

# Waukesha County

## Budget Task Force

May 14, 2024



**Welcome to the...**

**2024 County  
Budget Task  
Force**

- 1** Welcome and Introduction

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- 2** Project Team Introduction

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- 3** Process and Responsibilities

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- 4** Level Set

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- 5** Group Exercises

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- 6** Session 2 Preview

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- 7** Adjourn

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# We are Raftelis

Helping local governments thrive

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Communications & outreach



Executive recruitment



Strategic planning



Data & technology

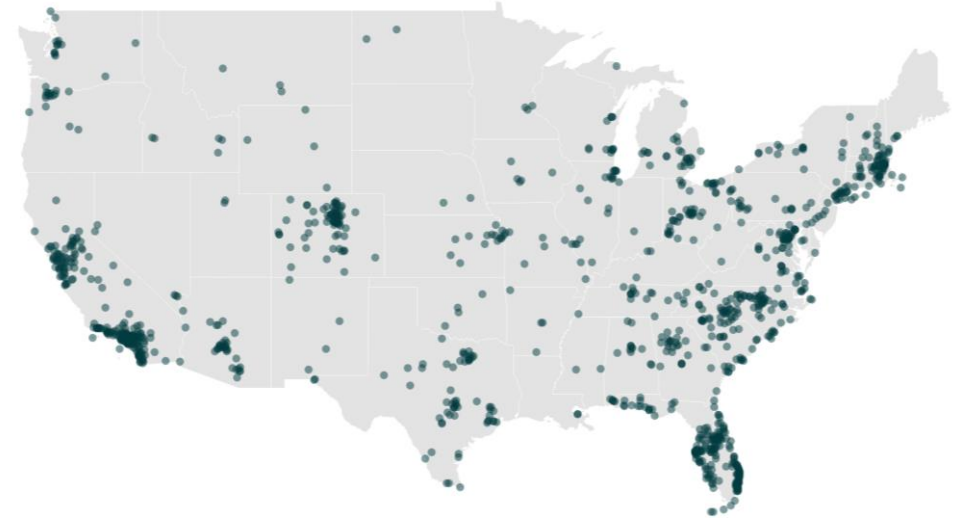


Organizational assessments



Financial planning

## National Experience



With more than...

**170+** consultants across the U.S.

Raftelis has aided more than

**1,700+** public agencies and utilities

# Your Facilitators



**Jonathan Ingram**  
Vice President



**Emily Uselton**  
Manager



**Matt Wittern**  
Manager

# meeting NORMS

## LISTEN *with* RESPECT

- LET OTHERS FINISH BEFORE *you* START
- BE ATTENTIVE to SPEAKER
- DISAGREE, AGREEABLY



## BE ...


- POSITIVE & REALISTIC
- CANDID & HONEST
- PATIENT & SELF-AWARE
- ENGAGED & FULLY PRESENT

**BOLD**

## STRIVE for CONSENSUS

- LOOK for OPPORTUNITIES to AGREE
- REMEMBER the POWER OF

**IF** **AND**



★ *have fun* ★

# Role of the Task Force

**1**

**Engage in Productive Conversation and Deliberation**

**2**

**There Are No “Wrong” Answers**

**3**

**Make Recommendation(s) to Policymakers**

# The solution is not complicated...



**Service Level Reductions**

**Revenue Generating Actions**

## But the decisions are hard.

# The solution is not complicated...



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**Service Level Reductions**

**Revenue Generating Actions**

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# Waukesha County

## 2024 BUDGET TASK FORCE TIMELINE

| <br><b>DEVELOP VALUES AND PRIORITIES</b>  | <br><b>SERVICE LEVEL REDUCTION SCENARIOS</b>  | <br><b>REVENUE GENERATING SCENARIOS</b>  | <br><b>PRESENT TASK FORCE RECOMMENDATIONS</b>   |
|--|---|---|--|
| <p><b><u>Major Activities</u></b></p> <ul style="list-style-type: none"><li>• Share fiscal context and build mutual understanding</li><li>• Work together to set values that will guide decision-making</li><li>• Understand Task Force priorities as it relates to core services provided by the County</li></ul> | <p><b><u>Major Activities</u></b></p> <ul style="list-style-type: none"><li>• Connect values and priorities to County resource allocation</li><li>• Share service level reductions that address the budget gap</li><li>• Work together to prioritize reductions</li></ul> | <p><b><u>Major Activities</u></b></p> <ul style="list-style-type: none"><li>• Recap service level reduction prioritization</li><li>• Present revenue-generating scenarios</li><li>• Work together to prioritize optimal scenario(s) that address the budget gap</li></ul> | <p><b><u>Major Activities</u></b></p> <ul style="list-style-type: none"><li>• Recap results of Task Force sessions that led to recommended scenario(s) to address the budget gap</li><li>• Present what Raftelis will share with the County Board of Supervisors</li></ul> |
| <b>Tuesday May 14</b>  | <b>Wednesday May 29</b>   | <b>Tuesday June 4</b>   | <b>TBD - June</b>  |

