

BUDGET OVERVIEW

A. Spending and Revenue Totals

The 2012 County budget increases the County's net property tax rate from \$2.73 in 2011 to \$2.87 for 2012. The levy increase of \$6.0 million increase does comply with the tax levy limit imposed by the State of Wisconsin which limits tax levy increases to the percentage change in equalized valuation attributable to net new construction, with legal exceptions for recent debt service.

	2011	2012	Amount of Change	% Of Change
Adopted Tax Levy	\$133,068,833	\$139,057,624	\$5,988,791	4.50%
Equalized Valuation	\$48,755,974,750	\$48,454,016,950	(\$301,957,800)	-0.62%
Property Tax Rate	\$2.73	\$2.87	\$0.14	5.13%

The budget authorizes total expenditures of \$476.0 million for operations in 2012, which are financed by \$293.3 million of outside revenues, \$42.6 million of county sales taxes, \$139.1 million of county property tax levy funds, and a fund balance decrease of \$1,091,181. The separate Capital Budget includes \$22.9 million for capital spending in 2012, which is financed by \$22.9 million of borrowing proceeds and outside revenues.

2012 Adopted Budget Summary

	Operating	Capital	Combined
Expenditures	\$476,027,118	\$22,882,412	\$498,909,530
Outside Revenue	\$293,266,455	\$22,882,412	\$316,148,867
County Sales Tax	\$42,611,858	\$0	\$42,611,858
County Property Tax	\$139,057,624	\$0	\$139,057,624
Fund Balance	\$1,091,181	\$0	\$1,091,181
Total Revenue	\$476,027,118	\$22,882,412	\$498,909,530

The combined capital and operating budget for 2012 of \$498.9 million is financed by \$316.1 million in outside revenues, \$42.6 million in county sales taxes, \$139.1 million in county property tax levy funds, and a fund balance decrease of \$1,091,181.

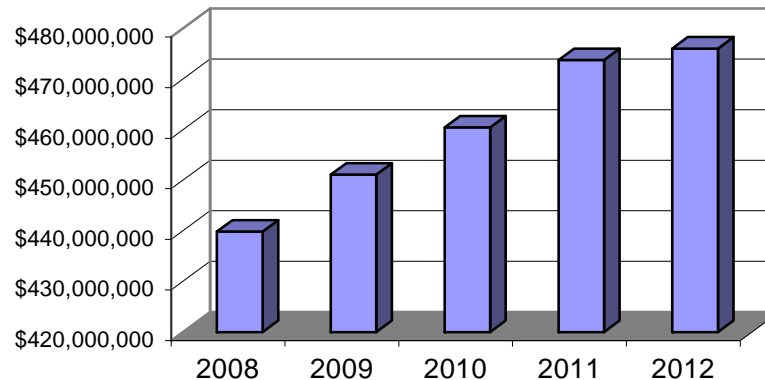
BUDGET OVERVIEW (continued)

The adopted operating expenditures for 2012 are a 0.48% increase over 2011. Over the past five years operating expenditures have increased an average of 3.79% per year. These increases include state and federal aid that pass through the County that are designated for clients of particular programs, such as Medical Assistance. These increases can be seen in the chart below.

Dane County Adopted Operating Expenditures 2008 to 2012

Year	Adopted Operating Expenditures	Percentage Change From Prior Year
2008	\$439,842,191	10.94%
2009	\$451,138,088	2.57%
2010	\$460,434,195	2.06%
2011	\$473,750,578	2.89%
2012	\$476,027,118	0.48%

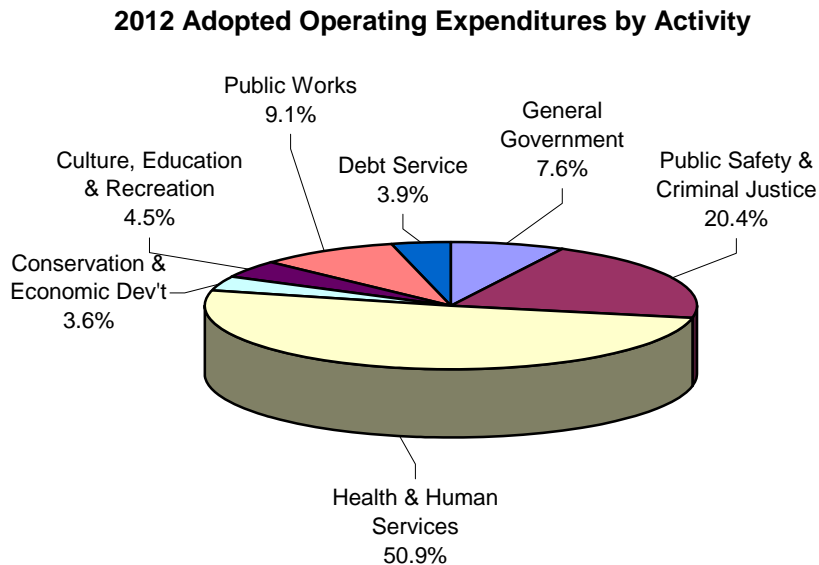
Five Year Average Increase 3.79%



BUDGET OVERVIEW (continued)

