9.3%
Debt Service	\$14,653,617	5.1%
Capital Projects	<u>\$20,782,800</u>	7.3%
Total Expenditures	\$285,492,801	100.0%

* Includes Parks, Environment, Education and Land Use

2016 EXPENDITURE HIGHLIGHTS

A brief summary of the major changes in the past five adopted budgets are explained below:

The 2016 expenditure level increases 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 of budgeted position changes of \$287,100.

The 2015 Budget expenditure level decreases by \$4.69 million to \$277.4 million. This reflects an \$11.85 million reduction in capital project expenditures, mostly due to the removal of \$9.6 million related to the upgrade of the upgrade of the County's public safety radio technology from an analog to a digital signal and the replacement of corresponding radio console equipment at the County's Dispatch Center. This reduction is offset by a \$4.8 million increase in operating expenses, mostly related to a \$1.7 million increase for the Material Recovery Facility (MRF) budget for the implementation of the joint agreement with the City of Milwaukee. Personnel cost increases of \$1.7 million, or 1.5% reflect costs to continue (partially offset by a \$308,400 net reduction for budgeted position changes).

The 2014 Budget expenditure level increases by \$8.3 million to \$282.1 million. This reflects a \$6.65 million increase in operating expenses largely related to a \$3.25 million increase to reflect the State of Wisconsin's opinion that payments the Children with Long-Term Support Needs (CLTS) Third Party Administrator (TPA) makes to service providers must be included in the HHS budget and a \$1.4 million increase to the Health and Dental Insurance Fund budget in Non-Departmental, mainly due to the first time budgeting for a shared on-site medical/wellness center. Personnel costs also increase by \$1.5 million, with cost to continue increases being partially offset with approximately \$459,500 in savings from Sheriff's Department staff (deputies, detectives, and command staff) contributing to the Wisconsin Retirement System.

The 2013 Budget expenditure level decreases by about \$10.8 million to \$273.8 million. This decrease reflects a \$12 million decrease in capital projects budget spending and includes a \$1.4 million decrease in operating expenses. These decreases are partially offset by an increase of \$1.7 million in net personnel cost appropriations.

The 2012 Budget expenditure level increased by \$16.5 million to \$284.6 million. This increase reflects a nearly \$20 million increase in capital projects budget spending partly offset by lower operating budget expenditures including a \$1.9 million decrease in net personnel costs and a net \$2.3 million decrease in operating expenditures appropriations. A major operating expenditure change mainly related to an Act 32 (State's 2011-13 Biennial Budget) provision, which shifts responsibility for administration of the Health & Human Services (HHS) Children Long Term Support (CLTS) program to a third-party administrator and no longer part of the County budget. The County will no longer make payments to CLTS service provider agencies thus decreasing budgeted expenditures by nearly \$3.5 million. Also, State budget funding reductions of over \$2.75 million require further efforts to reduce County spending appropriations. Federal Community Development funding reductions also resulted in expenditures reductions by nearly \$1.0 million.

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 budget deficits may likely impact local funding policies and services carried out by local governments, changing the way government services are provided. Also, continued 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 emergency 9-1-1 dispatch communications, and future debt service payments as a result of infrastructure projects including the Courthouse renovation and funding of major highway infrastructure projects.

Detailed expenditure highlights are included within each Functional Area Summary. A summary of major 2016 funding changes, which impact expenditures by functional area, follows:

2016 EXPENDITURE HIGHLIGHTS

Justice and Public Safety:

- The 2016 **expenditure budget** for this functional area totals \$61,004,700, an increase of \$702,600 or 1.2% from the 2015 Adopted Budget.
- **Sheriff** expenditures increase \$450,200 or 1.2% on a base of nearly \$39 million. Overall net personnel costs of \$30.6 million are budgeted to increase by \$105,100 or 0.3%. Personnel costs were held to modest increases mostly due to cost to continue existing staff being partially offset with staff turnover, a reduction in insurance costs due to changes in benefit selection, and \$79,200 in cost savings associated with an unfunded deputy sheriff position.
- **Inmate medical** costs are budgeted to increase by \$140,600 or 8.4% to a total cost of \$1.8 million. While the base medical care contract was held to a 2.5% increase, an additional \$103,000 in medical coverage was added to address the needs of the inmate population. **Inmate food** service costs decrease \$4,500 overall to \$631,000 and reflect a reduction to the assumed number of meals (due to a reduced inmate population), partially offset by a slight increase in the cost per meal.
- The **Sheriff's** budget includes interdepartmental **vehicle costs** of \$1.69 million for vehicle replacement, maintenance and fuel. These costs are increasing by approximately \$33,600, mostly due to an overall increase in maintenance costs.
- Also included in the **Sheriff's** budget is \$130,000 in expenditures for the first-year of an equipment replacement plan for non-corrections items (a similar plan already exists for the Jail and Huber facilities). This plan is funded with \$65,000 of prior year seized funds revenues (reserved General Fund balance) and \$65,000 of General Fund balance.
- Expenditures in the **District Attorney's** budget increase \$115,000 to recognize the receipt of a Violence Against Women Act STOP grant in the Prosecution Division, which will fund a State contracted special prosecutor dedicated to cases of violence against women.
- **Emergency Preparedness** General Fund 2016 Budget total expenditures are increased by \$111,500, including personnel cost increases of \$147,600 to reflect cost to continue at the Communications Center. Expenditure increases are partially offset by reduced operating costs to reflect the removal of \$50,000 in one-time funding for a required update to the Pre-disaster Hazard Mitigation Plan. The budget also includes fixed asset costs of \$165,000, mostly for one-time costs associated with a planned upgrade to the CAD system.
- **Radio Services** expenditures increase \$12,800 for cost to continue existing employees and a contractual increase in Radio System maintenance charges.
- The **Medical Examiner's Office** budget includes expenditures of \$74,100 for the creation of 1.0 FTE Deputy Medical Examiner (Pathology Assistant) position. Expenditures for extra help, overtime, and third party extra help (in the operating appropriation unit), were reduced to offset the costs of the position.
- **Circuit Court Services** expenditures increase \$17,100 or about 0.2% to \$9.3 million. Personnel costs are held nearly flat, mostly due to cost to continue existing personnel, partially offset by the unfunding of 1.75 FTE positions (resulting in savings of \$120,900). Two administrative specialist positions were unfunded by 0.5 FTE, making each position part-time beginning in 2016. Also, 0.75 FTE of a social worker position was unfunded in response to the decrease in custody and visitation studies. The department has budgeted \$20,000 in contracted services to meet unanticipated volume increases or service needs. Department-wide operating expenditures are held to an increase of \$12,400, or 0.8% overall, as efforts to incorporate Lean practices and lower case filing volume have contributed to lower operating costs in areas like medical services, court appointed counsel, and jury expenses.

