

**Sauk County, Wisconsin
2013
Final Budget Hearing**

County Board Review
November 20, 2012



Mission Statement

To provide essential services to the residents of Sauk County in a fiscally responsible manner that promotes safety, economic development, and stewardship of natural resources while encouraging the development of cultural, social, and community values that enhance human dignity.

What is a Budget?

- It is a policy document
 - Is reflective of the constituencies' desired type and level of service
 - Encompasses the unique flavor of the locality
- It is an operations guide
 - Provides direction on policy implementation in a detailed form

What is a Budget?

- It is a planning document
 - Embodies the mission, vision and goals of the organization
 - Incorporates strategic plan of the organization
- It is a communications device
 - Providing transparency
 - Providing accountability
 - Providing information to the electorate

The Budget Process

- Overarching, countywide strategic issue development in odd-numbered years with the Mid-Term Assessment
- Oversight Committee evaluation of:
 - Programs and Priorities
 - Department Specific Strategic Issues and Goals
 - Performance Measures
- Intergovernmental meetings with overlapping units of government
- The Finance Committee sets priorities and policies for overall budget development

The Budget Process (cont'd)

- Public input via committee meetings and on-line budget survey
- Departmental development of details based on public input, committee guidance, and funding and regulatory constraints
- The Finance Committee meets in late September to review and finalize for Board presentation and publication in October
- Supervisors submit budget amendments for consideration and discussion at the Finance Committee and Board.
- Adoption: November 20, 2012

Growth Rankings

- **Wisconsin**
 - The median age was 38.5.
 - The average household size was 2.42 people per household.
 - Among the state's occupied housing units, 68.1 percent were owned, compared with 31.9 percent that were rented.
- **Sauk County changes in Equalized Value (excluding TID increments):** \$6,122,665,400
 - 2.66% decrease, or -\$167,620,600
 - Loss is primarily in residential property (-4.07%)
 - It is expected that this trend is moderating – Federal Housing Finance Agency (Madison region), decline of -0.22% in House Price Index
 - 61% of valuation is generated from residential properties
 - 41% of the valuation comes from rural areas (towns)

Levy Limits

Two limits exist: Overall percent increase in actual dollars and the mill rate.

- **2011 Act 32 Levy Limit:** caps dollar increase to net new construction (0.533%), or 0.0%; whichever is greater.
- **1992 Limit:** caps mill rate at \$5.13.
- **"Allowable levy"**
- Exemptions were taken for debt service, library and bridge aids.

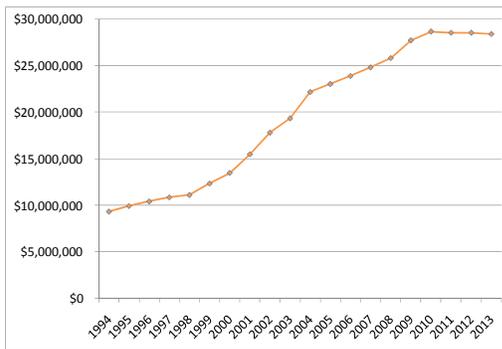
2013 Proposed Budget

- **\$142,597 decrease in levy dollars from the prior year, for a total levy of \$28,388,700.** This becomes the new base for future years.
 - **Unused capacity: \$549,945**
- **Mill Rate: \$4.64**
- **Total Percent Change in Dollars Levied: -0.50%**
- **Total Uses: \$75,728,034**

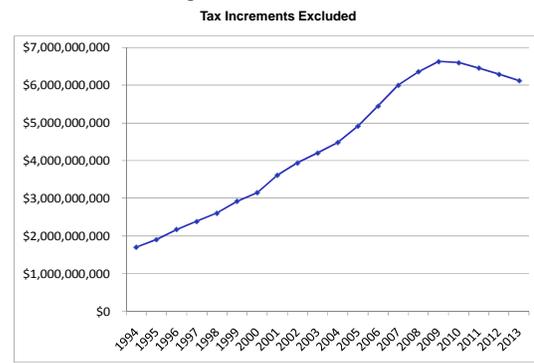
The levy rate limit is on our radar.