Like most local governments, Dane County's budget is established within funds. The Human Services and General Funds account for more than 76% of the total adopted operating expenditures for 2012. The next largest fund is the Airport fund, accounting for 4.7% of the total operating budget.

Dane County also arranges its departments within broad program activity categories, such as "general government," "public safety and criminal justice," "health and human services," and so on. As can be seen by the following chart, Health and Human Services expenditures account for more than 51% of the Adopted 2012 Operating Budget expenditures. The next largest percentage is Public Safety & Criminal Justice accounting for 20% of the operating budget.



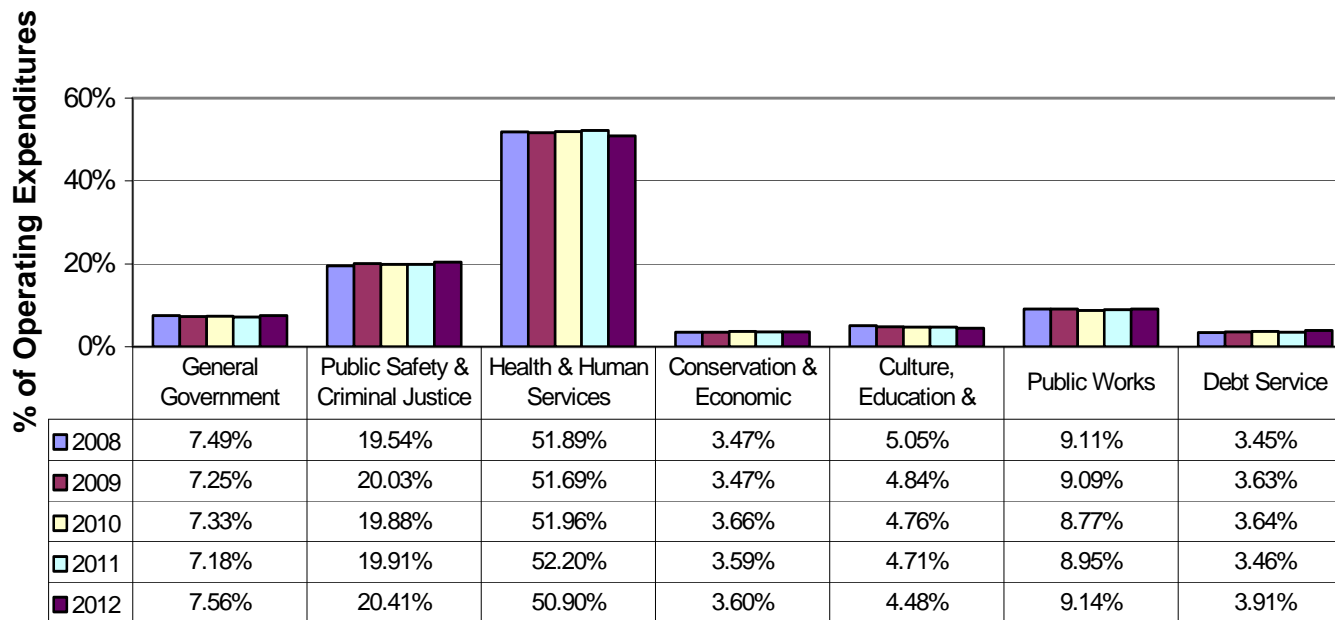
2012 Dane County Adopted Operating Budget by Fund