2016 EXPENDITURE HIGHLIGHTS

Health and Human Services

- The 2016 **expenditure budget** for this functional area totals \$75,590,200, an increase of \$1.3 million or 1.7% from the 2015 Budget.
- Health and Human Services will implement a new **Core system** (Netsmart) that will include electronic case files and medical records across the department. This implementation will include increased software maintenance fees, licenses and additional equipment costs by \$312,400.
- **Economic Services Administration and Support Program** expenditures include the addition of two Economic Support Specialist positions utilizing the additional Income Maintenance (IM) Allocation funds from the state for Food Share Employment and Training (FSET) for able-bodied adults without dependents (ABAWD). In addition, 1.0 FTE Economic Support Specialist position in the Patient Protection Affordable Care Act (PPACA) program is reduced or sunset and is replaced by a 1.0 FTE Extra Help in the PPACA program as the funding is being decreased.
- Expenditures (and pass through revenues) for **Children with Long Term Support Needs (CLTS) – Third Party Administrator (TPA)** increase by \$573,900 related to the additional funding from the State of Wisconsin to serve additional children with long term support needs.
- **Juvenile Center** budget includes the full year impact of the transition of Shelter Care services to Lad Lake. This transition includes the reduction of 6.49 FTE (half-year) and reductions in food, medical service and other costs at the Juvenile Center, reflecting fewer youths housed at the facility. The facility continues to hold male youths for secure detention. The new contract with Lad Lake is budgeted for a full-year at nearly \$814,000 (as opposed to only a half year for 2015).
- **Aging & Disability Resource Center (ADRC) General Fund – Community Services** program expenditures (and revenues) increase \$432,000. The increase mostly reflects the reallocation of 2.66 FTE (\$319,000) ADRC administration staff to the ADRC – General fund from the ADRC - Contract Fund. Also, food service costs for Home Delivered and Senior dining meals expenditures increases \$70,300.
- **Mental Health Outpatient-Clinical** expenditures decrease nearly \$144,700 or 1.8%, mainly due to a budgeted reduction in State mental health institute costs of \$184,000 to \$1.38 million as the department attempts to implement alternative forms of treatment for clients. In addition, pharmaceutical costs decrease \$62,900 due to more clients presenting with health insurance. This decrease is partially offset by an increase in personnel costs of \$98,300, and includes 2.00 FTE new Clinical Therapists as a result of the reclassification of 2.00 FTE Senior Substance Abuse Counselors. These position classifications may claim a higher Medicaid reimbursement rate, and perform cross-program treatments for clients seeking treatment for mental health and substance abuse problems.
- **Mental Health Center (MHC)** expenses increase \$361,300 mainly due to the incremental shifting of several positions from the outpatient program areas to more appropriately account for the services being performed at the Mental Health Center. In addition, prescription medications are increased \$47,800 due to the increased use of long-acting formulations and newly released treatments. Building maintenance charges decrease \$67,900 related to less need for building repairs and maintenance projects than the previous year.
- **Criminal Justice Collaborating Council (CJCC)** expenditures increase about \$32,800, related to the department receiving a 2-year federally funded drug court enhancement grant of \$96,600. This grant will maintain client capacity in the drug court program at 50 participants. In addition, drug court programming will continue to include funds from the state Treatment Alternatives and Diversion (TAD) grant of \$142,900. The TAD grant provides case management, drug testing, and medication-assisted treatment to participants enrolled in the drug court program. In addition, the budget includes an increase of \$25,500 or a 1.5% increase to most contracted client services. These increases are partially offset by the end of the earlier federally funded drug court grant in June 2015 of \$94,600.

2016 EXPENDITURE HIGHLIGHTS

Parks, Environment, Education, and Land Use

- The 2016 **expenditure budget** for this functional area totals \$32,775,600, an increase of nearly \$479,800 (after excluding proprietary fund capitalized fixed asset item purchases), or 1.5% from the 2015 adopted budget.
- The **Federated Library System State Aids Fund** budget will implement a two-county library system with Jefferson County. State Aid-funded expenditures (and offsetting revenues) increase \$258,108 due to increased costs related to courier delivery services as well as the addition of a 1.00 FTE Librarian responsible for the central cataloging of library books and materials. In addition, as a result of increased efficiencies and greater use of technology, the department is reducing a full-time Administrative Specialist to a part-time (0.50 FTE) position.
- **Parks and Land Use – Material Recovery Facility (MRF) Fund** budget will undergo another year of transition in 2016, as it reflects a full year of operations to process single-stream recyclable materials in the newly remodeled joint-facility located in the City of Milwaukee’s Menomonee Valley. Expenditures are budgeted to increase \$171,400 to \$4.5 million, largely due to an increase of \$110,500 in depreciation due to 2016 being the first full year of depreciation on the county’s share of equipment at the facility, as well as a \$77,500 increase in repair and maintenance costs related to scheduled maintenance and repair of items at the joint facility. Community dividend payments are budgeted to increase approximately \$43,000 to \$1.84 million, largely due to the potential addition of three new municipalities that may join the Waukesha County Recycling Program.
- The **Register of Deeds (ROD)** budget includes a reduction in personnel costs of \$80,100, mostly related to the unfunding of 1.00 FTE Administrative Assistant as a result of departmental efficiencies and the cross-training of staff to handle multiple program areas.
- **Parks and Land Use General Fund** Personnel budget increases \$73,500 or less than 1% and includes a 0.75 regular FTE reduction related to the unfunding of a vacant 1.00 FTE Administrative Assistant offset with the refunding of a 0.50 FTE Senior Land Use Specialist to more appropriately address programmatic needs. In addition, to better manage costs without making significant impacts to program coverage and oversight, the budget reclassifies a 1.00 FTE Groundwater Program Coordinator to a 1.00 FTE Lead Environmental Health Sanitarian, reclassifies a 1.00 FTE Senior Land Use Specialist to a 1.00 FTE Land Use Specialist, and unfunds a 0.25 FTE Park Maintenance Worker.
- **Parks and Land Use General Fund** 3 Year Maintenance and Projects are budgeted to increase \$160,900 to \$493,000 and includes: \$70,000 for a fertilizer storage facility at Menomonee Park, \$65,000 to construct Americans with Disability Act (ADA) compliant walkways, ramps and parking lot improvements at UW-Waukesha, \$59,500 to build an accessible fishing pier at Fox Brook Park, \$57,000 for fire hydrant, irrigation system and meter pit repairs and improvements, \$45,000 to demolish structures at the Berg Property and Mukwonago Park, and \$30,000 to install a storm water pond at Fox Brook Park, in addition to several smaller projects.
- **Golf Course** expenditures are reduced \$46,700 overall, including \$134,000 at Moor Downs to reduce annual operating losses and impact on golf course fund balance. Personnel Costs decrease about \$58,400 or 4.3% and reflect the unfunding of 1.00 FTE Golf Supervisor position and 0.75 FTE Park Maintenance Worker at Moor Downs Golf Course, partially offset by an increase of 2.03 FTE temporary extra help and the cost to continue remaining staff.
- **Community Development Block Grant (CDBG)** expenditures for grants to communities through the HOME Investment Partnership Program decrease \$111,600 reflecting a reduction in Department of Housing and Urban Development (HUD) funding.

2016 EXPENDITURE HIGHLIGHTS

Public Works

- The 2016 **expenditure budget** for this functional area totals \$32,144,600 (after excluding proprietary fund capitalized fixed asset item purchases), an increase of \$265,800 or 0.8% from the 2015 Adopted Budget.
- **Road Salt expenditures for County Highway snow removal operations** are budgeted to decrease by about \$21,500 in 2016. Salt rates are increasing \$1.31 per ton or 2.1% from \$62.41 per ton to \$63.72 per ton. Estimated salt usage on County Highways is estimated to remain at the 2015 budgeted level of 16,400 tons. Road salt purchased and then sold to municipalities is budgeted to decrease by about \$112,000 based on a decrease in estimated municipal salt sales by 1,900 tons, from 7,000 tons to 5,100 tons.
- **The State Highway Maintenance** program eliminates nearly 2.0 FTE of temporary (extra help) seasonal patrol worker assistance, budgeted at about \$95,000 in 2015. This workload, used to provide second-shift highway maintenance during the winter, is expected to be absorbed by additional patrol worker staff added in the current-year 2015 budget. This is partially offset by an increase in budgeted overtime by \$19,000 for an additional 0.23 FTE (about 480 hours).
- The **Central fleet Vehicle Fuel** budget assumes no change in fuel price from the 2015 budget at \$3.80 per gallon.
- **State Highway Maintenance operations** work on State roads as directed by as directed by Department of Transportation are budgeted to increase by nearly \$151,000 to about \$5.8 million. This includes \$163,000 of anticipated higher State Routine Maintenance Agreement (RMA) reimbursements. This is partially offset by a \$12,000 decrease in reimbursements for Performance-Based Maintenance (PbM) work.
- **The building improvement maintenance plan** totals \$950,000, which is unchanged from the 2015 budget. The maintenance plan for 2016 is funded with \$850,000 of County Tax Levy and \$100,000 of General Fund Balance, which is a decrease of \$50,000 from the 2015 budget. The goal is to gradually phase out General Fund Balance use in the plan.
- **Energy and Utility budget costs for County facilities** are budgeted to decrease by about \$24,000, mainly due to not budgeting for utility costs at the vacant former Health and Human Services Buildings in 2016. In addition, utility costs at the new Waukesha Employee Health and Wellness center will now be accounted for directly in that budget (Health Insurance Internal Service Fund). Excluding those two facilities, utility costs are budgeted to increase about \$44,200, including natural gas by about \$30,600 and electricity by \$13,600, in anticipation of higher utility rates. Costs are maintained through prior-year energy efficiency improvements (e.g., lighting replacement, more efficient boilers chillers).