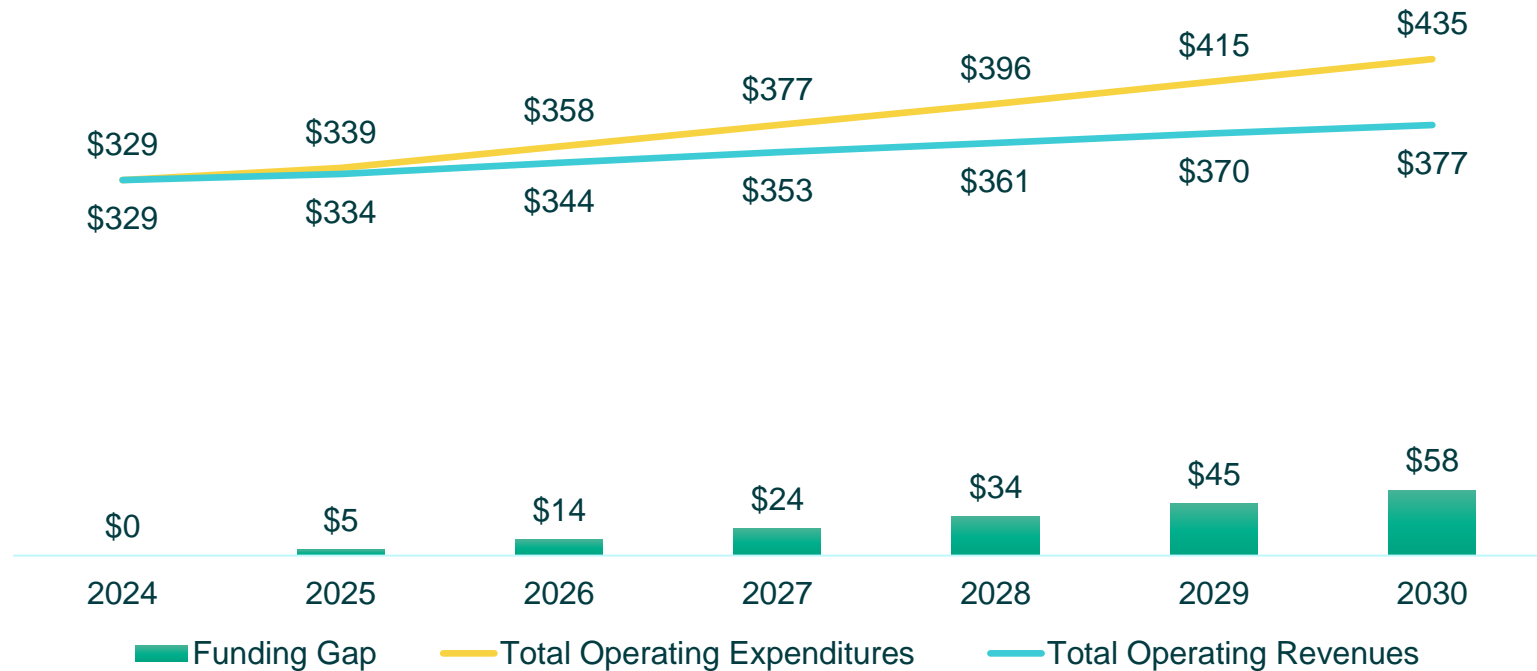
# Level Set



# Operating Budget Outlook

Absent policy action, the budget gap is expected to be \$5 million in 2025 and grow significantly thereafter.

Total Projected Operating Revenues and Expenditures Base Scenario (\$ Millions)