Fund Name	Budget	% of Total
General	\$146,113,148	30.69%
Bridge Aid	\$161,000	0.03%
DaneCom	\$272,360	0.06%
Board of Health	\$5,102,425	1.07%
Library	\$4,176,206	0.88%
Human Services	\$218,251,569	45.85%
CDBG Business Loan	\$175,000	0.04%
Commerce Revolving	\$1,264,700	0.27%
CDBG Housing Loan	\$914,800	0.19%
HOME Loan	\$602,930	0.13%
HELP Loan Fund	\$30,000	0.01%
Redaction Fund	\$391,300	0.08%
Land Information	\$722,100	0.15%
Capital Projects	\$60,000	0.01%
Debt Service	\$18,636,200	3.92%
Airport	\$22,253,150	4.68%
Highway	\$20,107,200	4.22%
Badger Prairie	\$18,414,950	3.87%
Solid Waste	\$7,774,700	1.63%
Methane Gas	\$1,133,000	0.24%
Printing & Services	\$1,217,700	0.26%
Liability Insurance	\$1,974,400	0.42%
Workers Compensation	\$2,302,500	0.48%
Employee Benefits	\$1,600	0.00%
Consolidated Food Service	\$3,974,180	0.84%
Total - All Funds	\$476,027,118	100.00%

BUDGET OVERVIEW (continued)

As the following chart shows, the distribution of total operating expenditures by activity has remained relatively consistent over the past five years.

Adopted Operating Expenditures by Activity 2008 - 2012



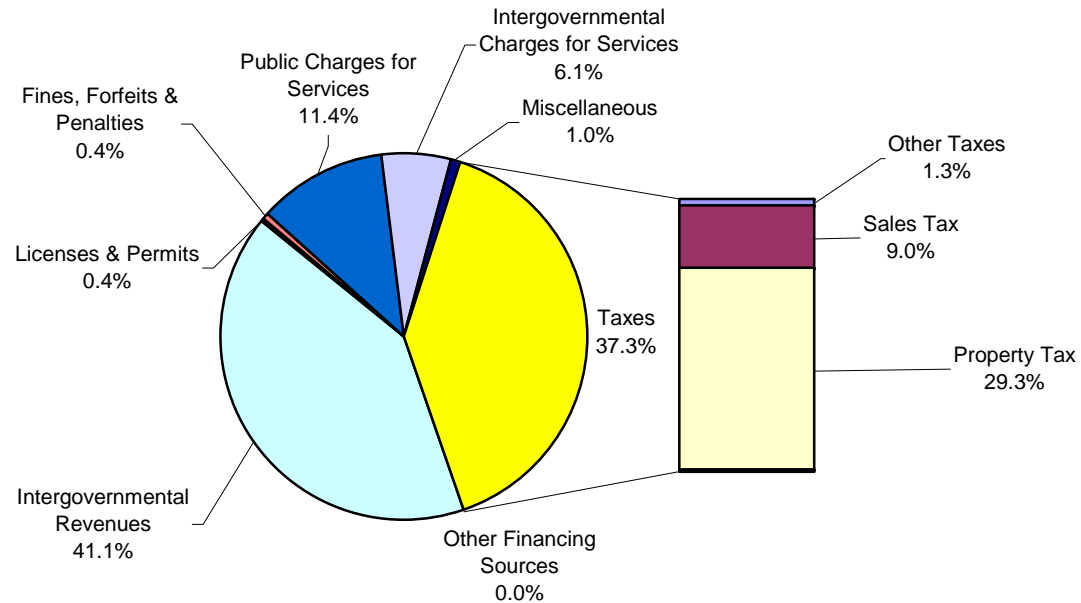
BUDGET OVERVIEW (continued)

Revenues are classified into source categories such as Taxes, Intergovernmental Revenue, Licenses & Permits, and so on. Intergovernmental revenues (federal and state aids, primarily) account for 41.1% of revenues, exceeding the combination of county property taxes (29.3%) and sales tax revenues (9.0%).

The Taxes category primarily consists of the County property tax levy and 0.5% sales tax on the sale, lease or rental of personal property that is subject to the State of Wisconsin sales tax. Licenses and permits revenue is generated by the sale of building permits, dog and marriage licenses, and public

health related permit and inspection fees. Intergovernmental charges for services are revenues received by the County for services provided to other governmental bodies or for services provided by one County department to another. Public charges for services are revenues received by the County for services provided to non-governmental entities. Fines, forfeitures and penalties represent revenue received from county ordinance violations, jail penalty assessments, and the County's share of State fines and forfeitures, and County parking ramp fines. Miscellaneous revenue consists primarily of interest income, vending and commissary income and the sale of recyclable materials. Finally, other financing sources represent contributions toward debt service payments by outside parties and debt service related operating transfers.