General Administration

- The 2016 **expenditure budget** for this functional area totals \$22,086,200 (after excluding proprietary fund capitalized fixed asset item purchases), an increase of about \$273,900 or 1.3% from the 2015 Adopted Budget.
- The **County Clerk's Office** expenditure budget increases by \$129,200, mainly due to an increase for election costs that occur in even-numbered years, when more elections are held.
- The **County Board** budgets expenses to decrease by \$62,700 mostly related to a reduction in the County Board chair position from full time (1.0 FTE) to part time (0.50 FTE) as of the third Tuesday in April of 2016. Also, the County Board office expenditures and tax levy decreases \$28,100 for an administrative position that will be shared with the County Clerk's Office in the 2016 budget
- The **Department of Administration (DOA) End User Technology Fund (EUTF)** expenditure increase of \$170,300 includes \$265,000 to replace high-end laptops in the Sheriff's Department squad cars, partially offset by a \$123,000 reduction in depreciation costs reflecting the overall decline in equipment costs over time leading to a lower asset base being depreciated.
- **DOA-Risk Management** expenditures for 2016 increase by 2.4% or \$65,700 to \$2.8 million. This primarily reflects a change in the County's property insurance provider.

2016 EXPENDITURE HIGHLIGHTS

Non-Departmental

- The 2016 **expenditure budget** for this functional area totals \$26,455,100, an increase of \$416,100 or 1.6% from the 2015 Adopted Budget.
- **Non-Departmental General Fund** – In 2015, with the closure of the Waukesha County Economic Development Corporation, the County convened a workgroup of businesses, business organizations and local municipalities to develop a multi-year business growth strategy for Waukesha County. The County will seek proposals from organizations to serve as the economic development organization for Waukesha County and implement the objectives in the business growth strategy. Waukesha County funds will be leveraged with funds from the City of Waukesha and the Wisconsin Small Business Development Center. The County's budgeted support for an economic development organization increases by \$55,000, from \$95,000 to \$150,000.
- **The Non-Departmental General Fund** also budgets \$50,000 to fund an initial study of different levels of collaboration between independent municipal fire departments. This first study will include municipalities in Lake Country and surrounding municipalities participating and contributing in part to the County's appropriation.
- **The Waukesha Employee Health and Wellness Center (Health and Dental Insurance Fund)** budget decreases by \$22,000 to \$858,600. The budget includes include contracted staffing, estimated at \$496,400; contractor management and consulting fees, estimated at \$200,800; laboratory fees, estimated at \$60,800; facility-related expenses, estimated at \$55,500; \$8,000 for furniture and equipment; and supply and other operational costs, estimated at \$37,100.
- **Waukesha Employee Health and Wellness Center** – Based on the results of the request for proposal process, it is projected that the center will 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.

Debt Service

- The **Debt Service expenditure budget** for general governmental purposes is \$14,653,600, an increase of \$34,300 or 0.2% from the 2015 Adopted Budget. To fund the 2016 Capital Project Budget, \$12 million is planned to be borrowed, which is an increase of \$2 million from the 2015 level. Retiring approximately \$12.7 million of principle in 2016 will reduce the County's total debt outstanding to approximately \$78.6 million, well below the allowable levels set by State statutes.

Capital Projects

- The 2016 **Capital Project expenditure budget** of \$20,782,800 increases \$4,641,400 from the 2015 Adopted Budget. The 2016 Capital Budget identifies funding for existing and new projects at a net County cost of \$16.8 million (after direct project revenues of \$3,353,000 and proprietary fund balance appropriations of approximately \$637,800 are applied).

2014-2016 REVENUE SUMMARY

SOURCE	2014	2015	2015	2016	Incr/(Decr)
	Actual	Adopted Budget (c)	Estimate	Budget	From 2015 Adpt. Budget
Intgov't Contracts & Grants	\$52,200,897	\$51,896,065	\$52,937,819	\$56,086,793	\$4,190,728
State Transportation Aids	\$4,478,931	\$4,478,931	\$4,617,114	\$4,617,114	\$138,183
State Shared Revenues	\$1,151,334	\$845,000	\$845,000	\$835,000	\$(10,000)
Fines & Licenses	\$2,769,996	\$2,704,795	\$2,713,736	\$2,798,157	\$93,362
Charges for Services (a)(c)	\$32,208,476	\$35,361,871	\$34,742,164	\$36,055,087	\$693,216
Interdepartmental Revenue	\$36,276,091	\$37,627,250	\$36,214,471	\$37,930,939	\$303,689
Other Revenues (a)(c)	\$14,352,650	\$11,638,927	\$11,577,074	\$11,639,339	\$412
Interest/Penalty on Delinq Taxes	\$2,726,236	\$2,758,000	\$2,758,000	\$2,703,000	\$(55,000)
Investment Inc-Unrestricted Funds	\$2,469,790	\$3,607,646	\$2,000,000	\$3,407,646	\$(200,000)
Debt Borrowing	\$10,000,000	\$10,000,000	\$10,000,000	\$12,000,000	\$2,000,000
Appropriated Fund Balance	\$8,188,140	\$12,903,963	\$14,206,320	\$13,404,422	\$500,459
Retained Earnings (a)(b)	\$(3,720,983)	\$(359,928)	\$(1,859,100)	\$(396,967)	\$(37,039)
Tax Levy	\$102,470,780	\$103,916,612	\$103,916,612	\$104,412,271	\$495,659
Total Revenues	\$265,572,338	\$277,379,132	\$274,669,210	\$285,492,801	\$8,113,669

FUNCTION	2014	2015	2015	2016	Incr/(Decr)
	Actual	Adopted Budget	Estimate	Budget	From 2015 Adpt. Budget
Justice & Public Safety	\$16,774,968	\$17,921,665	\$17,671,725	\$18,367,240	\$445,575
Health & Human Services	\$46,799,209	\$48,342,734	\$48,928,049	\$49,734,885	\$1,392,151
Parks, Env, Educ & Land Use	\$18,394,479	\$20,870,789	\$20,781,630	\$21,175,710	\$304,921
Public Works	\$20,642,227	\$19,949,821	\$19,716,284	\$20,451,045	\$501,224
General Administration	\$18,700,151	\$19,103,376	\$17,614,490	\$19,015,895	\$(87,481)
Non-Departmental	\$22,357,105	\$22,962,600	\$21,925,700	\$23,000,300	\$37,700
Debt Borrowing	\$10,000,000	\$10,000,000	\$10,000,000	\$12,000,000	\$2,000,000
Capital Projects	\$4,966,262	\$1,767,500	\$1,767,500	\$4,328,000	\$2,560,500
Appropriated Fund Balance	\$8,188,140	\$12,903,963	\$14,206,320	\$13,404,422	\$500,459
Retained Earnings (a)(b)	\$(3,720,983)	\$(359,928)	\$(1,859,100)	\$(396,967)	\$(37,039)
Tax Levy	\$102,470,780	\$103,916,612	\$103,916,612	\$104,412,271	\$495,659
Total Revenues	\$265,572,338	\$277,379,132	\$274,669,210	\$285,492,801	\$8,113,669

(a) Includes revenues from Proprietary Fund (e.g., Radio Services) user fees and other revenue which are estimated to result in retained earnings.