# Budgeting 101



**Driven by Revenue Estimates**



**Spending should align with  
Community Policy Priorities**

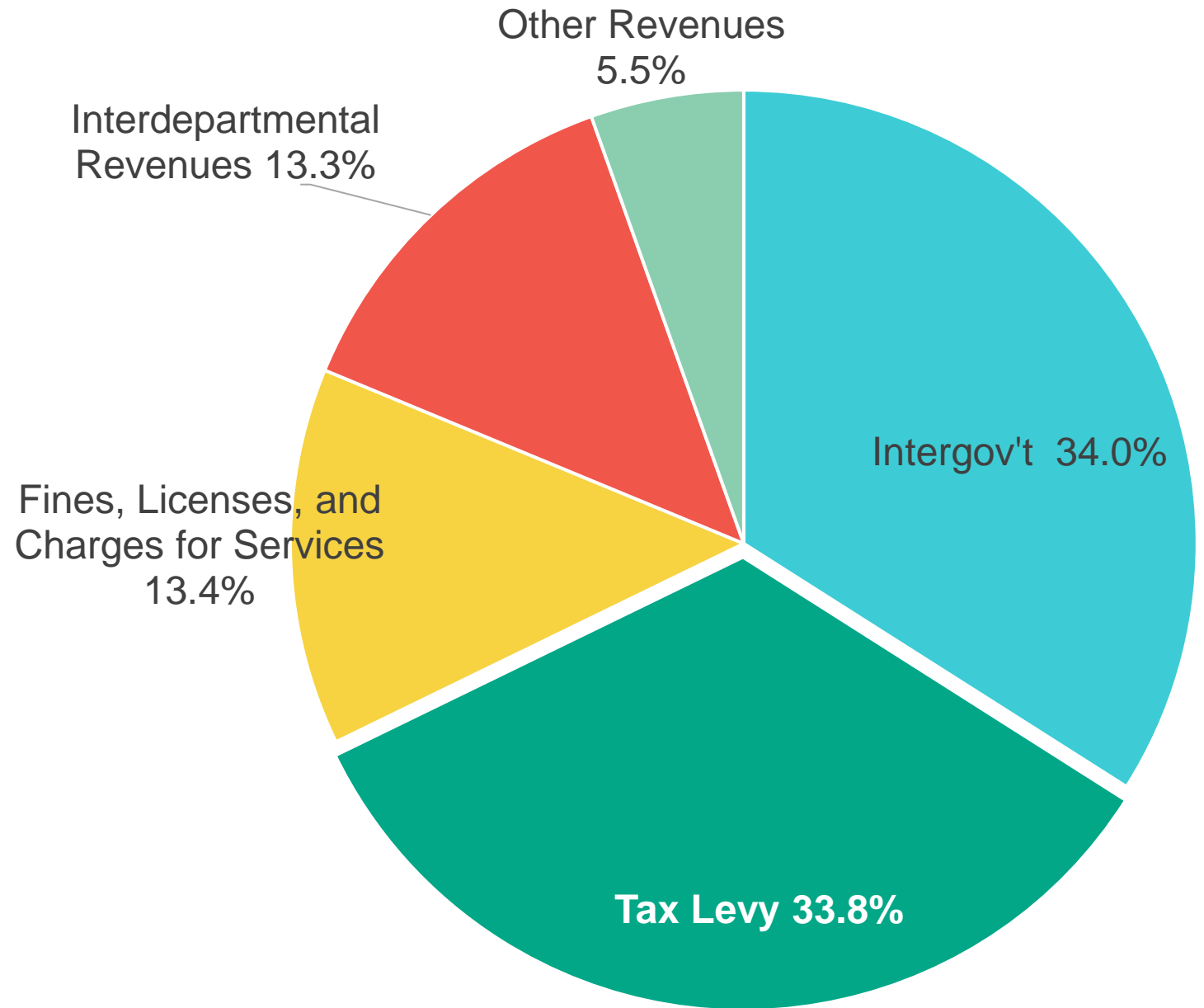


**Balanced**



# Revenue Sources

State revenue, the majority of which is restricted in use, is the largest source of revenue, followed by local tax levy.





# Fiscal Management Best Practices

- ✓ Strategic Plan
- ✓ Multi-year Forecasting
- ✓ Prudent Debt Management
- ✓ Responsible Reserves
- ✓ Cost Control Measures