2012 Adopted Operating Revenues by Source Category

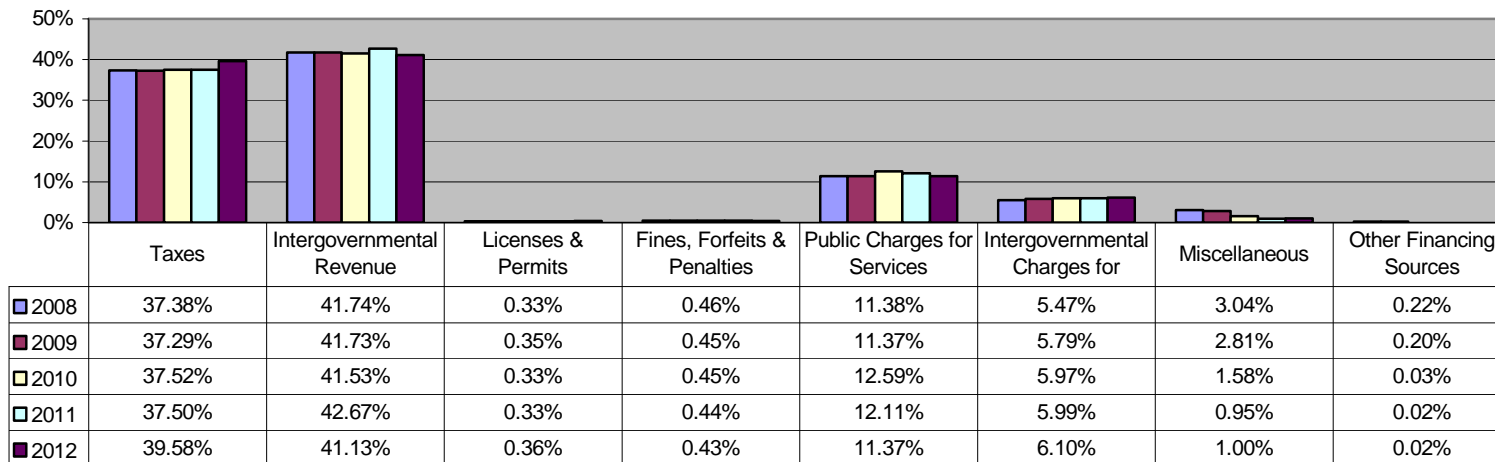


BUDGET OVERVIEW (continued)

As the following chart shows, the County's revenue mix by source category has remained relatively stable over the past five years. Most of the swings in 2008 are the result of revenue accounts being reclassified from one category to another.

Dane County Operating Revenues by Source Category 2008 - 2012

	2008	2009	2010	2011	2012
Property Taxes	\$ 113,877,907	\$ 119,150,454	\$ 129,820,385	\$ 133,068,833	\$ 139,057,624
Sales Tax	\$ 44,658,854	\$ 45,105,443	\$ 40,143,843	\$ 40,545,275	\$ 42,611,858
Other Taxes	\$ 5,809,000	\$ 5,007,000	\$ 5,124,255	\$ 6,356,600	\$ 6,331,600
Intergovernmental Revenue	\$ 183,513,594	\$ 189,417,168	\$ 193,790,699	\$ 204,745,941	\$ 195,326,346
Licenses & Permits	\$ 1,456,365	\$ 1,586,965	\$ 1,552,768	\$ 1,563,868	\$ 1,697,999
Fines, Forfeits & Penalties	\$ 2,033,800	\$ 2,058,400	\$ 2,117,400	\$ 2,091,800	\$ 2,037,000
Public Charges for Services	\$ 50,022,279	\$ 51,623,255	\$ 58,761,492	\$ 58,101,674	\$ 53,993,314
Intergovernmental Charges for Services	\$ 24,029,531	\$ 26,287,861	\$ 27,836,222	\$ 28,721,839	\$ 28,994,490
Miscellaneous	\$ 13,346,524	\$ 12,772,158	\$ 7,376,670	\$ 4,574,940	\$ 4,768,606
Other Financing Sources	\$ 948,800	\$ 923,800	\$ 117,100	\$ 117,100	\$ 117,100
	\$ 439,696,654	\$ 453,932,504	\$ 466,640,834	\$ 479,887,870	\$ 474,935,937



BUDGET OVERVIEW (continued)

B. State Imposed Tax Levy Limitation

Under Wisconsin statutes, county levy increases are limited to the percentage change in equalized valuation due to net new construction between the previous year and the current year. There are exclusions for levy increases from general obligation debt service for debt authorized before July 1, 2005, for debt authorized after July 1, 2005, and for the transfer of service provision between governmental units. Payments for library services and bridge aid are also excluded. The percentage change in net new construction for the 2012 budget is 1.007%. The Adopted 2012 Budget is in compliance with this limitation by setting the levy increase within the increase in net new construction and adjustments for debt service and other applicable exclusions.