(b) Revenues in excess of expenditures from enterprise funds that are retained in the appropriate fund and not used to offset the overall County Tax Levy.

(c) The 2015 budget has been restated for comparative purposes to the 2016 budget.

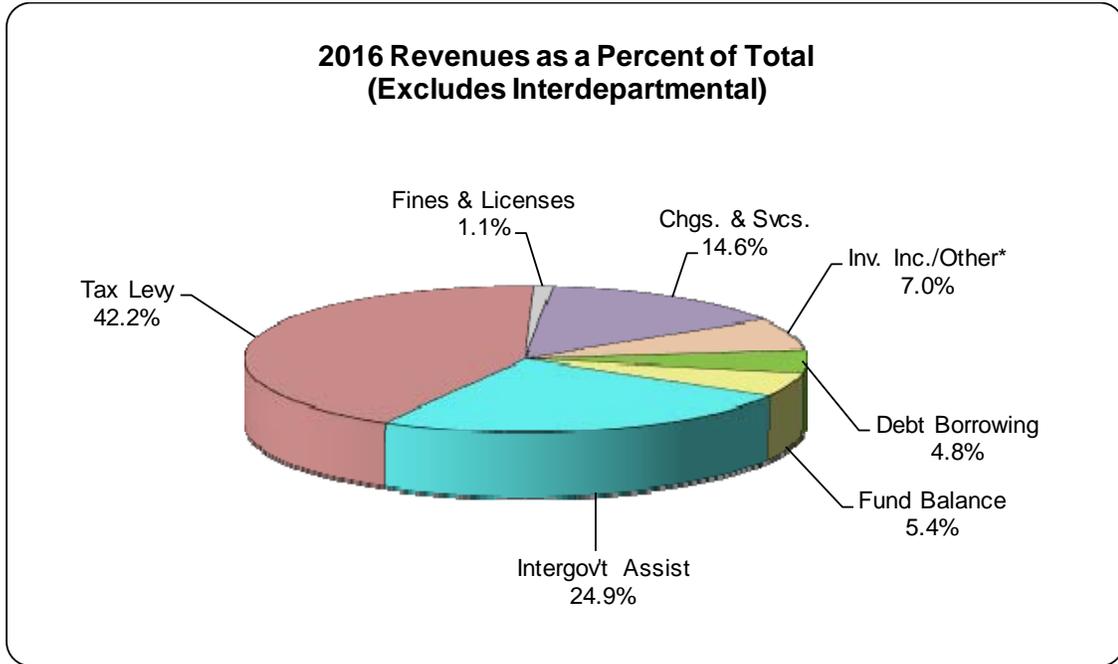
2016 REVENUE HIGHLIGHTS

Revenue Budget:

The **2016 revenue budget (excluding property Tax Levy, Fund Balance appropriations and revenue generating proprietary fund retained earnings) totals \$168,073,075**, an increase of \$7,154,590 or 4.4% from the 2015 Adopted Budget. The revenue budget includes \$37,930,939 of interdepartmental revenues (mostly from internal service funds, e.g., Health and Dental Insurance Fund and cross charges such as Sheriff Bailiff, court security, etc.).

The 2016 revenues consist of departmental operating revenues budgeted at \$151,348,108 and capital project funds at \$16,328,000 including \$12,000,000 from planned borrowing. Overall, the operating revenues increase nearly \$2.56 million or 1.7% from the prior year budget, while capital project revenues increase by \$4.56 million or 38.8%.

The graph below reflects the ratio of revenue sources budgeted for 2016 to all revenue sources, with tax levy of 42.2% and Intergovernmental Assistance of 24.9% (after excluding Interdepartmental revenues) as the major revenue components.



* Excludes Retained Earnings

Revenue Projection Methodology

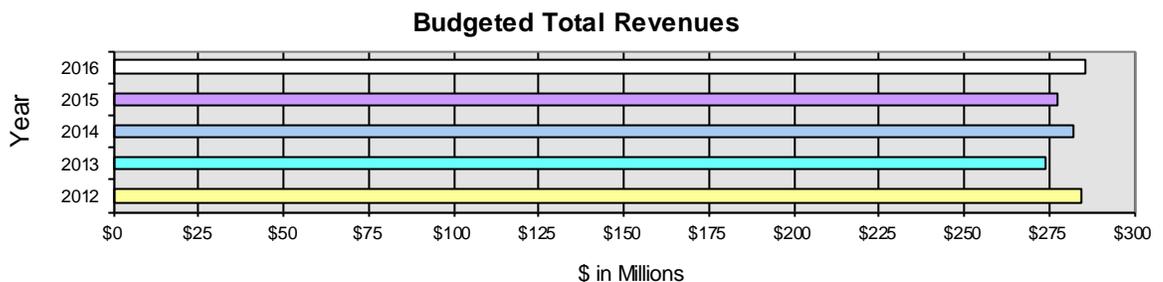
Realistic, conservative and accurate revenue estimates are one of the key building blocks in the development of a fiscally sound budget. The County combines four primary projection methods, mentioned below, based on the unique characteristics of forecasted revenue.

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 continued slow economic recovery, historically low interest rates impacting County investments, moderate inflation, 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 2012-2016. Total revenues are budgeted to increase nearly \$8.11 million or 2.9% to \$285.5 million.



2016 REVENUE HIGHLIGHTS

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

The 2016 revenue budget increases 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 \$574K 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 \$693K mainly due to increases in HHS-Mental Health Outpatient program revenues related to the Comprehensive Community Services (CCS) program. Other revenues decrease \$255K mostly due to reductions in investment income of \$200K based on low interest rates. Overall Fund Balance appropriations increase about \$500K and the County General Tax Levy (excluding the Special Library Tax) increases by \$455,900 or less than 0.50%.

The 2015 revenue budget decreases by nearly \$4.67 million to \$277.4 million, mainly due to decreases in appropriated Fund Balance by nearly \$10 million to \$12.9 million. Intergovernmental revenues increase \$1.4 million related to increases in state pass-through revenues related to the Children with Long Term Support Needs (CLTS) Third Party Administrator (TPA) of \$728K and Public Works State Highway operations funding of \$925K to \$5.6 million. Other revenues increase by \$920K mainly due to Material Recovery Facility budgetary changes related to the new joint operational agreement, resulting in an increase of \$1.45 million, partially offset by a reduction in investment income of nearly \$805,400 based on low interest rates. Charges for services increase \$798,600 and the County General Tax Levy (excluding the Special Library Tax) increases by \$987,100 or less than 1%.

The 2014 revenue budget increases by nearly \$8.3 million to \$282.1 million, largely due to an increase of about \$10.8 million of Fund Balance appropriations to nearly \$23 million. This offsets a decrease of \$7 million of Debt Borrowing to fund capital project expenditures. Intergovernmental revenues increase by \$1.4 million mainly due to increases in the Children with Long-Term Support Needs (CLTS) Third Party Administrator (TPA) grant of \$3.25 million, partially offset by federal and state funding reductions. Charges for Services increase \$1.45 million and the County General Tax Levy (excluding the special Library tax) increases by \$706,630.

The 2013 revenue budget decreases by nearly \$10.8 million to \$273.7 million, including Debt Borrowing decreasing by \$3 million to \$17 million to fund Capital Project expenditures; Overall Fund Balance appropriation reductions of \$8.4 million, including a \$6.8 million drop in the Capital Budget and \$1.5 million less for the Operating budget. Intergovernmental Revenues decline by about \$880,000 due to federal and State funding reductions. User fee charges for services decreases by \$131,586 and the County general tax levy increases (excluding the special Library tax) by \$761,039.