# County Financial Performance Metrics

**Aaa / AAA**

Bond Rating

**5.8%**

2024 debt service to operating budget  
expenditure ratio

**11 Weeks**

Current reserves available to pay for  
working capital needs

**<5.0%**

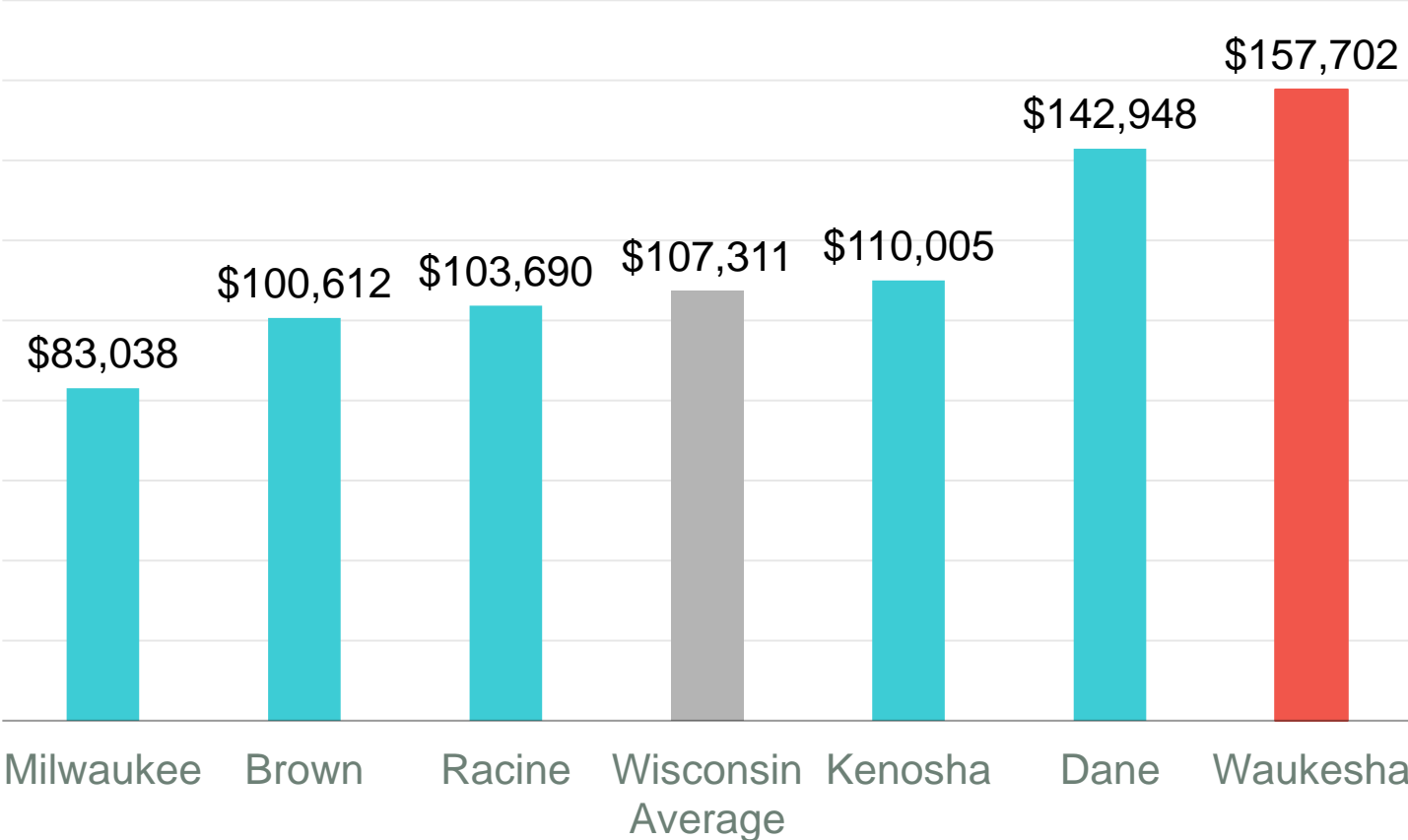
Historical average budget-to-actual  
variance

# Economic Impact



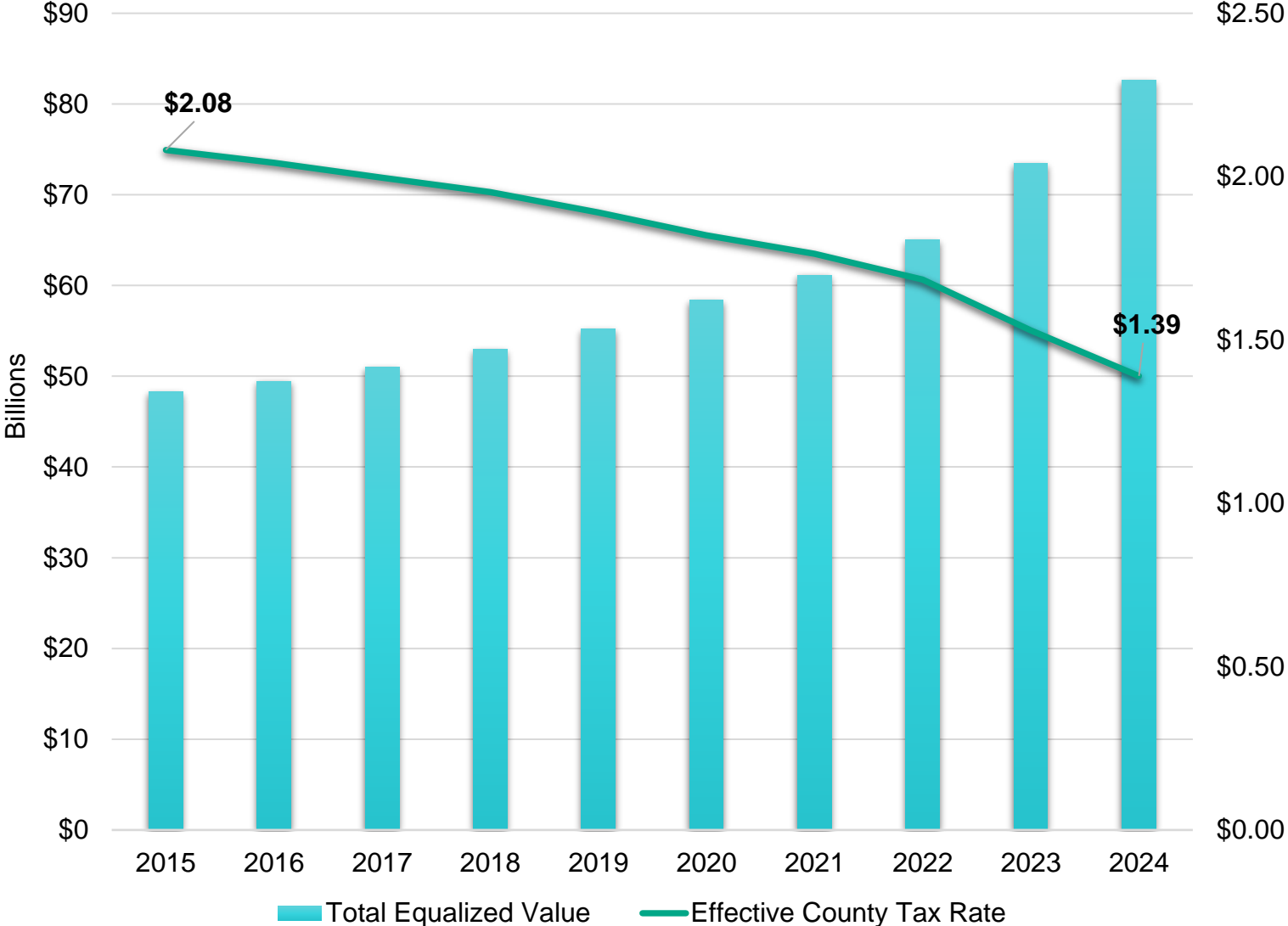
# Comparison of Assessed Value per Capita by County