C. Program Highlights

The budget focuses on key community goals and challenges associated with the county's continued high rate of growth. The key goals of the budget are to preserve vital human services and public safety programs while facing significant reductions in state aid, the most restrictive levy limitations in Wisconsin's history, and challenging economic conditions affecting key revenues. In addition, it improves the quality of life by protecting some of the County's most cherished natural resources.

Human Services

Human Services is more than half the County's budget. Key changes for 2012 include:

- ◆ Continuation of all the Joining Forces for Families (JFF) locations across Dane County.
- ◆ Create a new "Life Skills and Employment Initiative" through a new partnership between Operation Fresh Start, the Boys & Girls Club, the Urban League of Greater Madison, and Central Hispano to help minority youth develop important life skills.
- ◆ Fully fund all of the Youth Resource centers across Dane County.
- ◆ Creation of a new Court Diversion Unit in Human Services to increase the number of youth treated informally in Court by means of increased use of deferred prosecution agreements.

BUDGET OVERVIEW (continued)

- ◆ Funding for third party intervention services to help defendants who are eligible for deferred prosecutions make the right choice in an effort to reduce racial disparities in our criminal justice system.
- ◆ Funding to establish a mental health drop-in clinic.
- ◆ Funding for a new case management software for the Veterans Service Office.
- ◆ \$250,000 for a contingency fund within the Department of Human Services to protect against unanticipated state revenue reductions.

Public Safety

The Office of the Sheriff is the second largest share of the entire county budget. Other important components of the County's public protection and safety services are Emergency Management, Public Safety Communications, and Juvenile Court. Key changes for 2012 include:

- ◆ \$197,000 to fund a replacement vehicle and other equipment for the Medical Examiner's Office.
- ◆ Funding for the County's share of a new "Opiates Task Force".
- ◆ Continue to work with the Sheriff to seek efficiencies by closing the second floor of the Huber work release center and begin planning for a day reporting center and the possible closing of the Huber Center.
- ◆ Operating funding for the capital improvement projects in the Public Safety Communication Center.
- ◆ \$2,925,200 in funding for equipment and capital improvements for the Sheriff's Office.

BUDGET OVERVIEW (continued)

Environmental Protection

The 2012 Budget includes the following initiatives in the area of conservation, protection, and restoration of our natural resources:

- ◆ In the Capital Budget, almost \$2.0 million in the Conservation Fund for the purchase of land and development rights within the Dane County Parks & Opens Spaces Plan.
- ◆ \$3.4 million in the Capital Budget for a new Lake Preservation & Renewal Fund for acquisitions that improve the water quality of the Yahara River lakes and their tributaries.
- ◆ Initial funding to implement recommendations from the Yahara CLEAN initiative.
- ◆ Over \$2.4 million in the Capital Budget for the Land & Water Legacy Fund. Of this, \$2.0 million is for a program that cost shares municipal improvement of stormwater controls. Funding is also continued for stormwater controls, streambank easements and protection, and the water partnership grant program.
- ◆ \$500,000 to continue the Partnership for Recreation and Conservation (PARC) which will help provide capital assistance for local or nonprofit conservation projects that meet specific criteria.

In addition to these initiatives, the budget reallocates positions in response to workload needs and authorizes automation and operating capital to help make government more efficient in handling its responsibilities.

BUDGET OVERVIEW (continued)

D. Staff Changes

The Adopted 2012 Budget includes a total of 2,232.35 FTE positions. This represents a decrease of 15.40 FTE from the Actual 2011 position total. The Changes in Budgeted Positions schedule, at the end of this section of the document, includes a complete breakdown of all the position changes included in the 2012 Adopted Budget. The following table summarizes by the changes by Public Safety & Criminal Justice, Health and Human Services, and Other County Government programs.

<u>Function</u>	Change in All County Full-Time <u>Equivalents</u>	Change in GPR Supported Full-Time <u>Equivalents</u>
Public Safety/Criminal Justice	-4.20	-5.40
Health and Human Services	-8.70	-8.70
Other County Government	<u>-2.50</u>	<u>-0.50</u>
Total Change in County Positions	-15.40	-14.60

BUDGET OVERVIEW (continued)

As the following chart shows, the Public Safety & Criminal Justice related programs are the single largest percentage of County staff, making up almost 39% of the total FTE. The Health and Human needs programs make up the next largest share with 32%.

Dane County Staffing by Activity