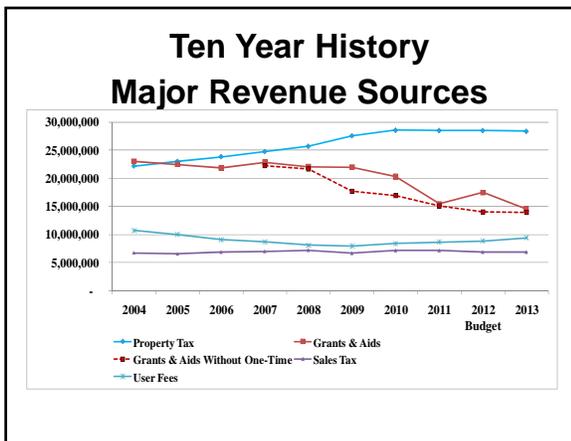
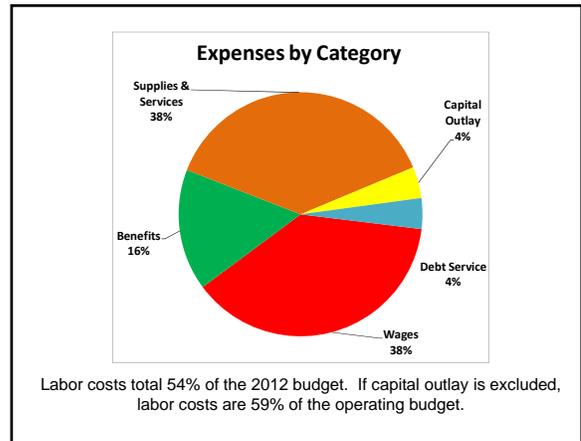
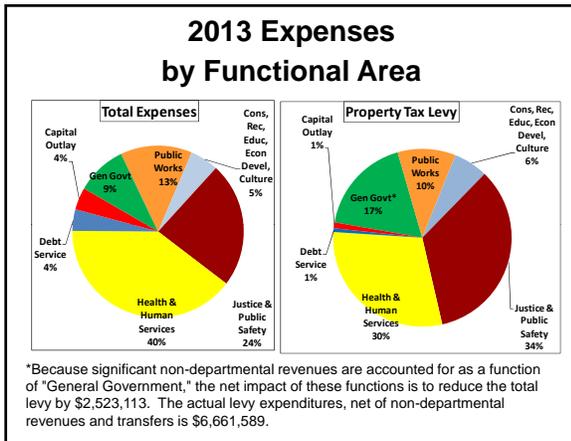
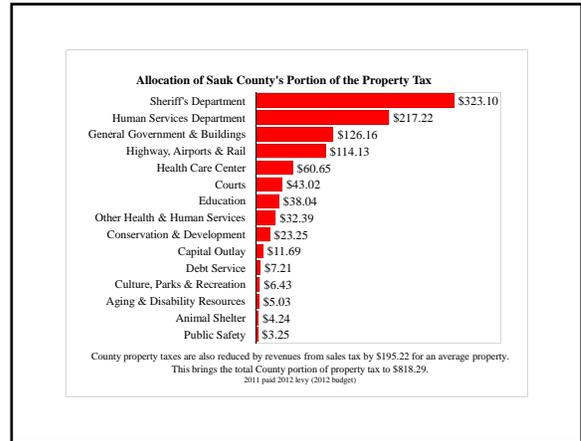
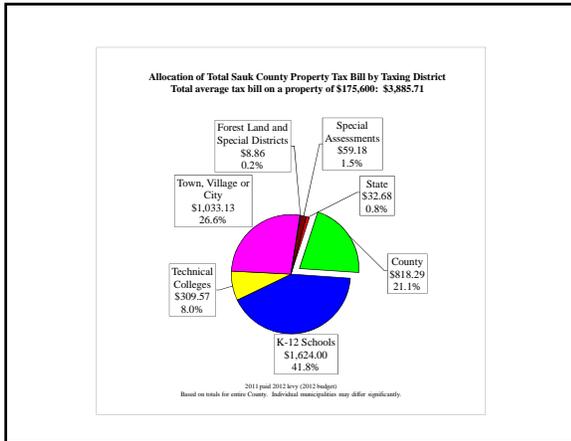
Levy Year	Budget Year	Projected Equalized Value (TID out)		Estimated Total Levy Dollars Based on Percent Increase Limit		
		% Change	\$ Amount	% Change	\$ Amount	Rate
2010	2011	-2.11%	\$6,458,351,100	-0.45%	\$28,531,297	\$4.42
2011	2012	-2.60%	\$6,290,286,000	0.00%	\$28,531,297	\$4.54
2012	2013	-2.66%	\$6,122,665,400	-0.50%	\$28,388,700	\$4.64
2013	2014	-2.50%	\$5,969,596,765	1.00%	\$28,672,587	\$4.80
2014	2015	-2.00%	\$5,850,206,790	1.00%	\$28,959,313	\$4.95
2015	2016	-1.50%	\$5,762,453,688	1.00%	\$29,248,906	\$5.08
2016	2017	-1.00%	\$5,704,829,151	1.00%	\$29,541,395	\$5.18
2017	2018	0.00%	\$5,704,829,151	1.00%	\$29,836,809	\$5.25
2018	2019	1.00%	\$5,761,877,442	1.00%	\$30,135,177	\$5.28
2019	2020	1.00%	\$5,819,496,217	1.00%	\$30,436,529	\$5.28
2020	2021	1.00%	\$5,877,691,179	1.00%	\$30,740,894	\$5.28
2021	2022	1.00%	\$5,936,488,091	1.00%	\$31,048,303	\$5.28
2022	2023	1.00%	\$5,995,832,772	1.00%	\$31,358,786	\$5.28

Property Tax Levy



Equalized Value





- ### Barriers & Savings / Opportunities
- Barriers:**

 - Stagnant and declining revenue streams; with minimal local control
 - Plummeting interest earnings – From \$2,047,729 in 2007 to \$136,958 in 2013
 - Shift in primary revenue for County operations to Property Tax – difference of \$10 million

Savings / Opportunities:

 - Reductions in operations will be needed in 2013
 - Health Insurance - aggressive bidding, plan design implemented in 2013
 - Future restructuring of operations
 - Review of non-essential programs will need to expand in 2013

Trends for 2013 and Beyond

- Revenue projections:
 - Declining equalized values in 2013 (-2.66%)
 - Continued flattening in equalized value growth and net new construction in subsequent years
 - Limited growth in sales tax
 - Continuing decline in grants and aids in mandated program areas
- The County will need to look for long term reductions in service as structural gaps emerge (efficiency measures, programmatic reductions).

Trends for 2013 and Beyond

- Labor contracts expiring at the end of 2013
- Message to constituency:
 - 2013 = Service Sustainability
- Programmatic evaluation and prioritization
- Restructure of operations
- Service reductions
- State has indicated that they will “continue to reduce the property tax”