Waukesha's real property assessed value per capita is approximately \$50,000 higher than the state average



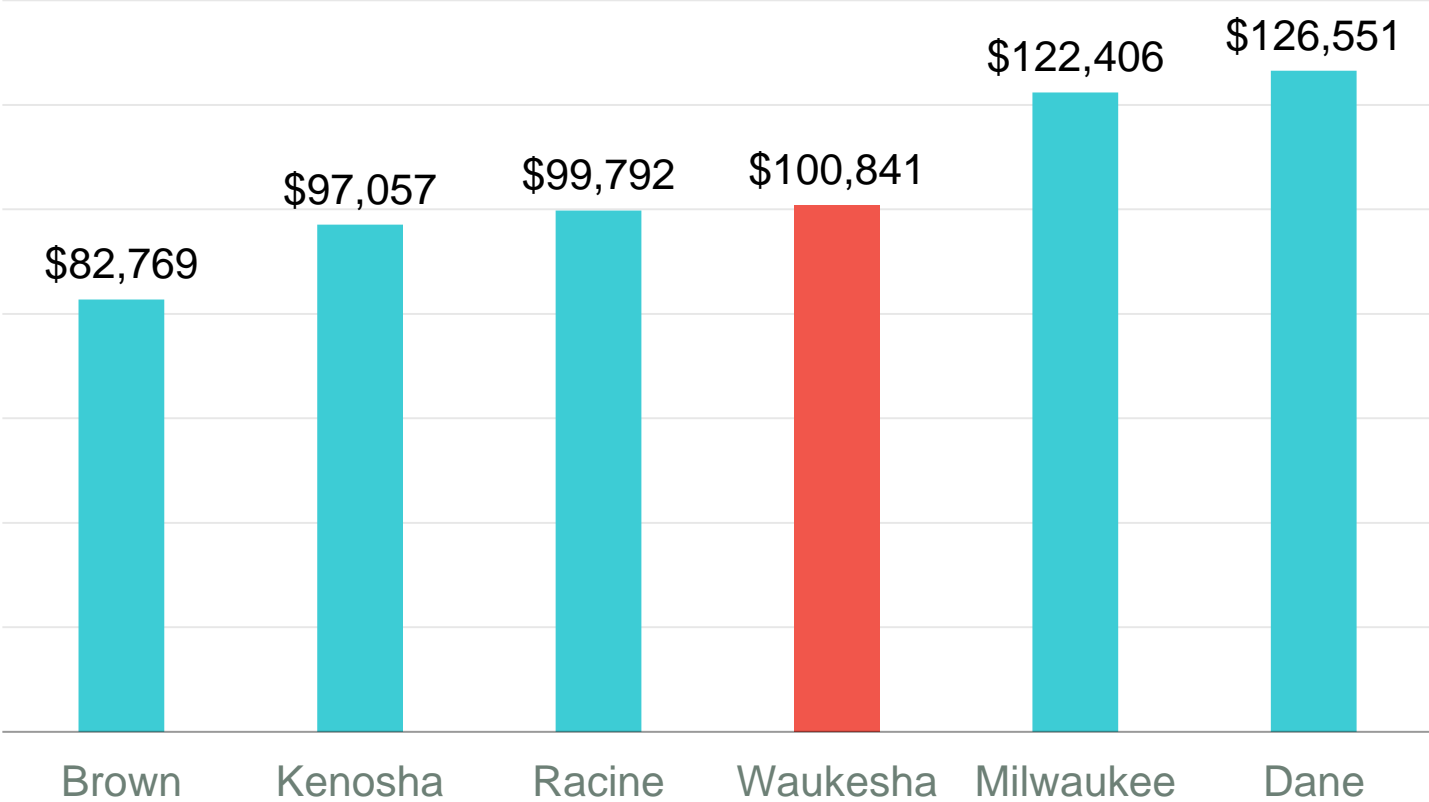
# Total Equalized Property Value (\$B)