The 2012 revenue budget increases by nearly \$16.5 million to \$284.6 million including Debt Borrowing of \$20 million to fund higher Capital Project expenditures. Interdepartmental Revenues increase by \$1.6 million, including estimated increases in the County's share of health insurance premiums of \$797,000, allocating out the last \$380,000 in charges and related Tax Levy funding from the IT Business and Infrastructure Services program to departments for the total cost of computer ownership, and higher Risk Management and Public Works Charges to departments. Fund Balance appropriation increases by \$6.84 million, mainly for budgeted increases for Capital Projects; a nearly \$645,000 increase in County General Tax Levy; Charges for Service revenue increases by about \$346,600; partially offset by a decrease in Intergovernmental Revenues by over \$3.2 million, mainly due to revenue reductions of over \$2.5 million from the State's 2011-13 Biennial Budget, primarily in H&HS and Public Works.

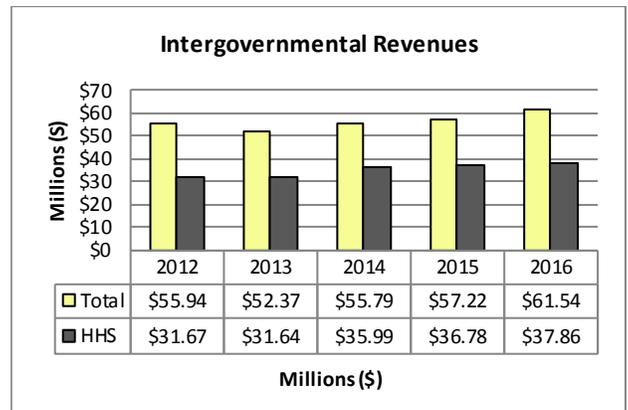
Detailed revenue highlights are included within each functional area summary.

A summary of highlights and major changes from the 2015 Budget to the 2016 Revenue Budget, by source, follows.

Intergovernmental Contracts & Grants:

Combined, total 2016 intergovernmental contracts, grants, state/federal aids and state shared revenues together reflect a budgeted increase of \$4,318,911 or 7.5% from the 2015 Adopted Budget (as indicated below).

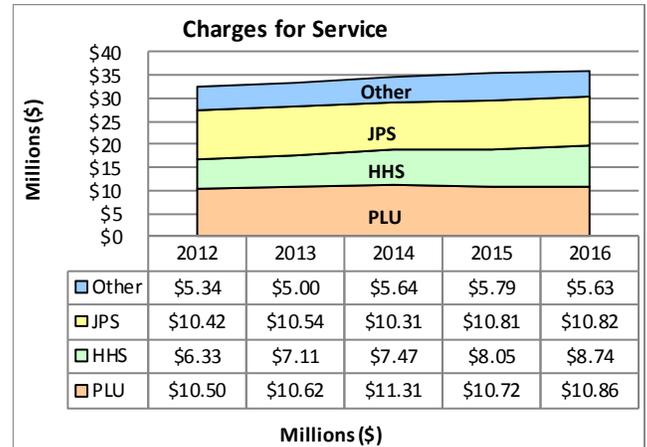
- **Capital Project** intergovernmental revenues increase \$2.6 million to \$4 million mainly due to increases in local share revenue for road projects and County Highway Improvement Plan (CHIP) revenues.
- **H&HS Functional Area** Intergovernmental Revenue increases by \$1.1 million to nearly \$37.9 million as follows:
 - **Department of Health and Human Services (H&HS) – Children with Special Needs Program** includes an increase in pass-through intergovernmental State revenue reimbursements related to the Children's Long Term Support (CLTS) Third Party Administrator (TPA) program of \$574K to serve additional children with long term support needs.
 - **H&HS – Economic Services Administration and Support Program** includes an increase of \$237,200 mostly related to the addition of 2.00 FTE Economic Support Specialist staff to assist with implementing Food Share Employment and Training (FSET) provisions included in the 2015-2017 Wisconsin State Budget, as well as an increase in Income Maintenance funding of \$88,700.
 - **Child and Family Services** intergovernmental revenue includes an increase of about \$141,300 partly due to an increase in State Community Aids of \$94,900 as part of a state initiative to allow children in foster care to continue to receive funding through age 21.



2016 REVENUE HIGHLIGHTS

- **Aging and Disability Resource Center** net General Government revenues increase nearly \$73,000, mainly due to an increase in the Wisconsin Specialized Transportation Grant of nearly \$20K and slight increases in other federal programs.
- General Government Revenues in the **Public Works Functional Area** increase \$289K related to **State Highway Maintenance operations** for work on State roads as directed by DOT increasing by \$151K to nearly \$5.8 million based on anticipated increases in State Routine Maintenance Agreement (RMA) reimbursements, and **State General Transportation Aids (GTA)** funding increases \$138K to \$4.6 million.
- The **District Attorney's** budget includes an increase of about \$107,000, mainly due to a grant related to the Violence Against Women Act, to fund a contracted state special prosecutor dedicated to work on cases of violence against women.
- **Parks and Land Use** budgeted intergovernmental revenues include an increase of nearly \$150K, related to one-time, grant funded, handicap-accessible projects around UW-Waukesha and county maintained facilities.
- **Federated Library** budgeted State Aid revenues increase about \$258,100 to \$1.2 million, related to additional revenues received as a result of the creation of the two-county system with Jefferson County.

Charges for Services: User fees are budgeted to increase nearly \$693,200 or 2% to approximately \$36.1 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 from property owners. 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 or outpatient residential services fees accessed 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 \$683,000 to \$8.7 million, and includes **Clinical Services Division** increases of about \$694,100 to nearly \$7.5 million, related to Mental Health Outpatient Client Fee revenue increases of nearly \$580,700 due to increased funding reimbursements for additional Comprehensive Community Services (CCS) program activities, to provide community living support services, including employment and peer support through psychosocial rehabilitation.
- **Parks, Environment, Education & Land use (PLU)** functional area Charges for Service revenues are budgeted to increase by about \$137,900 to \$10.9 million mainly due to an increase in **Parks-Golf Course** revenues of \$108,100 related to an increase in fees across all courses, reflecting market conditions as reviewed in a 2015 National Golf Foundation study. In addition, **UW-Extension** revenues increase about \$36,200 related to additional workshops and courses for municipal entities related to strategic planning. **Parks-General Fund** charges for services increase about \$58,400 for various park fee increases (e.g. annual park stickers). This increase is partially offset by a decrease in **Register of Deeds** revenues of approximately \$43,400, mainly reflecting a decrease of \$130,000 in document recording fee revenues related to a reduction in home mortgage refinancing activity, partially offset by an increase in Real Estate Transfer fees of \$60,000, reflecting growth in home sales and the real estate market.
- **Public Works** functional area revenues include a \$125,200 decrease in the **Transportation Fund**, due to charges to municipalities for salt purchases, which are anticipated to decrease 1,900 tons from 2015.
- **Justice and Public Safety (JPS)** functional area Charges for Service revenues increase slightly by approximately \$13,000 to \$10.8 million including a \$50,000 increase in **Radio Service Fund** revenues mostly due to an increase in municipal trunk radio operations charges, and an increase in **Sheriff-Municipal Patrol Contract** revenues by \$97,500; partially offset by a decrease of \$51,700 reflecting the reduction of the Norris School District School Resource Officer; and a \$25,000 decrease in process and warrant services based on past history. These increases are further offset by reductions of about \$28,000 in Waukesha County **Medical Examiner** revenues to remove one-time charges for transition services to Walworth County and reduce tissue recovery revenues to better reflect actual service levels. In addition, **Circuit Court Services** revenues decrease about \$35,000 due to reductions in custody and placement evaluation revenues.

Fines and Licenses: Fine and license revenues are budgeted to increase about \$93,400, or 3.5% to \$2,798,200 in 2016, and include the following: **Parks and Land Use** budget includes an increase of \$44,000 in restaurant and retail food licenses, as well as a \$15,000 increase in septic permits, and the **Medical Examiner's** budget includes a \$46,100 increase in cremation permit revenue. This is partially offset by a decrease of \$22,200 in **Circuit Court Services** fines and forfeiture revenues.