Cumulative property value growth is 71% since 2015, compared to 14% for levy



# Comparison of Personnel Costs per FTE by County

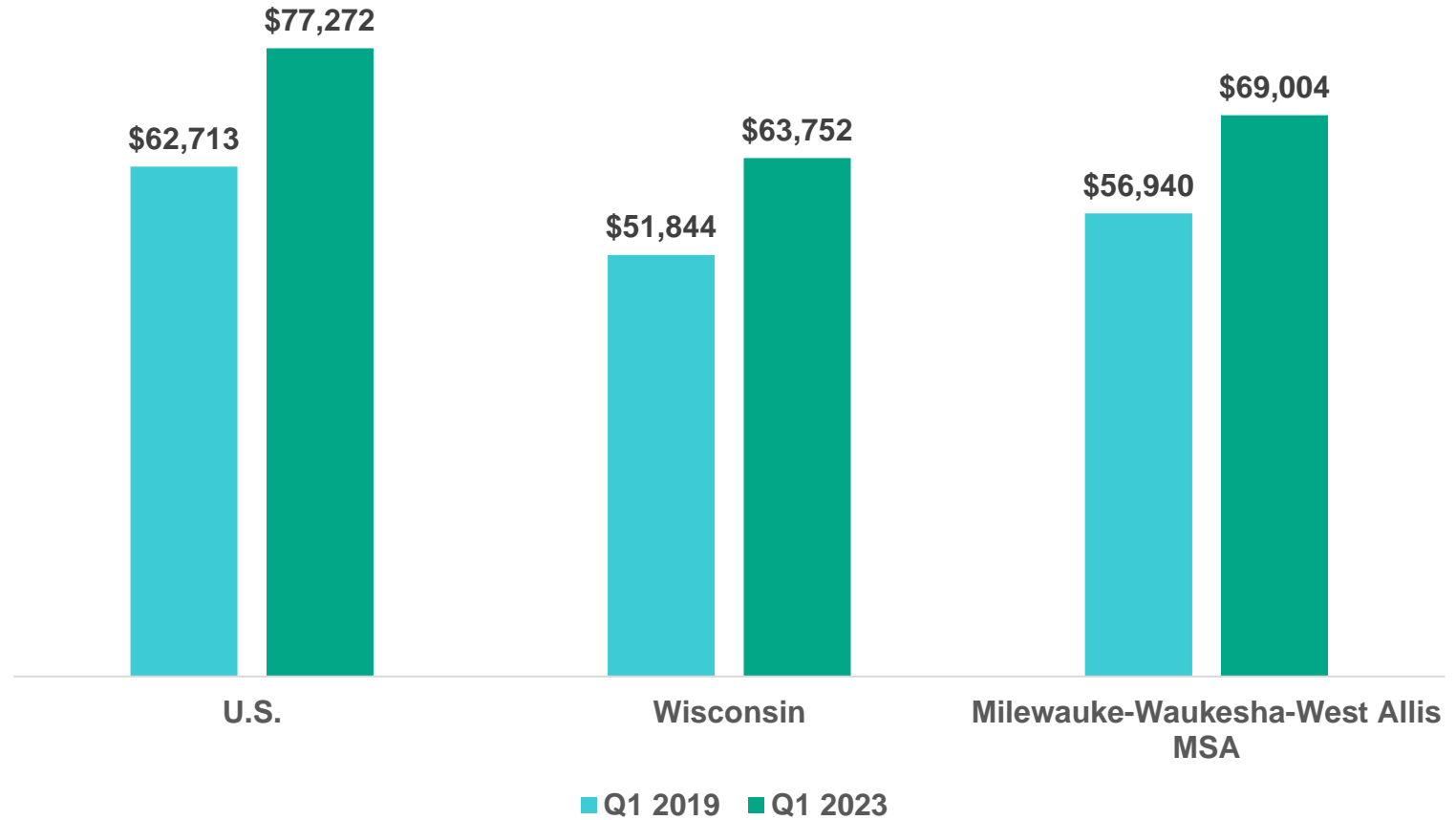
Waukesha budgets approximately \$101,000 per FTE in 2024, compared to a peer average of \$106,000



# Labor Market

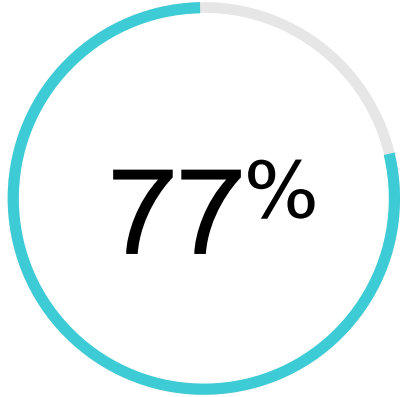
National and State wages grew by 23% over the past five years, slightly above the regional wage growth of 21%

## Average Annual Wages

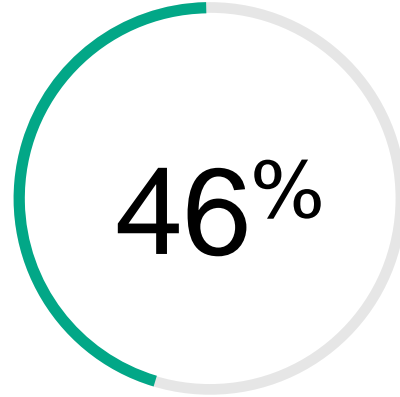




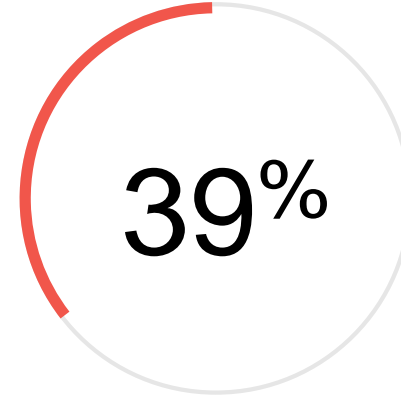
# People Deliver Services



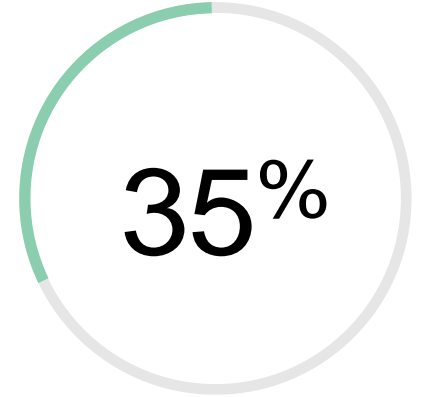
**Justice & Public  
Safety**



**Health & Human  
Services**



**Parks, Env, Educ &  
Land use**



**Public Works**

# Inflation

The cost to continue is impacted by inflationary pressure on everyday operating needs.

## Electricity

>11%

Rate increases the past two years for County facilities

## Road Salt

16%

Price-per-ton increase from 2019 - 2023

## Jail Medical Contract

25%

Budget increase from 2019-2024



*Expect spending to grow in line with, to slightly above, revenue growth **in the absence of policy action.***

**Fitch Ratings**

May 10, 2022

# VALUES

*Fundamental principles that guide decision-making*  
*Inform the “why” behind decision-making*

# List of Values

1. Customer Satisfaction
2. Fairness
3. Financial Viability
4. Fiscal Responsibility
5. Flexibility
6. Infrastructure Stability
7. Operational Optimization
8. Public Safety
9. Quality of Life
10. Sustainability
11. Transparency

# What's Missing?

- Discuss at your table what values might be missing from this list that should be included

# Report Out



# Discuss with your Table

1. What criteria will you use to select values?
2. What values best support the County's future?
3. What kind of County Government are you creating?



# Instructions

1. Each person will be given 5 dots
2. Vote your values
3. Facilitators report out results

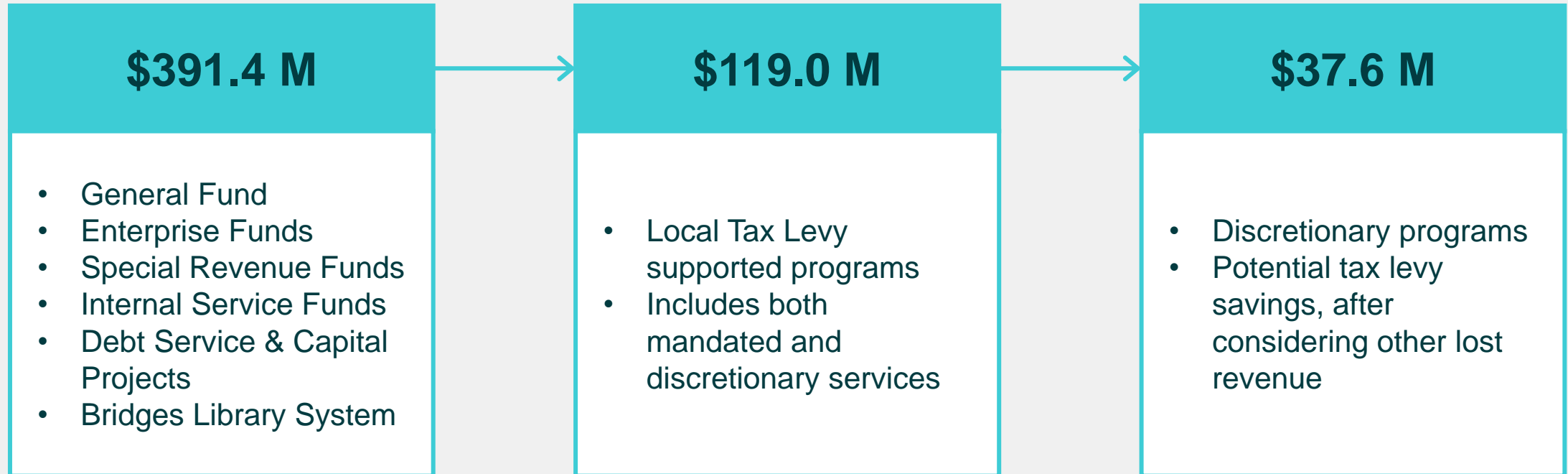
# List of Values

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_
- 4. \_\_\_\_\_
- 5. \_\_\_\_\_