Interdepartmental Revenues:

2016 Interdepartmental revenues increase approximately \$303,700 or less than 1% to \$37,930,900. 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 sources or tax levy in the service consumer (user) department budgets.

2016 REVENUE HIGHLIGHTS

- In order to better reflect an increase in Worker's Compensation self-insured claims costs and higher estimated future years claims payments based on historical trends, **DOA-Risk Management** interdepartmental revenue increases by about \$91,200 to \$2.15 million. This fund remains subsidized by General Fund Balance, which is projected to be phased out over future years and is reduced over \$55K in 2016.
- **Non-Departmental-Health and Dental Insurance Fund** interdepartmental revenues are budgeted to increase by \$136,000 or less than 1% to \$17.7 million, and reflects the County's share of insurance premiums charged to operating departments.
- Interdepartmental revenues in the **Public Works Functional Area** increase by about \$60K to nearly \$7.4 million. Department charges for vehicle operations increase nearly \$213,000 including fuel of \$23,000, vehicle repair and maintenance charges of nearly \$149,000, and vehicle replacement charges of \$44,000. Additional items include: Building/Office rental charges decrease nearly \$101,000 for maintenance and services provided to County departments.

Other Revenues:

Other revenues from various sources decrease about \$254,600 or 1.4% in the 2016 Budget to a total of about \$17.7 million.

- The **Office of the Treasurer** investment income decreases by \$200,000 to \$3.4 million due to estimated lower investment rates of return.
- **Department of H&HS – Clinical Division** recovery revenues are budgeted to decrease by about \$155K to \$1.7 million, mainly due to decreases in adult admissions to state mental health facilities that qualify for Medicaid reimbursement.
- **Department of H&HS – Children with Special Needs** revenues are budgeted to decrease \$166K related to pass-through reimbursements of Children's Long Term Support (CLTS) costs for certain vendors unable to directly bill the CLTS third-party administrator.
- The **Public Works-Transportation Fund** includes an increase of \$151K in Highway Safety Improvement Program (HSIP) reimbursements for staff engineering designs of county intersections.
- The **Sheriff** budget also includes an overall increase of \$165K mainly due to inmate phone revenue and merchandise and commission sales.

Debt Financing:

The 2016 Budget includes borrowing of \$12 million to finance a major portion of 2016 capital projects, an increase of \$2 million from the 2015 Adopted Budget.

Appropriated Fund Balance:

To reduce the 2015 Tax Levy (for 2016 Budget purposes), the Budget includes Fund Balance appropriations of \$13.4 million for one-time projects and temporary expenditures or to phase in the impact of significant revenue losses, an increase of about \$500K from the previous year. This includes \$10.7 million for the operating budgets and \$2.7 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	Total
Administration	\$28,000						\$28,000
Administration Internal Service Funds			\$116,154				\$116,154
Admin Dept-Risk Management			\$63,428				\$63,428
End User Tech. Fund			\$846,750				\$846,750
Airport Fund				\$200,829			\$200,829
Capital Projects Budget					\$2,707,800		\$2,707,800
Circuit Court Services	\$20,000						\$20,000
Contingency Fund	\$1,200,000						\$1,200,000
Corporation Counsel Dept.							\$0
County Clerk Dept.	\$85,287						\$85,287
Debt Service Fund						\$1,544,117	\$1,544,117
District Attorney							\$0
Emergency Preparedness	\$349,841			\$751,723			\$1,101,564
Human Services Dept.	\$95,141						\$95,141
Non-Departmental	\$384,100		\$1,824,500				\$2,208,600
Federated Library Fund		\$100,000					\$100,000
Parks and Land Use Dept.	\$70,000	\$800,000		\$1,342,500			\$2,212,500
Public Works Dept	\$130,000	\$88,000	\$111,083				\$329,083
Register of Deeds	\$275,000						\$275,000
Sheriff Dept.	\$256,469						\$256,469
UW Extension Dept.	\$13,700						\$13,700
Total by Fund Type	\$2,907,538	\$988,000	\$2,961,915	\$2,295,052	\$2,707,800	\$1,544,117	\$13,404,422

Tax Levy: The overall 2015 Tax Levy (for 2016 Budget purposes) is \$104,412,271, which represents an increase of \$495,659 or 0.48% from the 2015 Adopted Budget. The total Tax Levy consists of General County Purpose Levy of \$100,948,152, a \$455,900 or 0.45% increase from the 2015 Adopted Budget, and the Special Federated Library Tax Levy of \$3,464,119, an increase of \$39,759 or 1.2% from the 2015 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 2014-2016

SUMMARY BY FUNCTIONAL AREA

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

FUNCTIONAL AREAS:	2014 Year End	2015 Adopted Budget	2015 Modified Budget	2016 Adopted Budget	2016 15-16 Change
Justice and Public Safety	544.90	548.90	548.90	547.15	(1.75)
Health and Human Services	425.06	418.14	421.89	415.44	(2.70)
Parks, Env., Educ., and Land Use	133.20	131.20	131.20	128.20	(3.00)
Public Works	135.60	139.60	139.60	138.60	(1.00)
General Administration	125.55	125.55	125.55	124.65	(0.90)
Non-Departmental	-	-	-	-	-
Total Regular Positions Countywide	1,364.31	1,363.39	1,367.14	1,354.04	(9.35)
Temporary Extra Help	120.72	111.47	111.47	112.48	1.01
Overtime	22.37	22.26	22.26	22.39	0.13
Total Position Equivalents Countywide	1,507.40	1,497.12	1,500.87	1,488.91	(8.21)

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

Significant Changes for 2016

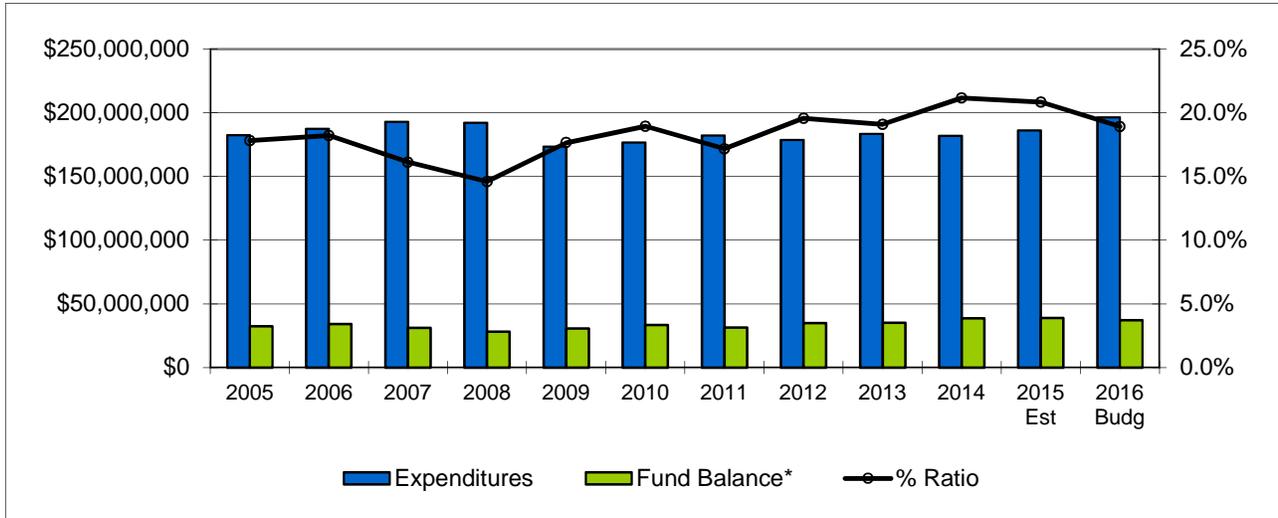
- Budgeted Full Time Equivalents (FTEs) decreases by a net of 8.21 FTE, including temporary extra help and overtime.
- There is a net decrease of 9.35 FTE budgeted regular positions, mostly due to the abolishment of 13.41 FTE including 6.06 FTE related to the full-year staff reductions from the 2015 mid-year transition of Juvenile Center services to Lad Lake. In addition, 1.0 FTE Economic Support Position related to the Patient Protection Affordable Care Act (PPACA) is sunset (reduced) in 2016. Also, 10.75 FTE are unfunded in 2016. This is offset by the creation of 13.0 FTE positions and a 0.31 FTE increase in the Health and Human Service - Weekend Registered Nurse position. Also, 2.5 FTE that were unfunded in prior years are being refunded (1.0 FTE in the Sheriff, 1.0 FTE in County Board Office and 0.50 FTE in Parks and Land Use).
- Temporary extra help increases a net of 1.01 FTE or about 2,100 hours.
- Budgeted overtime increases a net of 0.13 hours or about 270 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 2015