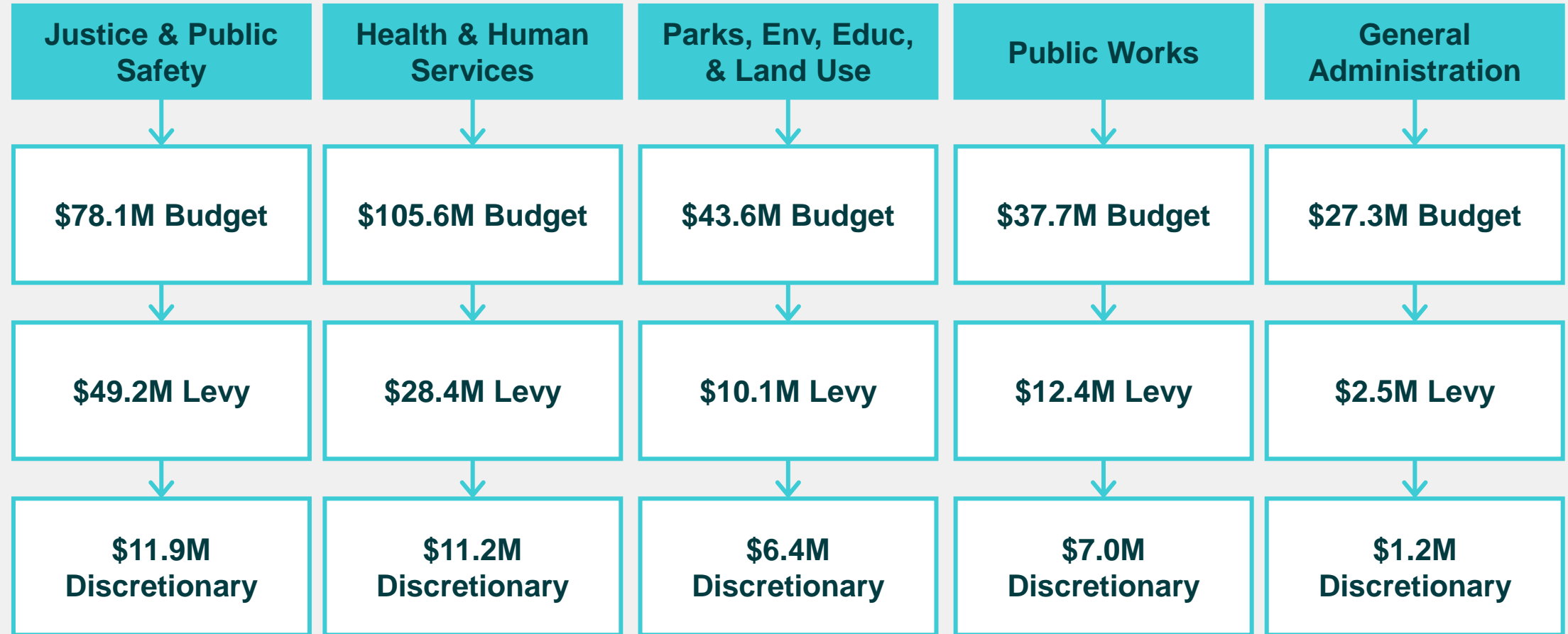
# Forging a Path Forward



# Scope of Service Level Reductions



# Functional Areas



# Priorities

*Core Services deemed the most important*



# Core Service Areas



- Infrastructure Development
- Corrections (Jail)
- Law Enforcement (Patrol Operations)
- Emergency Preparedness
- Economic Development
- Talent Acquisition (recruiting)
- Traffic safety
- Well-maintained roads (including in the winter)
- Support for vulnerable populations (elderly, disabled)
- Mental health support
- Substance abuse treatment
- Court operations
- Environmental protection
- Parks and open space
- Land use
- Debt borrowing
- Maintaining County facilities
- Employee benefits
- County-wide Communication
- 911 Communications
- Public Health
- Crime Investigations
- Drug prevention
- Grounds maintenance

# Instructions

1. Each person will be given 15 dots
2. Vote your priorities –
  - › 5 green dots for core services to enhance
  - › 5 yellow dots for core services to maintain
  - › 5 red dots for core services to reduce
3. Facilitators report out results



# Top Services to Enhance

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_
- 4. \_\_\_\_\_
- 5. \_\_\_\_\_

# Services to Maintain

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_
- 4. \_\_\_\_\_
- 5. \_\_\_\_\_

# Services to Reduce

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_
- 4. \_\_\_\_\_
- 5. \_\_\_\_\_