Action	Department	Position	FTE Change
Fund	Human Services & Human Services	Human Services Supervisor	1.00
Unfund	Human Services & Human Services	Sr. Clinical Psychologist	-1.00
Fund	Parks & Land Use	Senior Planner Position	1.00
Unfund	Parks & Land Use	Senior Land Use Specialist	-1.00
2015 CURRENT YEAR FTE CHANGE TOTAL			0.00

**GENERAL & SPECIAL REVENUE FUNDS
Expenditures, Unassigned Fund Balance**



Expenditures and Unassigned Fund Balance
General and Special Revenue Funds

<u>Year</u>	<u>Expenditures</u>	<u>Unassigned Fund Balance*</u>	<u>% Ratio</u>
2005	\$182,433,309	\$32,507,004	17.8%
2006	\$187,410,318	\$34,138,957	18.2%
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 Est	\$186,146,932	\$38,808,494	20.8%
2016 Budg	\$196,492,491	\$37,194,544	18.9%

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 unrestricted 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 operation 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. Prior to the implementation of GASB 54 in 2011, unassigned fund balance was referred to as unreserved, undesignated fund balance.

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 2016 Adopted Budget. For descriptions of funds see the Summary section.

December 31, 2015 (unaudited)

The current year projection (year-end 2015) 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, 2015 are projected at \$173.0 million, a decrease of \$3.4 million from December 31, 2014 year-end combined fund balances. Of the combined fund balance amount, \$134.1 million is restricted or 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, 2015 is projected at \$55.8 million, an increase of \$1.0 million from 2014. Revenues were \$863,000 over expenditures. Net transfers into the General Fund were \$98,000. The unassigned portion of the fund balance is estimated at \$38.9 million, a \$300,000 increase from 2014 unassigned fund balance of \$38.6 million.

Special Revenue Fund Balance - The December 31, 2015 estimated fund balance is \$10.7 million, an increase of \$600,000 from 2014. The increase is primarily due to program income and revolving loan revenues over related expenditures in the Community Development Block Grant Fund. Net transfers out of Special Revenue Funds were \$403,000, which represents a net transfer of unassigned fund balance from the Transportation Fund to the General Fund.

Working Capital - The unassigned General Fund balance provides working capital for ten weeks of operations based on the 2016 expenditure budget. In addition, the ratio of governmental funds unassigned fund balance to governmental expenditures for year-end 2015 is estimated at 20.8%. 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 2015 fund balance is projected at \$50.1, a decrease of \$1.7 million from 2014. The enterprise funds include three golf courses, two indoor ice arenas, radio services, a materials recycling facility, and an airport.

Internal Service Fund Balance - Year-end 2015 fund balance is estimated at \$31.8 million, a decrease of \$300,000 from 2014.

Debt Service Fund Balance - Year end 2015 fund balance is estimated at \$2.2 million, a decrease of \$1.0 million from 2014.

Capital Projects Fund Balance – Year-end 2015 fund balance is projected at \$22.5 million, a decrease of \$1.9 million from 2014. The entire fund balance is reserved for existing capital projects.

December 31, 2016

The year-end 2016 projection is based on 2016 budgeted revenues, expenditures, and estimates on completion of capital projects appropriated in prior years. At year-end 2016, total combined fund balances are estimated at \$160.6 million, a decrease of \$12.4 million from the estimated 2015 level. Of the estimated combined year end 2016 total fund balance, \$123.3 million is restricted, committed or assigned specific future use within the particular funds, and \$37.2 million is estimated to be the unassigned fund balance. This is an estimated decrease in unassigned fund balance of about \$1.6 million from year-end 2015.

General Fund Balance - The estimated fund balance for the General Fund is projected at \$52.5 million, a decrease of \$3.3 million from the 2015 estimate. This decrease results from the planned use of \$2.3 million in the 2016 budget and transfers out of \$900,000. Transfers out include \$230,000 for capital projects, \$450,000 for debt service, \$63,000 for risk management, and \$88,000 for transportation.

The unassigned portion of the fund balance is estimated at \$37.2 million.

Special Revenue Fund Balance - The December 31, 2016 estimated fund balance is \$9.8 million, a decrease of \$839,000 from 2015. This decrease results mainly from the planned use of fund balances in the 2016 budget.

Working Capital - The ratio of governmental funds unreserved fund balance to governmental expenditures for year-end 2016 is estimated at 18.9%, a decrease from the 20.8% estimate for year-end 2015.

**SUMMARY OF PROJECTED FUND BALANCE
AS OF DECEMBER 31, 2015**

SCHEDULE 1

	General Fund	Special Revenues	Enterprise	Internal Service	Debt Service	Capital Projects	Totals
Revenues:							
General Intergovernmental	\$38,741,314	\$17,695,877	\$948,000	\$ 30,700	\$ -	\$1,700,000	\$59,115,891
Taxes	80,988,560	6,449,788	162,563	1,575,701	12,950,000	1,850,000	103,976,612
Fines/Licenses	2,871,898	102,000	-	-	-	-	2,973,898
Charges for Services	23,444,774	1,751,556	5,617,574	3,607,200	-	-	34,421,104
Interdepartmental Revenue	3,497,014	636,000	517,376	31,591,850	-	-	36,242,240
Interest Income	1,537,851	67,000	-	-	70,000	85,000	1,759,851
Other Revenue	8,873,464	1,380,573	2,087,900	1,856,193	95,000	10,250,000	24,543,130
Total Revenues	\$159,954,875	\$28,082,794	\$9,333,413	\$38,661,644	\$13,115,000	\$13,885,000	\$263,032,726
Expenditures:							
Personnel Costs	\$97,764,394	\$9,307,075	\$2,890,491	\$5,120,409	\$ -	\$ -	\$115,082,369
Operating Expenses	47,546,870	12,511,280	6,515,224	33,196,975	-	-	99,770,349
Interdepartmental Charges	12,713,563	4,972,168	1,445,495	585,562	-	-	19,716,788
Fixed Assets/Capital Projects	1,066,959	264,623	-	-	-	\$16,095,000	17,426,582
Debt Service	-	-	-	-	14,435,806	-	14,435,806
Total Expenditures	\$159,091,786	\$27,055,146	\$10,851,210 (A)	\$38,902,946 (A)	\$14,435,806	\$16,095,000	\$266,431,894
Excess of Revenues over/(under) Expenditures (A)	\$863,089	\$1,027,648	(\$1,517,797) (B)	(\$241,302) (B)	(\$1,320,806) (B)	(\$2,210,000)	(\$3,399,168)

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, 2015**

SCHEDULE 2

	General Fund	Special Revenues	Enterprise	Internal Service	Debt Service	Capital Projects	Totals
Fund Balance December 31, 2014	\$54,841,208	\$10,044,991	\$51,815,752	\$32,076,275	\$3,231,387	\$24,386,974	\$176,396,587
Restricted/Committed/Assigned Fund Balance	16,258,360	10,044,991	51,815,752	32,076,275	3,231,387	24,386,974	137,813,739
Unassigned Fund Balance January 1, 2015	\$38,582,848	\$0	\$0	\$0	\$0	\$0	\$38,582,848
Excess of Revenues over (under) Expenditures (A)	863,089	1,027,648	(1,517,797)	(241,302)	(1,320,806)	(2,210,000)	(3,399,168)
Net Operating Transfers in (out)	98,063	(402,646)	(210,925)	(41,073)	280,000	276,581	0
Excess of Revenues & Other Financing Sources over (under) Expenditures	\$961,152	\$625,002	(\$1,728,722)	(\$282,375)	(\$1,040,806)	(\$1,933,419)	(\$3,399,168)
Total Projected Fund Balance Dec. 31, 2015	55,802,360	10,669,993	50,087,030	31,793,900	2,190,581	22,453,555	172,997,419
Restricted/Committed/Assigned Fund Balance	16,940,690 (B)	10,669,993	50,087,030 (C)	31,793,900 (C)	2,190,581	22,453,555	134,135,749
Total Projected Unassigned Fund Balance	\$38,861,670	\$0	\$0	\$0	\$0	\$0	\$38,861,670

Footnotes:

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

(B) Includes \$5,160,397 assigned in the 2016 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, 2016**

SCHEDULE 3

	General Fund	Special Revenues	Enterprise	Internal Service	Debt Service	Capital Projects	Totals
Fund Balance December 31, 2015	\$55,802,360	\$10,669,993	\$50,087,030	\$31,793,900	\$2,190,581	\$22,453,555	\$172,997,419
Restricted/Committed/Assigned Fund Balance	16,940,690	10,669,993	50,087,030	31,793,900	2,190,581	22,453,555	134,135,749
Unassigned Fund Balance January 1, 2016	\$38,861,670	\$0	\$0	\$0	\$0	\$0	\$38,861,670
Excess of Revenues over (under) Expenditures (A)	(2,337,538)	(926,920)	(2,020,327)	(2,870,753)	(1,544,117)	(2,707,800)	(12,407,455)
Net Operating Transfers in (out)	(916,428) (B)	88,000	(421,000)	33,428	510,000	706,000	0
Excess of Revenues & Other Financing Sources over (under) Expenditures	(\$3,253,966)	(\$838,920)	(\$2,441,327)	(\$2,837,325)	(\$1,034,117)	(\$2,001,800)	(\$12,407,455)
Total Projected Fund Balance Dec. 31, 2015	52,548,394	9,831,073	47,645,703	28,956,575	1,156,464	20,451,755	160,589,964
Restricted/Committed/Assigned Fund Balance	15,310,554	9,831,073	47,645,703 (C)	28,956,575 (C)	1,156,464	20,451,755	123,352,124
Total Projected Unassigned Fund Balance	\$37,237,840	\$0	\$0	\$0	\$0	\$0	\$37,237,840

Footnotes:

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

(B) Includes planned transfer out of \$230,000 for Capital Projects, \$450,000 for Debt Service, and \$88,000 for Transportation, and \$63,428 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

2016 BUDGET

REVENUES	GENERAL FUND (a)	SPECIAL REVENUE	ENTERPRISE	INTERNAL SERVICE	DEBT	CAPITAL PROJECTS	TOTAL
JUSTICE & PUBLIC SAFETY	\$17,026,373		\$1,340,867				\$18,367,240
HEALTH & HUMAN SERVICES	\$46,568,522	\$3,166,363					\$49,734,885
PARKS, ENV., EDUC., LAND USE	\$7,771,831	\$5,885,579	\$7,518,300			\$50,000	\$21,225,710
PUBLIC WORKS	\$438,383	\$12,034,530	\$826,049	\$7,152,083		\$3,303,000	\$23,754,045
GENERAL ADMINISTRATION	\$8,856,944			\$10,158,951		\$12,975,000	\$31,990,895
NON DEPARTMENTAL	\$1,476,300			\$21,524,000			\$23,000,300
FUND BALANCE APPROPRIATION	\$2,907,538	\$988,000	\$2,295,052	\$2,961,915	\$1,544,117	\$2,707,800	\$13,404,422
RETAINED EARNINGS	\$0	(\$61,080)	(\$274,725)	(\$61,162)			(\$396,967)
TAX LEVY	\$83,069,019	\$6,364,189	\$152,563	(\$30,000)	\$13,109,500	\$1,747,000	\$104,412,271
TOTAL REVENUES	\$168,114,910	\$28,377,581	\$11,858,106	\$41,705,787	\$14,653,617	\$20,782,800	\$285,492,801
EXPENDITURES							
JUSTICE & PUBLIC SAFETY	\$59,193,005		\$1,811,697			\$2,634,000	\$63,638,702
HEALTH & HUMAN SERVICES	\$72,423,824	\$3,166,363					\$75,590,187
PARKS, ENV., EDUC., LAND USE	\$13,720,003	\$10,188,618	\$8,866,968			\$1,531,800	\$34,307,389
PUBLIC WORKS	\$8,682,178	\$15,022,600	\$1,179,441	\$7,260,358		\$16,297,000	\$48,441,577
GENERAL ADMINISTRATION	\$10,989,300			\$11,096,929	\$14,653,617	\$190,000	\$36,929,846
NON DEPARTMENTAL (a)	\$3,106,600			\$23,348,500		\$130,000	\$26,585,100
TOTAL EXPENDITURES	\$168,114,910	\$28,377,581	\$11,858,106	\$41,705,787	\$14,653,617	\$20,782,800	\$285,492,801

(a) Includes Contingency Fund.

APPROPRIATION UNIT SUMMARY BY FUND TYPE

2016 BUDGET

REVENUES	GENERAL FUND (a)	SPECIAL REVENUE	ENTERPRISE	INTERNAL SERVICE	DEBT	CAPITAL PROJECTS	TOTAL
INTERGOVT. CONTRACTS/GRANTS	\$39,439,930	\$17,124,477	\$888,500	\$33,000		\$4,053,000	\$61,538,907
FINES & LICENSES	\$2,696,157	\$102,000	\$0	\$0			\$2,798,157
CHARGES FOR SERVICES	\$24,387,680	\$1,847,329	\$5,900,738	\$3,919,340			\$36,055,087
INTERDEPART. REVENUES	\$3,588,405	\$599,600	\$526,078	\$33,216,856			\$37,930,939
OTHER REVENUES	\$12,026,181	\$1,413,066	\$2,369,900	\$1,665,838		\$12,275,000	\$29,749,985
FUND BALANCE APPROPRIATION	\$2,907,538	\$988,000	\$2,295,052	\$2,961,915	\$1,544,117	\$2,707,800	\$13,404,422
RETAINED EARNINGS	\$0	(\$61,080)	(\$274,725)	(\$61,162)			(\$396,967)
TAX LEVY	\$83,069,019	\$6,364,189	\$152,563	(\$30,000)	\$13,109,500	\$1,747,000	\$104,412,271
TOTAL REVENUES	\$168,114,910	\$28,377,581	\$11,858,106	\$41,705,787	\$14,653,617	\$20,782,800	\$285,492,801
EXPENDITURES							
PERSONNEL COSTS	\$101,761,006	\$9,663,562	\$3,007,703	\$5,358,828			\$119,791,099
OPERATING EXPENSES	\$52,091,125	\$12,724,271	\$7,368,138	\$35,717,733			\$107,901,267
INTERDEPARTMENTAL CHARGES	\$13,325,129	\$5,076,748	\$1,482,265	\$629,226			\$20,513,368
FIXED ASSETS & IMPROVEMENTS	\$937,650	\$913,000	\$0	\$0		\$20,782,800	\$22,633,450
DEBT SERVICE	\$0	\$0	\$0	\$0	\$14,653,617		\$14,653,617
TOTAL EXPENDITURES	\$168,114,910	\$28,377,581	\$11,858,106	\$41,705,787	\$14,653,617	\$20,782,800	\$285,492,801

(a) Includes Contingency Fund.

THIS PAGE LEFT BLANK